



# Electronic Signature Deployment Options: How to Choose Between a Cloud and On-Premises Solution

As organizations make electronic signatures a strategic priority in 2010 and beyond, a growing number of solutions and deployment options are emerging, each with their own unique characteristics, business focus, and return-on-investment. Adding to the confusion is the buzz around ‘Cloud-Computing’ and ‘Software-as-a-Service (SaaS)’. These terms have practically become synonymous in the media with the “future of computing” and the “demise” of traditional on-premises solutions. This paper discusses the merits and limitations of the various deployment options that are available in relation to how well they meet an individual or organization’s business needs.



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### 1) LOCATION AND PROVISIONING

Before diving into the specific deployment options available for electronic signatures, it is first important to understand the terms being used today with regards to where an IT solution is located and provisioned.

#### Cloud Computing

Cloud Computing refers to a set of infrastructure and services that enables IT solutions to be accessed over the Internet. This environment seeks to standardize, virtualize and automate solutions in order to deliver maximum cost-savings. Rather than paying and maintaining the software, servers and hardware needed to run the application and store the data, organizations pay a subscription or transaction fee to a service provider. There are three types of services offered in a cloud-computing environment: Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS) and Software-as-a-Service (SaaS).

#### Software-as-a-Service (SaaS)

Software-as-a-Service (SaaS) refers to a business application that is delivered over the Internet as a hosted service, such as E-signatures, Customer Relationship Management (CRM), and Enterprise Content Management (ECM). A provider licenses the application as a service on demand through a subscription or a 'pay-as-you-go' model. SaaS is also sometimes referred to as 'software on demand'.

#### On-Premises

On-premises is a term used to refer to IT solutions that are deployed behind an organization's firewall. The organization absorbs the full cost of purchasing, installing, maintaining and upgrading all of the software, hardware and servers needed to run the application.

### 2) DEDICATED VS. SHARED.

While the location and provisioning of an IT solution has a large impact on time to market and budget, it is more important to consider the functionality provided by the solution and how well it meets the needs of the organization. Whether a solution is 'dedicated' or 'shared' will, to a great extent, determine the functionality of a solution.

#### Dedicated Instance

A dedicated instance of an IT solution is unique to the organization. It enables organizations to fully customize the solution for their exact requirements in terms of process, IT systems integration, branding and more. It provides the most flexibility and scalability, but it takes the longest to deploy because it requires organizations to clearly define their needs in advance and undertake the integration.

#### Shared Instance

A shared instance of an IT solution is similar to an off-the-shelf, software application in that it has fixed functionality and is shared by all organizations who use it. However, it is only available as a service in the cloud, and it offers limited customization using pre-defined process templates. It provides the quickest time to market

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with the lowest up-front investment because the functionality and process templates are ready to use upon subscribing to the service.

### 3) E-SIGNATURE DEPLOYMENT OPTIONS

The three main types of e-signature deployment options available on the market today are:

1. **Dedicated On-Premises**
2. **Dedicated on the Cloud**
3. **Shared on the Cloud (Software-as-a-Service)**

#### **Dedicated On-Premises E-Signature Solution**

Deployed behind an organization's firewall, a dedicated on-premises solution is the oldest and most mature type of electronic signature solution. The cost and provisioning of the servers, hardware and software fall to the organization, thereby requiring a one-time, up-front investment and an in-house IT team.

The resources required to adopt a dedicated on-premises solution is offset by the flexibility and control provided by the system. Because it is a dedicated instance of the solution, it is fully configurable and customizable to the organization's unique brand, business process, compliance and IT requirements. This means the solution can also be easily tailored for each sales or service channel. (i.e. web, call center, point-of-sale/service). It also gives organizations in highly regulated industries with stringent compliance and privacy requires complete control over where the servers are located and data is stored.

This type of electronic signature solution also typically provides a rules engine for automating the execution of transactions so that the correct documents and processes are used even when variations and exceptions occur. This is especially critical for highly regulated processes where automating compliance rules can help reduce risk. The system integrates with an organization's e-application that generates the correct documents, and then returns the signed documents at the end of the transaction to its back-office systems for further processing.

Because of the level of customization and configuration involved, this type of e-signature solution is typically longer to deploy but better suited for highly regulated and high-volume, repeatable transactions. Typical application areas include new customer acquisition, such as insurance, mortgage and credit applications.

A dedicated on-premises solution is typically available as an enterprise license. The licensing model makes it possible to anticipate precise costs over time and may provide a lower total cost of ownership, especially at higher volumes.

#### **Dedicated Hosted E-Signature Solution**

Electronic signature solutions are also available as a dedicated hosted solution. This type of e-signature solution provides the same level of customization and configurability as a Dedicated On-Premises solution. However, the cost and provisioning of the servers, hardware and software falls to the service or solution provider, thereby producing up-front time and cost-savings for the organization.

### **Locations & Provisioning**

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A dedicated hosted e-signature solution can be made available either on a public cloud or private cloud, depending on the organization's security and compliance requirements. Increasingly more cloud-based solutions are providing organizations with a choice with regards to where the servers are located and data is stored.

While this type of e-signature solution requires customization and integration, time-to-market is nonetheless reduced, making it an ideal solution for many.

Cloud-based e-signature solutions can be licensed on a transactional basis. The elasticity of this pricing model may offer cost-savings, especially for organizations whose peak volumes occur during specific weeks or months of the year.

### Shared SaaS E-Signature Solution

Electronic signature solutions that are delivered as a software-as-a-service offer the fastest time-to-market at the lowest barrier to entry because the signing processes come ready to go, right out of the 'virtual' box.

This type of deployment option is often referred to as 'multi-tenant', meaning that every organization that signs up for the service shares the same server, user interface, signing process, and storage device.

Because SaaS e-signature solutions are pre-configured, organizations have limited flexibility to customize the signing process and UI to their

unique requirements, nor can they automate the transaction from beginning to end to achieve straight-through processing. Documents must be manually uploaded, prepared for e-signing and filled in by the person originating the signing process.

The manual, person-driven process characterized by a SaaS-based e-signature solution makes it ideal for ad-hoc signing where people need to collaborate on the creation of documents, or for processes that do not require the level of integration, automation and security offered by a dedicated solution.

The servers providing the service may be located in one or more geographies around the world. Organizations that must comply with regulations regarding data storage, and that are considering SaaS should verify with the solution provider whether data can be stored in its geography.

Application areas well-suited to a SaaS e-signatures includes: Insurance policy delivery; real-estate documents, e-contracting, NDAs, sales agreements, SOWs, expense reports, and purchase orders.

A SaaS solution can be offered on a subscription or transactional basis.

### 4) HOW TO CHOOSE THE RIGHT SOLUTION FOR YOUR NEEDS.

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### Strengths & Limitations

Each electronic signature solution has its strengths and limitations. The right solution depends on your process and compliance requirements, your time-to-market needs, and your budget and personnel resources.



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The first thing you must determine is the level of customization that your organization requires.

- Are you looking to achieve a straight-through process where the transaction is system-driven rather than human-driven?
- Are your processes regulated and differ by geography? By channel? Are there many exceptions or variations to your processes? Do you need to automate the enforcement of compliance rules?
- Is integration with your front or back-office or other IT system required?
- Is it important that the e-signing process carry the same look and feel or user interface as your corporate website, product brand or e-application?

If you answered yes to any of the questions above, then you need a dedicated e-signing solution. You must then decide between an on-premises or hosted electronic signature solution.

- How quickly must you go-to-market or demonstrate proof-of-concept?
- What are your budget constraints?

- Do you have the IT resources and expertise to maintain and provision an electronic signature solution in-house?
- Must the server and data be stored in your geography in order to comply with industry regulations?

If you do not require a highly customizable solution and the data storage offered by the provider meets your compliance requirements, then a SaaS-based e-signing solution will likely fulfill your needs.

Use the quick reference guide below to further guide your decision:



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DEDICATED ON-PREMISES	DEDICATED HOSTED	SHARED SAAS
<b>SOLUTION CHARACTERISTICS</b>		
High volume repeatable transactions	High volume repeatable transactions	Lower volume ad-hoc transactions
Automated system-driven processes	Automated system-driven processes	Manual people-driven processes
Fully customizable process and user interface	Fully customizable process and user interface	Limited customization
Business rules engine to enforce legal and compliance requirements	Business rules engine to enforce legal and compliance requirements	Business rules enforced by users
Exceptions and variations handled by the system	Exceptions and variations handled by the system	Exceptions and variations managed by users
Integration with enterprise, LOB and back-office systems	Integration with enterprise, LOB and back-office systems	No integration required
<b>DEPLOYMENT FEATURES</b>		
Deployed behind a firewall	Deployed on public or private cloud	Deployed on a public cloud
Enterprise licensing model	Cloud economics	Lowest up-front investment
Perpetual license	Transactional fee	Subscription or user fee
Buy the software	No software to purchase	No software to purchase
Buy the hardware	No hardware to purchase	No hardware to purchase
Manage the infrastructure	No infrastructure to manage	No infrastructure to manage
IT resources needed in-house	Limited IT resources needed	No IT resources needed
<b>APPLICATION AREAS</b>		
Ideal for highly regulated, high-volume enterprise and cross-channel applications requiring straight-through processing (STP)	Ideal for proof of concepts, pilot projects, and achieving cloud-economics on enterprise deployments.	Ideal for SMB applications or independent sales channels that don't require STP or processes that require collaboration
New customer acquisition (insurance, mortgage, credit applications); customer / employee on-boarding; e-contracting;	New customer acquisition (insurance, mortgage, credit applications); customer / employee on-boarding; e-contracting;	Insurance policy delivery; real-estate documents, e-contracting, NDAs, sales agreements, SOWs, expense reports, purchase orders, etc.

Selecting the right e-signature solution for your organization doesn't have to be a daunting task once you get past the buzzwords, and determine how much customization you require and what kind of a budget you have to work with. The good news is that there are many e-signature solutions available on the market to choose from.



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### CONCLUSION

Selecting the right e-signature solution for your organization doesn't have to be a daunting task once you get past the buzzwords, and determine how much customization you require and what kind of a budget you have to work with. The good news is that there are many e-signature solutions available on the market to choose from.

As a leading electronic signatures provider for more than 18 years, Silanis offers a secure and feature-rich solution for each deployment category. Organizations can begin e-signing in one environment, and migrate the implementation to another deployment environment if and when needed. No other electronic signature provider offers this level of convenience and flexibility.

### Approvelt® Web Server On-Premises

This dedicated, on-premises solution goes beyond simple signing to execute, record and reproduce electronic transactions from start to finish, while providing organizations with maximum flexibility and scalability.

### Approvelt® Web Server Cloud

This cloud-based version of Approvelt Web Server offers the same features and flexibility as the dedicated on-premises solution, while delivering the economics of the cloud. The solution can be deployed either on a public or private cloud.

### e-SignLive® SaaS Services

This Software-as-a-Service combines the core e-signing technology from Approvelt Web Server with the online collaboration and social networking services from IBM LotusLive for a low monthly subscription fee.

### SOLUTIONS BY SILANIS

For more information on Silanis Technology's industry-leading e-signature solutions and to see examples of its work for leading enterprise clients, visit [www.silanis.com](http://www.silanis.com) or call us at 1-888-SILANIS (745-2647).