ASPs -- Application Service Providers

An ASP or Applications Service Provider provides software applications and hosting services to customers generally on a contract or subscription basis and from a remote server location using the Internet or a private network to reach the customer site(s). However, this straightforward model comes in many variations and belies the complexities of establishing an ASP relationship suitable for the academic environment.

Universities and colleges are beginning to look at ASP as a means of maintaining core administrative services, including personnel records and accounting systems, and shifting dollars from internal personnel and computing costs to annual service contracts. The model chosen depends upon the funds available and the degree to which services are to shift from within the institution to the outside provider.

Full-service ASPs provide the computing power, software systems, and trained personnel to cover all aspects of the areas to be covered. Entities which select an ASP are looking for fast access to core applications, lower total cost of ownership and operation, the advantages of best practice models, low investment in hardware, access to IT skills not easily maintained within the organization, predictable annual costs, and access to regularly upgraded applications. The rationale is that an ASP concentrates on these elements and thereby maintains a higher level of expertise and service, at a lower cost, than can be maintained by an institution internally.

The list of services available from an ASP can be extensive –

Access to price sensitive materials buying centers
Application maintenance and software upgrades
Business applications hosting
Data backup and recovery services
E-commerce management for web based sales
Electronic workflow analysis
Inventory control
Online help desk services
Online training materials and access to hardware and software expertise
Real time chat services with experts
Secure electronic transactions
Secure application servers within a virtual private network
Service level standards
Statistical reports
User identity control
Web site hosting with email, storage, and routing services

The ASP may also provide a targeted service rather than a full range. Application infrastructure providers (AIP) concentrate on the data organization and storage aspects of service and provision of such data to applications throughout the organization but not necessarily under the ASP contract. Independent software vendors (ISV) provide suites of software but rely on hardware and networking provided by the institution. Network services providers (NSP) manage the hardware
and software of a network but not the applications or data housed on the servers within the network. System integrators (SI) work with an organization to assure that data can be shared across multiple applications and the updates are coordinated among systems. Value-added resellers (VAR) bring services to an organization in bundled groupings to provide cost and maintenance savings beyond that obtained by individual purchases. Depending upon your perspective, all may be considered within the definition of an ASP.

Academic institutions will most likely look for ASP services for their business applications. The questions to be asked of an ASP provide a good understanding of why such services may be useful.

How are servers provided? Will servers shared with other ASP customers provide the security required while lowering the cost of server provision and maintaining the speed of access required?

Does the ASP ensure the security and scalability required by the growth of the applications use over time?

Has the need for data backup and disaster recovery been lifted from the institution and covered by the ASP?

Does the ASP provide VPN controls to maintain privacy and access speed?

Can ASP services be accessed through a standard web browser or is specialized client software installation required?

Where is the first line of support provided? Must initial support remain within the institution?

What services are supplied for profiling, software customization, implementation, and training? How will upgrade migrations be handled?

Where do the data and applications software reside? How dependent is the institution on connection to the Internet?

Will the institution receive the necessary usage statistics to evaluate ASP utilization and maintain organizational planning?

Are the services obtained from the ASP of a higher quality and at a lower cost than the same services maintained internally?

The overall ASP market is expected to grow by nearly 70% in the US by 2004 and by 121% elsewhere (interpath ASP Resource Guide 2000). Clearly the major target for this growth is for profit corporations. Colleges and universities have not, as yet, obtained ASP services in large numbers. However, as the cost of maintaining internal services grows and the ability to maintain the high salaries of IT professionals frustrates academic administrations, we may be seeing a growing movement toward ASP in academics.