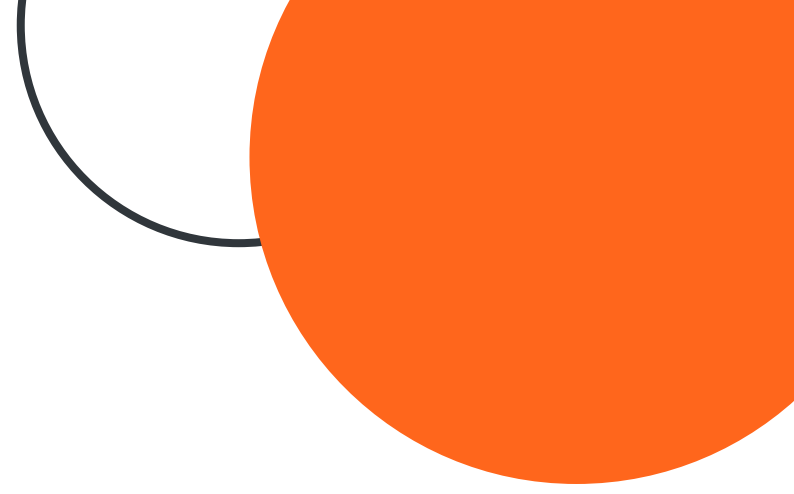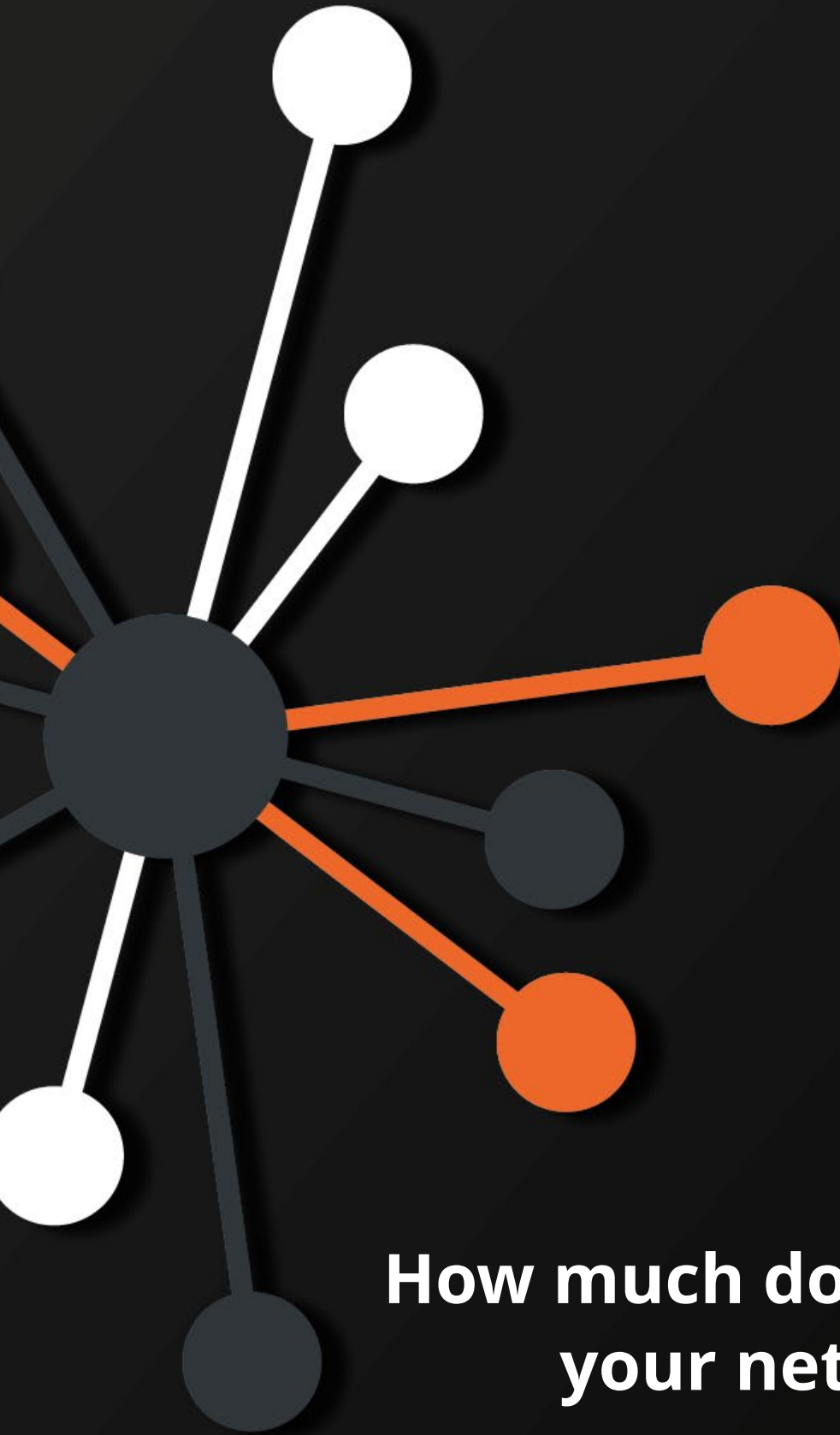# BESTPATH

How much does running your network cost?

Finding the data needed to compare on-premise with cloud options

The main arguments for switching to a cloud model are well known. The flexibility to scale up or down swiftly, benefit from the latest technology and economies of scale, and keep up-to-speed with network security measures are all very appealing.

But what would be the ongoing costs? And how do these compare with what your existing network costs to run?

Both business and technology factors must be considered when choosing whether infrastructure should be on-premise, cloud, or a mixture of both.

Does it make business sense to migrate to the cloud right now, or can an existing on-premise network be optimised and upgraded to make better use of resources?

"You need a plan, not just a credit card!"

Nick Bridgeman,
Managing Director, BestPath

Before making a decision on whether on-premise and/or cloud will be better for your business, a comprehensive cost analysis is essential. With some areas straddling multiple departments and teams, it may be a challenge to pull the necessary figures together. But not doing so could have costly consequences.

Here's a checklist of some of the key areas to review when assessing your costs:
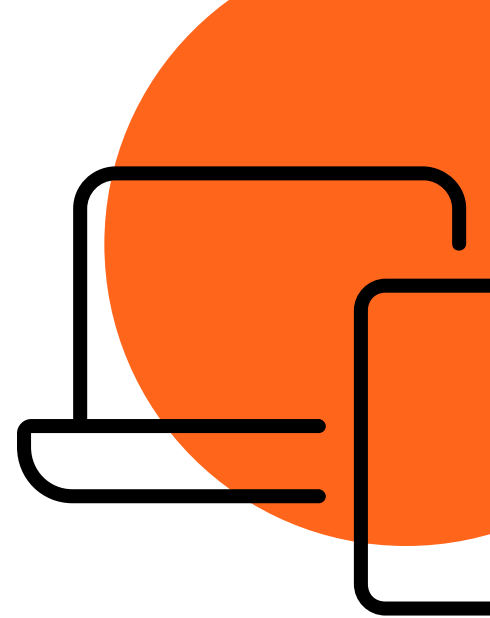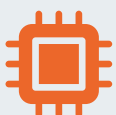
THE TECHNOLOGY

Hardware/Software Purchase £

Data center footprint ☐ ✎

Network and server infrastructure ☐

Software licences & upgrades ☐

Routine maintenance
(excluding staff costs) ☐

Security 🔒

Security products and licences ☐

Adherence to regulations and
certification ☐

Is your current infrastructure optimised?

✓ Review hardware and software lifecycles - is anything past its useful life?

✓ Check for resource overprovisioning - how much do you need?

✓ Do you stick to a routine maintenance schedule?

✓ Are you running the most up-to-date versions of firmware and software?

Hardware/Software Purchase

Technology is not a one-off purchase. Think about your replacement schedule when assessing costs to compare.

Security

Cloud providers have to consider a wider boundary for security than on-premise. The extra visibility creates a complex security challenge, but they aim to keep on top of the latest security threats.

THE PEOPLE

IT Support Team 🎧
a) routine maintenance activities
b) non-scheduled 24/7 support

What is the cost of downtime? ☐ ✏️

Cost of IT team, internal ☐

Cost of IT team, outsourced expertise ☐

Cost of on-premise security expertise ☐

Training costs ☐

Is your current infrastructure optimised?

✓ An on-premise support team needs a wide range of different skills. It may be more cost-effective to outsource at least some parts of the support team.

✓ Could you upgrade infrastructure at more cost-effective times? Traditional overnight upgrades may incur additional staffing costs, and testing may still be needed during the working day. Seek expert advice on scheduling upgrades.

❓ **IT Support**

Time is the most difficult element of the infrastructure costs to track. Costs are typically compartmentalised, so it can be challenging to find relevant total figures for the business.

To understand and optimise your processes, you may find it helpful to consider two areas separately:

(a) routine maintenance activities
(b) non-scheduled 24/7 support

THE PHYSICAL LOCATION

Location Costs 📍

Energy to run: ☐ ✏️
- Equipment
- Lighting
- Air conditioning units

Maintenance of air conditioning units ☐

Space: ☐
- Square footage rental
- Business rates

Buildings and hardware insurance ☐

Is your current infrastructure optimised?

Old infrastructure is less efficient and less sustainable than newer hardware, consuming more power and giving off more heat, increasing air conditioning costs and emissions.

✔ How old is your hardware?

✔ Are you minimising the amount of space to be air-conditioned?

Physical Location Costs

Remember to consider all costs associated with the location of data centers on-premise.

THE STRATEGY

Sustainability 🌱

What is your PUE?
(power usage effectiveness) ☐ ✎

What are your greenhouse gas
emissions? ☐

Scalability 👥

What is the cost of bolting on extra
capacity if needed? ☐

Contingency Planning ⚠

What would the cost be to extricate
your business from a proposed new
cloud or hybrid infrastructure secnario? ☐

What are the costs for your business
if a data center provider fails: ☐
- Trading losses
- Business continuity
- Further data migration

Is your current infrastructure optimised?

✔ Are you making the most
of sensor driven network
efficiencies through the use of
IoT enhancements?

✔ What emissions could you
prevent by upgrading your
data center?

✔ If time taken to install a server
is prohibitive, review your
processes.

BESTPATH

We're BestPath. The unsung heroes, working quietly and competently behind the scenes to inspire and empower our Fintech clients. Combining curiosity with innovation we deliver agile, secure and trusted network infrastructures that enable Fintechs to deliver exceptional services and outstanding customer experiences.

For a no-obligation chat on how BestPath can help you with a cost-effective network that's optimised for your requirements, contact us below.

linkedin.com/company/bestpath/

info@bestpath.io

+44 (0)203 879 4826