

# DATA CENTERS

Build VS Outsourcing

DBH SOLUTIONS. MARCH 2019

As businesses grow so do their data storage and processing needs. More often than not, this growth is accompanied by the need to ask (and answer) very specific questions regarding the data center needs of the business.

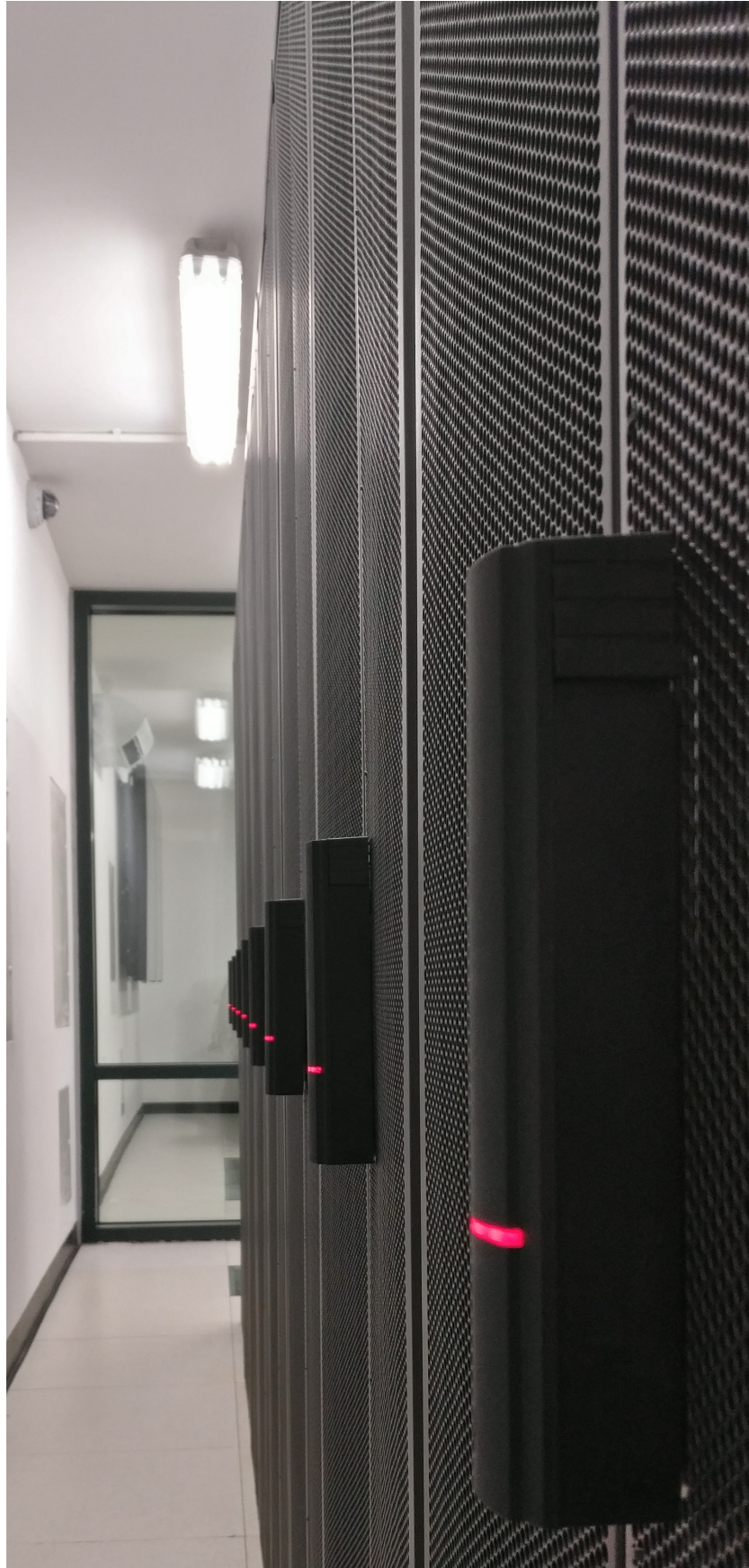
- **Should we build our own data center?**
- **Should we expand our existing data center?**
- **Should we outsource our data center needs?**

The choice depends on a host of factors which need to be carefully considered including

- Build cost
- 100% uptime cost
- Downtime cost
- IT staff cost
- Future expansion
- Flexibility

## BUILD

A business that chooses to build its own data center will have to bear all costs for hardware, software, infrastructure, power, cooling, data redundancy, administration and maintenance. It is a considerable investment and upfront CapEx. Also scalability tends to be an issue as additional growth will require additional infrastructure and physical space which will be limited as there is only so much future proofing that can go into the data center build. However, even though there are huge cost implications,



the business will have total control over almost everything from infrastructure to security of data.

## OUTSOURCING

By outsourcing their data center needs, businesses can avoid the huge CapEx investment required for a data center build. The collocation option allows a business to “rent” space from a data center service provider to house their own IT infrastructure e.g. servers, network attached storage etc. The data center service provider will provide physical space, racks, power and connectivity. Management and administration of the IT infrastructure is still the responsibility of the business. This can be challenging if physical access to equipment is required and the colocated data center is located far from the business. Should the business opt for the full outsourcing option i.e. use of a cloud service provider e.g. Amazon Web Services or Microsoft Azure then all data center infrastructure including will be provided by said cloud service provider. With this option businesses get access to state-of-the-art resource, expertise and first-class infrastructure without having to make large CapEx investments. Both outsourcing options are typically provided on a subscription and allow for scalability as the business just pay for more as it grows. Business will however rely on the data center service provider to properly secure their data.

# WHAT WORKS FOR YOUR COMPANY?

It depends. For smaller companies; SMEs, startups, outsourcing allows them to avoid the high initial costs and ongoing administrative and maintenance costs of an in-house data center.

For larger corporations who already have taken the plunge and invested in their in-house data centers – the answer is not so simple. A hybrid option, where the in-house data center is used for business-critical applications while they move less critical processing to the cloud is one option being adopted by a number of businesses worldwide.

## BOTTOM LINE

There is no one size fits all option as each business must evaluate its budget and specific needs i.e. data processing, storage, security requirements etc. to select the option that best suits your needs.

DBH Solutions is the leading Data Center solutions provider in the West African Market. If you are ready to answer these questions, our advisory arm, DBH Advisory helps businesses to evaluate their current needs and recommend the best course of action to support their growth. Our infrastructure arm, DBH Solutions, has designed and installed multiple data centers across the region, enabling our clients to drive innovation. If building a data center is your best option, our integrated solutions will assist your data center project from consultation to design and build to operations. Reach out to our team of experts to find out more information.

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