Pulsant

Location, Location, Location:

A strategic approach to workload placement for high-growth businesses

Guide

Modern business is digital

The working landscape we inhabit continues to undergo profound change. This shift impacts employers and employees, underscoring the need to welcome and adapt to new ways of working. The ability to swiftly adjust and pivot in business operations can be the difference between failure and long-term success.

Organisations must successfully navigate a complex landscape of placing technology infrastructure in the right place to deliver the maximum impact. Distance to data and digital infrastructure has become a source of competitive advantage. Leading organisations are now reframing what it means to have a physical presence, moving beyond shared offices to a more refined strategy.

This guide offers a series of practical points to ensure organisations have the right workload managed by the right resources in the right place to yield the biggest impact and growth.

Leading organisations are now reframing what it means to have a physical presence, going beyond shared offices to a more refined strategy

The serviced office challenge

8% growth

per year for serviced offices during 2022-2027

Amidst recession and post-COVID work patterns, businesses are understandably reluctant to invest in extensive, dedicated offices and premises. The prevailing economic challenges in the UK have prompted nuanced discussions about where people work and how digital resources are accessed—issues which significantly impact businesses' strategies for survival and growth.

As a result, businesses are exploring alternative solutions; often migrating to serviced offices, in order to avoid hefty capital expenditure and scale offices and premises as the business itself grows.

Commercial property specialists Lambert Smith Hampton cite Mordor Intelligence forecasting: "that the UK market will grow by 8% a year during 2022-27, but growth rates are likely to vary between regional cities."[1] Elsewhere, Savills reports an 'exceptional rise in demand' for UK flexible offices, pointing out not only that such demand is increasing prices by 15 per cent but that enquiries are up 17 per cent[2].

Return to office strategies are driving this growth. In a recent analysis of the US market, the CBRE noted that:

> "The most successful HQ relocations result from comprehensive workplace and location strategies that leverage qualitative and quantitative research. This includes evaluating strategies to optimize space utilization, foster productivity and support corporate culture[3]

[1] At your service | LSH
[2] Spotlight: UK Flexible Offices – Summer 2023
[3] The Shifting Landscape of Headquarters Relocations: Trends and Outlook | CBRE

However, issues are already beginning to arise, especially for UK, high-growth companies.

These challenges go beyond the inability to display branding or unexpected printing charges. Serviced offices are rarely equipped to deal with specialist IT demands and the infrastructure and connectivity they offer simply does not compare to a dedicated data centre, especially with regards to connectivity options and data management.

Consequently, businesses report that they face challenges using their own technology or that there is inadequate business continuity, such as the provision of power.

For businesses looking to grow rapidly, serviced offices can also impose limits on the room to scale IT infrastructure—the office operator often needs to prioritise space for offices and desks, storage, and other demands.

There are also physical and technical security concerns. By their very nature, serviced offices are shared, and IT infrastructure is particularly vulnerable because of the free access to those sharing the building. There is typically less physical security than in a data centre, and staff on site are not as trained in security considerations. Technologically, serviced offices use less secure connections to keep costs low, further increasing the exposure to risk.

Businesses understand that serviced offices can force them to relinquish control over technology, systems, and the subsequent processes. In a drive to reduce costs and become more efficient, businesses face restricted growth.

To successfully navigate this challenge, businesses must develop a strategy that puts each resource where it best delivers a return, harmonised into a unified direction.

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Going beyond 'where' and pulling it all together

Paradoxically, the technology that has meant we can access anything from anywhere, has only recently embraced its own freedom. Fuelled by digital transformation, COVID and AI, businesses have looked to free data, processing, and applications from the challenges of being fully on-premise or 100% cloud.

Instead of being limited by a physical location, these businesses recognise the value in carrying out any given workload based on where and how it will be done best to enter new markets, improve service delivery or enhance operations.

These leading businesses have embraced a portfolio approach that creates an ecosystem of infrastructure options. Gartner reports that by 2025, 85% of infrastructure strategies will blend colocation, cloud, edge and on-premise.

For high-growth businesses, this strategy is particularly attractive. Improvements to connectivity, scalability, security, sustainability, and resilience have long been cornerstones of a business case for colocation. The objectives of cost savings, improved visibility into the business and agility are table stakes.

But when a business grows, these factors interact, demanding a sophisticated response. For example, if a business is outgrowing a legacy in-premise strategy, or undergoing aggressive growth in multiple locations, it does not want to move its infrastructure with every move or opening of a new facility.

Addressing such a diverse array of (potentially conflicting) objectives demand a sophisticated response.

Just as a smart, hybrid working strategy for staff, can enable flexibility to improve productivity, then a blended use of cloud, colocation, and even private data centres, can ensure data security and speed, alongside resilient technology. Nuance matters here: for example, in order to enable the data speed needed to exploit real time possibilities, regional data centres can keep latency low and availability high.

The final piece of the puzzle is to orientate all these moving parts into a single direction to create cohesion.

To do this, businesses can start with five simple steps:

1. **Establish what the data** is going to be used for and thus, the primary attributes in successfully managing it. Is speed of access the top concern? Or confidentiality? Or real-time analysis? Consider scalability, business continuity and disaster recovery.

2. **Define the technologies** that will most effectively serve these key purposes. Technically, this means assessing space, power, cooling, and connectivity requirements and accounting for data volume, bandwidth, and downtime.

3. **Find and connect** with suppliers in those spaces that are prepared to become real partners. In a digital, data-driven age, the software and infrastructure a business is built on, matters. Tour facilities and develop service level agreements (SLAs).

4. **Develop a detailed migration plan** that anticipates delays and establishes clear definitions of success. Install and configure hardware to achieve this, spanning routers, switches, firewalls, load balancers and virtualization platforms and hypervisors if applicable.

5. **Keep an eye on the future:** embracing data and taking steps towards managing and optimising it, typically accelerates growth for a business. As such, businesses must ensure that any strategy to put the data in the right place now, does not mean it is in the wrong place tomorrow.

[4] us-enabling-the-data-center-of-the-future.pdf (deloitte.com)

An infrastructure for cohesion

Pulsant created the UK's edge infrastructure platform, platformEDGE, which brings nationwide, next-generation edge infrastructure to the regions. We have invested more than £100 million in connecting our portfolio of twelve data centres with a low latency backbone that delivers the highest performance in both primary and failover states.

Our data centres act as local hubs not only offering local presence but also a national presence with connectivity and hybrid cloud options for unparalleled opportunities for growth.

We have invested so heavily in our data centres across the regions because immediacy is a vital aspect of making these strategies a success—be it closeness to talent, short distances to accelerate and secure data, or proximity to ensure technology is able to perform.

Going regional can, of course, introduce its own challenges and advantages. These may include different skills availabilities, supplier ecosystems, even how the 'hangovers' of how different regions adapted to COVID might have shifted expectations.

We understand these regional differences because they are the very foundation of Pulsant. Our core focus is to enable enterprises across the UK to place data, infrastructure and resources exactly where they need to be in order to yield a maximum return to the business.

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Considering colocation?

Answers to the most common questions we are asked about when migrating to colocation:

1 Is the on-site environment cost-effective?

To be cost-effective, an environment must afford robust, fast, resilient connection and power. Costs must be both predictable and manageable.

If any of these areas fall below expectations, it is worth considering alternatives.

2 Will that environment remain cost-effective?

Future cost increases are unpredictable. For energy-hungry servers, in constant use and need of cooling, this can be a big issue.

Colocating servers into a dedicated facility means a business knows what it pays and when. Optimising energy becomes the data centre operator’s issue.

3 What will be the operational improvement of a move to a new environment?

Security and scalability define the operational readiness of any data environment.

The physical and cybersecurity of a facility can quickly become a full-time role. For businesses using colocation, this becomes an issue for their data centre operator, freeing in house IT teams to deliver strategic value to the organisation.

Similarly, as a business grows, it often needs modern technology infrastructure resources quickly adding to its portfolio. Handling this ‘in-house’ can be lengthy, expensive and resource-draining, whereas colocation can offer increased storage, connectivity or power ‘on-demand’.

4 Can we get a positive return on investment?

The right environment enables a business to drive maximum value from its assets. Data centres mean that the hardware can be optimised operationally. So remote, or hybrid, workforces get more done.

Simultaneously can reduce the need for office space or enable it to be redeployed more effectively.

But data centre space is finite. As businesses create more data and take more data centre space, costs will increase. If a business is looking to maximise the cost-effective use of colocation, the clock is ticking.

The UK's
Edge Platform

Our regional network of 12 edge data centres offers access to a unique range of connectivity options and a private, highly resilient network, delivering a nationwide footprint, all accessible through our integrated solution—platformEDGE™

Colocate your workload and data precisely where you need to, adapt your capabilities and scale as you grow.

Get started today
pulsant.com/colocation

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