



Weighing Your Outsourcing Options: Colocation or Managed Hosting?

Outsourcing the responsibilities around your IT infrastructure can provide the traditional benefits of lowering costs and re-directing resources; however, like many organizations, you may be asking, "How far do we go?"

Is eliminating the concern and constraints placed on the physical data center facilities sufficient, or could you benefit from relieving additional pressures and constraints experienced by your IT department?

Colocation Versus Managed Hosting

Although Colocation and Managed Hosting share some characteristics and benefits, they are two very different options and warrant a detailed definition.

Colocation

Colocation is a physical facilities option for your IT infrastructure. Under a Colocation scenario, your IT assets are placed in a service provider's facility (next to or "co-located with" the assets of other organizations), giving you the ability to take advantage of shared power connections, HVAC systems, physical security and redundant architecture. You essentially lease space for your IT assets while maintaining ownership and control of those assets. This option allows your company to expand quickly, bypassing the time it takes to design and construct a new data center, while conserving capital.

Managed Hosting

Managed Hosting extends the benefits of Colocation by eliminating the responsibility for maintaining both a physical facility and the IT infrastructure. The acquisition and maintenance of all core computing and network assets (servers, switches, storage and firewalls) become the

responsibility of the service provider, and you are only tasked with maintaining your business applications. The ongoing routine oversight of the core IT infrastructure is transferred to the service provider which, in turn, minimizes the responsibility of your IT staff and allows for re-deployment of those resources to other areas of the business. These questions will help steer you toward a solution that serves your current needs.



"Is your organization willing to relinquish some control over the facilities that house and/or the assets that define your IT infrastructure?"

No.

If your answer is "no," then there is no need to proceed. The internal mindset must be receptive to the idea and the potential benefits that these solutions offer. In order to capitalize on the inherent value of these solutions, you must be willing to accept the transfer of responsibilities and allow the service provider the ability to execute them.



Yes.

If the answer to the initial question is "yes," the following core questions can help you determine whether Colocation or Managed Hosting is best for you.





1. Hardware Ownership:

“Do you currently own all of the required IT hardware assets you need for the foreseeable future?”



Yes. If the answer is “yes,” your best solution is likely to be Colocation. You will benefit greatly from a physical facility that offers space, power, redundancy and security under a more cost-effective structure. Savings associated with personnel and management should still be considered.

No. If the answer is “no,” then proceed to question #2.



2. Availability of Capital:

“If your organization continues to grow and requires additional or new IT hardware assets, do you have access to or a willingness to devote capital expenditures to this effort?”



No. If the answer is “no,” then you will likely best be served by a Managed Hosting solution. Under this scenario, the solutions provider is responsible for acquiring the necessary hardware, and the costs become re-categorized as Operating Expenses and are distributed monthly. Capital expenditures are avoided, and your IT infrastructure is allowed to expand to accommodate your growing business needs.

Yes. If the answer is “yes,” then proceed to question #3.



3. Availability of Personnel:

“Do you have access to or possess a willingness to continue to recruit and retain the personnel necessary to perform routine maintenance of your base IT infrastructure?”



Yes. If the answer is “yes,” then your organization should take advantage of the Colocation option.

No. If the answer is “no,” then your organization should take advantage of a Managed Hosting solution. The hosting service provider will allocate the appropriate level of personnel – with the requisite skills and certifications – who best fit the needs and demands of your IT infrastructure. It is their responsibility to identify, hire and train (and re-train) the personnel needed to manage the infrastructure.

Aligning your business with a provider who can address both your present and future needs can improve your ability to scale on demand with either a Managed Hosting or Colocation solution.

Colocation

Colocation is the ideal fit for the company that has IT infrastructure and adequate personnel but is constrained by the current limitations of the facilities, lack of capital, lack of space or issues with power and cooling

Managed Hosting

Managed Hosting is a good fit for rapidly growing organizations, as it allows you to expand your IT infrastructure without large upfront costs or recruiting and adding personnel. It also frees you up to focus on growing your business and not your data center staff.

Why Internap?

Since 1996, thousands of customers have trusted Internap to provide high-performance IT infrastructure services that enable them to focus on their core business, improve service levels and lower the cost of IT operations. Internap’s colocation, connectivity, managed hosting and cloud solutions are differentiated by unparalleled levels of performance, availability and support.

Our Colocation service provides enterprises with a highly available, secure, high-performance IT infrastructure while allowing them to lower the cost of IT operations. We offer a complete set of services in nine company-controlled facilities across the country, which include enhanced carrier-neutral connectivity and scalability through power density, backed by our 100% SLA and premium support.

Our Managed Hosting services enable enterprises to optimize their business-critical IT infrastructure with lower latency, lower packet loss and high availability. Built on the foundation of Internap’s Performance IP™, Internap’s Managed Hosting services increase operating flexibility while eliminating the need for the specialized resources required to provision and manage equipment and applications.

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