

Still running **on-prem**? Let's talk about **the margin you're losing**

Sent to you by your IT manager



The majority of IT managers already know cloud is the smarter choice. But this isn't just a technical debate — **it's a financial one.**

Because the longer your business runs on **owned infrastructure**, the more you're tied to **high, inflexible, and often invisible costs.**

This piece simplifies the real cost of staying on-prem. And why cloud matters, **especially if you're focused on margin, scale, or future growth.**

1 What on-prem is actually costing you

It's easy to underestimate the cost of staying on-prem — until you stack them up and see how much they're dragging margin.



1

Physical security

Biometric access, surveillance systems, and compliance measures — all necessary, all costly.

2

Real estate

Floor space to house physical infrastructure — even if it's not being used efficiently.

3

Insurance

Covering high-value on-site equipment adds to operational overhead.

4

Manpower

Internal teams required to monitor, manage, and maintain physical boxes.

5

Power & cooling

Keeping physical infrastructure running 24/7 is expensive — especially during load shedding.

6

Break-fix support

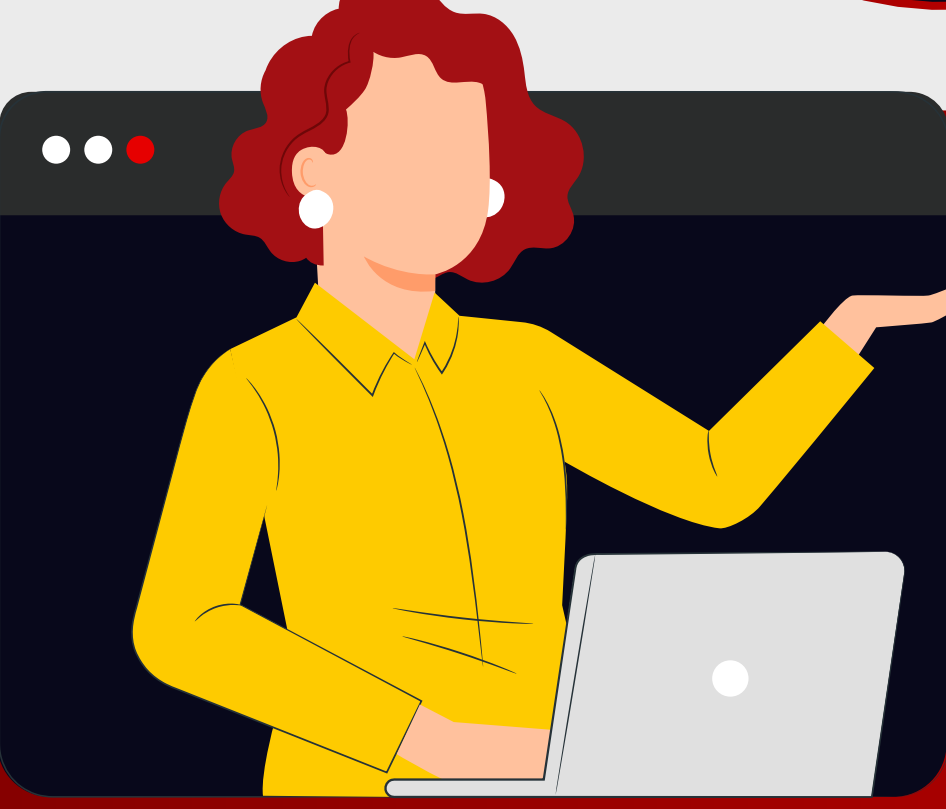
Third-party callouts drain time and budget.

7

Disaster recovery

Duplicating infrastructure just in case something goes wrong.

Here are some costs that drain margin — quietly, and continuously.



“These aren't once-off costs. They're **recurring inefficiencies** baked into your current setup.”

2 What cloud changes — financially

On-prem isn't just more expensive — it's more rigid. Cloud flips the model: reducing upfront risk, improving flexibility, and linking spend directly to usage.



What changes — financially

Spend Model

Capacity

Procurement Time

Continuity

Support

On-Prem

CapEx-heavy
(large upfront costs)

Overprovisioned “just in case”

Weeks or months of waiting and negotiating

Separate spend and infrastructure

Vendor-managed per issue
(additional costs)

Cloud

OpEx-based
(scalable, pay-as-you-go)

Right-sized and auto-scaled

Instant provisioning, no delays

Built-in redundancy, no extra costs

Included in service tier, proactive support

Cloud doesn't eliminate cost. **It eliminates waste.**

3 Concerned about spiralling cloud costs? Good.

That means you're thinking like a CFO. Here's how to stay in control.

Yes — some businesses overspend in the cloud. Not because cloud is inherently expensive, but because it's mismanaged.



The common traps:

Leaving unused resources running

Lack of cost alerts and usage policies

No visibility into who's deploying what

Treating cloud like on-prem (static and overbuilt)

How to keep costs in check:

Use auto-scaling and right-sizing tools

Monitor usage with built-in analytics

Set cost thresholds and policies

Work with a managed partner who does this for you

Cloud is flexible. **That's its power.** But flexibility **without oversight** becomes **leakage**



4 Why this message matters

Your IT manager sent you this because cloud is the necessary next step.

They're working around ageing infrastructure, slow procurement, and unpredictable costs. And they know those limits don't just affect IT — they affect delivery, agility, and how fast the business can move.

Cloud removes those constraints.

It gives your teams the flexibility to deliver — and gives you the visibility to control cost and risk more effectively.

ADVANTAGES



Want sharper clarity on your infrastructure spend — and a smarter plan forward?

If you're rethinking on-prem, we can help you map what cloud might unlock — with a practical, personalised tech roadmap.

[Click here to get your free tech roadmap session.](#)