



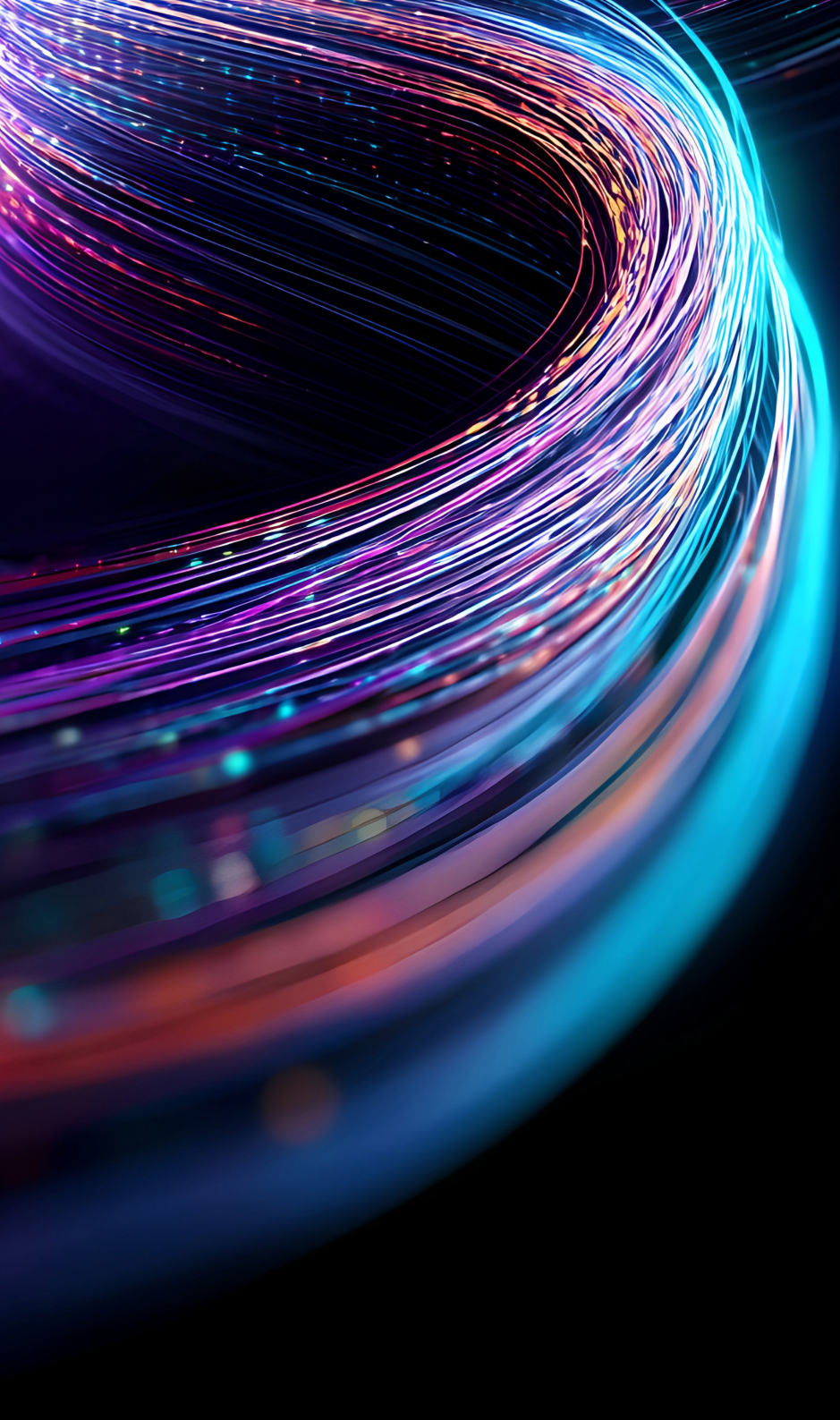
Beyond the Dilemma

Building a virtualisation strategy that protects
your budget and preserves your choice

A practical guide for CTOs and CFOs of UK enterprises facing vendor
risk, commercial shocks and platform commitment decisions.

DELLTechnologies
TITANIUM BLACK PARTNER





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The position has changed

When Broadcom completed its acquisition of VMware in late 2023, the commentary that followed focused almost entirely on what VMware did. A partner-led sales structure that pushed many customers into conversations they were not ready to have.

That framing missed the bigger story.

VMware was the first to move visibly. It was not the only vendor running the same playbook. Nutanix has raised prices. Red Hat has raised prices. Microsoft raises enterprise licensing costs every June. The difference is speed, not direction. Every major platform provider operates under the same commercial pressure. Shareholders demand growth. Growth demands margin. Margin demands a willingness to charge more for the same product.

This pattern is older than the current hypervisor debate. When Oracle acquired Sun Microsystems in 2010, the licensing model for running Oracle on Sun hardware was restructured almost overnight. Customers who had built their estates around per-CPU economics found the assumption no longer held. The move broke no rules. It was commercial. The only surprise was that anyone was surprised.

Enterprise memory pricing is playing out the same way right now. Two suppliers dominate

the global market. Demand has risen. Manufacturing capacity has deliberately not. The resulting price climb is a choice, not a shortage. The vendor, not the market, decides what the customer pays for the component.

For the organisations affected, the question has changed. It is no longer *“what do we do about VMware?”* It is *“what do we do about the next pricing hike, whichever vendor delivers it?”*

ESG research published in February 2024 found that 89% of organisations now consider the evaluation of multiple hypervisor options a strategic imperative. That is not a vendor-led talking point, it is a market in motion. The customers who absorbed the VMware price changes without a plan in place felt the cost in budgets they had already signed off on. The customers who had a plan absorbed it as an inconvenience.

This is a commercial risk conversation, not a technical one. What the last twelve months proved is that a pricing shock arrives without a deliberation window. The thing that makes it urgent is not what happens next year. It is the realisation that the infrastructure commitments you make over the next twelve to eighteen months will either compound your exposure or give you room to breathe.

That framing is where this guide begins.

The question has changed. It is no longer “what do we do about VMware?” It is “what do we do about the next pricing hike, whichever vendor delivers it?”



What budget resilience actually means

Budget resilience is the ability to make infrastructure decisions on your own timeline, not your vendor's. That is the simplest definition. In practice it has four components.

The first is visibility.

You cannot defend a position you cannot see. An accurate view of your estate (what you are running, what you are paying for, where capacity is going unused, how your renewals align with your cash cycle) is the prerequisite for any strategic conversation. Most organisations do not have this. They work from procurement records, CMDB data that has not been reconciled in two years and assumptions that were correct when the servers were first commissioned.

The second is commitment clarity.

Budget resilience is hedging, it is not about avoiding commitment to any single vendor, keeping all options open in perpetuity or refusing to sign anything long-term. Those positions cost more, not less. Budget resilience

is about knowing what you are committing to, why and for how long. It is a deliberate choice, made with good data and defensible to your board.

The third is structural independence

Some infrastructure choices compound lock-in. Buying a hyperconverged appliance ties your hardware refresh cycle to your software vendor. Standardising your operations skills on a single hypervisor ties your people to that choice. Building your procurement framework around one product portfolio ties your commercial agreements to that portfolio. None of these are wrong in isolation. Stacked together, they create a position where changing your mind means replacing everything at once, and the cost of that replacement is what gives the vendor their negotiating position.

The fourth is commercial structure.

How you buy is itself a budget resilience lever. A committed-term subscription or an as-a-service consumption model fixes a price

envelope in advance, absorbs the risk of component cost volatility into the partner's balance sheet and converts unpredictable capital hits into predictable operating spend. This is not an argument that every estate should be consumed as a service. It is an argument that the commercial mechanism is as much a resilience decision as the technology mechanism. The right answer depends on the stability of the workload and the cash planning horizon. What matters is that the question is on the table.

For the CTO, budget resilience means architectural optionality. The ability to adopt, expand or change platforms without a year-long replatforming project. For the CFO, it means commercial predictability. The ability to forecast IT spend with confidence, absorb a vendor pricing shock without emergency budget reviews and negotiate from a position where walking away is actually possible.

Neither reader benefits from uncertainty about the other's priorities. Budget resilience is one of the few strategic positions that serves both.



Pick your lane: three strategic postures

Every organisation running VMware today is making a decision about commitment level, even if nobody has named it that way. The decision has three paths. All three are legitimate. None of them is a default. The risk is drifting into one by accident while believing you are in another.

LANE 1

Stay and strengthen

This is the lane for organisations whose VMware commitment is still the right strategic choice. The estate is stable, the skills are in place, the operational model works and the cost of changing platforms outweighs any saving you could realistically capture elsewhere.

Staying does not mean doing nothing. It means making your VMware position as commercially efficient as it can be. Consolidate workloads onto fewer, denser hosts to reduce your licensable core count. Adopt the capabilities bundled into your VCF or VVF subscription that you are currently paying for but not using. vSAN. NSX. Aria Suite. Tanzu Kubernetes Grid. Identify and retire the third-party tools those bundles replace. Align your renewal cycle with your cash planning.

The trap in this lane is passivity. Organisations that choose to stay with VMware and then fail to optimise their position end up paying for stasis. The decision to stay must come with a plan to extract more value from what you have already committed to.

For whom. Organisations where VMware is embedded in operational processes, where the skills gap to change platforms is prohibitive and where the risk of migration outweighs the potential saving.

LANE 2

Diversify and de-risk

This is the lane for organisations that want to reduce their exposure to any single vendor's commercial decisions, not by leaving VMware, but by spreading the risk. Some workloads stay on VMware. Others move to Red Hat, Nutanix or Azure Local. The operational model is built on the assumption that no single platform is permanent.

Diversification is the most strategically demanding of the three lanes. It requires skills across multiple platforms, or a managed service partner who can provide them. It requires infrastructure that works under more than one hypervisor. It requires procurement agreements that do not tie you to one vendor's product portfolio. It is slower to set up and more complex to run.

The payoff is structural. When the next pricing shock comes from any vendor, you have the option to shift workloads, renegotiate from strength or accept the cost with a clear understanding of what it buys you. Vendors know it too, and their pricing behaviour in a diversified account is observably different from their pricing behaviour in a locked-in one.

The trap in this lane is complexity without discipline. Running multiple platforms is only a saving if the operational overhead is controlled. Without automation and orchestration, diversification multiplies your management burden instead of reducing your risk.

For whom. Organisations with the scale and maturity to absorb multi-platform complexity, where commercial risk exposure is a board-level concern and where the cost of operational change is affordable.

Diversification is the most strategically demanding of the three lanes.

LANE 3

Transition on your terms

This is the lane for organisations that have decided the long-term answer is a different platform. The destination may be Red Hat OpenShift, Nutanix AHV, Azure Local or something else. What matters is that the transition is planned, resourced and executed on a timeline you control, not one imposed by a renewal letter.

Planned migration is expensive. It demands investment in new skills, parallel operations during the cutover and a disciplined approach to application testing. It is not a cheaper path than staying with VMware. It is a path that produces a different commercial position at the end.

The trap in this lane is starting too late. Organisations that wait for the next renewal shock before committing to a transition end up migrating under pressure, on the vendor's timeline, with the commercial advantage entirely on the other side. The organisations that benefit most from a transition are the ones that start the work eighteen months before they need to.

For whom. Organisations where the strategic case for a different platform is already clear, where the resources for a planned migration are available and where the cost of transition is an acceptable price for long-term independence.



Which lane is right?

For most UK enterprises, the honest answer is a mix. Not every workload needs the same treatment. Production databases with five years of tuning invested in them are not the same as development environments that could run on almost anything. The useful question is not “*which lane are we in?*” It is “*which workloads belong in which lane, and what does the overall portfolio look like once we have made those calls?*”

That judgement cannot be made without data.

The next section is about how you get it.

The foundations every lane requires

Whichever lane you pick, the first moves are the same. They are not optional, they are not dependent on which platform you commit to. They are the work that makes every subsequent decision defensible.

Baseline your estate

You cannot optimise what you cannot see. An accurate baseline captures your physical core counts, host utilisation rates, licensing entitlements, software versions and the relationships between virtual machines, applications and business services. Most organisations do not have this. They work from procurement records that are two years out of date and CMDB data that nobody has reconciled with reality since the last major refresh.

A baseline is not a one-off exercise. It is a discipline. The first pass is the most valuable, because it tells you where the money is going, where capacity is idle and where the decisions you are about to make will pay back the hardest. Tools like Live Optics and Dell AIOps capture this data in days, not weeks.

Baselining also exposes dated technology. Servers running two or three generations behind current silicon. Storage arrays approaching end of support. Licensing that was optimal for an estate that has not existed for eighteen months. Each of these is both an operating cost and a commercial exposure. A vendor can set renewal terms knowing a hardware refresh is already overdue. The refresh cycle will shape the negotiation as much as the technology decision.

The output is a clear answer to three questions. How many licensable cores are you actually running. How much of that capacity is doing useful work. Where is over-provisioning costing you money.



Right-size your workloads

Over-provisioned virtual machines are the quietest and most common source of waste in enterprise virtualisation. Every VM consuming more vCPU than its workload requires still sits on a host whose physical cores are all licensed. Across hundreds of VMs, the cumulative cost is material.

Right-sizing identifies virtual machines that can be reduced without affecting application performance. It flags dormant instances, development environments left running in production and test workloads consuming premium-licensed infrastructure. These are quick wins. They reduce your licensable footprint without requiring hardware changes or migration. They also buy you time. The time to make strategic decisions from a position of efficiency rather than one of compounding waste.

Understand your commercial risk profile

This is the move that bridges technical work and strategic decision. Your commercial risk profile is the combination of factors that determine how exposed you are to vendor pricing decisions. The concentration of your infrastructure on one vendor. The dependence of your operational skills on one platform. The alignment of your contracts with your cash cycle. The flexibility of your procurement framework. The penalty you would pay to change any of the above.

Most organisations have never done this assessment. They know what they spend on software. They do not know what it would cost to change their mind. That calculation is the difference between a decision made with data and a decision made under pressure, and it is the foundation of every budget resilience conversation worth having.

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Breaking the hardware-software dependency

One specific decision sits under every lane in this framework, and it deserves examination on its own. The decision to tie your hardware investment to your hypervisor choice.

For the last decade, hyperconverged infrastructure was the default answer to platform consolidation. HCI appliances combined compute, storage and virtualisation into a single purchase, a single management experience and a single vendor relationship. The appeal was operational simplicity. You bought one thing, you managed one thing, you supported one thing. For many organisations, that was the right call at the time.

The problem is what happens when you want to change platforms.

An HCI appliance is designed, certified and sold as a single-platform product. Dell VxRail, for example, is a VMware platform. It runs VMware. If you decide you no longer want to run VMware, the appliance you bought to run it is effectively stranded. You are not making a software decision. You are making a software decision and a hardware write-off at the same time.

That is what creates the real lock-in. It is not that VMware is difficult to leave. It is that leaving VMware means also replacing the physical infrastructure you spent the last three to five years investing in. The combined cost is what gives the vendor their negotiating position. They know the switching cost. They price accordingly.

The alternative is disaggregated infrastructure. Hardware explicitly designed to run under multiple hypervisors, with a software control plane that can be repurposed across platforms. In a disaggregated model, your compute and storage investment is independent of your software decision. If you decide to move from VMware to Red Hat, you keep the hardware. If you decide to run both in parallel, the hardware supports it. If you decide in two years that Nutanix is the right answer, the hardware is still there.

The commercial consequence is significant. Decoupling hardware from software roughly halves the cost of changing your mind, which is another way of saying it roughly halves the vendor's negotiating position in your next renewal. That is what budget resilience looks like in practice, and it is the single most important architectural choice underneath every lane in the framework.



Infrastructure that enables choice

The infrastructure portfolio that supports the pick-a-lane framework has three components. An orchestration layer that makes multi-platform operations practical. A disaggregated platform that decouples hardware from software. A storage foundation that works under any hypervisor.



Dell Technologies has built each of these deliberately. SCC sells them, implements them and operates them for UK enterprise customers. The reason to care about them is not the vendor relationship. It is that they are the three infrastructure capabilities that make the pick-a-lane framework affordable to execute.

Dell Automation Platform. The orchestration layer

Diversification fails when it multiplies operational overhead. Running VMware and Red Hat and Nutanix as three separate estates, with three management consoles, three update cycles and three skill sets, is how multi-platform strategies collapse under their own weight. Dell Automation Platform is the layer that sits between those estates and the people running them.

It provides a single portal for managing infrastructure across hypervisors, a catalogue of validated blueprints for deployment and automated lifecycle management from Day 0 through Day 2. Workload-ready clusters deploy in around two and a half hours with no manual intervention after initiation. Dell's own testing puts the reduction in provisioning steps at over 90% against manual deployment.

One honest limit is worth naming. Dell Automation Platform does not migrate workloads at the application layer. If an application is packaged for vSphere and needs to run on OpenShift, the repackaging work is a separate problem. What Dell Automation Platform does is make the underlying compute and storage present itself to any supported hypervisor with a single set of operational tools. The application-level migration sits with the customer or the services partner. Understanding that boundary is part of understanding the platform.

For the CTO, this is the capability that turns a multi-platform strategy from a theoretical position into a practical one. For the CFO, it is the capability that prevents diversification from eating its own savings in operational cost.



Dell Private Cloud. Disaggregated by design

Dell Private Cloud is the platform that breaks the hardware-software dependency described in the previous section. It is built on standard Dell PowerEdge servers and Dell Storage, and delivered through Dell Automation Platform. The software layer is independent of the hypervisor running on top. You can deploy it with VMware vSphere, Red Hat OpenShift or Nutanix AHV. You can start with one and move to another without replacing the underlying infrastructure.

The subscription is portable. When you buy Dell Private Cloud, you buy a software licence that follows you across platform changes. Run it with VMware for three years. Decide Red Hat is the right answer for the next phase. The same subscription, the same Dell hardware, a different hypervisor underneath. The investment is protected.

Independent analysis by Omdia of Dell Private Cloud points to meaningful cost savings against comparable hyperconverged stacks. The saving comes from fewer servers, lower licensing costs, higher utilisation and a smaller storage footprint. For a CFO, that combination is the practical answer to the question of why disaggregated infrastructure is not a premium for flexibility but a discount for it.

PowerStore. The storage foundation that works under anything

PowerStore is a Dell storage platform designed for environments where the hypervisor above it is a choice, not a constraint. It serves file and block storage from the same appliance. It integrates natively with VMware, Red Hat OpenShift and Nutanix AHV. It plugs into Dell Automation Platform. It is the storage layer that does not force a decision about what runs on top of it.

The practical advantages are significant. A 5:1 data reduction guarantee as standard, without pre-assessment or programme fees. End-to-end NVMe for performance. Active/active nodes for availability. The Anytime Upgrade programme allows data-in-place controller refreshes without migration, which is the storage equivalent of a hardware lifecycle that does not force a simultaneous software upgrade. Third-party Net Promoter Score research ranks PowerStore first in ease of use among enterprise storage platforms.

The reason PowerStore matters in this framework is not any single feature. It is that it is storage built on the same principle the rest of the framework depends on. Infrastructure that enables choice rather than constraining it.



Dell Private Cloud gives you hardware that is not tied to a hypervisor. Dell Automation Platform gives you the operational layer that makes running multiple hypervisors practical.

Why these three, together?

Taken individually, each of these products has a credible value proposition on its own terms. Taken together, they form the infrastructure stack that makes the pick-a-lane framework economically and operationally viable.

Dell Private Cloud gives you hardware that is not tied to a hypervisor. Dell Automation Platform gives you the operational layer that makes running multiple hypervisors practical. PowerStore gives you a storage foundation that does not care which hypervisor you picked. You can stay. You can diversify. You can transition. The infrastructure supports all three without demanding a replatforming project when you change your mind.

A fair question to ask at this point is why an argument for vendor-independent infrastructure is coming from a Dell-funded publication. The honest answer is that Dell has made a commercial bet that infrastructure flexibility sells better than infrastructure lock-in. The products described above are designed to back that bet. You can decide for yourself if the bet holds up on the evidence in front of you. The evidence is that the hardware runs under three competing hypervisors, the subscription is portable between them and the storage platform is designed to serve all of them equally.

Why independent guidance matters

Broadcom's acquisition of VMware restructured the partner channel at the same time as the commercial model. Many enterprise customers now transact through a smaller number of accredited channel partners. The support relationship, the roadmap conversations and the commercial negotiation all run through that channel.

That makes the choice of partner more important than it was. The quality of the advice you get depends on the breadth of the view the adviser can take. A partner who sells one product is incentivised to recommend that product. A partner who sells five is incentivised to recommend the one that fits. For organisations making decisions about vendor dependency, the second position is materially more useful than the first.

SCC holds the top tier of partner accreditation with Broadcom for VMware alongside Dell Titanium Black status and works across Nutanix, Microsoft Azure Local, Red Hat and Cisco. That breadth is not a marketing point. It is the reason a recommendation can follow the data rather than the vendor agreement. SCC has more than fifty years of history as an independent UK IT infrastructure company. The commercial model is built on sustained customer relationships rather than single-vendor transaction volume.

The practical use of a partner with this profile is narrow and important. It is the person you bring into the room before you make a major commitment, not after. Before you sign the renewal. Before you pick the next hypervisor. Before you commit to a hardware refresh. The value of the advice is highest when the decision is still reversible.

The quality of the advice you get depends on the breadth of the view the adviser can take



From assessment to roadmap

The work that produces a defensible strategic decision follows a structured sequence. Each step builds on the last. The scope scales to the size of the estate.

Listen and align. Understand the business drivers, the operational constraints and the contract timelines that shape what is realistic. This is the conversation that establishes if the problem is commercial, technical or both.

Baseline and assess. Build the picture of the estate. CPU counts. Core counts. Host utilisation. Contract positions. Dependencies. This is where tools like Live Optics and Dell AIOps do the work that procurement records cannot.

Model the commercial risk profile. Combine the technical baseline with the commercial data. What is the exposure to any one vendor? What is the cost of changing platforms? What is the alignment between contracts and cash planning? This step produces the data that the pick-a-lane decision depends on.

Choose the lane per workload group. Not every workload gets the same answer. Some will stay on VMware with optimised licensing. Some will move to a different platform. Some will run in parallel on multiple platforms during a transition. The decision is led by the data from the previous steps.

Design, deliver and validate. The execution work. Infrastructure provisioning, workload migration, operational handover. Dell Automation Platform and PowerStore provide the orchestration and storage layers that make this work repeatable.

Support. Operational handover and ongoing management where required. SCC's managed services capability is available, but not assumed. The aim is to leave you in a stronger position, not dependent on the partner who put you there.

The entry point to this sequence is deliberately low-friction. SCC offers a free initial assessment for organisations that want to understand their current position. The engagement covers estate discovery, commercial risk analysis and the identification of the quick wins available before any major decision is made. Larger or more complex environments may move into a chargeable design phase. The first conversation is one set of data and one clear output.

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Your next step

The next twelve to eighteen months will set your infrastructure costs and your negotiating position for years. The renewal window is open. The commercial framework is clear. The question the market is asking has moved from “*what happened?*” to “*what do we do about the next one?*”

Picking a lane is the decision. The work that precedes it is the assessment. The most expensive mistake available to you right now is to assume that staying put is a passive choice. It is not. Every month that passes without a defensible strategic position is a month your commercial risk profile sits exactly where your current vendor wants it to be.

SCC's role in this is narrow and specific. We help UK enterprises baseline their estates, model their commercial risk profiles and pick the lane that matches their business. We hold the partner accreditations that give us access to the commercial data and the product roadmaps across every major platform in this market. We recommend based on what the data says, not on what any one vendor is paying us to sell this quarter.

Start with a budget resilience review

The engagement covers estate discovery, licensing position analysis and a commercial risk assessment. The output is a clear picture of your current position and the options available to you.

The entry point is one conversation.

The first assessment is free.

Contact your SCC account manager or visit scc.com to start the conversation.



About SCC

SCC is one of Europe's largest independent IT infrastructure companies. Family-owned, UK-headquartered and operating across the UK, Europe and Asia, SCC provides technology solutions, services and support to organisations in public and private sectors.

With more than fifty years of experience, SCC operates across the full technology stack. Infrastructure, software, cloud, security, managed services and professional services. The company employs several thousand people across a network of offices in the UK, Europe and Asia and maintains partnerships with the major enterprise technology vendors.

SCC's vendor relationships span the major technology platforms, including Dell Technologies (Titanium Black Partner), Broadcom/VMware (Pinnacle Partner), Microsoft, Nutanix, Red Hat and Cisco. That breadth allows SCC to advise independently and recommend based on the data, the workload requirements and the commercial realities of each customer's environment.

SCC operates Solution Centres and lab environments across the UK, giving customers the ability to benchmark, test and validate technology decisions against their own workloads before committing capital.

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