



Provident Financial partners with Node4 for data centre outsourcing

Key benefits

- Significant cost saving over self build/management of owned data centre, turning capital expenditure into an operating cost
- Guaranteed levels of service via agreed SLAs
- Timely reporting and flexible access to staff to suit the business requirements as opposed to the supplier
- Provision of fully functional state-of-the-art facilities without upfront investment
- Re-location of offices completed on time and within budget

Provident Financial specialises in home credit for private individuals, loans of typically £300 to £400 with repayments collected weekly from customers' homes. It has some highly specific sector needs such as weekly reporting and also supports over 180 branch offices and 12,000 self employed agents across the UK and Ireland.

A year ago, Provident Financial undertook a review of its business and decided that it should consolidate and outsource its data centre operations as part of its planned move of its Bradford HQ (on the outskirts of Bradford) to a new location in the city centre. A significant factor to the move was that the cost of building a new data centre would be in excess of £7-8million which was a significant up-front investment. The company previously used four data centres located at various points across the UK and Northern Ireland but wanted a data centre supplier which was locally sited (to supply the time-critical access its staff required); provided the state-of-the-art facilities it wanted; and was focussed on excellent customer service. Additionally it had extremely tight deadlines as the move had to be completed in 12 months.

The challenge

An initial review of data centre suppliers revealed most companies were essentially split into one of two camps:

- Large companies, which typically did not offer the required levels of customer service; and
- Smaller firms, which did not always have the required facilities.

Provident Financial's search led it to a Derby-based data centre and communications solutions' specialists, Node4, which provided both state-of-the-art data centres and prided itself on the provision of a high level of customer service.





Building a solution

After selecting Node4, Provident Financial has removed the need for an upfront investment by outsourcing the function and 'renting' the facilities on an ongoing basis. Node4 provided comprehensive disaster recovery provision, access to the latest state-of-the-art equipment and a relationship that means customer service has the highest priority.

Simon Mosley, data services manager for Provident Financial is delighted with Node4 and said, "As well as having all the facilities a business would expect, the real value of Node4 is the personal touch. Some data centre providers are not really geared towards the demands of SMEs and we did not want to be 'just another customer' that had to fit in with everyone else. Node4 offers a more personal service called 'remote hands' whereby if we need a cable to be plugged or simply to check if a light is flashing green or red, this is something they will respond to immediately and we are not charged for these simple requests. With the larger companies this can be a more unwieldy process slowed down by red tape and leading to extra costs.

He continued, "The short timescales also presented other data centre providers with an issue regarding connectivity. With a 10 gigabit connection needed for data transfer between sites sometimes taking over three months to deliver, Node4's exceptional relationships with suppliers like Kingston Communications ensured things happened to suit our timescales."

Noticing the benefits

One of the biggest drivers of the acceptance of hosting data centres is the current economic climate and recognition of the way it changes the traditional up-front capital expenditure (CAPEX) associated with IT investment into an operating cost (OPEX) which allows an organisation to pay a fixed monthly fee, often reducing costs and allowing a business to focus on its core business, rather than focusing on running IT and the IT management issues involved.

Looking to the future Provident Financial has a number of other initiatives and has been impressed by Node4's service. "Node4 has been highly collaborative, pragmatic, professional and are really just an extension of our team," said Mosley. "Working with them has led to significant cost savings and they are a great company to work with, which while not essential is a huge bonus."

For more information, please visit Node4.co.uk

