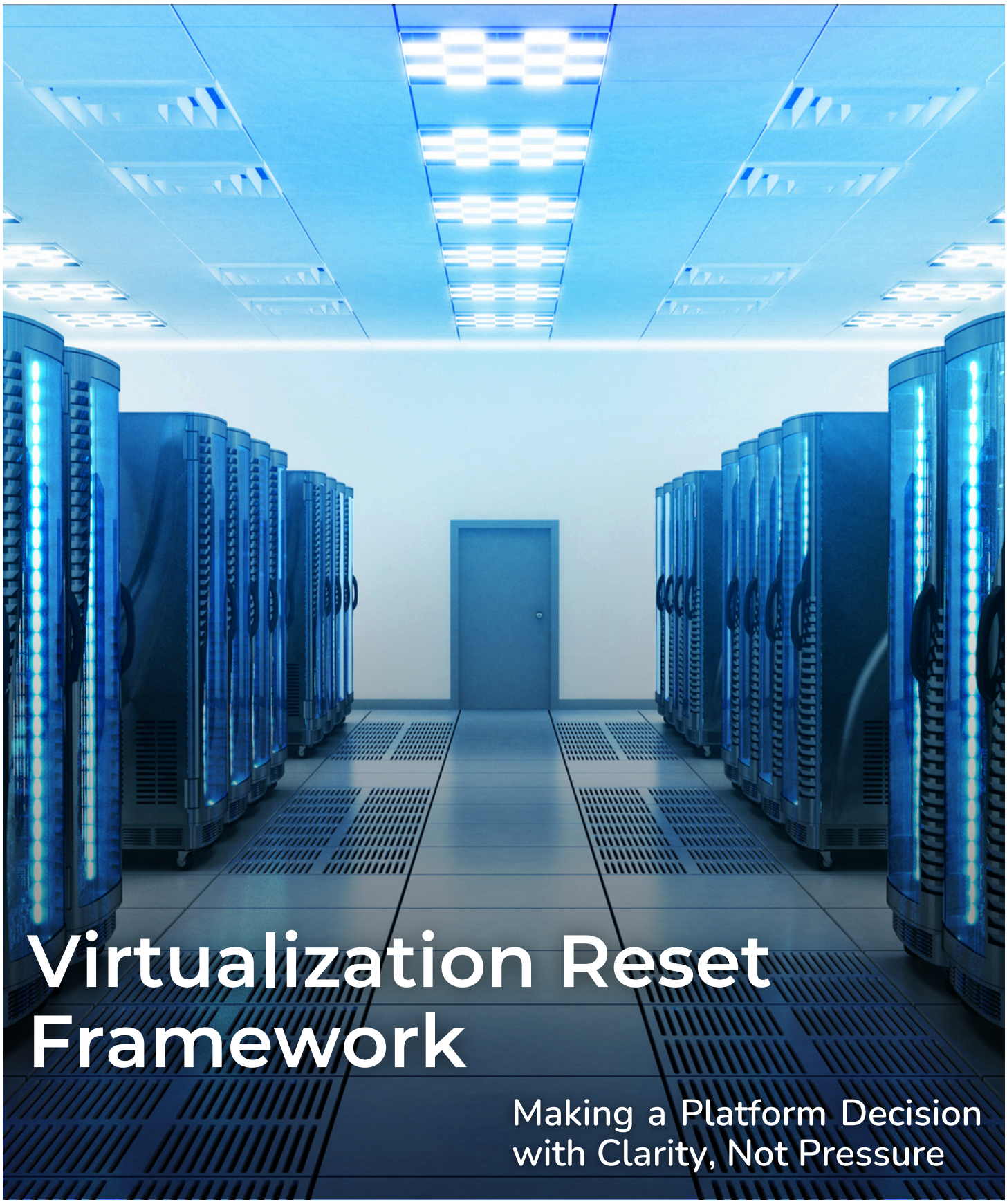
advoda
technology advisors



Virtualization Reset Framework

Making a Platform Decision with Clarity, Not Pressure

Version 1.0 • 2026

Virtualization has long been treated as a stable foundation within IT environments. For years, organizations approached renewals as routine events, often extending existing platforms with minimal disruption or reconsideration. That model no longer holds. The combination of shifting licensing structures, infrastructure supply constraints, evolving cloud strategies, and increasing security complexity has fundamentally changed how these decisions should be approached. What was once a technical renewal is now a broader business decision with lasting financial, operational, and risk implications.

This framework is designed to help organizations step back from reactive decision-making and move toward a structured, intentional approach. The goal is not simply to evaluate alternatives, but to create clarity, reduce risk, and align infrastructure strategy to the needs of the business over the next several years.

advoda
technology advisors

Table of Contents

This Is Not a Renewal Decision

The virtualization landscape has changed in ways that make defaulting to renewal increasingly risky. Recent shifts in platform licensing and ecosystem structure have introduced new cost dynamics and reduced flexibility. In many cases, organizations are experiencing significant cost increases at renewal, particularly from providers like Broadcom, where pricing changes can result in increases of **2–3x or more**. These shifts are not incremental. They fundamentally change the financial profile of existing environments.

Licensing Shifts

New cost dynamics and reduced flexibility from providers like Broadcom, with pricing increases of 2–3x or more at renewal.

Supply Constraints

Hardware procurement is unpredictable. Pricing valid for days, not weeks. Orders repriced after submission by 10–30%. Lead times of six months or longer.

Cloud Reassessment

Rising run-rate costs, performance considerations, data gravity, and security challenges are leading organizations to bring workloads back into private or hybrid environments.

These forces are converging at the same time. This is no longer a renewal decision — it's a **platform, timing, and financial strategy decision**. Organizations that default to renewal often find themselves reacting to these pressures rather than managing them, leading to higher costs, reduced flexibility, and increasing technical debt.

The opportunity is to step back and evaluate what environment best supports the business over the next three to five years, not just the next contract cycle.

Establish a Clear, Defensible Baseline

Effective decisions require a clear understanding of the current state. In many organizations, that understanding is fragmented across tools, teams, and vendors. A virtualization reset begins by creating a unified, decision-ready view of the environment. This process goes beyond simple inventory. It requires aligning infrastructure, workloads, software, dependency mapping, and commercial commitments into a coherent picture that can support meaningful evaluation.

1

Document the Full Environment Footprint

On-premises infrastructure, colocation environments, private cloud deployments, and hyperscale platforms — understood in terms of how resources are provisioned, utilized, interconnected, and supported.

2

Map Workloads to Infrastructure

Applications categorized by business criticality. Virtual machines analyzed based on both provisioned and actual resource usage — often revealing overprovisioning and misaligned resource allocation.

3

Assess Software and Licensing

Hypervisor licensing, operating systems, backup and recovery platforms, monitoring tools, and security integrations — understanding how these components interact and how effectively the team supports them.

4

Define Contracts and Timing Constraints

Renewal dates, notice periods, financial commitments, and exit limitations often dictate the practical boundaries of what is possible. Without this clarity, even well-intentioned strategies can become difficult to execute.

Most organizations already have access to this data. The challenge is bringing it together in a way that supports decision-making. A clear, defensible baseline becomes the foundation for evaluating all viable paths, not just the most obvious one.

Map Dependencies Before You Change Anything

Infrastructure decisions rarely exist in isolation. Changes at the platform level can have far-reaching implications across applications, users, and business processes. **The risk is not in making changes. The risk is in making changes without fully understanding what is connected.**

Technical Dependencies

- Identity systems, SaaS integrations, and API connections that rely on specific infrastructure configurations
- Disaster recovery strategies dependent on replication technologies tightly coupled to the current platform
- Network architecture introducing latency or connectivity requirements that limit where workloads can reside

Operational Dependencies

- Internal teams with processes, scripts, and workflows specific to the current environment
- Vendor relationships and support models that influence how quickly issues are resolved
- How effectively systems are maintained under current operational structures

> By mapping these dependencies in advance, organizations can identify potential constraints and avoid unintended consequences. This step does not eliminate complexity, but it makes it visible and manageable. In many cases, the most significant risks are not technical limitations in the target environment, but **hidden dependencies in the current one**.

Security and Compliance: The Constraint You Cannot Ignore

Infrastructure decisions are often evaluated through the lens of cost and performance. Security is frequently assumed to carry forward unchanged. In practice, this is where many virtualization decisions introduce the most risk. Security is deeply integrated into how environments are designed and operated. Changes to platforms, hosting models, or architectures can impact identity, access control, network segmentation, data protection, and monitoring in ways that are not immediately visible but frequently exploited.

Identity & Access Management

Platform changes may require reconfiguring identity and access models. Security controls are not portable by default — they are tightly coupled to the current environment.

Network Security

A change in platform may require redesigning network segmentation and updating endpoint protection tooling. Without intentional planning, these gaps often emerge during or after transition.

Compliance Requirements

Industry frameworks, data residency requirements, audit obligations, and third-party risk considerations may all be impacted by infrastructure changes, influencing both design and timeline.

Shifting Responsibility

On-premises places full responsibility on internal teams. Private cloud introduces shared responsibility. Hyperscale shifts responsibility toward configuration and access control. Understanding where responsibility begins and ends is critical.

Security should not be treated as a downstream validation step. It should be incorporated into the initial evaluation to ensure the target environment is secure, compliant, and operationally viable. Advoda works with clients to identify where security controls are tightly coupled to the current environment, surface potential gaps early, and align security architecture to the chosen path.

Artificial Intelligence Strategy: Plan for What You Cannot Fully Define Yet

Artificial intelligence is rapidly becoming a core driver of infrastructure decisions, even for organizations that do not yet have a fully defined AI strategy. The challenge is not simply enabling AI. It is ensuring that today's infrastructure decisions do not limit tomorrow's capabilities.

Many AI use cases are highly sensitive to data proximity and latency. Real-time inference, customer experience applications, operational automation, and analytics pipelines often require data to be processed close to where it is generated. Moving data across environments introduces latency, cost, and potential security exposure that can degrade outcomes or make certain use cases impractical.

Data Gravity & Placement

Where data resides will increasingly dictate where AI processing can occur. Large datasets are difficult and expensive to move, and regulatory or security requirements may further constrain mobility. Infrastructure decisions should account for where critical data lives today and where it is expected to grow.

Latency & Performance Requirements

Not all AI workloads are equal. Some can tolerate delay, while others require near real-time processing. Understanding which use cases may emerge helps inform whether workloads should remain on-premises, move to private cloud, or leverage hyperscale environments.

Flexibility Across Environments

Given the pace of change in AI platforms and tooling, locking into a single environment too early can introduce long-term constraints. Hybrid and multi-environment strategies often provide the most flexibility, allowing organizations to align workloads based on performance, cost, and data requirements as AI initiatives evolve.

For organizations without a defined AI roadmap, the priority is not to predict every use case. It is to avoid decisions that create unnecessary barriers. This means prioritizing architectures that support data accessibility, minimizing unnecessary data movement, and maintaining optionality across environments. **AI should not be treated as a future consideration.** It is already influencing infrastructure strategy, and decisions made today will determine how effectively organizations can adopt and scale these capabilities over time.

Identify Where the Model Breaks Down

With a clear baseline and an understanding of dependencies, security requirements, and AI planning, patterns begin to emerge. These patterns highlight where the current model introduces risk, inefficiency, or misalignment with business objectives.

Cost Pressures

Changes in licensing and pricing structures can lead to significant increases in total cost of ownership, particularly when combined with overprovisioned resources or underutilized capacity. Long-term commitments can further limit flexibility.

Operational Complexity

Environments that have evolved over time often include multiple platforms, tools, and processes that are not well integrated. This increases the burden on internal teams and can slow execution.

Resilience Gaps

Disaster recovery strategies may no longer align with business requirements, and failover processes may be untested or dependent on manual intervention.

Procurement & Supply Chain Constraints

Hardware refresh cycles are no longer predictable, and delays can force short-term decisions that do not align with long-term strategy. Pricing volatility can disrupt budgeting and planning.

Strategic Misalignment

Infrastructure fails to support emerging initiatives such as data platforms, artificial intelligence, and customer experience transformation.

> Taken together, these factors create a **loss of control over cost, timing, and flexibility**.

Evaluate Hypervisor and Platform Options

Once the current state is clearly understood, the next step is to evaluate platform options in the context of your environment. The goal is not to compare features, but to evaluate how each option aligns with cost models, operational capabilities, and long-term flexibility.

Platform	Best Fit	Key Considerations
VMware	Organizations with established operational maturity and a need for enterprise-grade stability	Requires deliberate evaluation given changes in cost and flexibility
Microsoft Hyper-V / Azure Local	Organizations aligned to the Microsoft ecosystem, particularly when integrated with broader Azure strategies	Extends the Microsoft Azure ecosystem to the premise
Nutanix	Organizations seeking a tightly integrated platform that simplifies operations by combining infrastructure components into a unified model	Generally considered the most competitive option to Broadcom and most requested
Proxmox	Environments with strong internal technical capabilities	Flexible and cost-effective alternative built on open-source technologies
Other Options	Linux KVM, StratiServ, Zadara, and others for cost-effective and scalable use cases	Can fit many use cases for a more cost effective and scalable solution
Cloud-Native	Workloads requiring scalability and access to advanced services	Requires intentional workload placement to manage cost and performance

Managed Private Cloud as a Strategic Option

For many organizations, the primary constraint is not technology. It is the ability to execute change within existing timelines and resource limits. Managed private cloud provides a practical path forward. This model allows organizations to move workloads into a stable, production-ready IaaS environment without requiring immediate, large-scale internal migration efforts.

Key Benefits

- Infrastructure already designed, deployed, and operated by a provider with established standards
- Day-to-day management, patching, monitoring, and lifecycle management handled by the provider
- Mature security frameworks, consistent patching cycles, and standardized controls
- Proven architectures with repeatable processes for deployment, scaling, and support
- Support for multiple hypervisors, enabling transitions between platforms over time

Bridge Licensing Strategy

Bridge licensing plays a critical role in enabling this flexibility. Many organizations are leveraging **short-term licensing extensions, often 6 to 12 months**, through private cloud providers to avoid locking into unfavorable long-term agreements. This approach helps:

- Control near-term costs
- Maintain continuity of existing environments
- Create the time needed to properly assess alternatives without disruption

Instead of making rushed decisions under pressure, organizations can sequence their strategy — **stabilizing first and transforming second**. This is where many are also leveraging VCF 9 private cloud SKUs to take advantage of provider-scale economics while maintaining optionality.

This approach is not a compromise. It is a way to **regain control, reduce risk, and create the space needed to make better long-term decisions**.

Define the Right Path Forward

With clarity across the current state, risks, and available options, organizations can define the most appropriate path forward. Each path should be evaluated based on **cost predictability, operational fit, flexibility, risk, and time to execute**.

Optimization & Stabilization

Some environments may benefit from optimization and stabilization within the current platform before any broader change is undertaken.

Bridge Strategy

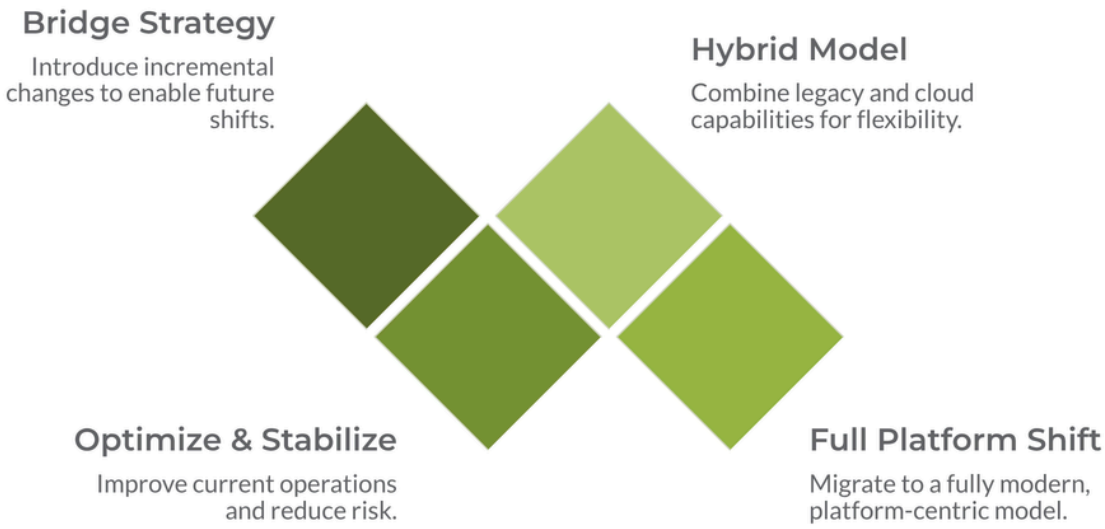
Others may require a bridge strategy to navigate near-term constraints — buying time through short-term licensing or managed environments while longer-term decisions are evaluated.

Hybrid Model

Hybrid models allow for intentional workload placement across environments, aligning each workload to the infrastructure that best serves its performance, cost, and compliance requirements.

Full Platform Shift

In some cases, a full platform shift may provide the best long-term alignment — particularly where cost structures, operational complexity, or strategic direction make the current platform untenable.



The right path is not universal. It depends on the specific constraints, priorities, and capabilities of each organization. The goal is to make that choice with clarity and intention, not under pressure.

Plan with Procurement Reality in Mind

Infrastructure strategy must account for procurement realities. Decisions that depend on predictable hardware availability or stable pricing are increasingly exposed to risk. Organizations must plan for delays, pricing changes, and vendor constraints.

Plan for Hardware Delays

Lead times for servers, storage, and networking equipment have extended to six months or longer. Strategies that assume timely hardware availability are increasingly at risk of disruption.

Account for Pricing Volatility

Pricing is often only valid for short periods of time, sometimes measured in days rather than weeks. Orders are being repriced after submission, with increases that can range from ten to thirty percent.

Prioritize Flexibility Over Optimization

This often requires prioritizing flexibility over optimization in the near term and considering models that reduce dependency on capital procurement.

Maintain Control Over Timing and Execution

Incorporating procurement realities into planning helps maintain control over timing and execution — avoiding situations where external constraints force decisions that do not align with long-term strategy.

Recommended Next Steps

A structured virtualization reset typically includes the following sequence. This process should be intentional, practical, and aligned to business priorities.

01

Validate the Environment Baseline

Bring together infrastructure, workload, software, and commercial data into a unified, decision-ready view.

02

Identify Constraints

Surface technical dependencies, contractual obligations, renewal timelines, and procurement realities that will shape what is possible.

03

Prioritize Workloads

Categorize applications by business criticality, performance requirements, and suitability for different hosting models.

04

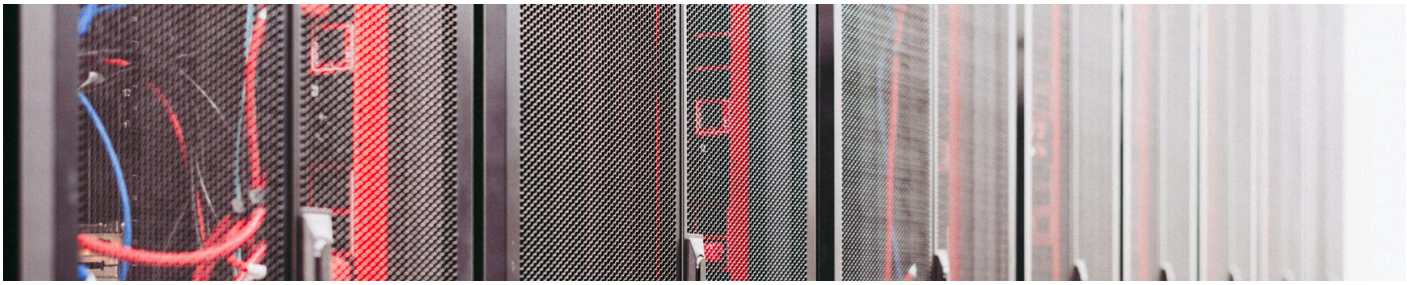
Evaluate Viable Paths

Assess platform options, managed services, and hybrid models against cost, operational fit, flexibility, risk, and time to execute.

05

Build a Phased Execution Plan

Sequence decisions and actions to stabilize first, then transform — reducing risk and maintaining control throughout the process.



The Advoda Approach: Building Clarity from Complexity

Most organizations do not lack options. They lack clarity on how to navigate tradeoffs within real-world constraints. Advoda helps clients cut through that complexity by bringing structure, objectivity, and experience to the decision-making process.

1 Understand the Current Environment

Building a clear, defensible understanding including technical dependencies, contractual obligations, renewal timelines, cost structures, and operational constraints. The goal is not just visibility, but context — what matters, what introduces risk, and where there is flexibility.

2 Evaluate Viable Paths Without Vendor Bias

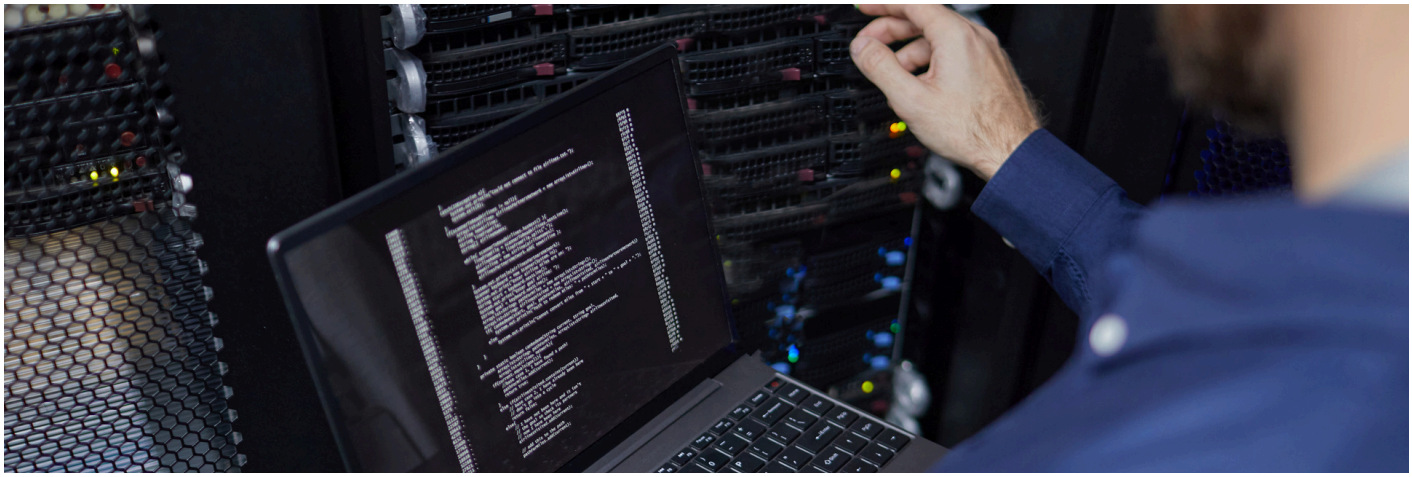
Not about comparing features. It is about aligning each option to the organization's priorities — whether that is cost control, risk reduction, performance, scalability, or speed of execution. Understanding real tradeoffs, including what it will take to move, what can be staged, and where hidden complexity may exist.

3 Translate to Business-Level Decisions

Leadership teams need clarity on impact, not just architecture. Framing decisions in terms of financial outcomes, operational implications, and long-term flexibility so stakeholders can move forward with confidence.

4 Support Execution

Advoda supports procurement, supplier alignment, and negotiation to ensure the chosen path is achievable in practice — navigating distributor ecosystems, leveraging competitive dynamics, and ensuring pricing and terms reflect the realities of the current market.



Advoda's Role: A Consistent Point of Accountability

Execution is where many strategies break down. This is where Advoda's role extends beyond advisory.

What Advoda Does

- Acts as a consistent point of accountability throughout the process
- Coordinates across stakeholders to keep decisions and execution aligned
- Supports procurement, supplier alignment, and negotiation
- Helps structure agreements that preserve flexibility and align to timing needs
- Navigates distributor ecosystems and leverages competitive dynamics
- Ensures pricing and terms reflect the realities of the current market

What Clients Avoid

- Managing multiple vendors with conflicting guidance
- Fragmented timelines and misaligned execution
- Unnecessary lock-in from poorly structured agreements
- Rushed decisions made under renewal or procurement pressure
- Security gaps that emerge during or after transition
- Hidden complexity that derails otherwise sound strategies

> Throughout the process, clients are not left managing multiple vendors, conflicting guidance, or fragmented timelines on their own. Advoda coordinates across stakeholders to keep decisions and execution aligned.

The Result: A Clear, Executable Path Forward

The result of a structured virtualization reset is not just a recommendation. It is a clear, executable path forward that reflects the organization's priorities, reduces risk, and positions the business for what comes next.

Clarity

A unified, defensible view of the current environment and the tradeoffs of each available path — so decisions are made with confidence, not under pressure.

Control

Regained control over cost, timing, and flexibility — with procurement realities, licensing constraints, and supply chain dynamics accounted for in the plan.

Reduced Risk

Security, compliance, and dependency risks surfaced early and addressed intentionally — not discovered during or after transition.

Strategic Alignment

Infrastructure strategy aligned to the needs of the business over the next three to five years — including AI readiness, cloud strategy, and operational sustainability.

The goal is not simply to evaluate alternatives. It is to create clarity, reduce risk, and align infrastructure strategy to the needs of the business — making a platform decision with clarity, not pressure.

Organizations that approach this process with structure and intentionality are better positioned to manage cost, reduce operational complexity, and build an infrastructure foundation that supports the business over the long term.

Appendix A: Infrastructure Inventory Template

A clear, structured inventory is the foundation of every effective virtualization decision. The goal is to create a single, decision-ready view of your environment across infrastructure, workloads, software, and contracts.

Software & Licensing

Category	Tool/Platform	Version	Licensing Model	Renewal Date	Notes
Hypervisor					
OS					
Backup					
DR					
Monitoring					
Security					

Contracts & Commercials

Vendor	Service	Contract Term	Renewal Date	Notice peiod	Annual Cost	Flexibility/Contraints

Appendix A: Infrastructure Inventory Template

A clear, structured inventory is the foundation of every effective virtualization decision. The goal is to create a single, decision-ready view of your environment across infrastructure, workloads, software, and contracts.

Environment Overview

Environment Type	Location	Providor	Primary Use	Notes
On-Prem				
Colocation				
Private Cloud				
Hyperscaler				

Workload & VM Inventory

Application	Business Owner	Criticality	Environment	VM Count	RAM	Storage	Avg Utilization

Appendix A: Infrastructure Inventory Template

A clear, structured inventory is the foundation of every effective virtualization decision. The goal is to create a single, decision-ready view of your environment across infrastructure, workloads, software, and contracts.

Infrastructure Detail

Environment	Host Make/Model	CPU	RAM	Storage Type	Capacity	Utilization	Network Dependencies

- **Advisory Note**
  Most organizations already have this data. The value comes from consolidating it into a single, aligned view that can support decision-making across stakeholders.

Appendix B: Hypervisor & Platform Comparison

This comparison is intended to simplify decision conversations by focusing on alignment and tradeoffs rather than features.

Platform	Best Fit	Cost Model	Operational Complexity	Flexibility	Lock-In Risk	Typical Use Case
VMware	Large, mature environments	License + Bundled	Medium	Low-Medium	High	Standardized enterprise environments
Hyper-V	Microsoft-centric orgs	License (bundled)	Medium	Medium	Medium	Azure-aligned strategies
Nutanix	Simplification/HCI	Subscription	Low-Medium	Medium	Medium	Integrated infrastructure environments
Proxmox	Cost-sensitive/technical teams	Low-Cost/Open	Medium-High	High	Low	Edge, SMB, selective enterprise
Hyperscaler	Elastic workloads	Consumption	Medium	High	Medium-High	Cloud-native/ scalable apps

- **Advisory Note**

  The goal is not to identify a “winner,” but to understand which tradeoffs align with your priorities.

Appendix C: Virtualization Reset Workshop Guide

This framework can be used to facilitate a structured conversation with stakeholders.

1

Confirm the Baseline

- Do we have a complete and accurate inventory?
- Where are the gaps or assumptions?

2

Identify Constraints

- Where are we most constrained today?
  - Cost
  - Timing (renewals, hardware)
  - Internal resources
- What decisions are being forced by these constraints?

3

Align on Business Priorities

- What matters most over the next 3–5 years?
  - Cost predictability
  - Flexibility
  - Speed to execute
  - Risk reduction

4

Narrow the Path

- Which 1–2 options are most viable?
- What are the tradeoffs of each?

5

Define Next Actions

- What needs to be validated?
- What decisions need executive alignment?
- What is the timeline?

Key Question to Anchor Discussion:

"If we do nothing, what risk increases over the next 12 months?"

Appendix D: Procurement & Contract Checklist

Procurement decisions can either reinforce your strategy or limit it. This checklist helps ensure alignment.

Pre-Renewal Checklist

- [ ] Confirm all renewal dates and notice periods
- [ ] Validate current usage vs licensed capacity
- [ ] Identify any bundled components not in use

Red Flags to Watch

- Long-term commitments without flexibility
- Bundled licensing that does not align to usage
- Lack of clarity around exit or migration
- Pricing that is only valid for very short timeframes

Key Questions for Vendors

- What pricing protections are available?
- Can we scale up or down mid-term?
- What flexibility exists if our strategy changes?
- What are the exit terms and migration constraints?
- How are support and SLAs structured?

▪ **Advisory Note**

Well-structured contracts create flexibility. Poorly structured ones create constraints that are difficult to unwind.

Appendix E: Managed Private Cloud Evaluation Criteria

This framework can be used to facilitate a structured conversation with stakeholders.

Provider Capabilities

- [ ] Support for multiple hypervisors
- [ ] Migration services and support
- [ ] Integration with DR and backup solutions
- [ ] Performance and scalability options

Commercial Structure

- [ ] Contract flexibility (term length, scaling)
- [ ] Ability to transition platforms mid-contract
- [ ] Transparent pricing model

Operation Model

- [ ] SLA structure and support responsiveness
- [ ] Visibility into environment and performance
- [ ] Level of management vs customer control

Key Evaluation Question

"What flexibility exists if our platform strategy changes within the next 12–24 months?"

- **Advisory Note**
  Flexibility should be contractually defined, not assumed.

Appendix F: Cloud Repatriation Considerations

Many organizations are reevaluating prior cloud decisions. This is not about reversing course, but about realignment.

Common Triggers

- Rising and unpredictable costs
- Performance or latency challenges
- Data gravity and integration complexity

What to Evaluate

- Which workloads are well-suited to cloud
- Which workloads may perform better in private or hybrid environments
- Cost comparison across environments over time

Risks to Avoid

- Overcorrecting entirely back to on-prem
- Ignoring long-term flexibility
- Making decisions based solely on short-term cost

▪ **Advisory Note**

The goal is not cloud or on-prem. It is **intentional workload placement.**

Appendix G: Sample 90-Day Virtualization Reset Plan

A structured approach helps maintain momentum and avoid analysis paralysis.

Phase 1	Phase 2	Phase 3
		
0–30 Days: Establish Clarity	**30–60 Days: Evaluate Options**	**60–90 Days: Align & Execute**
• Complete environment inventory • Identify constraints and risks • Align stakeholders on objectives	• Define 1–2 viable paths • Conduct technical and financial analysis • Validate assumptions through pilot or modeling	• Finalize decision • Align procurement and contracts • Begin phased implementation

▪ **Advisory Note**
Speed comes from clarity, not from skipping steps.

Appendix H: Executive Alignment Questions

These questions help bring business stakeholders into the decision.

- Do we prioritize cost predictability or maximum flexibility?
- How much operational complexity are we willing to manage?
- What level of vendor dependency is acceptable?
- What is the cost of being wrong versus the cost of waiting?
- How important is speed of execution relative to optimization?

Advisory Note

The best decisions are aligned across IT and the business, not made in isolation.

Appendix I: Market Perspective Snapshot

The current environment is shaped by several key trends:

- Virtualization pricing and licensing models are shifting
- Hardware procurement is constrained by supply and pricing volatility
- Cloud repatriation is increasing as organizations reassess cost and performance
- Hybrid and managed models are becoming more common

Key Takeaway:

Organizations that proactively evaluate these dynamics are better positioned to maintain control over cost, flexibility, and long-term strategy.