LOGICALIS
Architects of Change

vmware
by Broadcom

Executive Guide

The Private Cloud Reset

Building an Infrastructure Strategy for the AI Era

How Logicalis and VMware help IT leaders run traditional, cloud-native, and AI workloads on one operating model

Executive Summary

For years, the public cloud served as the default destination for new workloads. Today, AI, data sovereignty, security, and cost pressures are compelling organizations to rethink their infrastructure strategy.

- AI, data sovereignty, security, and cost pressures are prompting IT leaders to reassess where workloads run.
- The private cloud has re-emerged as a strategic platform both for traditional applications and AI.
- Full-stack platforms such as VMware Cloud Foundation provide a ready-to-deploy private cloud foundation with built-in automation, security, and AI services.
- Professional and managed services from Logicalis support every stage of private cloud adoption, from planning and deployment through ongoing operations.

This guide examines the forces behind the private cloud reset, a strategy for properly allocating workloads, and which capabilities are needed for a successful private cloud strategy.

Four Forces Behind the Private Cloud Reset

In today's enterprise landscape, many AI ambitions are being blocked by infrastructure challenges. McKinsey research, for instance, shows that 88% of organizations regularly use AI in at least one business function, yet only about one-third have begun scaling their AI programs.

9 in 10

use AI regularly in at least one business function

44%

are scaling their AI programs

-McKinsey, The State of AI in 2026



Enterprise AI places new demands on infrastructure, requiring AI adopters to rethink several core pieces of their infrastructure strategy, including:

Production AI

Experimenting with AI in the public cloud is relatively simple, but introduces challenges, risk, and vendor dependence at scale. Yet running AI in private environments places more demands on hardware. Inference, for example, requires sustained GPU access, low-latency connections to enterprise data, and a new governance strategy. Those demands grow with usage, driving up the costs of compute, data movement, and consumption-based model access.

Data Sovereignty

New regulations and geopolitical uncertainty are prompting organizations to keep sensitive data closer to home. Residency requirements now shape where workloads run, especially when AI systems process personal information, financial records, health data, intellectual property, or government-controlled material. For production AI, sovereignty extends beyond storage location to include where prompts, embeddings, model outputs, logs, and fine-tuning datasets are processed and retained, making control over infrastructure location and cross-border data flows a central design constraint.

Security and Compliance

Organizations increasingly want security and compliance built directly into their infrastructure, with consistent policies wherever workloads run. Yet every new environment, integration, and AI tool serves to expand the attack surface, which in turn introduces inconsistent controls and visibility gaps. The result: teams must now protect more workloads and prove compliance across platforms.

Cost Predictability

Public-cloud pricing suits variable workloads, where demand rises and falls, because organizations only pay for resources consumed. Private cloud infrastructure can provide more predictable costs for sustained workloads, however, by shifting spend toward known hardware, capacity, and operating expenses. These trade-offs are prompting IT teams to rethink which workloads benefit from the public versus private cloud pricing models.

Private Cloud: A Foundation for the Reset

A private cloud is a cloud environment dedicated to a single organization. It delivers the defining characteristics of the public cloud, including self-service provisioning, elastic scaling, and automation, while giving the organization direct control over data location, security, performance, and cost. That combination gives businesses more control over data, performance, security, and cost, which is why many organizations are turning to the private cloud. Broadcom's Private Cloud Outlook 2026 shows this trend clearly, with over half of enterprises running or planning to run production AI inference on the private cloud.

56%

of enterprises are running or planning to run production AI inference on the private cloud

-Broadcom's Private Cloud Outlook 2026

Adopting the private cloud once meant assembling separate compute, storage, networking, and management tools, then maintaining those integrations over time. Full-stack private cloud platforms simplify that process, combining every core infrastructure layer with built-in automation and lifecycle management in a single, pre-integrated platform that is ready to deploy.

Core Capabilities of the Private Cloud

A well-designed private cloud combines four core capabilities, all within infrastructure the organization controls:

- **Software-defined compute.** Virtualization improves resource utilization by letting virtual machines, containers, and AI workloads share pooled resources, including GPUs.
- **Software-defined storage.** Storage pooled across servers scales through policy and reduces reliance on specialized hardware.
- **Software-defined networking and security.** Network and security policies defined in software isolate applications, enforce Zero Trust segmentation, and follow workloads wherever they move.
- **Automation and orchestration.** Self-service provisioning and automated lifecycle management deliver the speed of a cloud operating model, while data, workloads, and policies stay within the organization's private environment.

Together, these capabilities enable efficient, reliable, and agile digital operations with the full control of dedicated infrastructure.

Deciding Where Workloads Belong

These capabilities deliver the most value when the private cloud is part of a broader infrastructure strategy that places each workload in the right environment, whether the private cloud, the public cloud, or the edge. Broadcom's latest research recommends aligning workload placement with security, performance, cost, and governance requirements. Criteria such as the following can help guide those decisions:



Data sensitivity and residency.

Regulated, confidential, or sovereign data often requires direct control over data location.



Performance and latency.

Latency-sensitive and data-intensive applications often run best near the data.



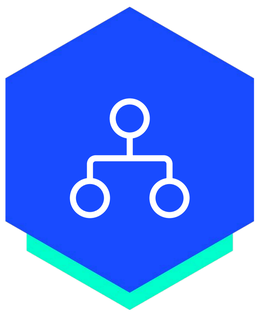
Cost profile.

Steady workloads often deliver better long-term economics on private infrastructure, while highly variable workloads may suit the public cloud.



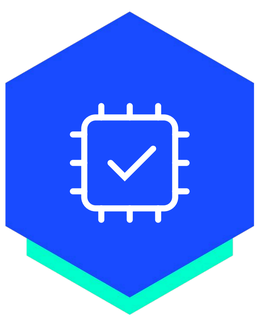
Compliance obligations.

Industry and regional regulations dictate where some workloads can run and how they must be governed.



Integration dependencies.

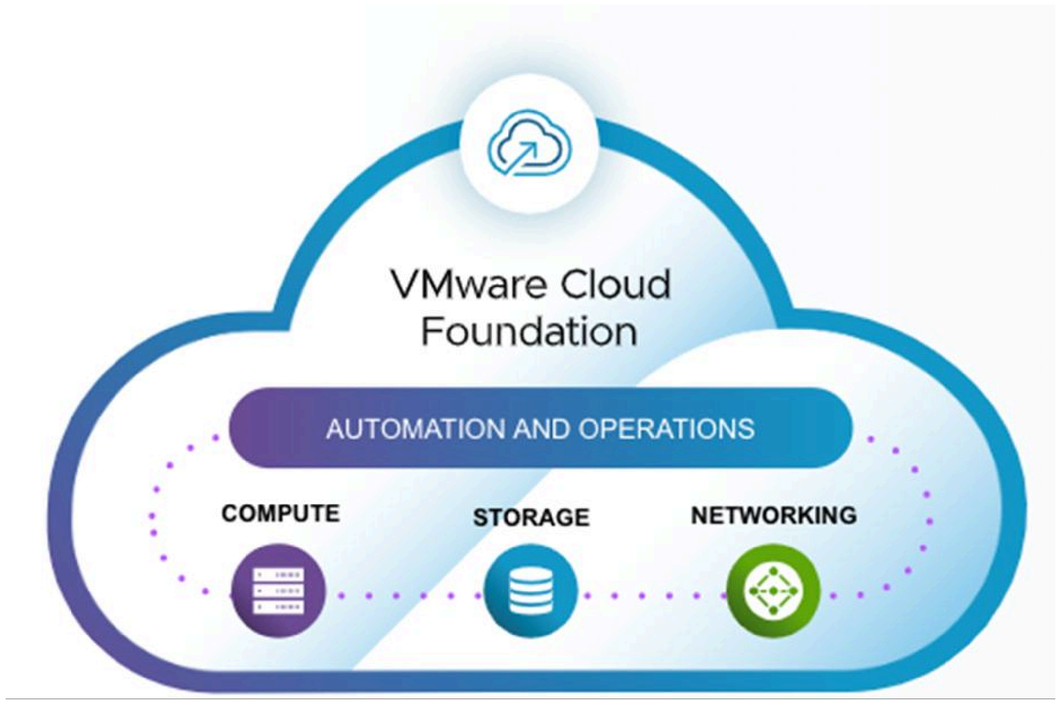
Tightly connected applications often run best alongside the systems they depend on.



AI requirements.

GPU availability, model governance, and proximity to enterprise data all influence AI workload placement.

Placement criteria determine where each workload should run. Choosing the right private cloud platform is the next step, because the platform determines how securely, efficiently, and cost-effectively those workloads perform once they arrive.

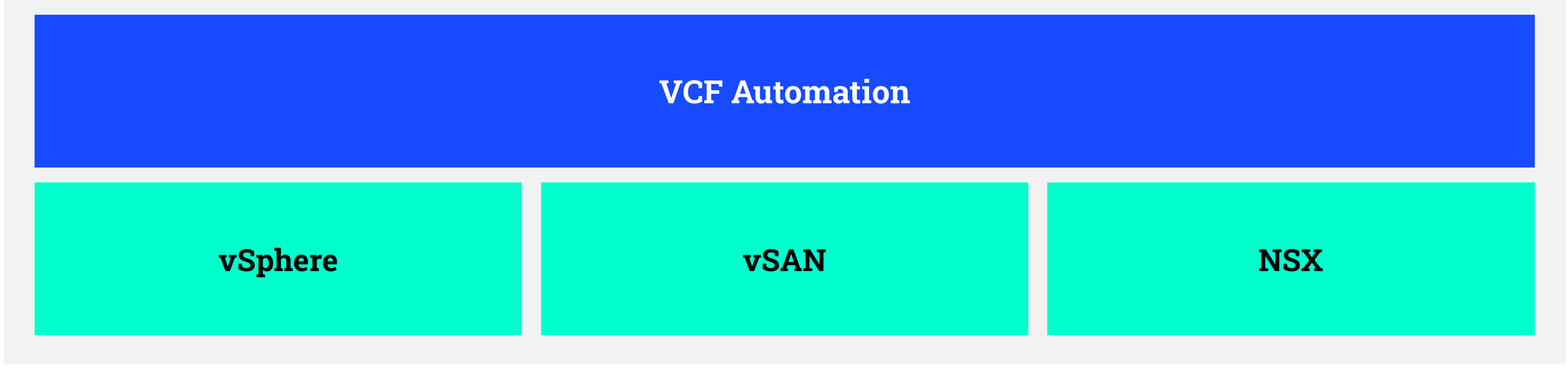


VMware Cloud Foundation:

A Full-Stack Private Cloud Platform

VMware Cloud Foundation (VCF) brings the core private cloud capabilities together in a single platform. It integrates key data center technologies, including compute, storage, networking, and security, all managed through automation and orchestration designed to help lower operational costs.

VCF incorporates VMware's industry-leading solutions, with virtualization and compute through vSphere, storage through vSAN, and networking through NSX.



At its core, VCF uses vSphere to run virtual machines, containers, and AI workloads, while integrated vSAN delivers block, file, and object storage that improves resource efficiency. NSX provides a secure, software-defined networking layer that uses virtual private clouds to isolate applications and users, and VCF Automation orchestrates these layers in a cloud operating model.

Additional components extend that foundation:

- **VCF Automation.** Delivers automation, self-service, chargeback, and analysis across the platform.
- **VCF Operations.** Provides fleet management, automating the installation, operations, and lifecycle management of the entire stack.
- **VMware vSphere Kubernetes Service.** Runs modern applications and traditional workloads side by side on a single platform.

Advanced services include Advanced Cyber Compliance, Advanced Security, Load Balancing, Application Services, Data Services, Network Observability, Business Operations, and Identity Security. Combined with the core platform, these services give organizations a single, consistent foundation that can grow with new requirements, including the demands of AI.

Powering the Next Generation of Private Cloud

With VCF, Broadcom continues to expand the capabilities needed to meet the AI, sovereignty, security, and cost pressures driving today's private cloud reset:



VMware Private AI Cloud.

A production-ready path to building, running, and governing inference, agentic, and traditional enterprise workloads together on VCF.



VMware AI Factory.

The software-defined foundation of Private AI Cloud, automating hardware provisioning, software stack enablement, and lifecycle management, cutting time to first model deployment from weeks to hours.



Multi-tenant model sharing.

AI model sharing in private, isolated namespaces, eliminating redundant model copies that consume GPU resources.



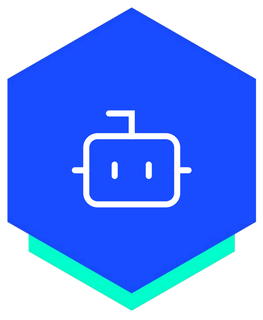
AI cost visibility.

Token monitoring, GPU and vGPU tracking, and an AI metrics dashboard help optimize resource usage across diverse GPUs, CPUs, and accelerators.



Defense-in-depth security.

A security solution that minimizes the attack surface and enables continuous compliance, with VMware vDefend enforcing Zero Trust through virtual patching and micro-segmentation.



Trustworthy enterprise agents.

VMware Tanzu Platform, with VMware vDefend, providing a deny-by-default foundation for enterprise AI agents.

Together, these capabilities enable organizations to address the four key forces driving the private cloud reset: production AI, data sovereignty, security and compliance, and cost predictability.

The private cloud offers a more deliberate approach to infrastructure, placing each workload where it delivers the most value. Organizations that modernize their private cloud foundation now will be better positioned to scale AI securely, meet sovereignty requirements, and control costs.

Reset Your Private Cloud Strategy

with Logicalis and VMware

A successful private cloud strategy requires the right platform and the right expertise. With Logicalis and VMware, organizations gain support across the full lifecycle, from assessment and design through migration and ongoing managed services.

Logicalis' proven approach helps teams align their infrastructure strategy with business goals, transform environments, and scale with managed services that keep performance, security, and costs optimized.

Align

Assessment and design

Transform

Migration

Scale

Ongoing managed services

Are You Ready to Build an Infrastructure Strategy for the AI Era?

Contact Logicalis today to schedule a strategy session.

[Schedule a Strategy Session]

Why Logicalis?

- VMware partner with a highly certified team of VMware technology experts
- 7,000+ professionals serving 10,000+ clients across 30 territories
- Lifecycle services across cloud, connectivity, collaboration, and security
- Deep-dive, executive-level workshops to help rally stakeholders and plan next steps

LOGICALIS Architects of Change | vmware by Broadcom