



CLOUD FINOPS

BE CLOUD TRANSFORMATION STEERCO

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INTRODUCTION

Who are we?

The leading service provider for IT Asset Management (ITAM) services globally, serving as trusted advisor to clients that want to better control their IT environment and optimize cost & ROI of their IT investments

We have successfully delivered ITAM projects for hundreds of clients globally

From ITAM maturity assessments & definition of target operating model, over ITAM tool implementations to running ITAM as a managed service.



Global	EMEA	Belgium
+900 ITAM Professionals	+400 ITAM Professionals	36 ITAM Professionals
		4 Cloud FinOps Certified
		7 AWS Certified
		6 Azure Certified

But ...

Cloud introduces new complexities and challenges to ITAM teams:

Limited Governance	Lack of controls for provisioning, usage and spend; limited focus on waste elimination
Pricing Complexities	Difficulty in navigating through variations in prices across multiple cloud providers and configurations
Inadequate Cloud Provider Tools	Out-of-the-box tools do not cover the full spectrum of optimization levers
Complex Cloud Architecture	Business, IT and Finance do not speak the same language when talking about the Cloud architecture



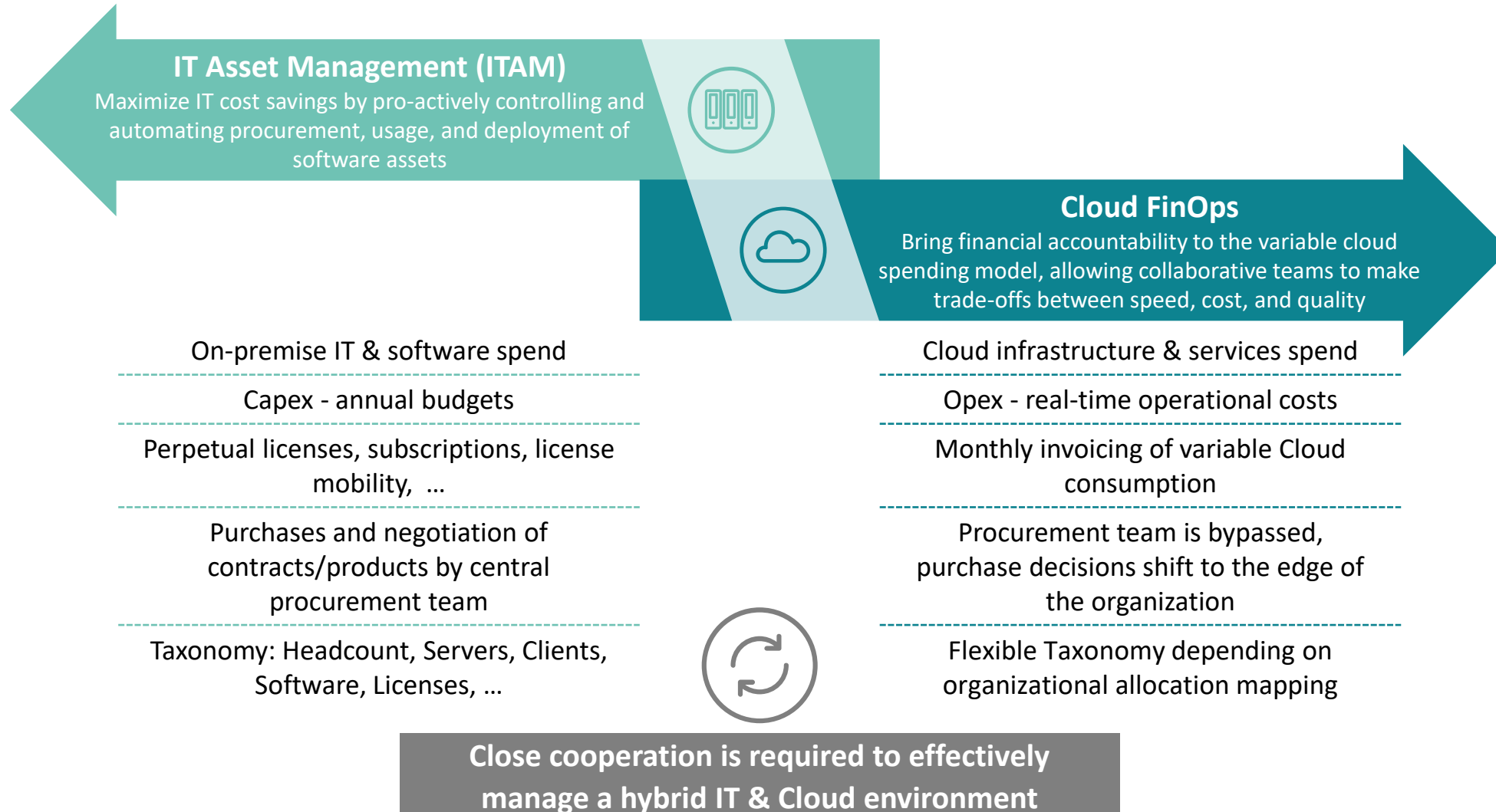
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WHY CLOUD FINOPS?

Cloud & DevOps have disrupted the model of managing major components of IT expenditure



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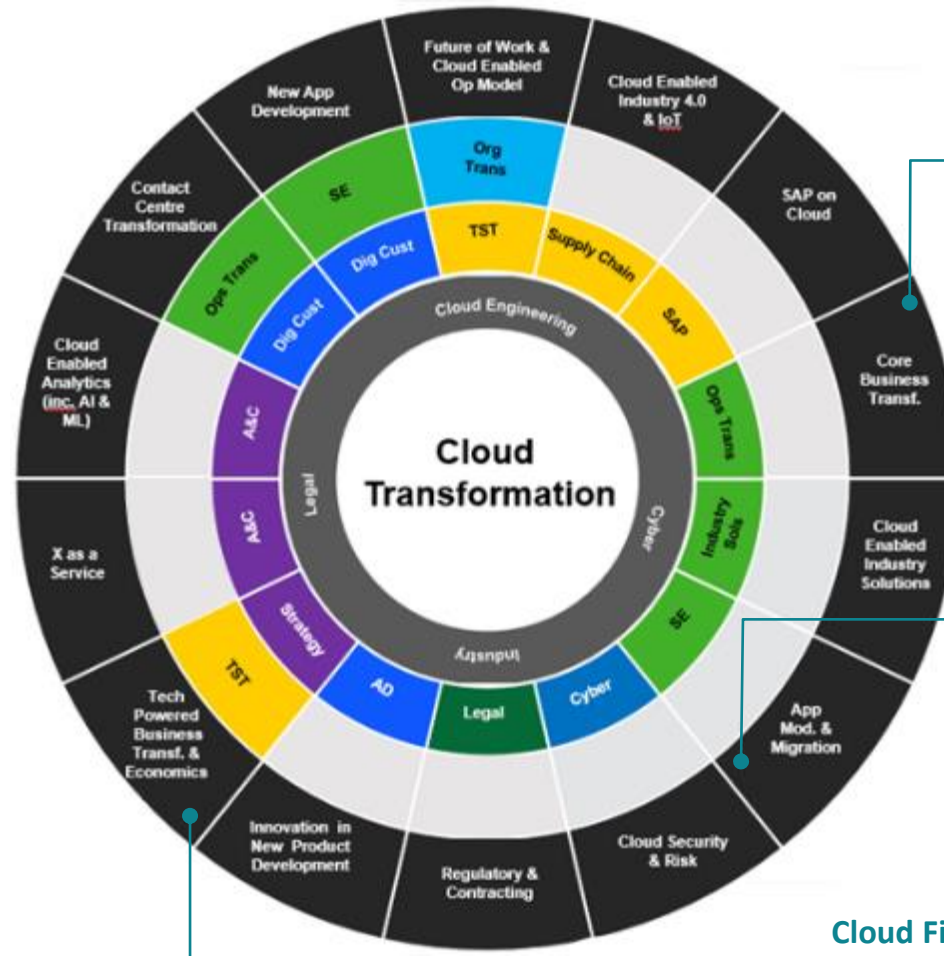
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WHY CLOUD FINOPS?

A key consideration for all Cloud Transformation projects

The success of a Cloud Transformation journey doesn't start or stop with the migration to Cloud. It starts well before this step and will depend on how you manage your Cloud afterwards. Cloud FinOps is a key function to support in achieving this success.



Cloud FinOps & Delivery Shift

Once you have moved to a Cloud-first/Cloud-native operating model, a Cloud FinOps function will help you monitor & optimize Cloud spend, evaluate all new projects and implement a transparent showback or chargeback model of Cloud costs.

Cloud FinOps & Cloud Migration

By combining our ITAM expertise for on-premise IT & our knowledge on Cloud cost optimization, we can provide key insights in optimizing the ROI of Cloud Migration projects.

Cloud FinOps & Cloud Strategy

Finetune your business case for Cloud by optimizing the target setup from a financial perspective, incl. selecting the right workloads for the job and/or by leveraging previous investments to reduce cost.



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Introducing Cloud FinOps

Cloud FinOps combines the financial (budget, cost models..) and operational (infrastructure, app & data) perspectives of Cloud, with the goal to optimize the overall cost of resource consumption to maximize the return on Cloud investments.



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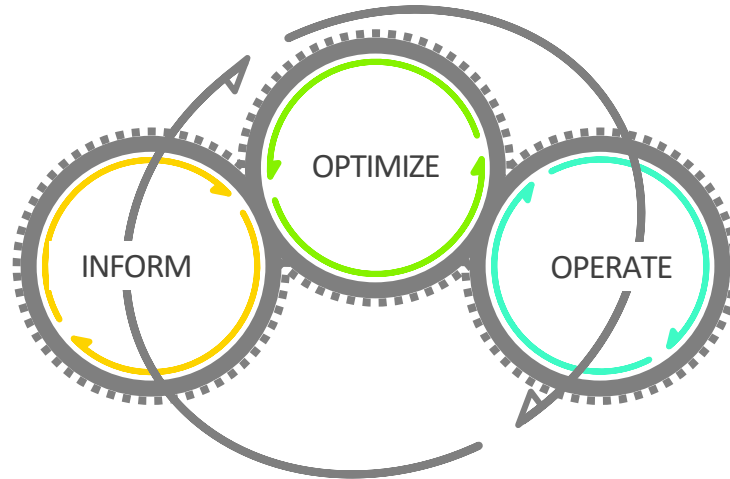
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Cloud FinOps Lifecycle

Cloud FinOps is executed in a lifecycle loop consisting of 3 phases – Inform, Optimize & Operate – that continuously examines Cloud use, identifies optimization opportunities and builds them incrementally into the organization.

- **INFORM** – Understand your Cloud bill and introduce transparency & financial accountability for Cloud consumption.
- **OPTIMIZE** – Identify opportunities to optimize Cloud spend.
- **OPERATE** – Empower teams to maximize speed of delivery, agility & innovation while considering cost.



Cloud FinOps Capabilities

1. Understand Cloud Usage & Cost

Data normalization, cost allocation, anomalies, shared costs, showback/chargeback, IT asset management

2. Performance Tracking & Benchmarking

Performance KPIs, efficiency metrics, trending & variance, forecasting, budgeting, unit economics

3. Real-time Decision Making

Roles & responsibilities, identify anomalies, budget alerts, customized reporting, business case validation

4. Cloud Rate Optimization

Commitments, reservations, pricing model analysis, license management

5. Cloud Usage Optimization

Workload placement, rightsizing, cost avoidance, architecture modernization

6. Organization & Culture

align with business chargeback-model, governance, continuous learning, knowledge sharing, socialize innovation

Based on the [FinOps Framework](#) by [FinOps Foundation](#)

Introducing Cloud FinOps early in the Cloud journey is necessary to ensure ROI is realized by governing cloud spend

Our Deloitte Cloud FinOps Services



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Finetuning the Cloud Business Case

Cloud FinOps

Challenge

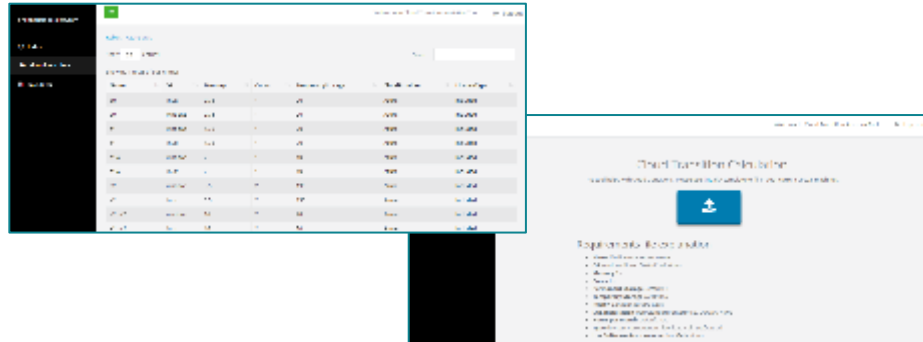
- Client has decided to migrate an environment to Azure but is second guessing the cost benefit
- Impact on Microsoft licensing (& potential optimization) was not considered

Approach

- Analysis of on-premise IT and mapping to Azure setup.
- Analysis of software vendor contracts and owned license portfolio.
- Scenario building using self-developed analytics tool

Impact

- Identified significant ROI improvement opportunities:
 - i. Potential cost savings of 20-60% depending on the preferred target Azure setup and
 - ii. Significant one-time saving on software license cost via optimized license strategy
- Client had confidence in use case of migrating to Cloud and requested Deloitte to periodically review Cloud setup & identify optimization opportunities



Our Deloitte Cloud FinOps Services



Finetuning the Cloud Business Case

Challenge

- Business does not receive the necessary transparency on Cloud usage and IT & cost allocations in a timely, predictable manner
- No/limited optimization of Cloud costs resulting in significant cost savings potential

Approach

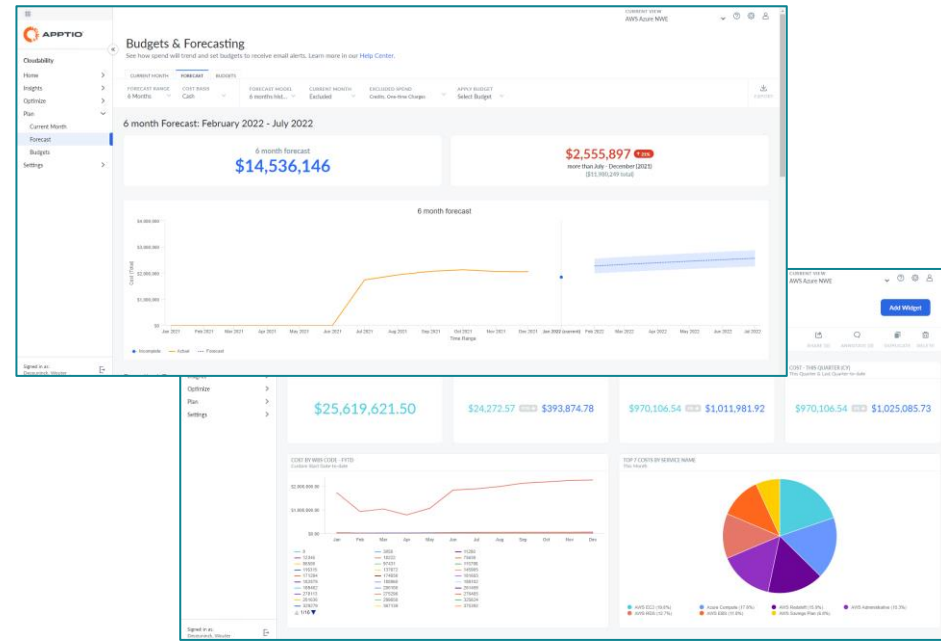
- 3 step Cloud FinOps implementation via Onboarding, Design and Implement plan to:
 - Get insight in complex billing & cost models
 - Showback/chargeback of Cloud costs to business users
 - Define and implement Cloud FinOps processes & procedures

Impact

- Cloud FinOps practice implemented that provides transparency to all Cloud consumers and stakeholders
- Technology & processes implemented to support the further Cloud Transformation journey

Cloud FinOps

Example Deliverables



How can we collaborate?

We are eager to bring our Cloud FinOps experience & expertise to current and future Cloud Transformation clients.

1

Transforming ITAM clients to Cloud clients

Most of our ITAM clients have already started their Cloud journey, but are in need of our expertise on Cloud. Together with the relevant teams within Deloitte we are setting up “What’s next?” meetings.

2

Cloud Scan & Strategy

Our unique expertise in inventory of an IT environment as well as our knowledge of software licensing can be a key differentiator during Cloud Strategy projects.

3

AWS Cloud Financial Management

In collaboration with AWS, we are currently working on a plan to upskill our resources in the AWS Cloud Financial Management (CFM) framework and jointly go-to-market to help our joint clients and/or new clients to bring transparency, control, forecasting, and optimization to Cloud spend.

4

Whenever your client is struggling with their monthly Cloud bill

Whenever your client has questions about their Cloud costs, we are available to add our expertise & experience to our 360° Cloud Transformation toolbox.



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