

# **Episode 548: Alex Hidalgo on Implementing Service-Level Objectives**

Team En-07

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# I. Introduction.

In this document, we will talk about "Episode 548: Alex Hidalgo on Implementing Service-Level Objectives". The episode focuses on the implementation of Service Level Objectives (SLOs) and their importance in the world of software engineering. We will explore the main concepts covered in the episode, including SLOs, Service-Level Indicators (SLIs), Service-Level Agreements (SLAs), and Error Budgets.

## II. Alex Hidalgo.

Alex Hidalgo, author of the book "Implementing Service Level Objectives", has a unique perspective on SLOs, having spent most of his 20s working in the service industry before joining Google at the age of 28. Hidalgo's experience in the service industry taught him the importance of delivering a certain level of service to customers, and this concept is at the core of SLOs.

Alex Hidalgo is co-founder of Nobl9, a software company specialising in service level objectives (SLOs) for cloud-based applications. Prior to co-founding Nobl9, Hidalgo was a senior director at Amazon Web Services (AWS). He also worked at Google as a senior software engineer on the Google Cloud Platform.

## III. Main Concepts.

SLI, SLO, and SLA are key performance indicators used to measure the reliability and availability of a software system. SLI is a quantitative measure of some aspect of the system related to a user's experience, such as response time, error rate, and throughput. SLO is a target value or range for one or more SLIs that reflects a desired level of service, typically defined by the system's stakeholders, such as the users or the business. SLA is a contractual agreement between the provider of a service and its users that specifies the SLOs and the consequences if those SLOs are not met.

By setting SLOs and defining SLAs, software development teams can ensure that they are meeting the needs of their users and delivering a high-quality service.

Tracking SLIs, SLOs, and SLAs can help teams identify areas where they need to improve and prioritise their efforts. By monitoring these metrics over time, teams can see whether they are making progress towards their goals and adjust their strategies accordingly.

## VI. Error budget.

An error budget is an essential part of an SRE team's toolkit. It is a quantification of the amount of allowable downtime or error that a service can experience before the user experience is negatively affected. The error budget is determined by the SLA and SLO of the service. The error budget is a critical tool in prioritising reliability work for an SRE team.

An error budget enables the SRE team to strike the right balance between the two. For example, if a service has an SLO of 99.9% and an SLA of 99.5%, it means that the service can experience up to 0.4% error or downtime before breaching its SLA. This 0.4% is the error budget for the service

By setting an error budget, the SRE team can prioritise work based on the level of reliability required to maintain the service

The team can use the budget to identify areas where reliability can be improved and prioritise work accordingly. By understanding the error budget, the team can prioritise work that aligns with the business's needs. This encourages innovation and helps the business stay ahead of its competitors.

Error budgets are a critical tool for SRE teams. By understanding error budgets and using them effectively, SRE teams can ensure that their services meet the reliability standards that their users demand.