

ADIB – Cloud FinOps Procedure
(UAE)

ADIB FinOps Procedure PRC-ITD-571

Date: 30th July 2023

Version: 2.0



Dept./ Unit: Technology Operations

Issue Date: 30th July 2023

ITD Procedure: PRC-ITD-571 ADIB Cloud FinOps Procedure

Version: 2.0

Version Control & Change Management

Version	Issue Date	Details of Change	Reason for change
2.0	30 th July 2023	Added Cloud FinOps as a stakeholder Update the KPIs reporting to Head of Cloud Operation	Align with the current practices
1.0	30 th July 2022	New document	Cloud Adoption

Prepared by	Approved by	Reviewed by
Cloud Chapter Lead	Head of Cloud Platform and Operations	Manager, Cloud FinOps



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1 Purpose & Scope

The purpose of this document is to bring consistency, visibility and control throughout cloud operations and cost governance.

2 Document Owner

Cloud Chapter Lead

3 Other stakeholders

- Head of Cloud Operation
- Cloud Center of Excellence
- Cloud FinOps
- Head of Governance and Risk Management
- IT Finance
- Capacity Manager
- Application & Infrastructure Teams

4 RACI

Task	Product Teams (AppDev & AppSupport)	Cloud Operations (Network & Security)	Cloud Operations (Global Admin)	Cloud Operations (Edge Security)	CCoE - Cloud FinOps
LZ - Architect with cost in mind	R				A
LZ - Define Azure budget and manage alerts	I				R
LZ - Adjust Azure budget based on actual spending	C				R
LZ - Monitor spending using Azure Cost Management	R				C
LZ - Implement Azure Advisor cost recommendations	C		R		A
LZ - Adjust Azure resources Size, SKU, Tier to optimize cost	C		R		A
LZ - Consider Azure Reservations when appropriate	C				R
LZ - Leverage Hybrid Use Benefits					R
LZ - Implement auto-scaling where appropriate	C		R		A
LZ - Automate auto-shutdown of Azure resources	C		R		A
LZ - Delete unused Azure resources	C		R		A
Platform - Architect with cost in mind		R	R	R	A
Platform - Optimize cost of shared and supporting services		R	R	R	R
Platform - Define Azure budgets and manage alerts					R



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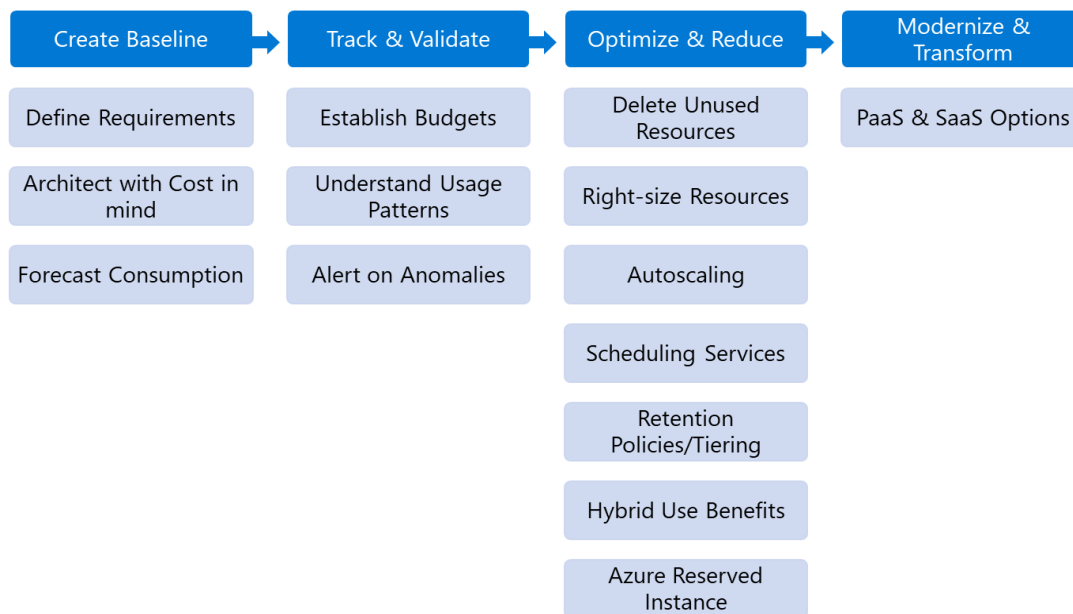
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Task	Product Teams (AppDev & AppSupport)	Cloud Operations (Network & Security)	Cloud Operations (Global Admin)	Cloud Operations (Edge Security)	CCoE - Cloud FinOps
Platform - Monitor spending using Azure Cost Management					R
Platform - Implement Azure Advisor cost recommendations		R	R	R	A
Platform - Adjust Azure resources capacity (Size, SKU, Tier) to optimize cost		R	R	R	A
Platform - Consider Azure Reservations when appropriate					R
Platform - Leverage Hybrid Use Benefits					R
Platform - Delete unused Azure resources		R	R	R	A
Monitor Landing Zone spending across ADIB					R
Central governance of Hybrid Use Benefits					R
Central governance of Azure Reservations					R

5 Process/ Workflow

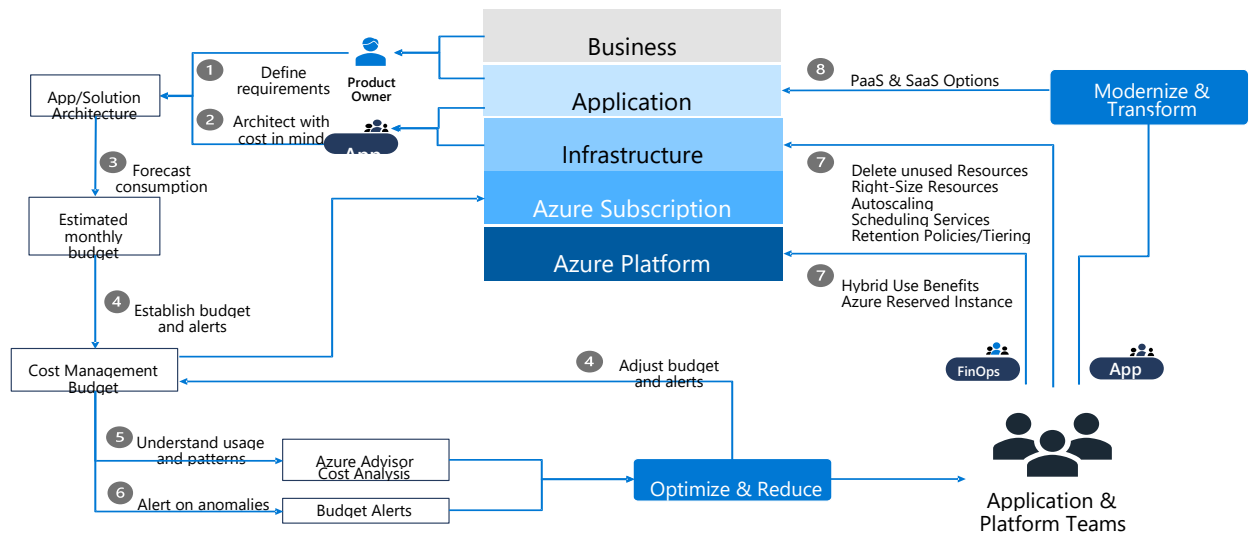




5.1 Detailed Process Workflow – Application & Platform Service

Ensuring cost consciousness is not a one-time activity. Like other cloud-adoption topics, it is iterative and crystalized on the cost management workflow.

The diagrams below (first one for application scope and second one for platform service scope) outline this process to focus on: creating the baseline, establishing budgets and alerts, understanding the usage patterns, and optimizing the consumption.





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Sr. No .	Process Step Description	Responsibility	Document (STD, PRC, FORM, CL, TML WI) / Tool Reference
1	Define the cloud services requirement – IaaS	Business and application owner	Cloud template (Excel)
2	Architect the application / service with cost in mind	Application architect Cloud architect	Cloud HLD (Pdf)
3	Forecast cost consumption in cloud	Application architect Cloud architect	Estimated monthly budget Excel/Azure billing calculator
4	Establish the budget and set alerts in the system	Manager, Cloud FinOps Cloud operation engineer	Azure budget alerts
5	Optimize and reduce the usage based on, Usage patterns and alert on anomalies And adjust the budget in Azure cost management	Manager, Cloud FinOps Cloud operation engineer	Azure advisor
6	Validate below controls with application teams, - Hybrid usage benefits, Reserved instance in the cloud platform - Delete unused resources, perform right sizing, enable auto scaling, scheduling the services on need basis, validate the retention policies based on application tiering for applicable cloud workloads - Suggest PaaS or SaaS based offerings if available to modernize and transform	Manager, Cloud FinOps Cloud operation engineer Application Architect	Email



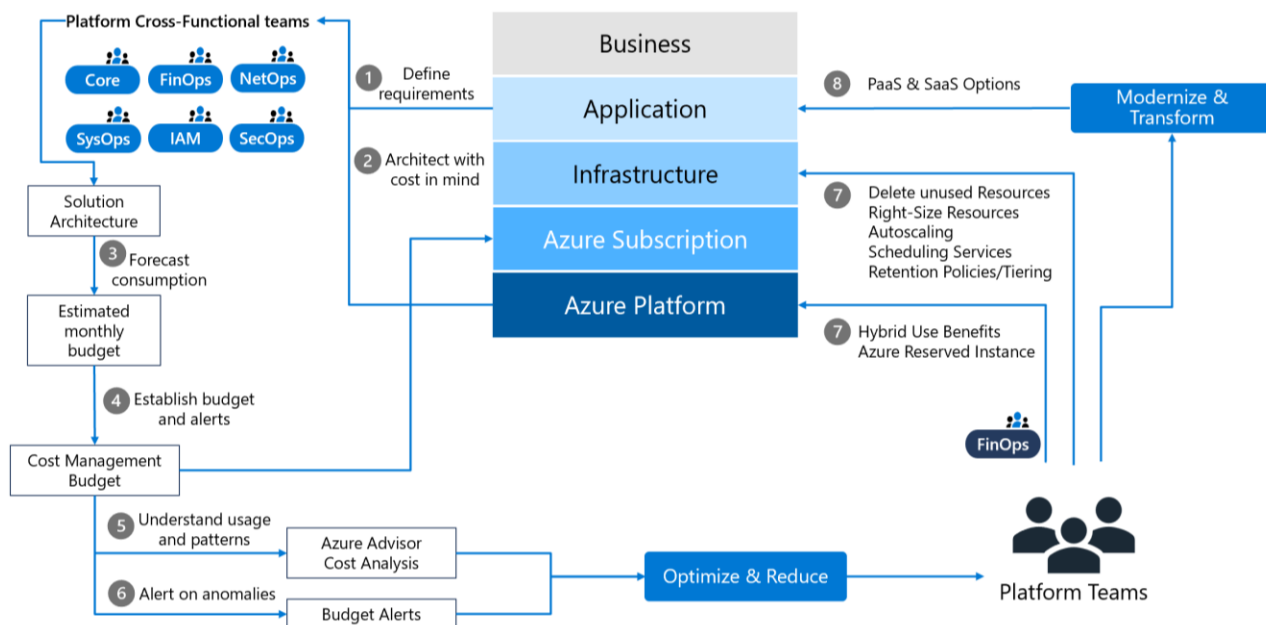
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5.2 Cloud Cost Management Workflow – Platform Service



Sr. No.	Process Step Description	Responsibility	Document (STD, PRC, FORM, CL, TML WI) / Tool Reference
1	Define the cloud services requirement –PaaS/SaaS	Business and application owner Platform team Cloud Architect/CSP	Cloud template
2	Architect the application / service with cost in mind	Application architect Cloud architect	Cloud HLD
3	Forecast cost consumption in cloud	Application architect Cloud architect	Estimated monthly budget Excel/Azure billing calculator
4	Establish the budget and set alerts in the system	Manager, Cloud FinOps Cloud operation engineer	Azure budget alerts
5	Optimize and reduce the usage based on, Usage patterns and alert on anomalies And adjust the budget in Azure cost management	Manager, Cloud FinOps Cloud operation engineer	Azure advisor



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Sr. No.	Process Step Description	Responsibility	Document (STD, PRC, FORM, CL, TML WI) / Tool Reference
6	Validate below controls with application teams, <ul style="list-style-type: none">- Hybrid usage benefits, Reserved instance in the cloud platform- Delete unused resources, perform right sizing, enable auto scaling, scheduling the services on need basis, validate the retention policies based on application tiering for applicable cloud workloads- Suggest PaaS or SaaS based offerings if available to modernize and transform	Manager, Cloud FinOps Cloud operation engineer Application Architect	Email

6 Risks and Controls

Risk	Controls	Reference (section number in the procedure)
Risk of failing to design cost efficient solutions for cloud workloads Cause: Lack of or inadequate cost optimization principles for designing cloud solutions Impact: Deployment of ADIB cloud workloads designed to incur costs more than what is required to deliver the required business performance and ultimately leading to cloud cost inefficiency.	CCoE team collaboratively works with business, CloudOps and Cloud FinOps team to architect with cost in mind via cost efficiency assessments of all Non-Functional architecture requirements for new cloud workloads.	5.2 Architect the application / service with cost in mind, while designing the Solution FinOps team should be on boarded
Risk of inefficient cloud resource provisioning Cause: Provisioning on-premises workloads on the cloud without referring their historical consumption data and provisioning new cloud workloads without adequate forecasting of resource consumption Impact: Overprovisioning of cloud resources and ultimately leading to cloud spending waste.	CloudOps approves cloud resource provisioning only based on historical resource consumption reports for migrating on-premises workloads to cloud	
Risk of inadequate cloud cost consumption tracking & reporting Cause: Lack of or inadequate cloud cost monitoring metrics	CCoE provides monthly cost forecast and actual dashboard to CIO and ITD leaders for the cloud services.	5.3 Forecast cost consumption in cloud



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Risk	Controls	Reference (section number in the procedure)
Impact: No visibility or oversight on cloud cost consumption and ultimately leading to uncontrolled cloud cost growth.		
Risk of failing to reduce & optimize cloud cost consumption Cause: Lack of or inadequate practices for reducing & optimizing cloud cost consumption Impact: ADIB will be at a competitive disadvantage due to unoptimized cloud spend in comparison to its competitors	CCoE optimizes the cloud cost by continually rightsizing cloud resources consumption and implementing applicable cost optimization recommendations from Azure	5.5 Optimize and reduce the usage 5.6 Validate the controls with application teams such as Hybrid usage benefits, Reserved instance in the cloud platform

7 Key Performance Indicator (KPI)

Sr. No.	Key Performance Indicators	Target	Source	Reporting to	Frequency	Formula
1	Azure Advisor cost recommendations are reviewed, and actions executed as needed	100%	Azure	Head of Cloud Operation	Monthly	One review per month
2	Azure cost analysis tool is reviewed for consumption analysis	100%	Azure	Head of Cloud Operation	Monthly	One review per month
3	Cost consumption vs budget available	100%	Azure	Head of Cloud Operation	Monthly	One review per month

8 Appendixes

Annex I: Acronyms

Abbreviation	Acronym
ADIB	Abu Dhabi Islamic Bank
ITD	Information Technology Division
FinOps	Financial management operation

Annex III: References

Doc. Ref. No.	Name	Type of Document (Policy / Standard)
STD-ITD-579	ADIB FinOps Standard	Standard