Infrastructure as Code (IaC) Interview Questions with Detailed Answers

Q: What is Infrastructure as Code?
A: Infrastructure as Code (IaC) is the practice of provisioning and managing infrastructure using code instead of manual processes.
Benefits:
- Version control for infrastructure
- Reproducible environments
- Automation reduces human error
Real-time example: We used Terraform to create VPCs, subnets, and EC2 instances. Version control allowed us to track infra changes over time.
Q: CloudFormation vs Terraform differences and when to use?
A: CloudFormation is AWS-native, Terraform is open-source and cloud-agnostic.
Feature CloudFormation Terraform
Scope AWS-only Multi-cloud
Language JSON/YAML HCL (declarative)
Modularity Limited Strong (modules, reusability)

| Manual/remote backend needed

| State management | Handled by AWS

Use Terraform when multi-cloud or reusable modules are needed. Use CloudFormation for tighter AWS integration.
Real-time example: We used CloudFormation for AWS-native workloads, and Terraform for creating shared resources across AWS and GCP.
Q: How do you manage state in Terraform?
A: Terraform uses a state file to track the infrastructure.
- Local state is default (`terraform.tfstate`) - Remote state (e.g., S3) enables team collaboration
Best practices:
- Use S3 with versioning enabled
- Use DynamoDB for state locking
Real-time example: Our team used S3 for storing state and DynamoDB for locking to avoid simultaneous updates during CI/CD runs.
Q: How do you handle secrets in Terraform?
A: Avoid hardcoding secrets in Terraform code.
Options:

- Use AWS Secrets Manager or SSM Parameter Store - Use environment variables or `.tfvars` (not checked into Git) - Use Vault for advanced secret management Real-time example: We used SSM Parameter Store with encrypted values. Terraform pulled parameters during provisioning using 'data' blocks. Q: How to implement change detection and approval in IaC? A: Change detection in Terraform: - Use `terraform plan` to preview changes - Use CI/CD to generate and email plan output Approval: - Manual approval stages in CodePipeline or Jenkins before applying Real-time example: Our CI pipeline generated a Terraform plan. A security team reviewed it and approved via manual gate in Jenkins before applying changes. Q: Real-time workflow for provisioning VPC using Terraform? A: 1. Define variables for CIDR, subnets, AZs 2. Create VPC, subnets, route tables in Terraform code

3. Use `terraform init`, `plan`, and `apply`

4. Store state in S3, lock with DynamoDB

Real-time example: We had a reusable Terraform module for VPC provisioning. It was used across multiple environments (dev, staging, prod) with different variables.