

Cloud Organization Hierarchy: Powering Scalable and Secure Cloud Environments

# Introduction to Cloud Organization Hierarchy

## Organization Hierarchy Models

Structured arrangements of cloud accounts, services, and identity controls within a cloud provider's environment.

# Ensuring Compliance, Security, and Cost Management

Hierarchical models enable logical separation of workloads, centralized governance, access control, and cost visibility.

#### Cloud Provider Frameworks

AWS Organizations, Azure Management Groups, and GCP Organization Nodes facilitate multi-account governance and policy enforcement.

# Aligning with Business Objectives

Hierarchy design reflects an organization's structure, security boundaries, and regulatory needs for operational efficiency.

# Key Concepts: Root, Sub-Accounts, and Delegated Administration

Establishing a structured hierarchy with clear roles and responsibilities for effective cloud management.

# Enhancing Visibility and Control

Centralized monitoring, policy enforcement, and cost tracking through hierarchical frameworks.

# Key Concepts of Cloud Organization Hierarchy

#### Root Account

The highest-level authority responsible for managing all sub-accounts, projects, and services within the cloud environment.

#### Sub-Accounts

Discrete cloud accounts that are created within the hierarchy to segment workloads based on business functions, security policies, or compliance requirements.

# Organizational Units (OUs)

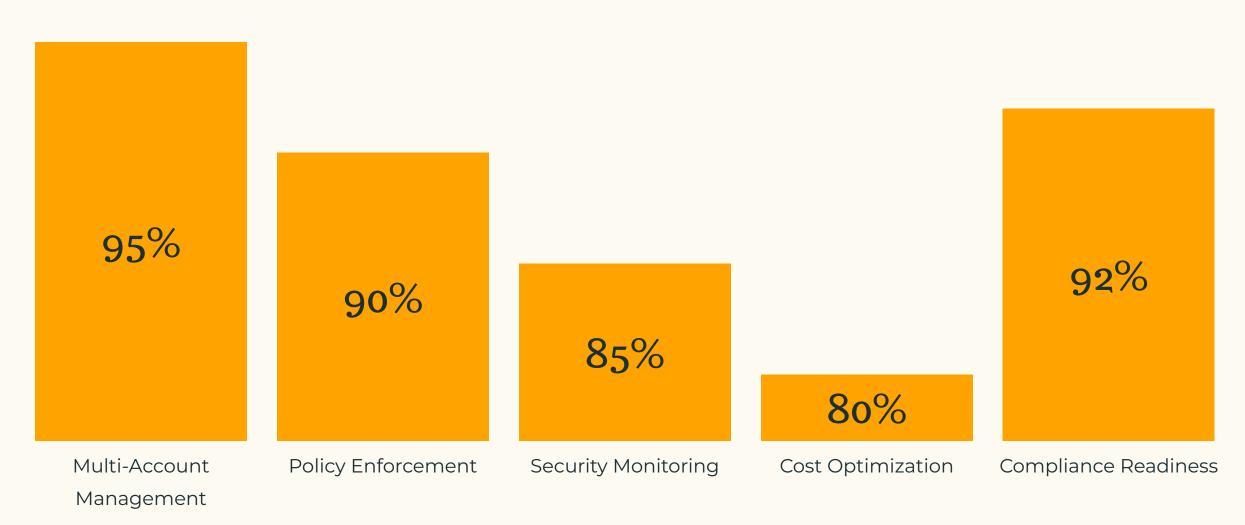
Logical groupings of sub-accounts that enable the application of common policies, access controls, and governance frameworks across related cloud resources.

## Delegated Administration

The ability to assign specific roles and responsibilities to different teams or individuals within the cloud hierarchy, while maintaining clear security boundaries.

# Cloud Provider Hierarchy Capabilities

Comparison of multi-account governance, policy enforcement, and security management features across leading cloud providers



# Building an Effective Cloud Hierarchy

Identify the organization's security, compliance, and operational needs to guide the hierarchy design.

Create a highly secure root or management account to serve as the foundation of the hierarchy, with strict access controls. Segment the hierarchy into sub-accounts, management groups, or folders based on business functions, security boundaries, and compliance requirements.

Enforce role-based access control (RBAC) and security policies, such as AWS Service Control Policies, Azure RBAC, and GCP IAM Policies, to restrict access based on the principle of least privilege.

Define Business and Security Requirements Establish the Root
Account

Create Organizational
Structure

Implement Access
Control Policies

Automate Governance and Compliance

Centralize Billing and Cost Management

Monitor and Optimize the Hierarchy

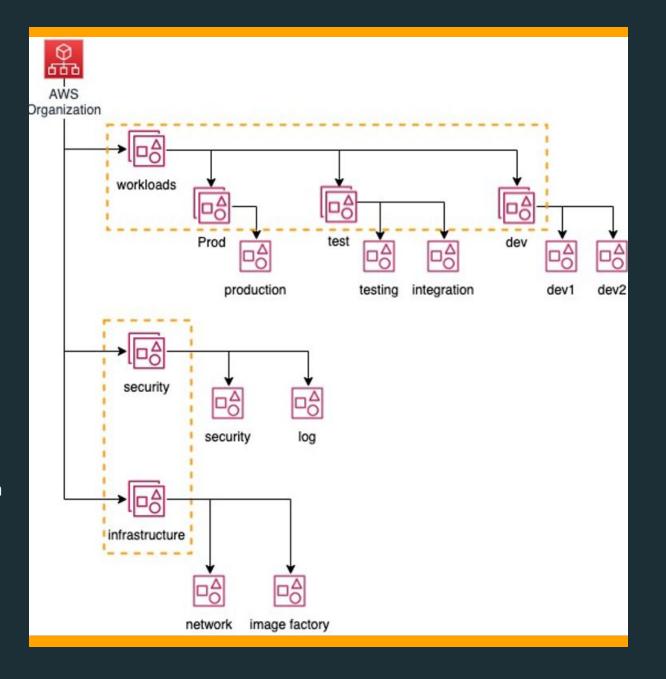
Leverage cloud-native tools like AWS Config, Azure Security Center, and GCP Security Command Center to enforce compliance and monitor cloud activities.

Utilize consolidated billing and cost tracking features provided by cloud providers to allocate expenditures accurately across the hierarchy.

Continuously monitor the hierarchy's performance, refine policies, and optimize resource utilization to maintain security, compliance, and cost efficiency.

# Case Study: Financial Institution's Multi-Account Strategy

A global financial services firm sought to migrate its operations to the cloud while ensuring security, regulatory compliance, and cost management. The company needed a multi-account strategy to segment workloads while adhering to PCI-DSS, GDPR, and other financial regulations.



# Key Benefits of Structured Cloud Hierarchy

#### **Enhanced Security**

Enables access control, policy enforcement, and workload segmentation to minimize risk and unauthorized access.

#### Improved Compliance

Ensures adherence to industry regulations and standards through centralized policy management and monitoring.

#### **Optimized Costs**

Provides visibility into resource utilization and enables cost allocation across business units for better financial management.

#### Scalable Governance

Allows for easy expansion of cloud footprint while maintaining consistent security, compliance, and cost controls.

# Centralized Visibility

Offers a single pane of glass for monitoring cloud activities, security events, and resource utilization.

# Streamlined Operations

Simplifies management of cloud resources, roles, and policies through a structured, hierarchical approach.

# AWS Organizations and Best Practices

Centralized Governance

**Automated Account Provisioning** 

Consolidated Billing and Cost Visibility

Granular Access Control with IAM Policies

# Azure Management Groups and Subscriptions

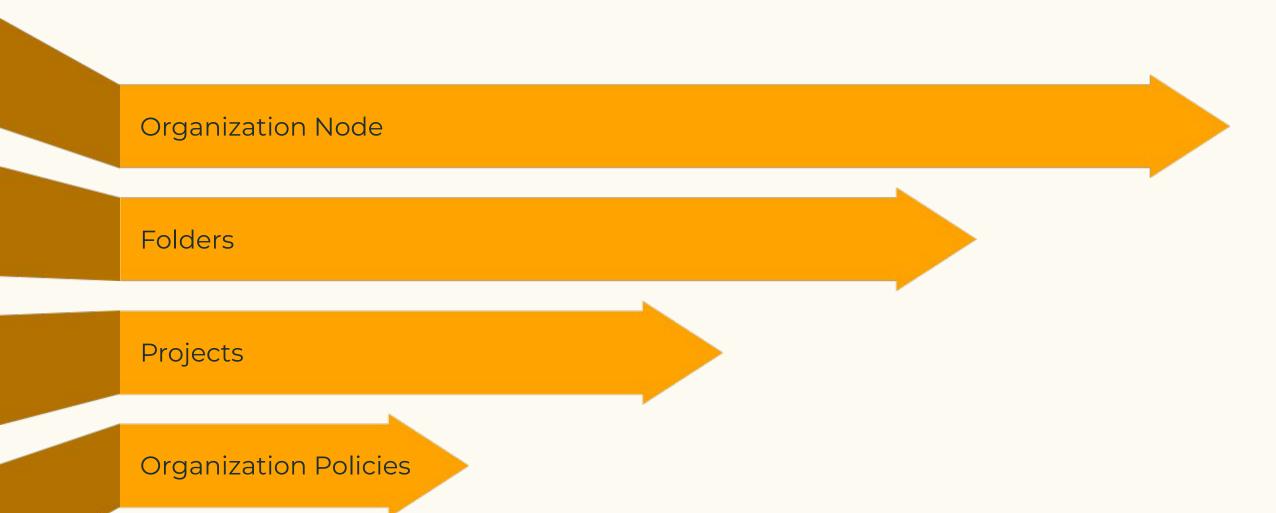
Management Groups

Subscriptions

Resource Groups

**Policy Enforcement** 

# Google Cloud Resource Hierarchy



# Enhancing Cloud Security and Compliance

Cloud organization hierarchy models play a crucial role in supporting broader security governance and compliance initiatives within cloud environments. These hierarchical structures provide the foundation for implementing robust security controls, enforcing policies, and ensuring regulatory adherence across an organization's cloud infrastructure.



Architecture & Policies
Align technology to business

Hybrid estate of multi-cloud + on-premises

#### **Security Posture Management**

**Continuous Discovery** of Assets and Asset Types



Continuous Improvement of asset security posture

Policy Driven Governance Consistent execution

Compliance and Reporting
Ongoing Accurate Accountability



# Conclusion: Embracing the Power of Cloud Hierarchy

