

Deepak Vensi

Director of Strategy & Transformation



linkedin.com/in/deepakrv/

CONTINO



About Contino

Contino is a leading transformation consultancy that helps large, heavily-regulated enterprises to become fast, agile and competitive.



Enterprise Transformation



Cloud Platform Build & Migration



DevSecOps and Cloud Security



Cloud Native Software Development



Data, AI & ML





The Future is FinOps

How can FinOps save your Cloud Programme
from Extinction

Challenges Faced when Scaling Cloud Adoption

Your Cloud Costs are much higher than initially anticipated



Actuals are exceeding budgeted or forecasted projections

You aren't seeing the cost benefit from your Digital Strategy

In Today's Talk We Will Cover...

- 01** | What is FinOps?
- 02** | The Importance of a Financial Trace
- 03** | How to get Started?
- 04** | What does Good look like?
- 05** | The FinOps Foundation

What is FinOps?

Why NOW ?

Public Cloud Spend is Predicted to Surpass \$331B By 2022

- Gartner

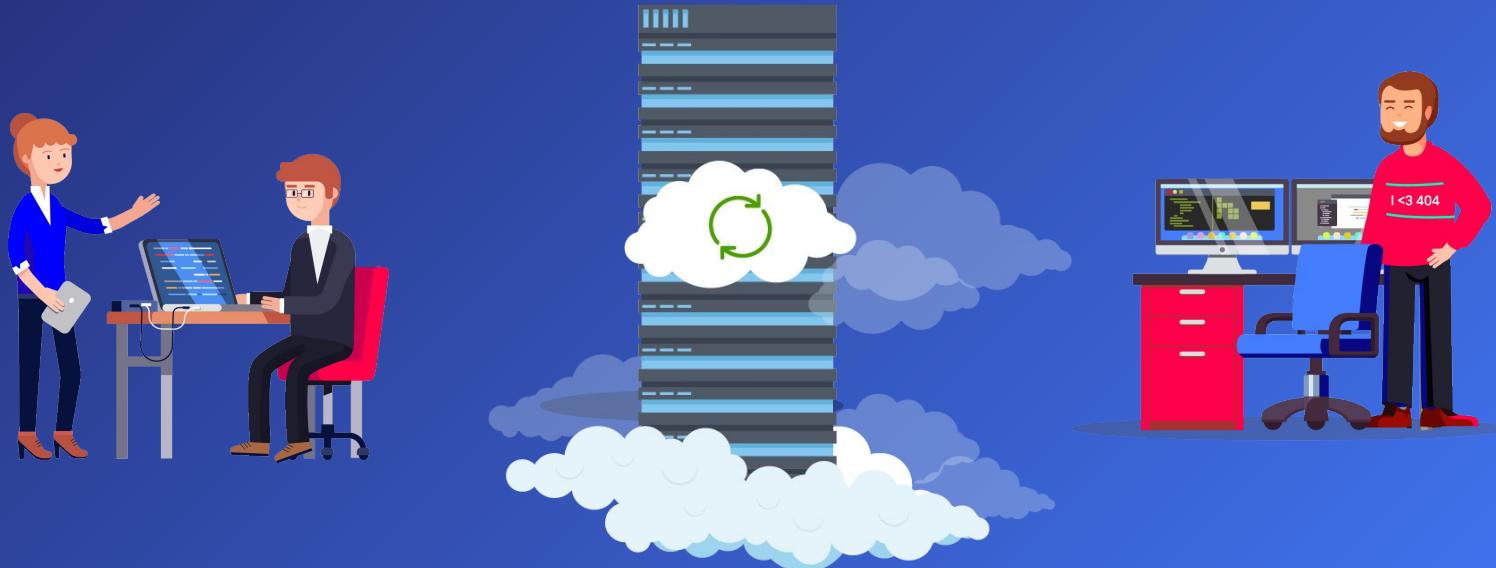
What has worked to date

- Engineers lead, Finance approved
- Cloud costs are still relatively low
- CapEX is still king for IT spend
- Project & Run based cost allocation
- Monthly / Quarterly review of spend
- Finance avoid the Cloud consoles

What is needed for the Future

- Finance as part of the Architecture
- Cloud costs overshadow on-prem
- OpEx tips the scales
- Product aligned spend
- Real-time decision making
- Financial Guardrails as Code

Wall of Confusion: Dev vs Ops



Wall of Frustration: Business vs IT



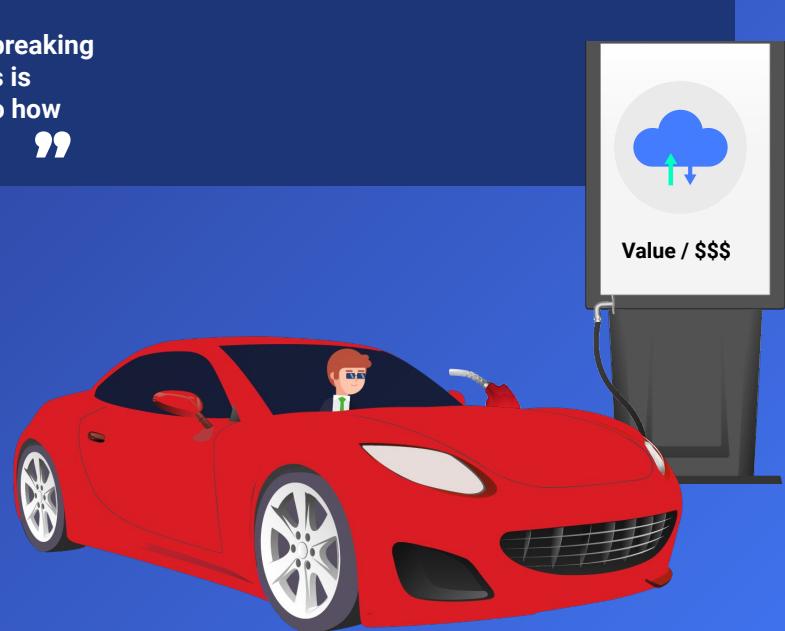
FinOps: a.k.a. FinBizDevSecOps



What is FinOps?

“ FinOps is an approach to managing and operating cloud spend by breaking down the silos between engineering, finance and procurement. FinOps is meant to drive a shift in culture in cloud financial management, akin to how DevOps and SRE have driven a cultural change in engineering. ”

- **Collaboration:** bringing together key functions to make the right decisions and trade-offs when consuming cloud without compromising on consumer experience
- **Metrics-driven decision-making:** using a financial tracing process that helps align cloud spend to product benefits and customer metrics in real time
- **F&P are not the gatekeepers:** but rather part of the product architecture and planning process with the engineering teams
- **Visibility for teams:** to help them make better decisions and drive behavioural change based on understand the financial implications of their cloud usage.



Why do we need to establish a Financial Trace?



What is a Financial Trace?



Cloud Engineering

Product

Finance & Operations

How to Get Started?

FinOps Maturity

	Understand Fully Loaded Costs	Cost Drivers & Forecasting	Performance Benchmarking	Real-time Decision Making	Predict, Plan & Purchase	IT, Finance & Lb Collaboration
Run	Team-level budgets & tracking	Product definitions, business objective and cost drivers are well aligned	Industry peer-level benchmarking	Automation of resource optimisation	Comparing pricing across cloud providers and services	Continuously improve for efficiency & innovation
Walk	Granular cost allocation	Understand cost drivers with loosely coupled business goals	Internal team benchmarking	Remove underutilized services	Centralized RI buying process	Finance moves at the speed of IT
Crawl	Visibility into IT spend	Cost drivers are aligned to CSP native services	Trending & variance analysis	Understand if resources are under- or over-provisioned	Rightsizing instances & services	Defined governance & controls for cloud usage

Pillars of the FinOps Policy



Information Access

Cost and Usage Reporting

Cost and Usage Visibility

Reserved Capacity Allocation



Organise

Account Structures

Tagging

Cost Categorisation

Cost Allocation



Understand

Trend Analysis

Cost & Usage Forecasting

Benefits Tracking



Controls

Cost Allocation

Usage Budgeting

Notification & Alerts



Optimise

Reserved Capacity

Utilisation Alerting

Estate Optimisation

FinOps Policy - Coverage

Legend	Met	Partially met	Not met
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Information Access	Organise	Understand	Control	Optimise
	Cost Allocation			
Reserved Capacity allocation	Cost Categorisation	Benefits Tracking	Notification & Alerts	Estate Optimisation
Cost & Usage Visibility	Organisation level tagging	Cost and Usage Forecasting	Usage Budgeting	Utilisation Alerting
Cost & Usage Reporting	Account / Subscription structures	Trend Analysis	Cost Allocation	Reserve Capacity

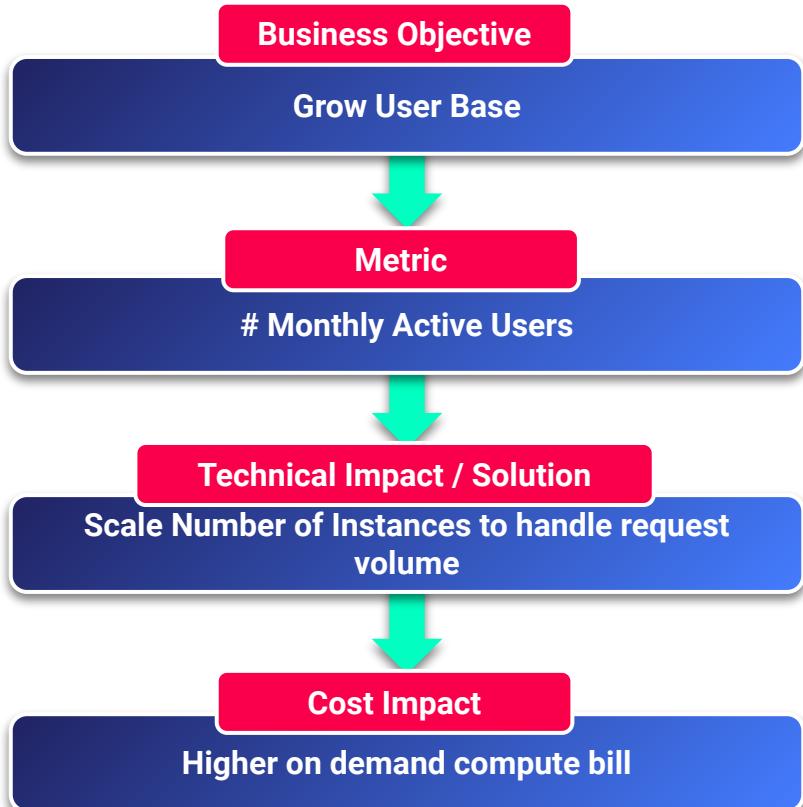
Cost Drivers

Ultimately, four things drive changes in your cloud service provider bill:

- Consumption of new services
- Scaling consumption of existing services
- Choice of financial model for purchasing services
- Suitability of architecture for cloud

Any acceptable change to these drivers should be driven in turn by the business objectives of an application or team, with an associated metric.

By forecasting how we expect these metrics to change, we can better inform our forecast cloud costs.



Cloud Benefits Framework

Performance

Reduced outage duration, increased stability and scalability

Agility

Faster provisioning, time to market, resolution of issues.

Customer / Developer Experience

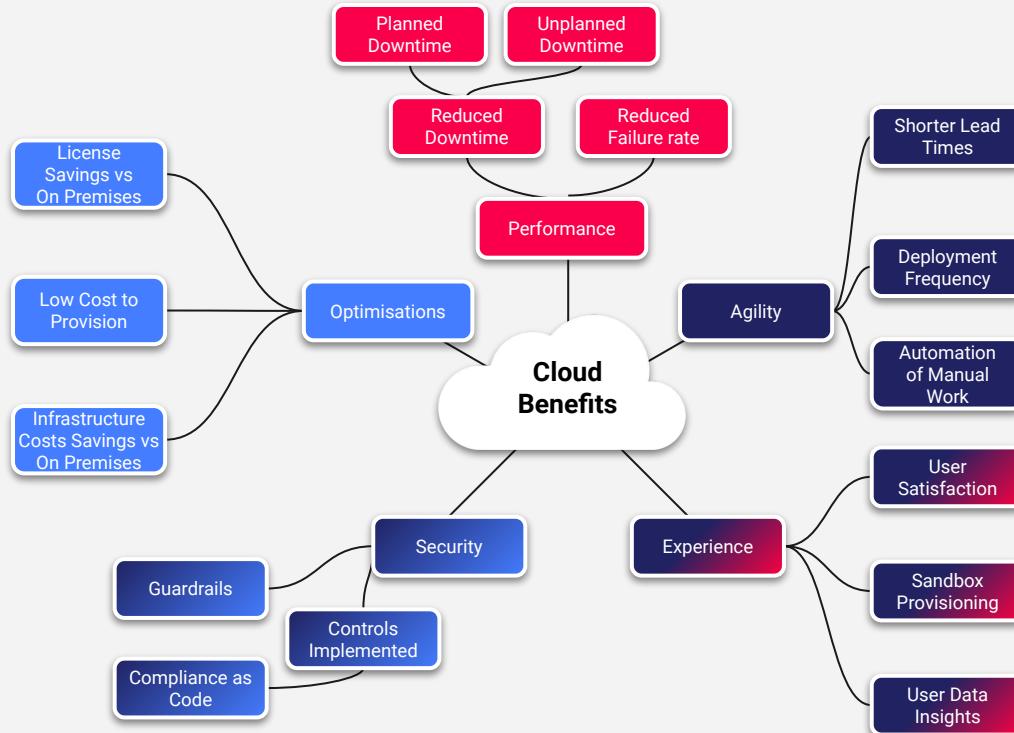
Opportunities to use new services not possible on prem.

Security

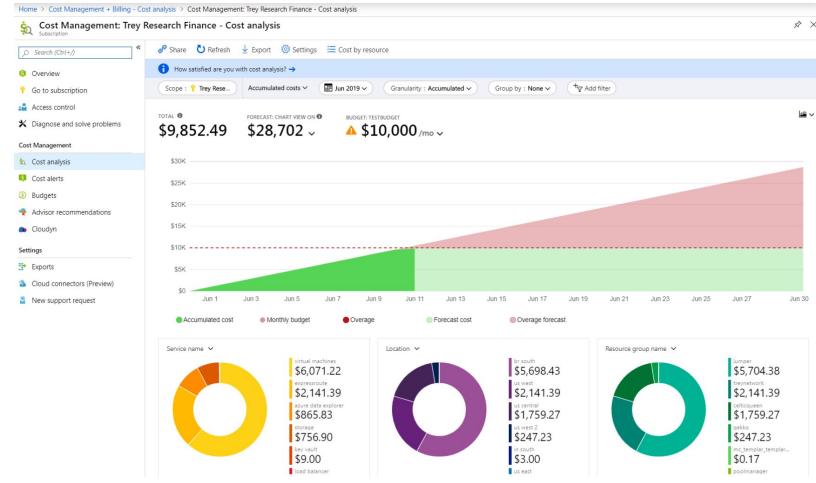
Provision of security shared services and shared controls as code.

Optimisations

Reduction in number of environments maintained for dev/test. Opportunities for cost saving using cloud native products. Reduced capex expenditure.



Visibility for Everyone!



1

CSP Native tools

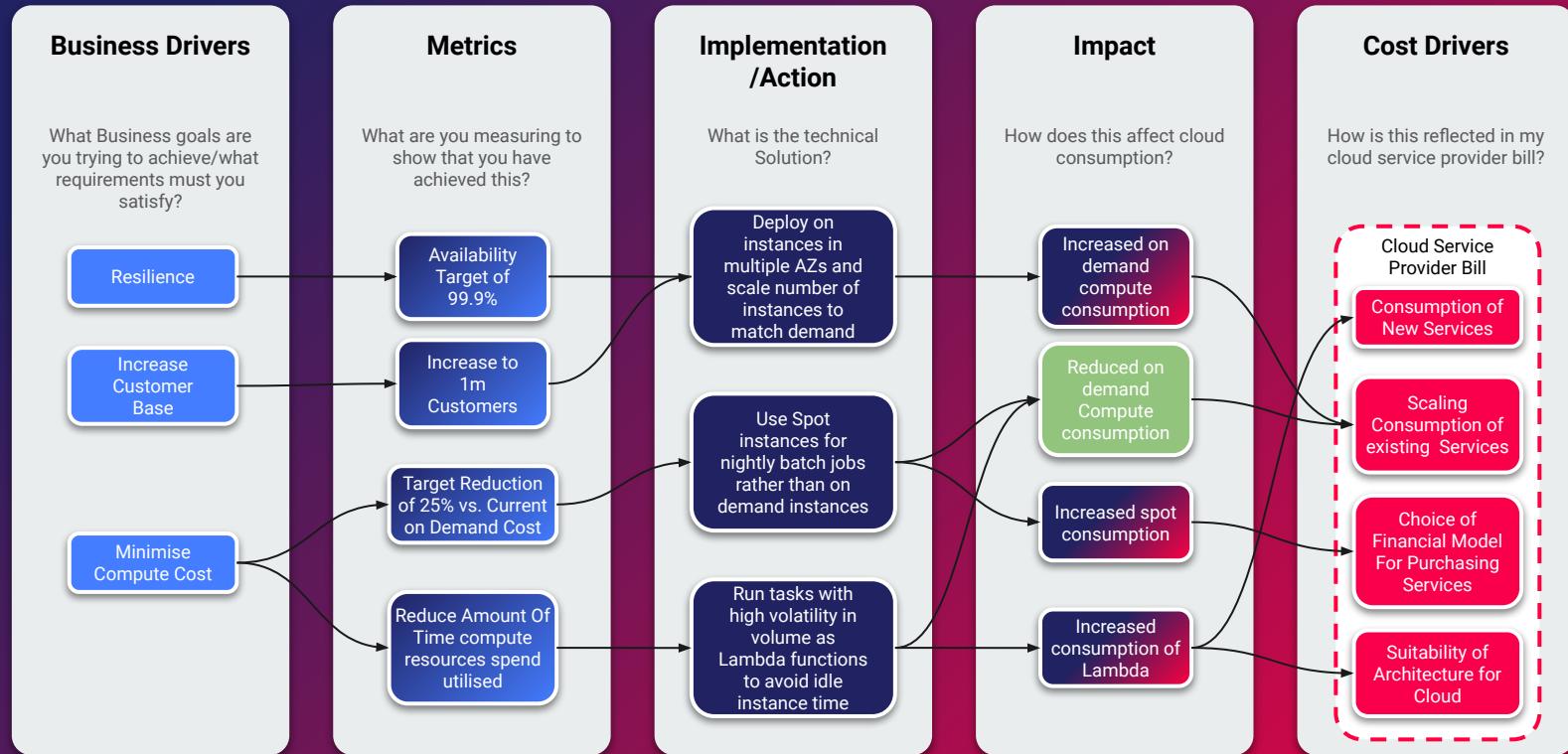
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Integrate the tools with your Financial processes

3

Cross-cloud / 3rd party tools as you mature

The Financial Trace



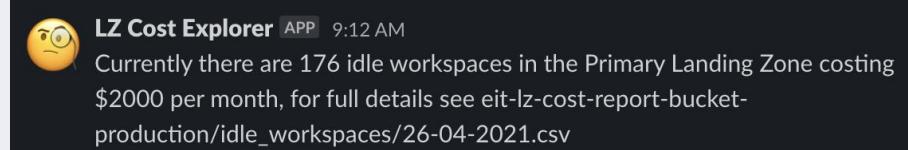
What does Good look like?

A continuous feedback loop

Leaders



Engineering & Product



Your North Star

Over Time as you Mature, the Unit Cost of Cloud goes Down



Finance, Product & Engineering Partnership



Value of FinOps



Traceability of decisions



Data-Driven decision making



Cloud First Financial Management



Empowered product teams



Collaboration with non-technical functions



Optimised cloud spend

The FinOps Foundation



Further Reading!

ABOUT US OUR SERVICES CASE STUDIES CONTENT HUB EVENTS

FinOps: How Cloud Finance Management Can Save Your Cloud Programme From Extinction

ABOUT US OUR SERVICES CASE STUDIES CONTENT HUB EVENTS

How a Leading Trading Company Cut Their Azure Costs by 50% with FinOps

www contino.io

WEBINAR



The Future is FinOps: How to Bring Your Finance & Ops Teams Together to Level Your Cloud Adoption Programme

▶ Watch Again

WEBINAR



How to Halve Your Cloud Costs With FinOps and Azure Cost Management

▶ Watch Again



Thank You

London

london@contino.io

New York

newyork@contino.io

Melbourne

melbourne@contino.io

Sydney

sydney@contino.io

Atlanta

atlanta@contino.io

