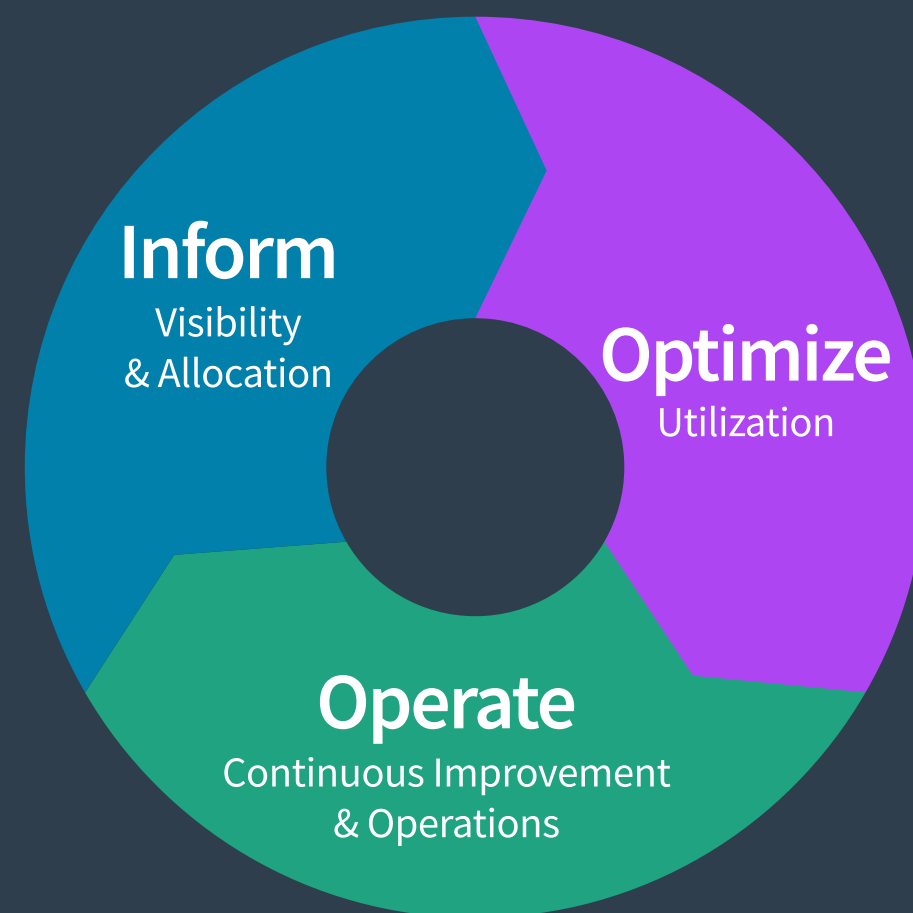


FinOps

FinOps is the operating model for the cloud — a combination of systems, best practices, and culture to increase an organization's ability to understand cloud costs and make tradeoffs.

Phases of FinOps



Inform

Gives you the visibility for allocation and for creating shared accountability by showing teams what they're spending and why.

Optimize

Empowers your teams to identify and measure efficiency optimizations, then make goals based on those opportunities.

Operate

Defines and executes processes which enable the goals of Technology, Finance, and Business to be achieved.



Principles

- 1 Teams need to collaborate
- 2 Business value of cloud drives decisions
- 3 Everyone takes ownership for their cloud usage
- 4 FinOps reports should be accessible and timely
- 5 A centralized team drives FinOps
- 6 Take advantage of the variable cost model of cloud

Personas



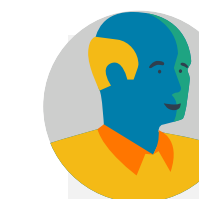
Executive

Example: VP/Head of Infrastructure, VP/Head of Cloud Management and Operations, CTO, CIO



Business/ Product Owner

Example: Director of Cloud Optimization, Cloud Analyst, Business Operations Manager



Finance/ Procurement

Example: Technology Procurement Manager, Strategic Sourcing, Financial Business Advisor



Engineering/ Operations

Example: Lead Software Engineer, Principal Systems Engineer, Cloud Architect, Engineering Manager

Domains

Understanding Cloud Usage & Cost

- Cost allocation (metadata & hierarchy)
- Manage Anomalies
- Manage Shared costs
- Data analysis & showback
- Data normalization
- IT asset management

Performance Tracking & Benchmarking

- Measure efficiency
- Trend & variance analysis
- Forecasting
- Budget management
- Budget thresholds & alerts
- Measure unit costs

Real-Time Decision Making

- Persona identification
- Identify anomalies
- Budget alerts
- Identify optimization opportunities
- Timely analysis curated for stakeholders
- Business case velocity

Cloud Rate Optimization

- Manage commitment based discounts
- Volume & usage based discounts
- Pricing model analysis
- License management
- Leverage unused cloud provider capacity

Cloud Usage Optimization

- Workload management & automation
- Resource Utilization & Rightsizing
- Cost avoidance
- Adopt modern cloud provider technologies
- Architecture modernization
- Application decomposition
- Observability

Organizational Alignment

- Establish FinOps culture
- Chargeback & IT finance integration
- Policy & governance
- Continual learning, knowledge sharing & advocacy programs
- Socialize innovation for culture change & adoption
- Modernize processes to align with cloud cost management

See the latest framework at finops.org and join the independent community

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