

# Gain control of your cloud journey

Cloud initiatives continue to grow, but achieving expected value has been difficult, in part due to spending challenges.

- 84% of companies [struggle](#) to manage cloud spend
- 72% of global enterprises [exceeded](#) their cloud budget

To conquer cloud spend, [Accenture](#) suggests increasing transparency to shift the conversation from cost to value. Discover what's needed to accelerate on the path to value, including:

- Why FinOps is an imperative for complex, multi-cloud environments
- The key components of a successful, value-focused FinOps strategy
- How the unique capabilities of Flexera One [Cloud Cost Optimization](#) can help your organization achieve more business value from the cloud

## The new age of cloud complexity

As cloud adoption and multi-cloud use continues to grow, so do its associated complexities and costs.

### Management challenges

- **Fragmented visibility:** Managing multiple cloud platforms can lead to a lack of unified visibility into overall cloud spend and resource utilization. This

fragmentation makes it difficult to track and optimize costs effectively

- **Complex pricing structures:** Each cloud provider has its own pricing models and structures, which can be complex and vary significantly. This complexity makes it challenging to compare costs and manage budgets across different providers
- **Operational complexity:** The use of multiple cloud providers increases the complexity of operations, from governance to data management to invoice ingestion, adding friction to managing costs. This leads to inefficiencies and increases operational overhead

### Cost challenges

- **Unplanned expenses:** Enterprises often encounter unexpected costs, such as data transfer fees between cloud providers or regions. These unplanned expenses can quickly add up and strain budgets
- **Inefficient resource utilization:** Without proper management, resources may be underutilized or over-provisioned, leading to wasted spend. Rightsizing resources and optimizing usage across multiple clouds is crucial but challenging
- **Lack of cost transparency:** The complexity of multi-cloud environments can result in a lack of transparency in cloud costs. This makes it difficult to identify cost drivers and implement effective cost control measures

- **Governance gaps:** Establishing clear policies and enforcing governance across multiple cloud providers is essential to ensure financial accountability and reduce waste. However, this can be difficult to achieve without visibility across all clouds

For most organizations, the easy wins related to cloud adoption and expansion are being realized. To more fully realize value from their investment in the cloud requires a new way of thinking and working—the practice of FinOps.

## The “what, why, why now” of FinOps

FinOps brings a financial accountability culture shift to the variable spend model of the cloud. It enables distributed engineering and business teams to make informed trade-offs among speed, cost and quality in their cloud architecture and investment decisions. FinOps isn’t a technology—it’s a cross-functional practice combining financial management, operational best practices and technologies so that organizations

can manage, optimize and forecast cloud spend in line with business objectives.

For organizations with multi-cloud or hybrid environments, the time is right to develop and mature their own FinOps practice. By implementing FinOps, you can gain the insights and control you need to avoid unexpected costs and ensure your cloud investments are driving business value.

## High-level best practices: People, processes, tools and data

Developing and implementing a successful FinOps strategy requires alignment across these dimensions.

### People

FinOps requires cross-functional teams with clearly defined roles and responsibilities. A crisp RACI (responsible, accountable, consulted, informed) matrix, like the one below, helps ensure effective collaboration and accountability.

### RACI for FinOps

| Task/activity               | Role: IT | Role: Finance | Role: Business |
|-----------------------------|----------|---------------|----------------|
| Budget planning             | C        | A/R           | I              |
| Cost allocation             | C        | R             | A/I            |
| Cloud resource optimization | R        | C             | I              |
| Financial reporting         | I        | R             | A/C            |
| Cost forecasting            | C        | R             | A/I            |
| Usage monitoring            | R        | C             | I              |
| Policy and governance       | A/R      | C             | I              |
| Vendor management           | R        | C             | I              |
| Performance analysis        | R        | C             | I              |
| Compliance and audit        | C        | R             | A/I            |
| Stakeholder communication   | I        | C             | R/A            |
| Strategic planning          | C        | A/R           | I              |

## Processes

Unifying processes across multi-cloud environments is essential for managing cloud costs effectively. These processes include invoice ingestion, budgeting, forecasting, allocation, anomaly management and reporting. Given that the major cloud providers each have their own systems and processes that feed into their customers' processes, it will take a cross-functional FinOps team to reduce the time spent harmonizing processes across hyperscalers.

## Tools and data

Effective FinOps requires the right tools and the right data at the right time to provide visibility, automation and insights into cloud costs and usage across cloud providers. Ideally, the right solution will provide a platform approach to reduce the need for disparate point solutions across many vendors. It will also provide a unified view into all relevant cloud use via governed dashboards and user interfaces, as well as governed access for current and actionable data. These are key enablers that empower you to monitor, analyze and optimize your cloud spend and improve cloud value.

## Key use cases, major business benefits

FinOps delivers significant business benefits across important use cases:

- **Spend reduction/reallocation:** Reduce waste in cloud spend to fund innovation throughout the organization. **Benefits** include greater organizational agility to meet the demands of changing times and competitive pressure
- **Forecasting:** Model anticipated cloud cost and value via statistical methods, historic patterns, planned changes and metrics. **Benefits** include improved financial planning and predictability
- **Budgeting:** Define and set limits, monitor and manage cloud spend aligned with business objectives.

**Benefits** include enhanced financial control and governance

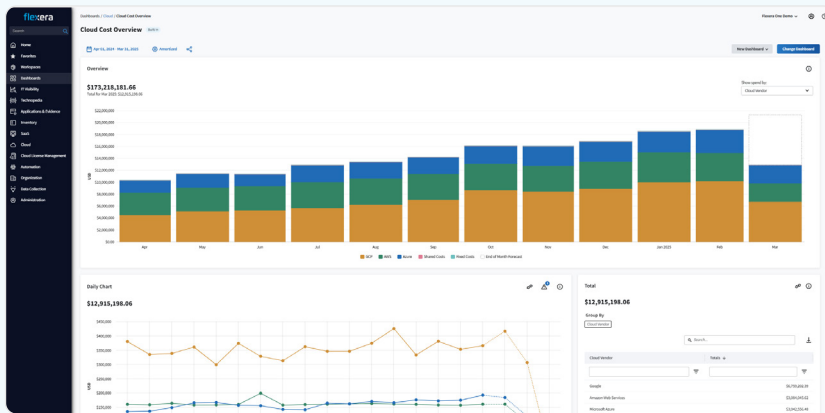
- **Allocation:** Assign and share cloud costs using accounts, tags, labels and other metadata. **Benefits** include greater transparency and accountability
- **Anomaly management:** Detect, identify, alert and manage unexpected/unforecasted cloud cost and usage. **Benefits** include reduced risk of unexpected expenses
- **Reporting:** Analyze and report on cloud data for insights into the value provided by use (unit economics), as well as costs, for smarter decision making. **Benefits** include data-driven insights and improved decision making
- **Benchmarking:** Evaluate cloud optimization among parts of the organization or against industry peers. **Benefits** include continuous improvement and competitive advantage
- **Chargeback:** Develop specific reporting, invoice reconciliation and chargeback workflows/models with finance teams. **Benefits** include accurate cost allocation and financial accountability

While there are many solutions available that meet some of these use cases, few meet all. Even more rare are those aligned with broadening scopes from the FinOps Foundation that also lead in major industry analyst [reports](#). Flexera One Cloud Cost Optimization is the one you can trust to meet your cloud cost challenges.

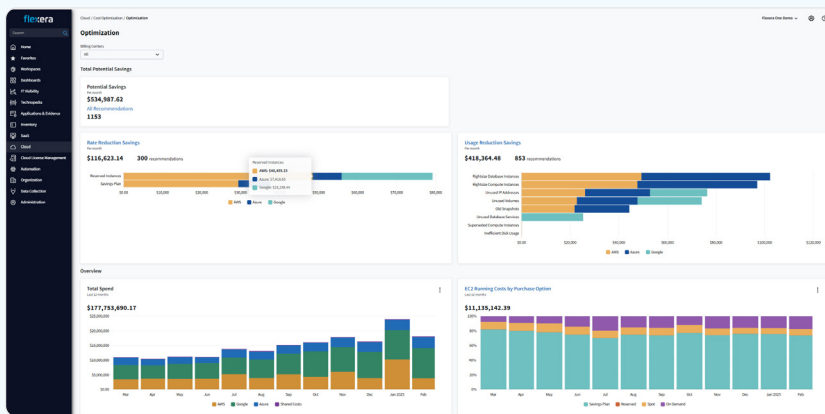
## How Flexera One Cloud Cost Optimization can help

Flexera One Cloud Cost Optimization gives you the power to address any cost optimization use case while aligning with the FinOps Foundation's scopes, domains, capabilities and phases.

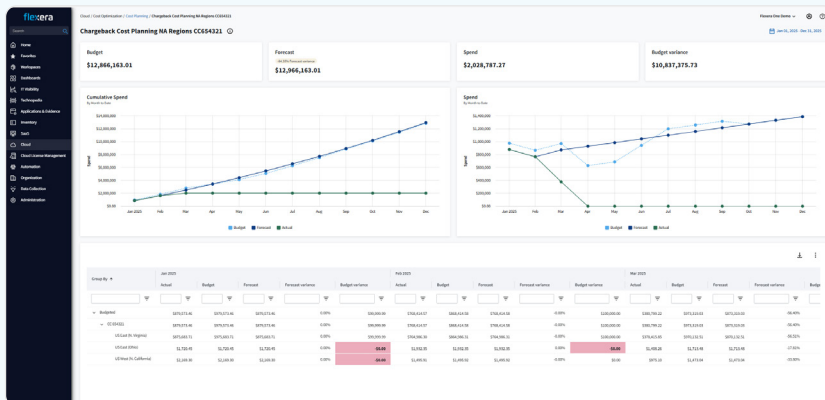
## Capabilities



Customizable dashboards give you Inform-aligned insights about cloud costs, whether by business center, cloud vendor or across a wide range of other criteria



Model and visualize your potential optimization savings, and drill down into detailed recommendations to help identify where to take action



Forecast, manage and monitor across the organization for chargebacks and more

## Inform phase

- Full visibility into cloud costs
- Common bill ingest from any cloud
- Customized stakeholder dashboards
- Local currency conversions
- Flexible allocation methods
- Support for non-Western region cloud providers
- Customizable shared cost allocation

## Optimize phase

- Recommendations for:
  - Unused resource reclamation
  - Rightsizing underutilized resources
  - Discount opportunities
- Customizable recommendations via the automation engine

## Operate phase

- KPI measurement/monitoring
- Integration with external workflow tools
- Automated recommendations across multiple use cases (cost optimization, security, operational, compliance and more)
- Optimization creation and management at scale via the automation engine

## Customer success

Customers are seeing the benefits from Flexera One Cloud Cost Optimization.

- 100% allocation: One customer achieved 100% allocation accuracy in four months
- \$700,000 savings: In just five months, a major manufacturer saved \$700,000
- 60% cost reduction: A financial software company reduced their spend by 60%, sustaining lower run-rates via effective automation



FOCUS™



Microsoft Azure



Google Cloud

## Go beyond FinOps and close the visibility gap

Because it's part of Flexera One, Cloud Cost Optimization can also help you close the gap between FinOps and IT asset management, easily optimizing the cloud and IT spend across your organization.

## About Flexera

Flexera helps organizations understand and maximize the value of their technology, saving billions of dollars in wasted spend. Powered by the Flexera Technology Intelligence Platform, our award-winning IT asset management, FinOps and SaaS management solutions provide comprehensive visibility and actionable insights on an organization's entire IT ecosystem. This intelligence enables IT, finance, procurement and cloud teams to address skyrocketing costs, optimize spend, mitigate risk and identify opportunities to create positive business outcomes.

More than 50,000 global organizations rely on Flexera and its Technopedia reference library, the largest repository of technology asset data. Learn more at [flexera.com](https://flexera.com).

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