

HCLTech Hybrid FinOps – Maturity Assessment

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Agenda

HCLTech Hybrid FinOps – Overview

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Maturity Assessment – Score Interpretation

FinOps Maturity Assessment Deliverables –
Sample Reports

Actions to take post Maturity Scores

Case Study

Positioning Scenarios

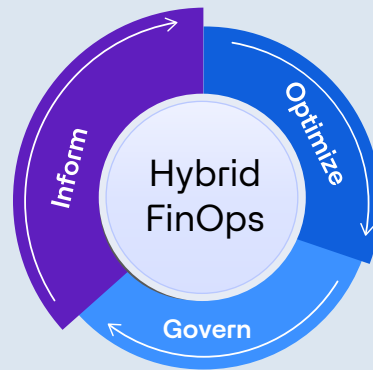
HCLTech Hybrid FinOps - Overview

Opportunities

- Organizations with a hybrid cloud set-up having lack of real time cost visibility to account and business owners
- Poor tagging management process with no uniformity in tagging nomenclature.
- Lack of best practices and process implemented for effective cloud cost management
- Unavailability of chargeback and show back reports to various stakeholders and service areas.
- Public/Hybrid Cloud environment with underutilized and abandoned resources adding to wastage resulting in budget overrun.

Hybrid FinOps Solution

Hybrid FinOps is an AI-driven Cloud FinOps managed service offering, that delivers intelligent insights to help you effectively visualize, manage, optimize and govern your multi-cloud spends with our Certified FinOps Practitioner led approach.



- FinOps maturity assessment
- Policy based governance
- Forecasting and anomaly detection
- Chargeback and Showback views
- Hybrid and Multi-cloud
- Inclusive of PaaS and SaaS



Value Propositions

End to End Solution

- Maturity assessment and Hybrid FinOps consulting services
- Fully Managed services
- Managing of Day 2 Ops

Vendor Neutral Solutioning approach

- Partnership with leading OEMs
- Assess & identify best fit tool
- Industry best practices



Benefits

- Up to 100% Reduction in Manual Reporting for multi-cloud cost visibility
- Up to 40% Reduction in Anomaly based increase in cloud spend
- Improved Asset Utilization by up to 25% via rightsizing or wastage elimination
- Improved efficiency in cloud operations, faster decision making, task tracking and reduced business risk
- Cost Savings by leveraging cloud native purchase models like reserved instances and committed usage discounts by up to 50%

Expertise

- Our Certified FinOps Practitioner led approach
- Our Practitioners can work on any FinOps platform, and our services are partner agnostic

Innovative Commercial Model

- Gain share model

Success Stories

Global Power Technology Leader

Effective management of cloud costs and provision of granular visibility, optimization opportunities through rightsizing and implementation of FinOps best practices across organization

Fortune 500 Building materials Business group

Implementation of complete FinOps framework to streamline processes like tagging, KPIs, governance to save ~20% of their costs

Why FinOps Maturity Assessment?

To understand level of FinOps maturity in the customer landscape



To understand and take necessary actions on the gaps in the current FinOps practices in the environment



To highlight the strengths and weaknesses of the customer's FinOps related Hybrid Multicloud environment



To benchmark the customer landscape with the FinOps best practices

To align teams towards a FinOps culture




To understand infrastructure with lenses of knowledge, process, metrics, adoption and automation



To understand the cloud usage patterns and share potential savings recommendations



FinOps Maturity Assessment Framework

 FinOps Maturity assessment

Deep dive Customer Cloud Infrastructure Assessment

Information gathering:

- ✓ Requirements for cloud financial management : Functional and Non-functional requirements
- ✓ Current cloud environment understanding i.e. architecture, design, resources, services.
- ✓ Cloud resources usage patterns
- ✓ Current FinOps Tool Understanding
- ✓ Gap analysis in existing Infrastructure

Deliverables

FinOps Maturity assessment:

- ✓ Maturity assessment dashboard & Executive brief presentation
- ✓ Detailed reports around 5 pillars & Roadmap
- ✓ Regular monthly check on Maturity score & Cadence calls with customer

01 ENGAGE

- Identify Key Stakeholders and seek access for cloud infrastructure
- Assess the cloud environment as per the framework
- Setup Workshop/ discussion with Customer leads or architects having holistic view

- Using Excel Questionnaire of 200 unique questions, capture information of landscape
- Investigate all aspects and people, process and tool
- Generate domain scores with unique marking allotted to each sub domain and qualify into Crawl, Walk or Run phase

02 INVESTIGATE

- Maturity Assessment Framework will provide various maturity graphs at various levels
- Provide the detailed interpretation of graphs in Report generated on Power BI dashboards
- Provide Suggested roadmap and Recommendations for improvements and have monthly cadence calls

03 QUANTIFY

Objectives

- Identify current maturity level of FinOps in organization
- Assessment of any Business unit environment
- Identify key gap areas for improvement
- Quantifying the maturity score and maturity level
- Propose next steps in increasing the score

HCL Resources

Minimum 2 FinOps practitioners (Generally sized on customer's environment)

Duration

Minimum 8-10 weeks (for High level Assessment consulting)

Method

Physical/ Remote workshop with the customer leads

Commercial

Fixed price

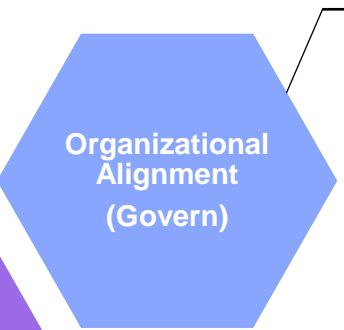
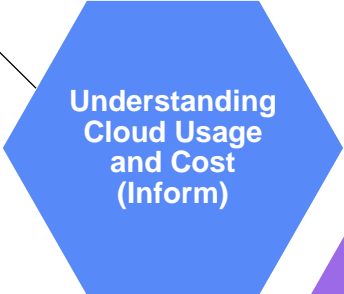
Outcome

Maturity Index report in Power BI dashboard, Presentation, Detailed Documentation, and Monthly Cadence Calls

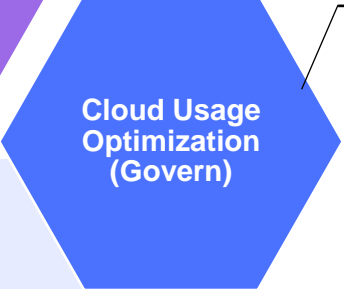
Key Pillars of FinOps Maturity Assessment

FinOps Maturity Assessment is divided into 5 Key Domains of FinOps with varied weightage scores

- Anomaly Management
 - Cost Allocation (Tagging, Hierarchy, Metadata)
 - Data Ingestion & Normalization
 - Data Visibility & Showback
- Maximum Domain Score:**
20 out of 100

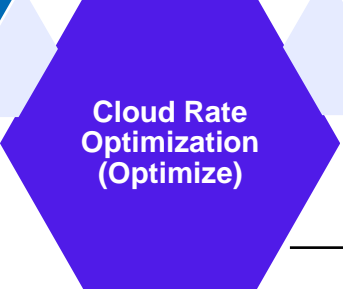


- Cloud Policy & Governance
 - FinOps Culture & Organizational Alignment
 - Hybrid Cloud
 - Third Party Tool/ Custom Dashboard Utilization
- Maximum Domain Score:**
20 out of 100



- Automation
 - Best Practices
 - Environment Hygiene
 - Resource Utilization & Efficiency
- Maximum Domain Score:**
25 out of 100

- Budget Management
 - Chargeback & Finance Integration
 - Forecasting
 - Unit Cost Measurement & Benchmarking
- Maximum Domain Score:**
15 out of 100



- Managing Commitment Based Discount
 - Managing Vendor Based Discounts
- Maximum Domain Score:**
20 out of 100

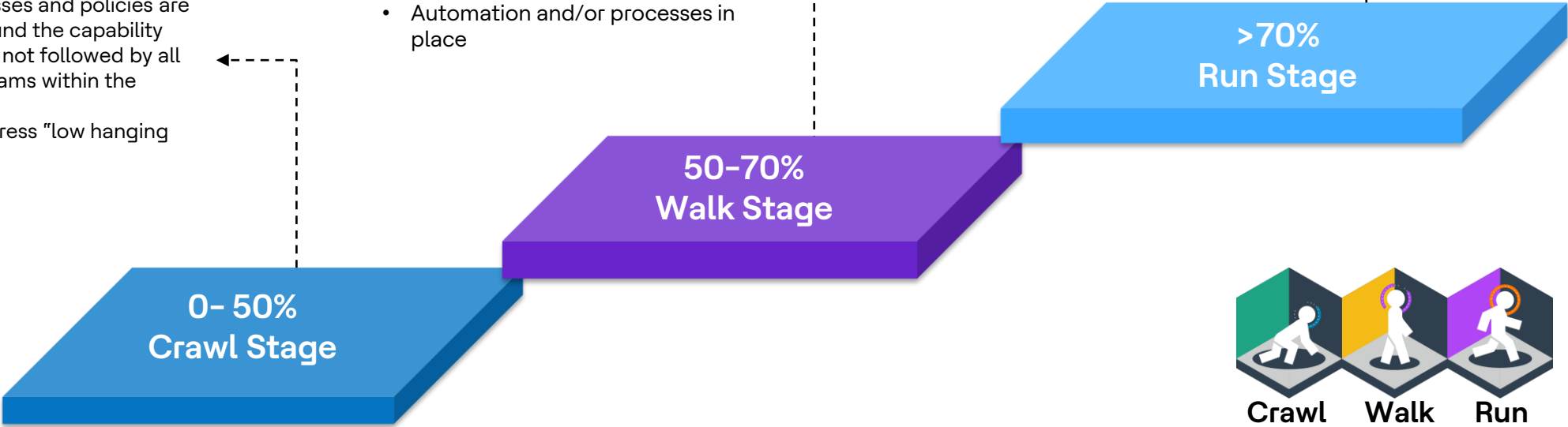
Maturity Assessment - Score Interpretation

| | |
|--------|-------------|
| >70% | Run Stage |
| 50-70% | Walk Stage |
| 0-50% | Crawl Stage |

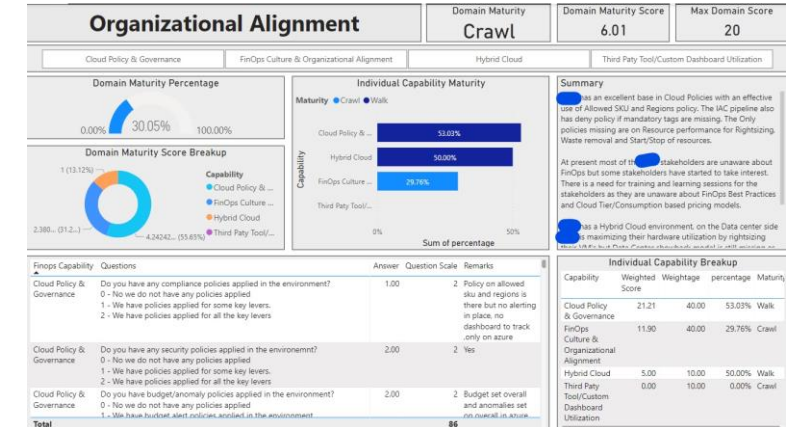
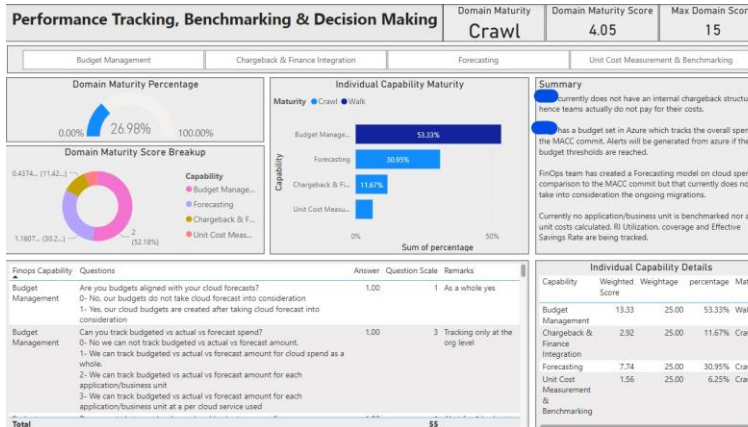
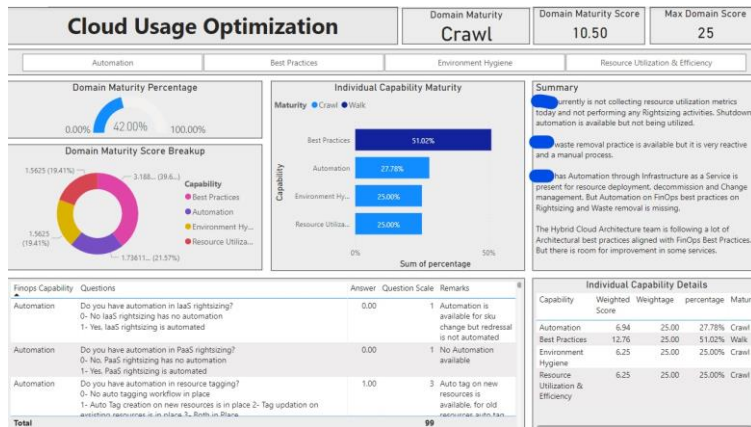
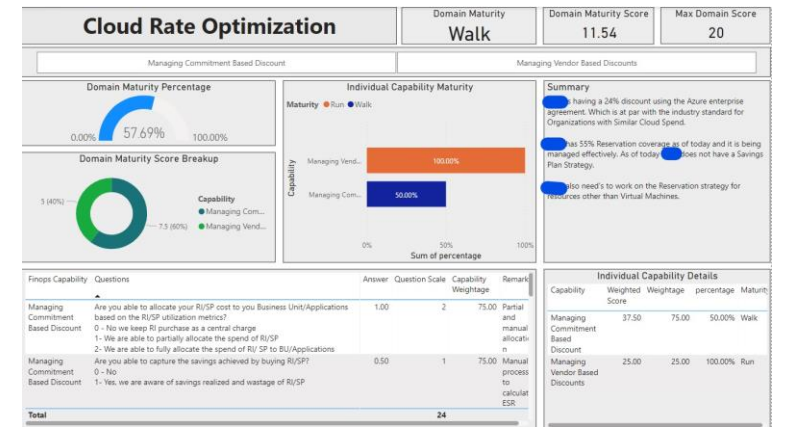
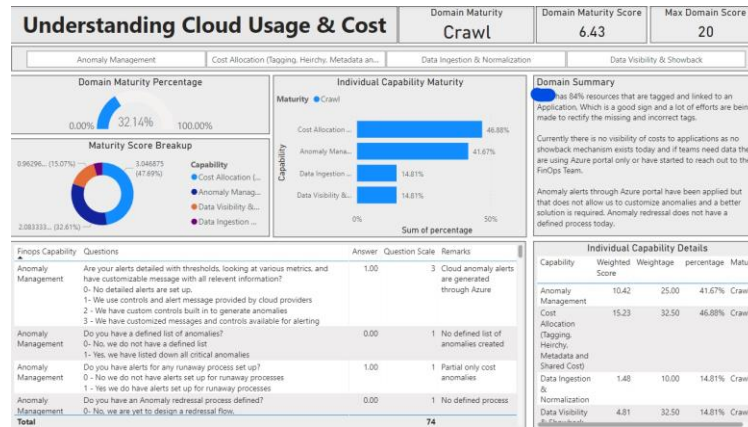
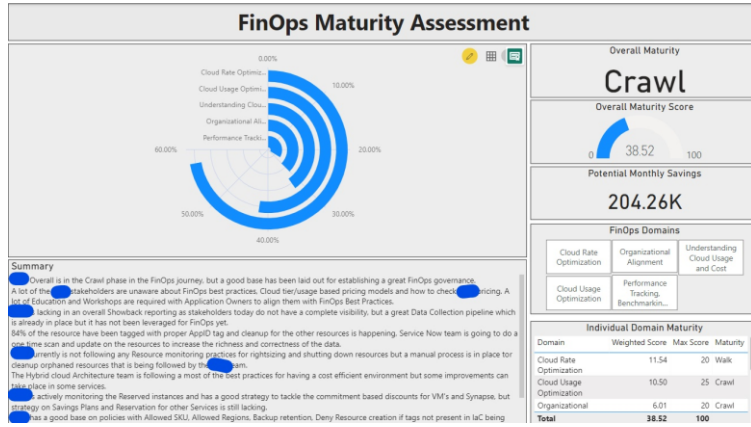
- Org. Maturity Characteristics:**
- Lack of reporting and tooling
 - Scope of maturing the capability
 - Basic KPIs set for the measurement of success
 - Basic processes and policies are defined around the capability
 - Capability is not followed by all the major teams within the organization
 - Plans to address "low hanging fruit"

- Org. Maturity Characteristics:**
- Medium to high KPIs set for the measurement of success
 - Difficult edge cases are identified but are not addressed
 - Most difficult edge are identified and effort to resolve has been estimated
 - Capability is understood and followed within the organization
 - Automation and/or processes in place

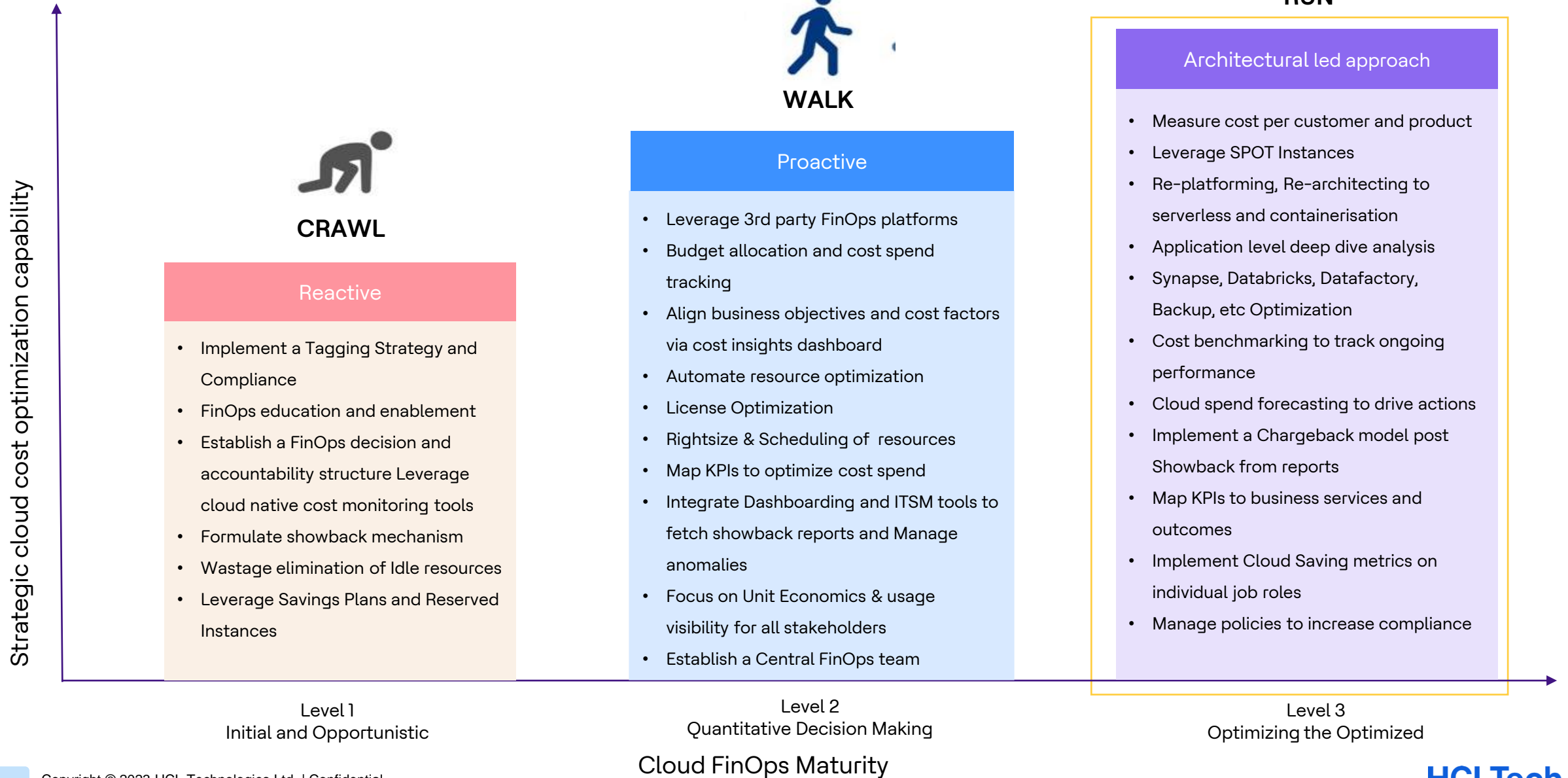
- Org. Maturity Characteristics:**
- Capability is understood and followed by all teams within the organization
 - Difficult edge cases are being addressed
 - Very high goals/KPIs set on the measurement of success
 - Automation is the preferred approach



FinOps Maturity Assessment Deliverables - Sample Reports



Actions to take post Maturity Scores



A US Based Power Company

Helped Customer Save 40% on Yearly Cloud Spend using Cloud Native tools for a leading Power Company

About the Customer



Customer is using Azure Cloud and has in-house FinOps teams, but results are not satisfactory. The customer wants to reduce their cloud costs through a well-organized approach and was not using any FinOps tool. Customer has annual cloud spend of \$7.5Mn and uses native FinOps tool



Business Challenges

- Gap in FinOps culture
- Reservations and Savings Plan strategy not in place
- No standard approach for Cloud wastage tracking
- No Savings calculation methodology and proficiency with Azure Cost Management portal
- Existing reports were missing some key cost information.
- There is no standard approach to self-assess and evaluate Cloud in FinOps point of view.



Our Approach and Solution

- 10 weeks Consulting & Maturity assessment exercise comprising of Assess -> Inform -> Optimize -> Governance phases
- Assess - Collected responses by engaging with various teams and prepared a high-level roadmap
- Inform - Developed Power BI reports, which covers cost data holistically. No 3rd Party tool was used
- Optimize - Few rare cost optimization techniques implemented: Log Analytics, App services rightsizing, AKS SKU generation, SPOT instances etc, alongside regular techniques
- Govern - Anomaly detection, review of budgets, tracking and submission of tickets, unit economics, runbooks delivery, etc.



Value Realized

- Customer achieved cost optimization worth of **\$3 Mn/year savings**.
- Around **40%** of customer's annual Cloud Spend was saved is **\$7.5 Mn**
- Savings Realized for VM Rightsizing as **\$220k** and decommissioned VMs worth of **\$42k**
- Filled the gaps in FinOps Operating Model.
- Leveraged the SME approach to deliver savings
- Delivered a comprehensive **Power BI** reporting dashboard with effective Show Back

Positioning scenarios

Opportunities to look for to pitch FinOps Maturity Assessment

1 Customers who are adopting cloud and looking to optimize their cloud infrastructure

2 Customers who wish to build an in-house FinOps practice with an SME approach

3 Customers who wish to seek granular visibility of their cloud infrastructure via custom reporting

4 Customers looking to analyze their cloud infrastructure maturity around FinOps

5 Customers who wish to seek a comprehensive Power BI reporting to fill in gaps in the FinOps operating model

6 Customers already on cloud who want to understand their FinOps Maturity in terms of Crawl, Walk or Run

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