



# Why your FinOps is only limping along?

And how to move it into the fast lane

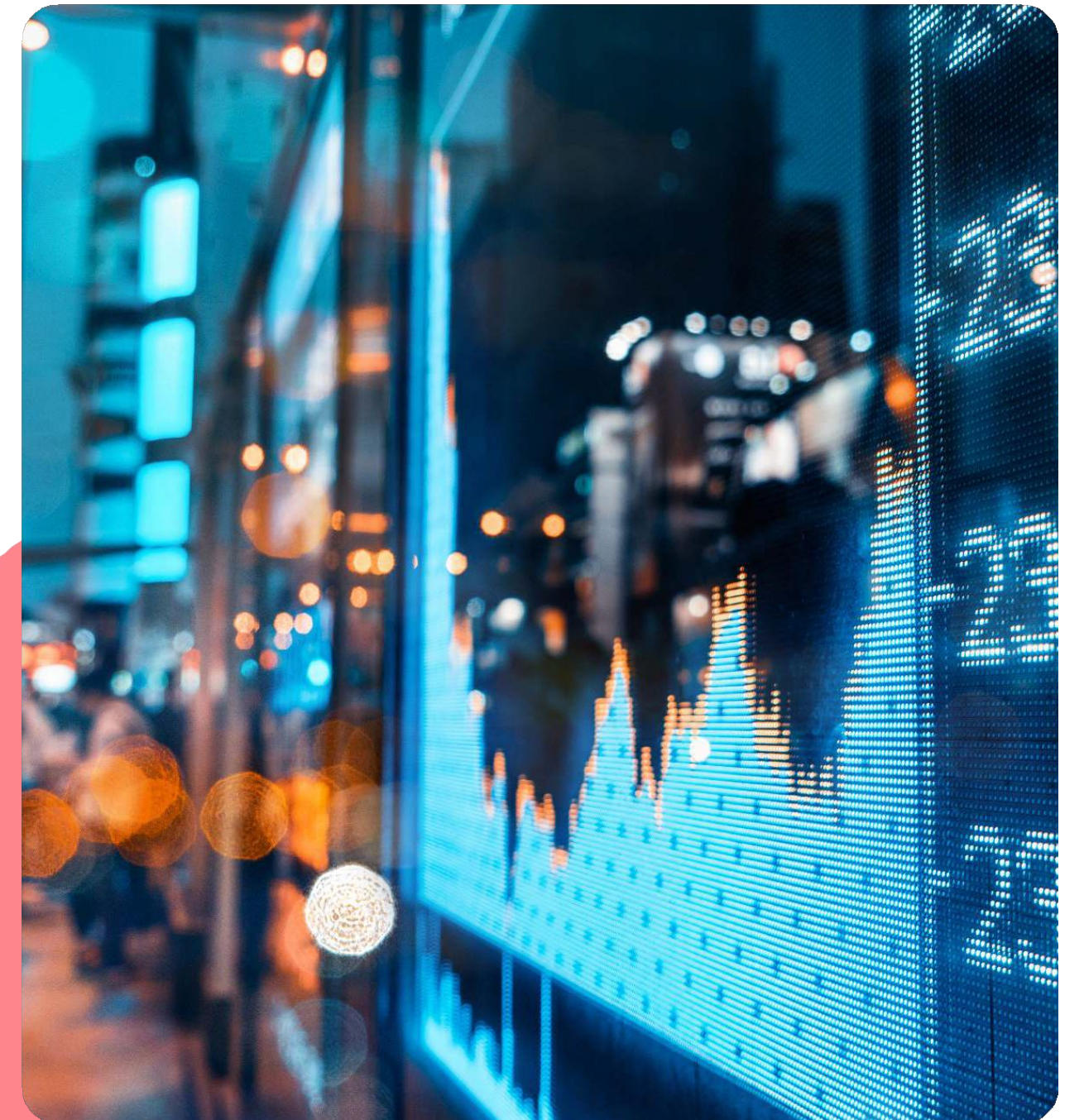
# Is your FinOps behind the curve?

This guide looks at how to fix FinOps issues and escape the slow lane.

FinOps (financial cloud management) is meant to be your accelerator for cloud savings. Pay for what you use, scale on demand and help teams take accountability for their resource use.

But often, the reality doesn't live up to the ideal. And instead of racing towards cost optimisation, the FinOps machine sputters along – grappling with processes that haven't evolved enough to kick things into high gear.

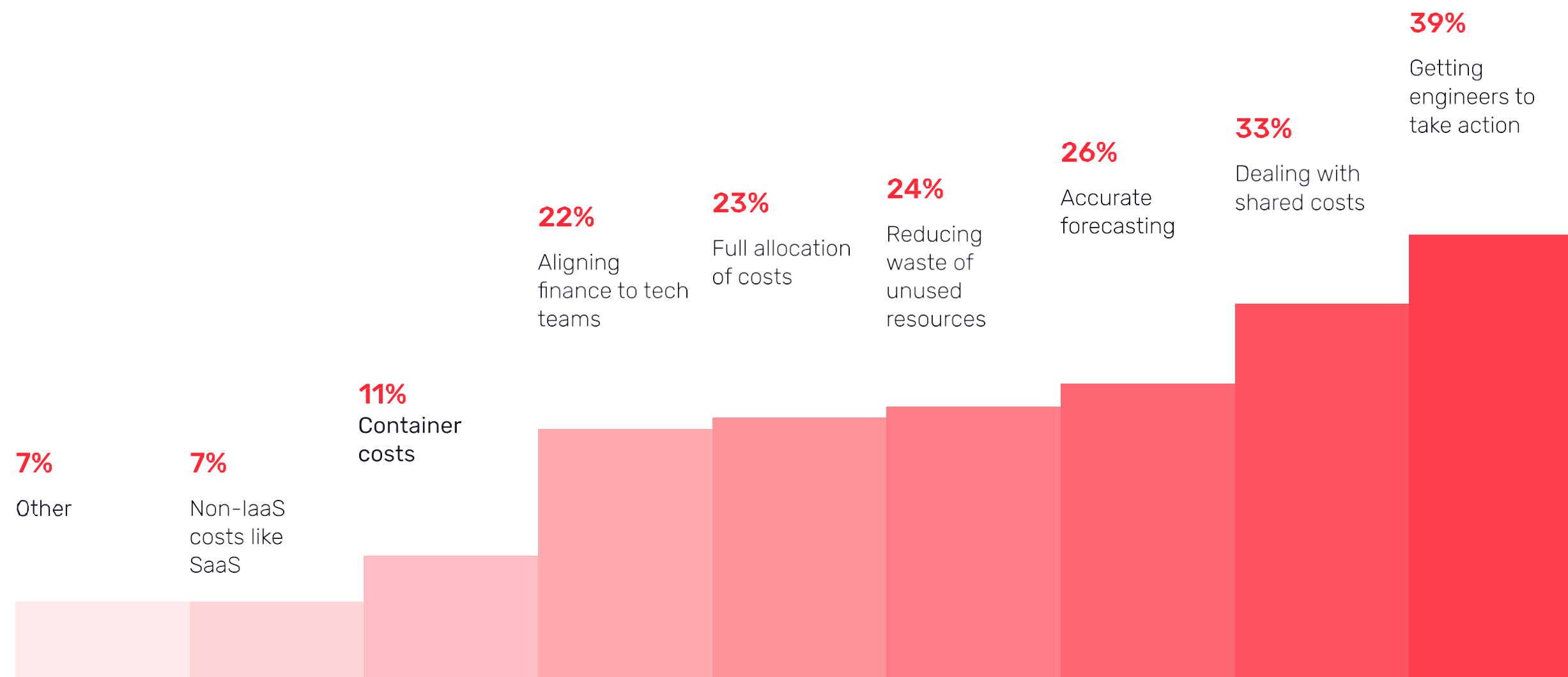
*On average, people are leaving 20% of value from the cloud on the table because they're not keeping on top of their usage and spend consumption. This means customers aren't ensuring maximum return for every cloud €1 spent.*



# FinOps warning lights

## Common cloud cost management challenges

According to companies trying to escape the slow lane



Source: [State of FinOps Report 2021](#)



We don't know what KPIs we should be setting or what the industry benchmarks are.



We're constantly dealing with cost overruns.



Chargebacks are a complete pain.



Finance and tech teams are often at loggerheads.

# Traditional FinOps fixes

## (and why they don't work)

Trying to fix FinOps can be like taking your car to the garage. The mechanic looks under the bonnet and at the undercarriage, and then recommends costly repairs. You go ahead hoping they work, only to see the warning lights come on again after lots of money and a few motorway miles.

That's what traditional FinOps fixes are like – because they're not cost-effectively addressing root causes or making lasting repairs to achieve your objectives. After all, your objective isn't just to have a car that sputters along – it's to use cloud to win the competitive race.

## Traditional FinOps fixes

	The approach	The problem
Periodic DIY	An internal team manages optimisation while trying to troubleshoot any issues that come up.	Teams get demoralised because the car is always in the shop. You're cramming repairs into BAU, which means you're stuck with an endless list of short-term tune-ups.
Well-Architected Reviews (or your hyperscaler's equivalent)	Each quarter, you do an infra review against hyperscaler best practice.	You're addressing infra problems reactively, with no KPIs or systematic visibility into why problems are arising.
Consultants	You pay for a Formula 1-level pit crew to set up on site with a brief to unearth problems and recommend solutions.	In the blink of an eye, you've spent millions on analysis that may not deliver value. It's a big risk that can lead to a very visible waste of the organisation's money.



# How to fix your FinOps.

Those FinOps warning lights come on because of an underlying cost optimisation challenge: the central team doesn't control what infrastructure the application teams are spending on. In essence, the application level is where everything is managed – where costs are incurred and where resource-related decisions happen. As your cloud maturity increases, the central team sacrifices control for speed of software delivery.

The traditional fixes don't work because they don't enforce accountability for cost optimisation at all levels. There are no evidence-based objectives and no alignment around processes for tracking and proactively resolving issues.

# Move into the fast lane with Managed FinOps

Managed FinOps from Nordcloud gives you a robust and scalable system for measuring and optimising cloud spend against KPIs.

It addresses the problems with the traditional fixes because it introduces benchmarking, accountability and proactiveness into your FinOps approach. And because it combines processes with tooling and automation, you're moving up a gear without creating more work for teams.



Industry benchmarks are for approximately 10 to 30% savings. Nordcloud customers routinely achieve between 30 and 40%.

## How Managed FinOps works

### KPIs and benchmarking

We provide a unit economics system for optimising cloud spend, based on industry benchmarks at the company, unit, team and application level. This brings accountability to a distributed procurement model and extends FinOps beyond right-sizing instances.

"We know what savings we need to aim for and where that savings should come from, so we can plan optimisation activities on a month-by-month basis."

### Processes based on real-time insight

Using our proprietary tooling, management, finance, and IT gain a mutual understanding of cloud spend and how it affects business outcomes. That way, everyone is aligned for continuous cost optimisation.

"Everyone has visibility on where costs are down to the application/resource level, so we can see who needs to do what to achieve our KPIs."

### Measurable business outcomes

Thanks to the unit economics system, you can see how much it costs to serve customers versus the revenue they generate.

"We can monitor savings within the wider business context, making sure cloud delivers value in line with the business strategy."

# Get Guaranteed Savings with Managed FinOps

**Managed FinOps from Nordcloud offers you a fast track to industry cost optimisation benchmarks – guaranteed.**

We'll help you align people, processes and technologies in a way that delivers quantifiable savings. Month by month, year by year, you'll get a cost optimisation roadmap with clear commitments – and a best-practice FinOps framework that delivers measurable business outcomes.



## Faster Results

We're cloud pioneers with a 100% cloud heritage. This means we're not working reactively, jumping on bandwagons or superimposing trends on to legacy processes and technologies. You get better, faster results because you have cloud natives guiding your FinOps journey.



## Empowered teams

Our entire approach is about empowering your teams, not creating dependencies. Managed FinOps gives you the benchmarks, processes and tools you need to align teams and empower everyone to achieve your cloud savings potential.



## Global cloud leadership

We're a Visionary in Gartner's Magic Quadrant and one of the few certified providers across all 3 public cloud platforms – Microsoft Azure, Google Cloud Platform and Amazon Web Services. You therefore get impartial advice based on a broad market perspective.



**See what savings you  
can achieve.**

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