

# Use Case: FinOps Roll Out

## Starting Position

“On-prem to cloud” transformation followed lift and shift approach. Public Cloud was a new service in the company. There was no governance in place and the teams were still learning how to manage public cloud usage and spend. Forecast was built on “calculator predictions” and not actuals and demand. All that resulted in poor cost management and unoptimized public cloud usage.

Approach	Work Done	Business Outcome Delivered
Introduce FinOps capability to enable public cloud cost and consumption optimization to drive business value	<ul style="list-style-type: none"><li>• <b>Teams involved: CxO, Finance, Procurement, IT</b></li><li>• Run gap analysis between budgeted vs projected spend to bring cloud cost budget/forecast under control</li><li>• Set up FinOps practice: roles &amp; responsibilities, reporting, budgeting &amp; forecasting, engagement model, C-level sponsorship, training</li><li>• Renegotiated with AWS on new committed discount based on realistic forecast and consumption</li><li>• Chargeback of public cloud spend to drive accountability and engagement with business stakeholders</li></ul>	<ul style="list-style-type: none"><li>• \$mIn committed spend under control (5yr contract)</li><li>• Identified rightsizing opportunities to drive 15% reduction in spend</li><li>• Achieved extra 5% discount from Cloud Vendor by increasing committed spend &amp; reserved instance</li><li>• Drove business accountability in cloud spend management &amp; demand planning</li><li>• Aligned investments to digital products and business value</li></ul>

# Multinational Tobacco Company

Country: Switzerland  
Revenue: \$35.2 billion  
Area Served: worldwide  
Number of Employees: 82,700

- 20% Reduction of YoY Spend
- 5% Additional Vendor Discount
- 60% Reduction in Data Processing & Analysis Time