

University of Maryland

Project Management Symposium

NEXT SESSION

Integrating FinOps Into Your Project Management Processes

Andrew Boyle & Rachelle Bayan

Distinguished Digital & Cyber Technologist, Booz Allen Hamilton
Chief Technologist, Solution Architect



PROJECT MANAGEMENT
CENTER FOR EXCELLENCE

A.J. CLARK SCHOOL OF ENGINEERING
Civil & Environmental Engineering Department

This session will be recorded.

Project Management Symposium

FinOps and Project Management

Andy Boyle and Rachelle Bayan



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A decorative graphic consisting of three overlapping arrows pointing to the right, colored red, yellow, and black.

Andy Boyle

- Distinguished Digital and Cyber Technologist
- Leads projects developing analytic capabilities for government and commercial clients
- DevSecOps industry expert
- FinOps certified; >\$1.5M in savings in 2023
- University of Maryland College Park Alumni!



A stylized graphic consisting of three overlapping arrow shapes pointing to the right, colored red, yellow, and black.

Rachelle Bayan

- Chief Technologist, Solution Architect
- Leads team of over team of 20+ software developers creating cloud-based analytic modeling apps
- FinOps certified





What is FinOps?

*An operational framework and cultural practice which maximizes the business value of cloud, enables timely data-driven decision making, and creates **financial accountability** through collaboration between **engineering, finance, and business***



FinOps
Foundation



Cloud computing is great, BUT ...

Pay-as-you-go
model works poorly
for high usage

Bills are difficult to
understand

Bills arrive months
late

Ease of spend for
engineers

Centralized cost
control scales poorly

Lack of oversight
and accountability

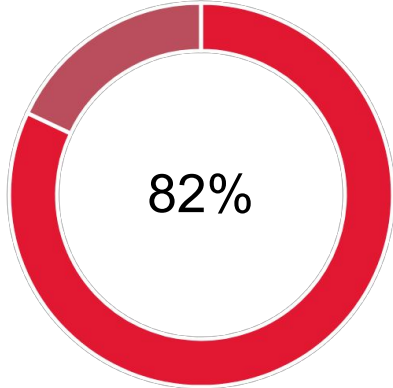
Lack of knowledge
and expertise

Multiple cloud
management

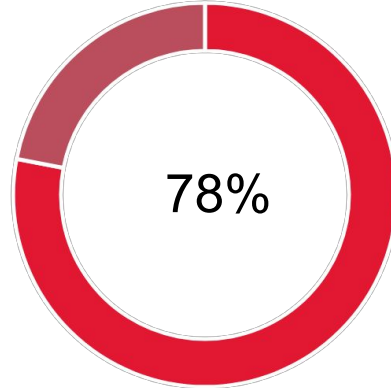
Redundancy in
cloud uses



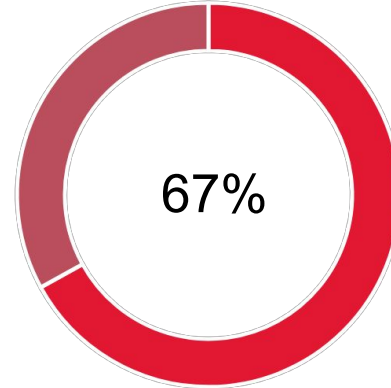
Top Cloud Challenges among Companies



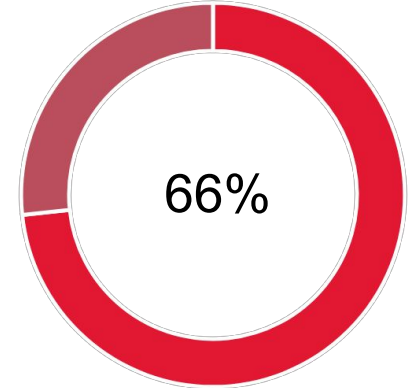
Managing
Cloud Spend



Lack of Resources/
Expertise



Responsibility
balancing among Cloud
Team/Business Unit



Managing
Multi-Cloud



Quiz: How high are worldwide cloud costs expected to reach in 2024?

A: \$450B

B: \$590B

C: \$675B

D: \$800B

End-user cloud spending is expected to reach \$678.8B this year.



There is a real need for PM-driven FinOps

- Only 39% of companies have achieved their cloud cost-saving goals¹

ENTERPRISE
Companies waste \$62 billion on the cloud by paying for capacity they don't need, according to a report

2

How Adobe Lost \$80K a Day to Cloud Costs

3

Annual end-user cloud spending⁴

2021	2022	2023	2024 (proj)
\$410.9B	\$491B	\$563.6B	\$678.8B

Sources: (1) Accenture
Teampay

n

9





Quiz: What is the average length of a cloud invoice for a mid-size organization?

A: 2-5 pages

B: 6-10 pages

C: 11-20 pages

D: 20-30 pages

None of the above!

The average bill from a cloud service provider for a medium enterprise runs hundreds and, often, thousands of pages long.

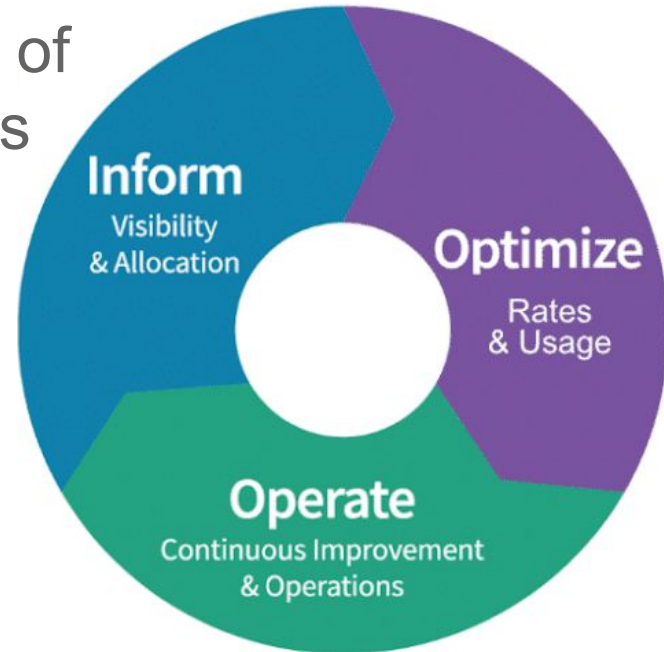




Approach to FinOps

- **Everyone** takes ownership for their cloud usage
- **Centralized team** drives process
- Accessible **metrics**

Phases of FinOps



Approach to FinOps Cont.

- **Everyone** takes ownership for their cloud usage
- **Centralized team** drives process
- Accessible **metrics**





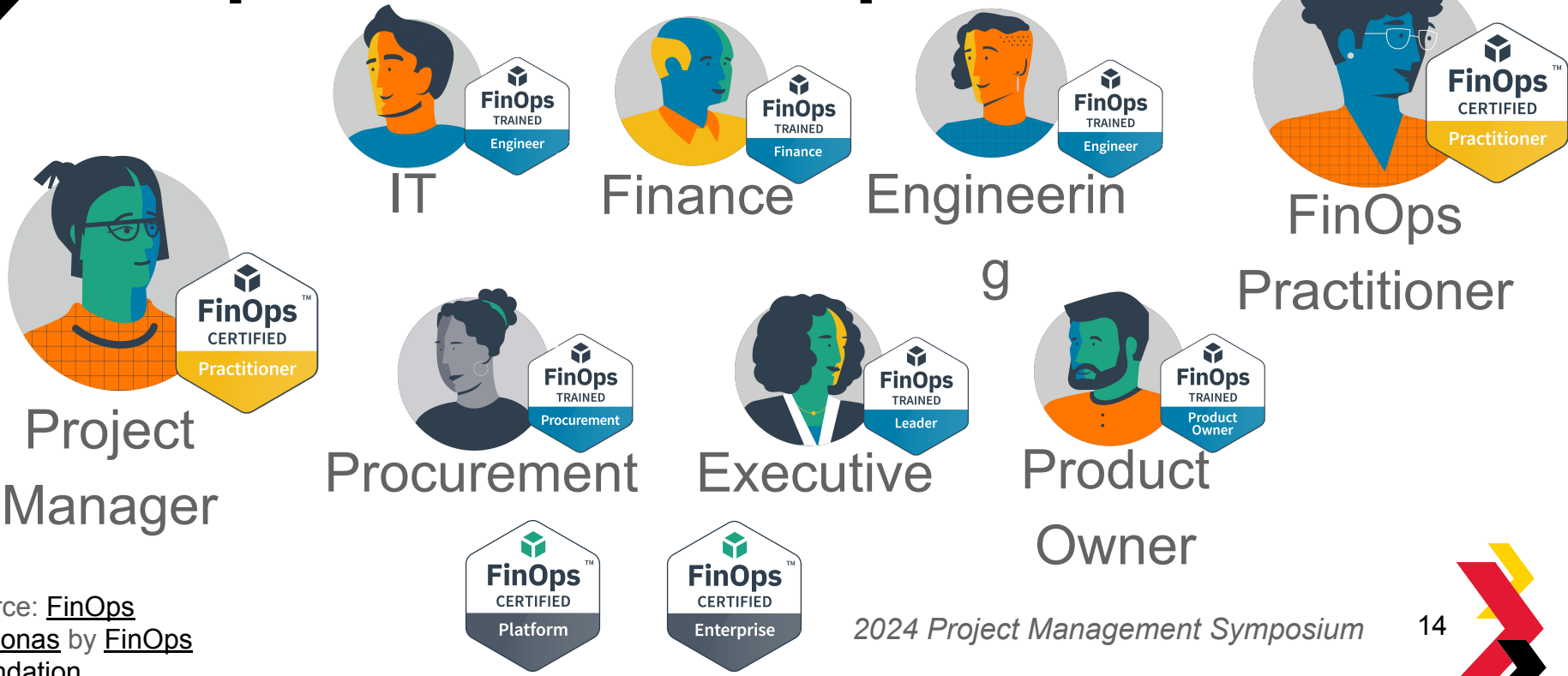
FinOps training, tools, and processes

- Educate teams on how to track infrastructure usage/cost
- Develop standardized process for cost tracking
- Dashboard to track metrics
- Obtain proper certifications

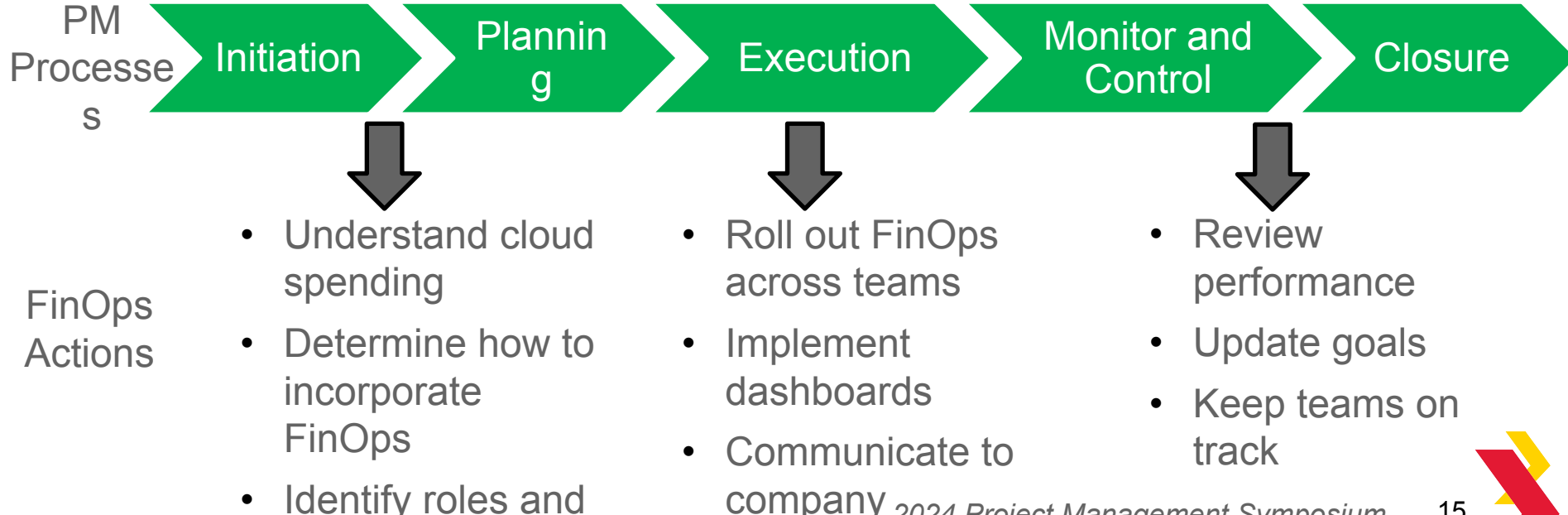


FinOps.org

FinOps roles and responsibilities



Incorporating FinOps into PM processes





Quiz: What percentage of organizations have an understanding of the cloud cost-to-business value metrics?

A: 15%

B: 30%

C: 50%

D: 70%

Only 15% of organizations have an understanding of the cloud cost-to-business value metrics. ([McKinsey](#))

PMs must get FinOps started and moving

Crawl 



Walk 



Run 

- Organization aware of FinOps and its benefits
- Basic goals established
- Staff begin basic training
- Finance puts manual controls on cloud costs

- FinOps is a forced activity across organization
- Metrics are manually captured
- Most staff trained
- 50% of cloud costs influenced by FinOps

- FinOps is an organization-wide culture
- Metrics fully captured and feed into efficiencies
- All staff trained
- 100% of cloud costs under FinOps control





Best practices for FinOps adoption

Culture shift

- Accountability
- Balancing intra-organization priorities
- Collaboration
- Cost transparency
- Growth

Set goals and track performance of KPIs

- 100% coverage of automated cost alerts and controls
- No negative impact to efficiency of providing business value, DORA metrics, or cybersecurity events
- Percentage resource utilization
- Total unpredicted variance of spend



Lessons learned from a PM perspective



Talk it out:
Collaboration
within team is key



Aim (not too) high: Set
realistic goals for
costs/cloud usage



Avoid overreliance on
finance expert to
manage costs



Culture must
emphasize
collaboration and
accountability



Monthly review
of cloud bill with
FULL
cross-functional
team



Don't even try to
understand your invoice:
Start using tools NOW to
understand cloud bills



Build it and they will
NOT come: FinOps
need to be driven
top-down



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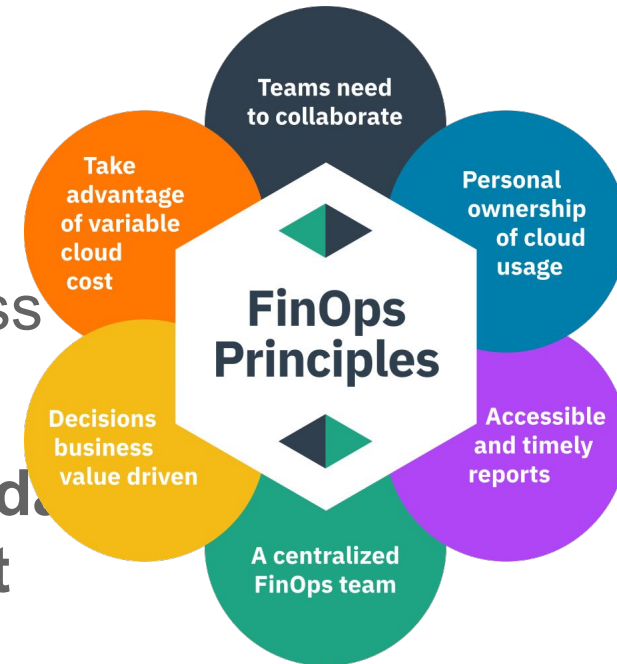
Case study

- Shipping company was spending \$80k monthly on major cloud service provider
- FinOps implementation: Reports, usage monitoring, cost analytics, readily accessible data
- Company identified and cut unnecessary data transfers
- PM-driven FinOps roll-out quickly realized cost savings of 28%



Summary

- **Everyone** needs to be aware of and contribute to controlling cloud costs
- Much like DevSecOps, FinOps success only comes after **culture change**
- PMs: Don't wait – **Start (Crawling) today** because **no one gets it right the first time!**





Questions?



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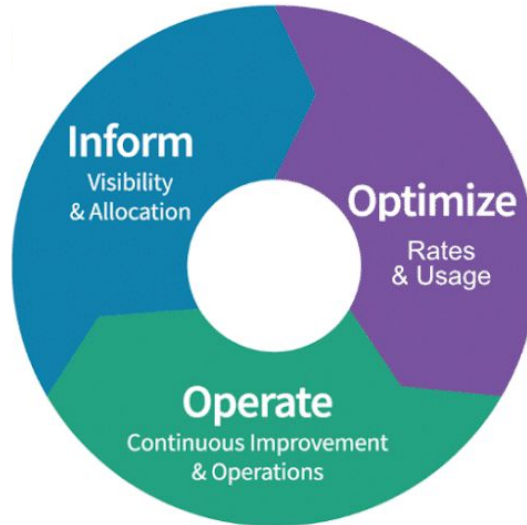
Evaluate Session



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Phases of FinOps



FinOps Principles

