# IAITAM ACE 2025

ITAM - Another Brick In The Wall

# **FinOps**for ITAM Practitioners







# J.R. Storment

# **Executive Director FinOps Foundation**







A Linux Foundation program which operates as non-profit membership-based trade association with a mission of:



# Advancing the people who manage the value of cloud



Connections & Community



Education & Certification

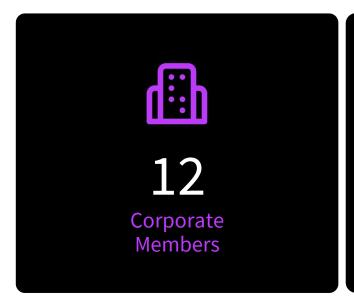


Best Practices & Standards

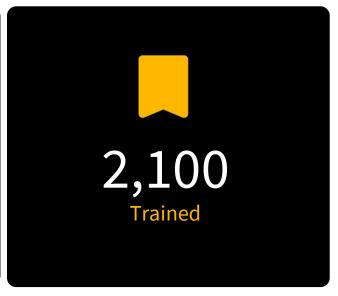




# FinOps Foundation in 2020





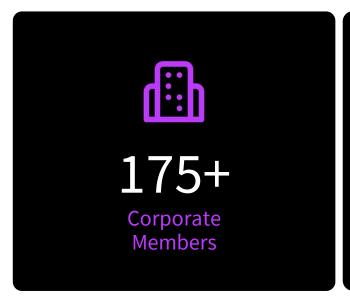








# FinOps Foundation in 2024



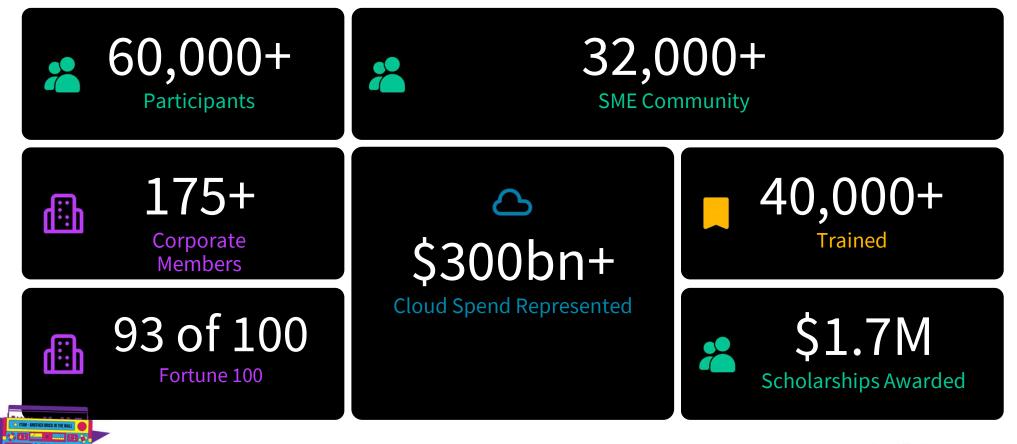








# Community continues to scale as practice expands

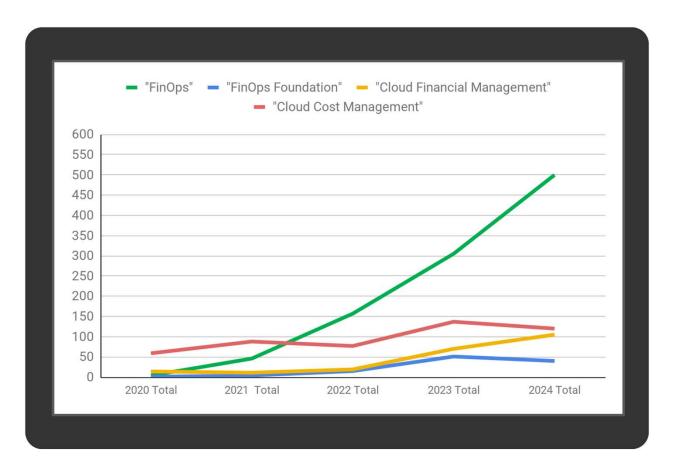




### Slide 6

- @tom@finops.org updated numbers Steven Trask, 3/17/2025 1
- @steven.trask@finops.org Where would I find the numbers, this slide is no longer in the Primary Slide Deck? Thomas Sharpe, 3/17/20251

# Analyst mentions of FinOps grew 74% YoY







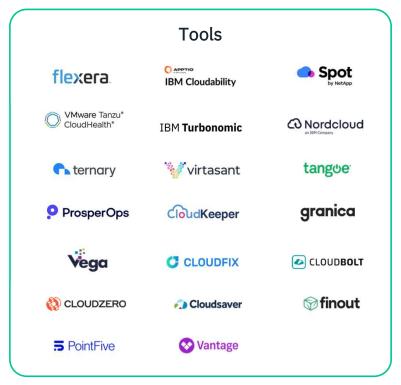


# **Governing Board**













2 @tom@finops.org this one seems old \_Reassigned to tom@finops.org\_

Steven Trask, 3/17/2025

2 @steven.trask@finops.org I don't think we have a newer version of this. In the Primary Slide deck we only have the Governing Board listed as people rather than companies. Unless this is supposed to be the Premier Members?

\_Reassigned to steven.trask@finops.org\_

Thomas Sharpe, 3/17/2025

# What is FinOps?





# Cloud is critical to every business but is a fundamentally different consumption model...



### Decentralized

Engineers siloed from Finance (and Procurement) are empowered to commit the company to spend



## Variable

Variable cloud spend replacing data center/fixed cost spend, including numerous ways to optimize rates



## Scalable

Instant access to a variety of resources enables innovation but often results in overprovisioning







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



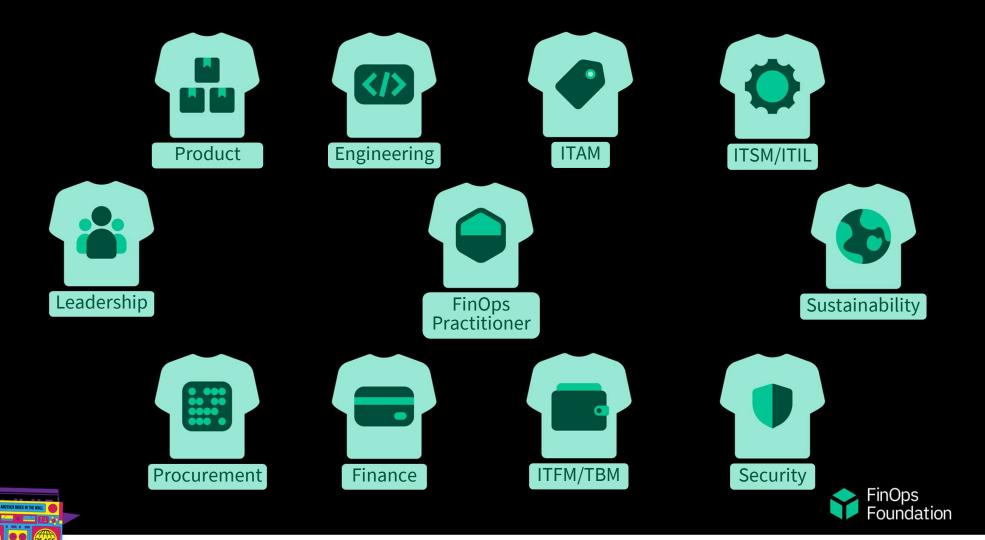




FinOps is an operational framework and <u>cultural</u> practice which maximizes the <u>business value</u> of cloud <u>and technology</u>, enables <u>timely data-driven decision making</u>, and creates financial accountability through <u>collaboration</u> between engineering, finance, and business teams.







# "...creates financial accountability through collaboration between engineering, finance, and business teams."



Leadership



Product



Engineering



FinOps Practitioner



Finance



Procurement

C level Executives

VPs

**Directors** 

Product Managers

Product Owners

**Program Managers** 

**Portfolio Managers** 

Engineering Managers

Architects

**CCoE** 

**Platform Engineers** 

**SREs** 

**IT Operations** 

**Data Scientist** 

**Analysts** 

Automation

**Cost Engineers** 

**Capacity Managers** 

ITAM/SAM

Accounting

**Finance Managers** 

Finance Strategy

FP&A

ITFM/TBM

**Strategic Sourcing** 

**Vendor Managers** 

Technical Procurement







FinOps is an operational framework and cultural practice which maximizes the business value of cloud and technology, enables timely data-driven decision making, and creates financial accountability through collaboration between engineering, finance, and business teams.





Teams need to collaborate



Business value drives technology decisions



Everyone takes ownership for their technology usage



FinOps data should be accessible, timely, and accurate

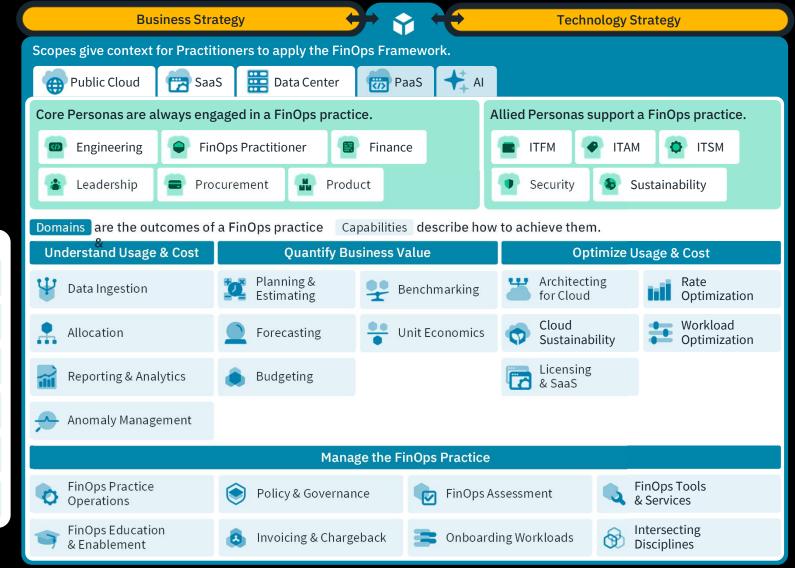


FinOps should be enabled centrally



Take advantage of the variable cost model of the cloud





# US Government Adoption of FinOps Framework



DEPARTMENT OF DEFENSE 6000 DEFENSE PENTAGON

SEP 2 4 2024

MEMORANDUM FOR SENIOR PENTAGON LEADERSHIP
DEFENSE AGENCY AND DOD FIELD ACTIVITY DIRECTORS

SUBJECT: Department of Defense Cloud Financial Operations Strategy

The adoption of commercial cloud-based capabilities across the Department of Defense (DoD) remains fundamental to modernization. As cloud adoption and dependence continue to increase, and with the evolution and maturity of artificial intelligence-based solutions, DoD must improve its cloud management to ensure delivery of services while achieving best fiscal value.

The DoD Cloud Financial Operations (FinOps) Strategy provides direction for enabling cloud cost management and optimization for better investment, budgetary, and architectural decisions. Leveraging industry recognized best practices, the strategy describes a desired outcome, provides a DoD-tailored FinOps framework based on the FinOps Framework from the FinOps Foundation, and identifies strategic imperatives and associated actions to enable an enterprise understanding of cloud costs and impacts. It establishes a way ahead that will allow the Department to be a better user and buyer of cloud services.

The point of contact for this matter is George Lamb at george.w.lamb16.civ@mail.mil, (571) 372-4484.

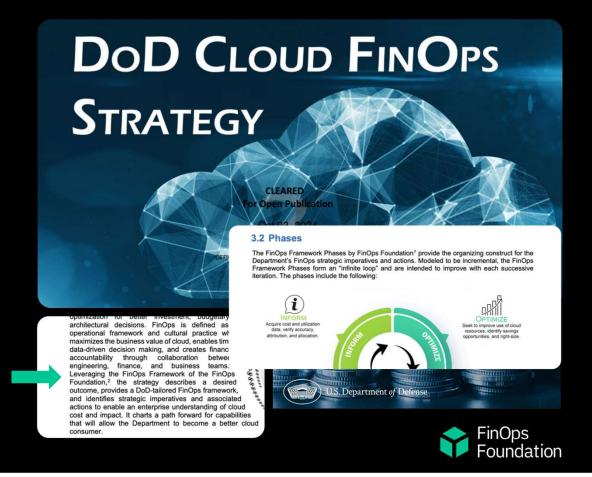
Leslie A. Beavers
Acting

Attachment:

CLEARED For Open Publication

Oct 03, 2024

Department of Defense
OFFICE OF PREPUBLICATION AND SECURITY REVIEW





# European Parliament adopting FOCUS





(edited) 16h ...

# Evolution of FinOps





# FinOps was born in the cloud...



Highly Variable

Consumption-based

Decentralized

Granular

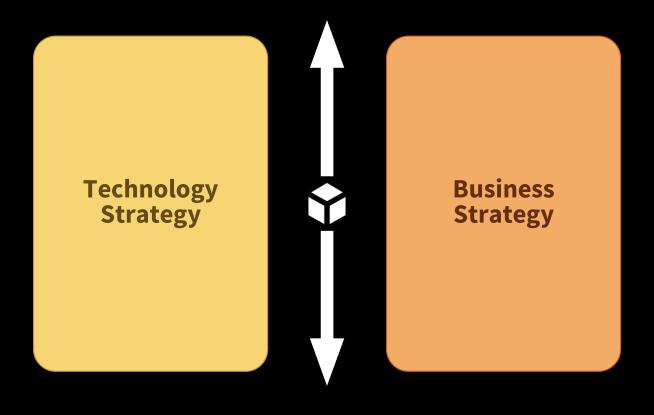
Scale & Speed

Specialization





# FinOps operates at the intersection between business and technology



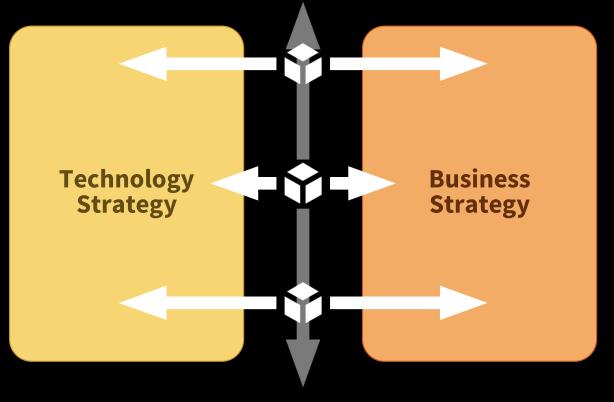


# FinOps operates at the intersection between business and technology

Regional data sovereignty Network and Regional Costs...

New functional capabilities
Utilization/allocation of AI costs

Integration - API request, endpoints, storage lifecycles...



Enter new markets

Broaden your product portfolio

Deepen customer penetration e.g bundle products together





# FinOps is not only for cloud







FinOps is an operational framework and cultural practice which maximizes the business value of cloud and technology, enables timely data-driven decision making, and creates financial accountability through collaboration between engineering, finance, and business teams.





Teams need to collaborate



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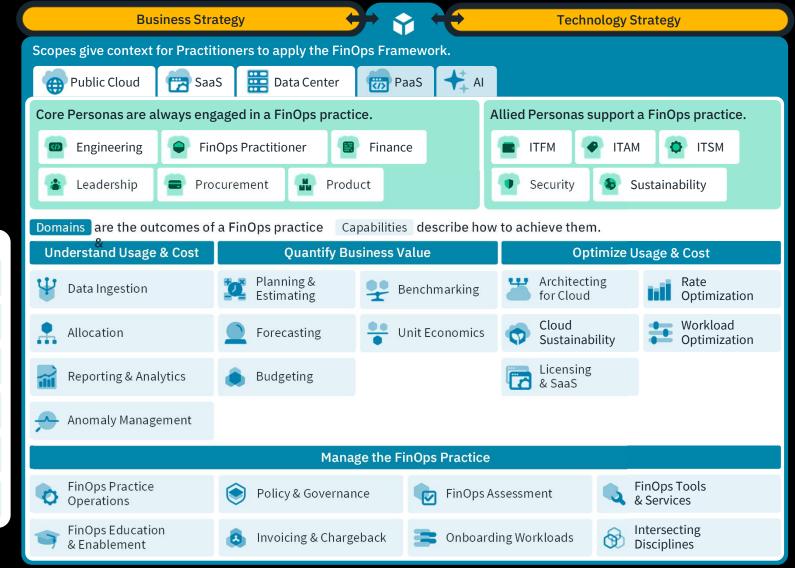


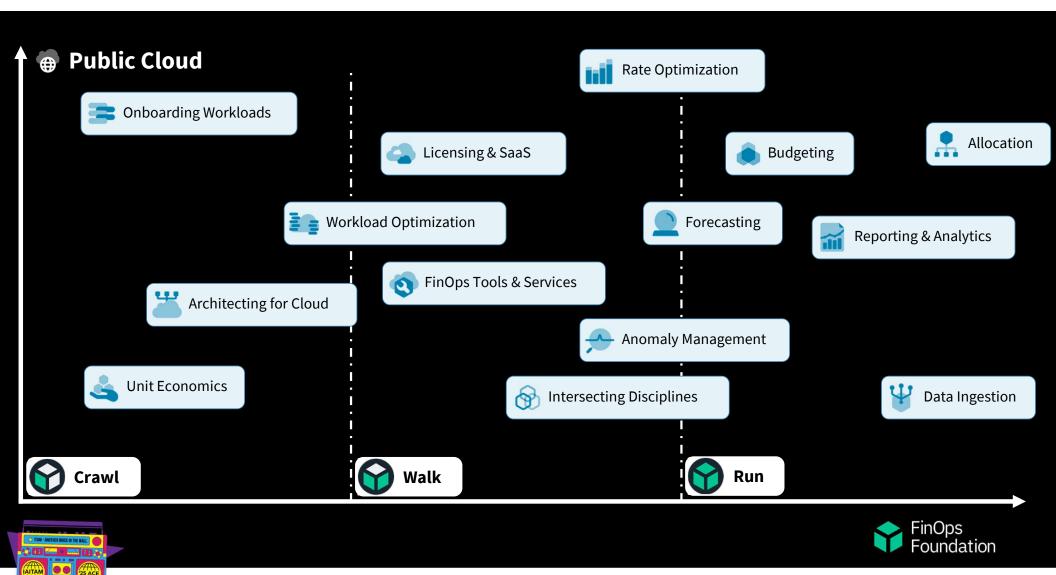
FinOps should be enabled centrally



Take advantage of the variable cost model of the cloud



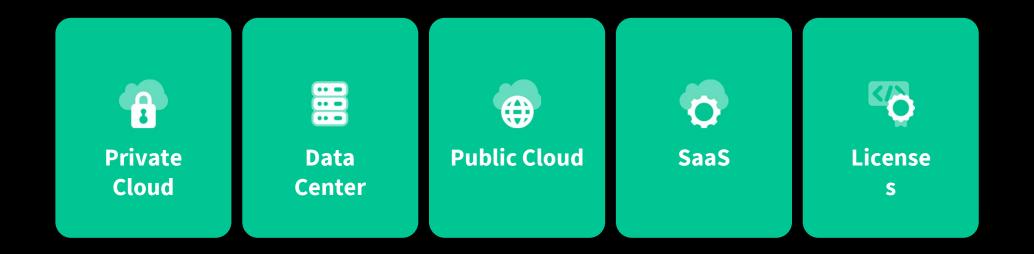




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# Scope of FinOps







What areas of technology spend does the FinOps team manage today and in the next 12 months?

# FinOps Teams managing add-on scopes (Cloud+) of technology spend











% of respondents

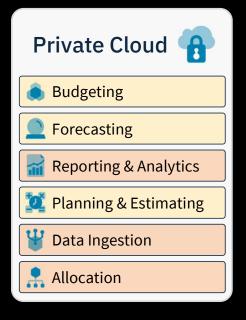


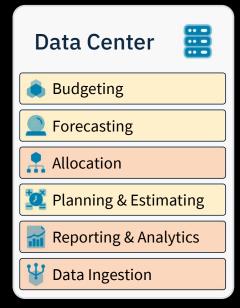
What capabilities are your your top priorities to apply to different scopes?

# Before Optimizing, Practitioners are applying key capabilities from the "Understand Cost" and "Quantify Value" domains



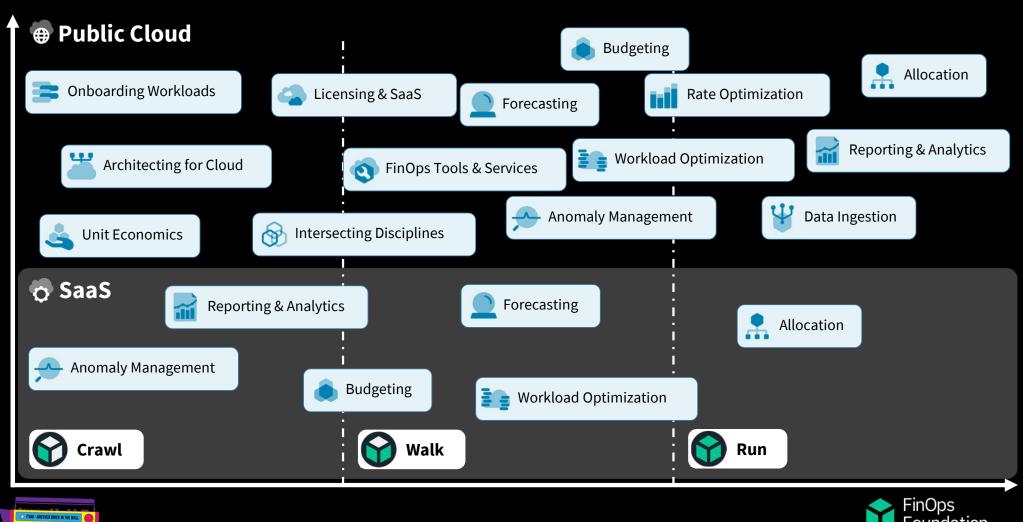












# FinOps Intersection With ITAM, SAM, and ITFM



ITAM (IT Asset Management)

Tracking and managing hardware and software assets



SAM (Software Asset Management)

Focus on software compliance and licensing



ITFM (IT Financial Management)

Financial transparency and budgeting for all IT costs



# **FinOps**

Focus on real-time, dynamic cost management and optimization FinOps brings a continuous, cross-functional collaboration approach





"By 2025, 50% of organizations will unify SAM and FinOps into a consolidated discipline delivering portfolio cost management and governance." - Gartner in 2023





# Intersecting disciplines: ITFM and ITSM are top partners; while TBM, ITAM, and SAM increasingly integrate with FinOps





# Intersecting disciplines: ITFM and ITSM are top partners; while TBM, ITAM, and SAM increasingly integrate with FinOps





# 1.Be Friends

2.Share Stuff

3.Coordinate





# Why SaaS in FinOps: Optimization Matters





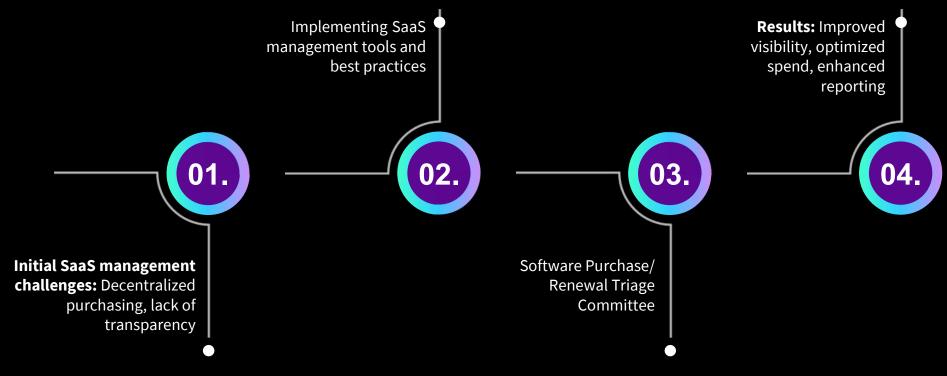
# Core FinOps Principles for SaaS Optimization







# Typical SaaS in FinOps Optimization Journey

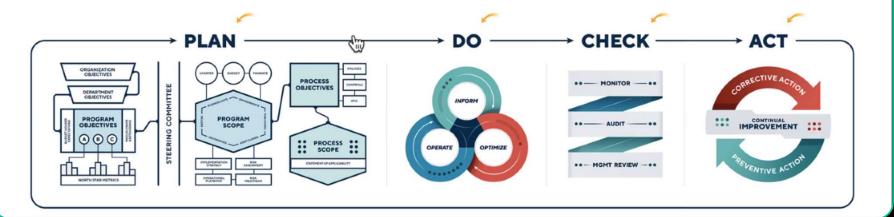




# 19770-1 update coming that will make FinOps and ITAM more aligned

# 19770-1:2024 Management System

The ISO standard finally demystified & made usable...18 years in the making





















# **FOCUS Ecosystem**



Billing data from cloud vendors is generated...

...in the FOCUS format...

...for ingestion by Practitioners...

...to achieve FinOps Domains.





# **FOCUS Columns - 1.1 Additions**

focus.finops.org/focus-columns/

### **Billing**

Billing Account ID
Billing Account Name
Billing Currency
Billing Period Start

### SKU

SKU ID SKU Price ID SKU Price Details SKU Meter

Billing Period End

### Pricing

Pricing Category
Pricing Quantity
Pricing Unit
List Price Unit
Contracted Unit Price

### Costs

Billed Cost
Effective Cost
List Cost
Contracted Cost

### Charge

Charge Category
Charge Class
Charge Description
Charge Frequency
Charge Period End
Charge Period Start

### Usage

Consumed Quantity Consumed Unit

### **Commitment Discounts**

Commitment Discount Category
Commitment Discount ID
Commitment Discount Name
Commitment Discount Type
Commitment Discount Status
Commitment Discount Quantity
Commitment Discount Unit

### **Lineage of the Charge**

Provider Publisher Invoice Issuer

### **Account Hierarchy**

Sub Account ID
Sub Account Name

### Location

Region ID Region Name Availability Zone

### **Resource Information**

Capacity Reservation ID
Capacity Reservation Status
Resource ID
Resource Name
Resource Type

### **Service Details**

Tags

Service Category
Service Name
Service Subcategory







# June 2-5 2025, San Diego







Register at x.finops.org









June 2-5 2025, San Diego

2000+

**Total Attendees** 

1200+

**Total Organizations** 

120+

**Total Speakers** 

100+

Breakouts/Chalk Talks

4+

**Public Clouds** 

50+

Sponsors



Register at x.finops.org



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← What's that?



jr@finops.org







