

Abstract

In this paper the structure of FinOps (Cloud Financial Operations) will be introduced and then the main structure of the cloud bill, cost allocation and tagging will be explained to achieve a successful Cloud Cost Management.

Firstly, I will explain six principles of FinOps, that should be adopted to achieve a successful cloud cost management. I will describe the differences between traditional infrastructure, named as data centers and cloud technology.

Secondly, I will focus on FinOps Domains to adopt the cloud culture. Accordingly, I will explain, why it is important to build a FinOps team in the organization. Then I will clarify the importance of building a FinOps team to motivate all the teams in the organization about cloud cost optimization and inspire the accountability to assume the responsibility of cloud spending.

Next, I will clarify one of the products of cloud consumption, that is cloud bill. Then I will explain the characteristics of cloud billing which help organizations to see more granularity about cloud costs. It will be better to start to understand the components of the cloud bill to grasp the huge amount of data created by CSPs. After that, I will explain the importance of timely data in cloud cost management and the organization structures to manage the cloud costs.

In the end, I will mention the importance of a well-organized cloud cost allocation and the vital feature of cloud cost management which is tagging. Cost allocation and tagging are powerful tools for anomaly detection and also forecasting and budgeting. In conclusion, it is normal that organizations may experience some challenges during FinOps adoption. While dealing with these challenges, some automation tools like Terraform will help them to accelerate the speed of the deployment processes.

Keywords: cloud, cloud computing, FinOps, AWS, GCP, Azure, cost allocation, cloud bill, tagging, accounts, tags, labels, reserved instance, commitment