

# Optimize cloud spend and business value with FinOps

Leverage a strategic framework to boost cloud services optimization



## Industry backdrop

Cloud migrations in the financial services industry (FSI) are booming. As a result, cloud spend is up, with the average yearly enterprise cloud spend for financial services firms hitting \$25 million in 2022.<sup>1</sup> As a consequence, a recent survey found that the No. 1 challenge facing organizations tied to the cloud is managing cloud spend.<sup>2</sup>

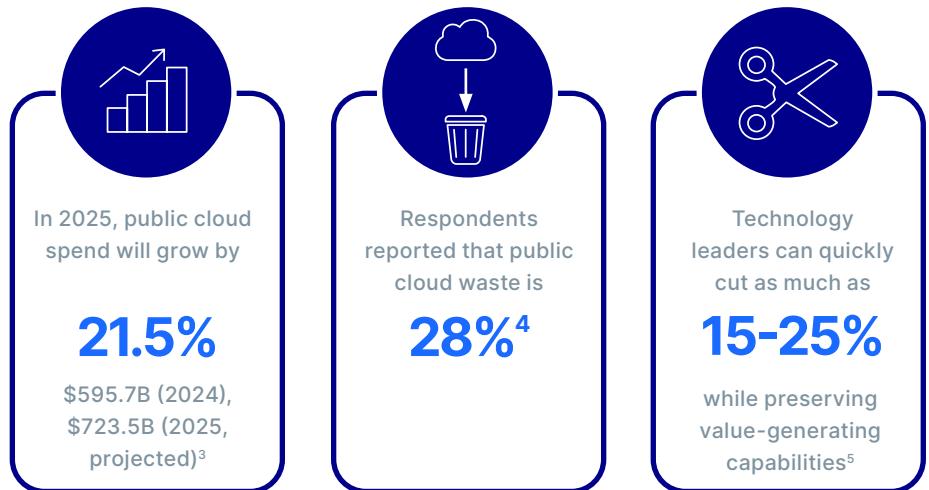
There are multiple causes behind exploding cloud costs, such as poor spending visibility, limited insights into optimization opportunities, and lack of automation for cost controls. These are further complicated by layers of complexity fueled by uncontrolled cloud adoption and migration. These issues lead to substantial inefficiencies—and inflated costs—that quickly threaten to break a financial services organization's budget.

This paper outlines how a FinOps practice can fortify a financial services organization's cost governance and improve transparency, providing a 360-degree view of cloud costs and leveraging automation to optimize cloud spend and address sources of cloud waste.



<sup>1</sup> Forrester, *Infrastructure Cloud Survey*, 2022

<sup>2</sup> Flexera, *State of the Cloud Report*, 2025



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## Driving financial predictability and profitability

FSIs that make FinOps a priority can more accurately forecast cloud spend and avoid surprise bills, helping to stay within budget. FinOps also optimizes cloud spend, freeing up money that can be used to accelerate new projects and strategic initiatives.

These benefits lead to increased financial predictability and profitability for FSIs, as well as better cross-functional team alignment with IT, engineering, business, and finance, working toward shared goals and common key performance indicators (KPIs).

Three steps are needed to reap these benefits. First, cloud teams need real-time visibility into spending, with spend accurately mapped to business units or projects. Second, the spend itself needs to be optimized, by identifying and cleaning up cloud waste and purchasing savings plan and reserved instances. Finally, automation needs to be added to shift from manual assessment and operation to a practice that relies on alerts, workflows, and hands-off remediation.

<sup>3</sup> Gartner Forecasts, 2024

<sup>4</sup> Flexera, 2023 State of the Cloud Report

<sup>5</sup> McKinsey, Five ways to lower cloud costs, 2022



## How specific FinOps capabilities can help

To achieve results, FSIs should:

### Accurately allocate costs via role-specific views

Enable teams to take control of expenses and improve cost management using role-enabled reports to understand spend and determine what action is needed. Build personalized views for decision makers in finance, accounting, or project management that accurately map costs to projects, owners, and business units. C-level executives can also consume customized dashboards to observe high-level patterns and trends, especially with regards to the KPIs by which they are measured.

### Eliminate cloud waste from a central hub

Significant cost savings are achievable by cleaning up idle cloud instances and right-sizing overprovisioned ones across all clouds. When recommendations for waste elimination are aggregated in a central hub, there is no need for multiplatform navigation, making it easy for cloud account owners to identify their own waste. The cleanup process can be streamlined via workflows to help account owners tackle the most prominent sources of cloud waste first.

### Maximize discounts using smart rate optimization

Other major sources of cost savings are reserved instances and saving plans. Both often yield significant discounts, but each has specific advantages and drawbacks. A strong FinOps solution uncovers which of these rate optimization assets works best for your organization, and ideally combines them to achieve the best return on investment at the lowest risk.

### Correct early with spend alerts and forecasting

Help teams keep tabs on their cloud spend via automated alerts. Configure spend thresholds for cloud accounts and automatically notify account owners when these thresholds are reached so they can check if the pace of spending falls within expectations. Ideally, this is combined with a forecast that shows account owners how spend is trending, allowing them to take corrective actions well before the budget is overrun.

### Leverage workflows to accelerate FinOps ROI

Optimization recommendations are time sensitive and must be acted on quickly. Timely execution through FinOps workflow automation will maximize financial benefits on a monthly and annual basis. Workflows can be used to enable easy verification of recommendations by account owners and to further streamline the process of accepting, dismissing, or scheduling suggested actions—including automated execution of manual tasks (e.g. rightsizing) where appropriate.

## Prevent overspend via provisioning guardrails

Establish self-service guardrails for engineers to prevent reckless acts of over provisioning and costly surprises on the cloud budget. Aggregate services from major cloud providers into a single catalog and disallow costly instance sizes/types and regions. Alternatively, add scrutiny via additional approval processes, and guide engineers to apply schedules to their services so they get shut down after hours.

## From FinOps to GreenOps

Gather in-depth insights into the carbon impact of IT operations spanning multiple clouds. Identify opportunities to reduce emissions and make informed tradeoffs between cost and carbon, supporting specific environmental or sustainability goals

## Proposed next steps

Let's discuss how we can help your organization execute on your FinOps strategy. We propose the following next steps:

- Conduct discovery workshops with your technology teams.
- Map out a future state model and phased deployment aligned to your priorities and timelines.

## Why OpenText?

Putting FinOps into practice within your financial services organization requires a solution that provides a full-picture view into how your company uses the cloud, and then helps you find and act on opportunities to optimize cost. However, total cost of ownership rarely ends here.

OpenText FinOps is built on an extensible platform that allows FSIs to extend IT financial management well beyond the public cloud. Understand the cost of software and on-premises hardware assets, as well as direct and indirect costs related to IT carbon emissions. Whether you are just starting out with FinOps or are underway and readying your company to thrive.

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