Technology-enabled CFO:
The FinOps transformation journey

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Executive summary

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As organisations adopt cloud services, Chief Financial Officers (CFOs) must balance financial accountability and optimise cloud spending in a dynamic environment. The Financial Operations (FinOps) framework offers a structured approach to managing costs while ensuring IT investments align with business goals. With greater insight into cloud spending, FinOps enables collaboration across finance, IT and business teams, helping organisations make informed decisions that reduce waste and improve financial control. As organisations transition from Capital Expenditure (CapEx) to Operating Expense (OpEx) models, traditional IT budgeting must evolve to handle the flexibility and variability of cloud consumption. FinOps supports this shift with real-time financial controls that adapt to changing cloud demands.

The FinOps maturity model progresses through a three-stage Crawl, Walk, Run (CWR) process, guiding organisations from basic cost tracking to full optimisation.[1] In the crawl phase, organisations focus on visibility and foundational cost reporting. As they move to the walk phase, automation of financial processes and more sophisticated KPIs are introduced, helping CFOs ensure accountability across departments and projects. In the run phase, organisations achieve full integration of FinOps, where advanced automation, predictive analytics and continuous monitoring allow for proactive cost optimisation. This phase empowers CFOs and teams to anticipate cloud needs and align investments with long-term business goals.

Furthermore, the need for governance and optimisation of cloud resources is on the rise with 50% of organisations identifying reducing waste as a top priority for their FinOps teams according to a survey conducted by the FinOps Foundation.[2] Additionally, 51% of surveyed organisations by FlexEra reported having a FinOps team dedicated to managing and executing cloud cost optimisation strategies.[3]

For CFOs, the shift to FinOps presents both challenges and opportunities. Leading its implementation ensures cloud investments align with strategic objectives while optimising spending. Key actions include building cross-functional teams, introducing real-time tracking and automating reports to enhance financial oversight. This document outlines IT spending trends, the CFO's role in managing cloud costs and practical steps for beginning the FinOps journey. Adopting FinOps not only improves cost efficiency but also positions organisations for long-term growth in an increasingly cloud-driven world.

(1) https://www.finops.org/framework/maturity-model/
(2) State of FinOps report 2024 - FinOps Foundation
(3) https://info.flexera.com/CM-REPORT-State-of-the-Cloud

Understanding FinOps: An introduction

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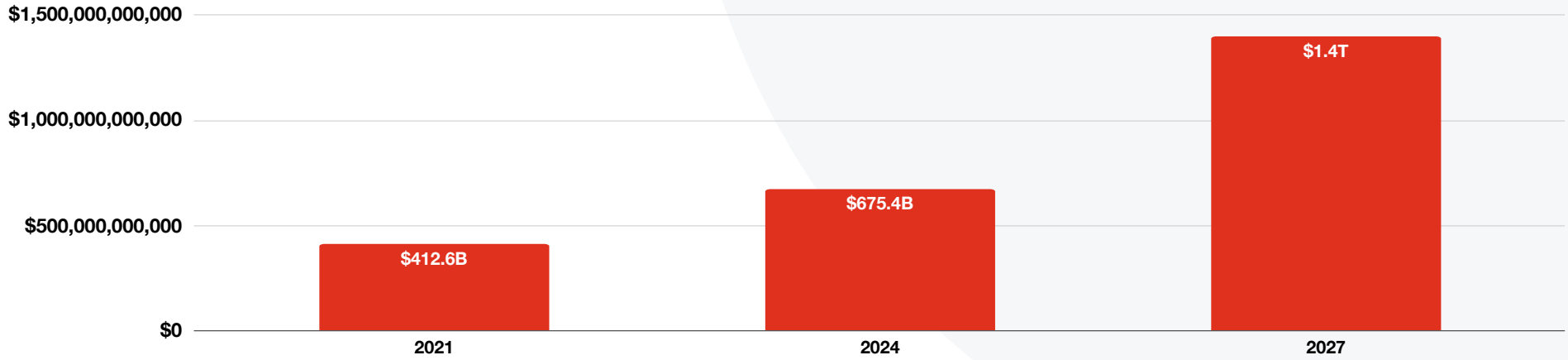
FinOps introduces financial accountability in cloud spending, enabling organisations to manage variable cloud costs. By fostering collaboration between finance, IT and business teams, FinOps ensures real-time visibility into expenses, enabling data-driven decisions.

This need for financial accountability is fueled by the rapid year-on-year increase in global cloud spend, with expenditures projected to rise from $675 billion in 2024[4] to more than $1.4 trillion by 2027,[5] fueled by factors including growing Software-as-a-Service (SaaS) and IT infrastructure costs, an increasing emphasis on governance and compliance, and investments in automation-enabling tools. In Saudi Arabia alone, cloud spend is expected to reach $3.9B in 2027 with a CAGR of 23.4%,[6] signalling rapid growth in cloud technology infrastructure and a growing need for financial responsibility.

Global public cloud spend from 2021-2027 (USD)



Source: Statista ('Public cloud services end-user spending worldwide from 2017 to 2024')

The foundation of FinOps lies in three key pillars – collaboration, accountability and efficiency – which are essential for effectively managing cloud expenditures:

Collaboration: As a CFO, your role is pivotal in fostering cooperation between finance, IT and business units. By integrating these functions, you ensure decisions regarding cloud spending are based on accurate, up-to-date financial data. This unified approach optimises cloud usage without sacrificing performance, helping your teams balance cost with operational needs.

Accountability: FinOps enforces financial accountability by making each department responsible for its cloud usage and associated costs. By setting Key Performance Indicators (KPIs) and cost-tracking mechanisms, you can monitor cloud spending at a granular level, reducing waste and ensuring cloud expenditures align with your organisation's financial objectives. This approach helps maintain budgets while delivering optimal performance.

(4) https://www.statista.com/statistics/273818/global-revenue-generated-with-cloud-computing-since-2009/

(5) https://www.idc.com/getdoc.jsp?containerId=prUS51179523

(6) https://www.pwc.com/m1/en/media-centre/articles/cloud-powered-future-accelerating-digital-transformation-in-middle-east.html#:~:text=Cloud%20adoption%20rates%20in%20the,International%20Data%20Corporation%20(IDC) .

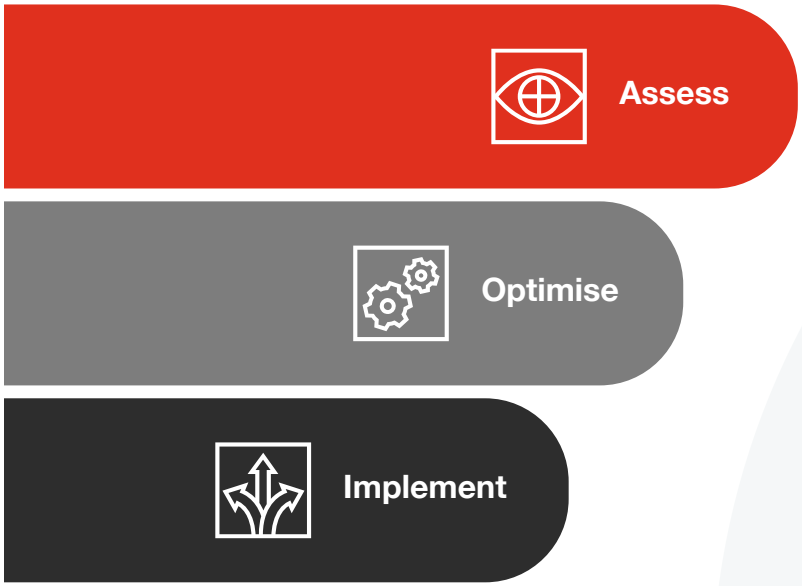
Efficiency: FinOps enhances operational efficiency through real-time cost monitoring and optimisation tools. By continuously analysing cloud usage and identifying underutilised resources, organisations can reduce unnecessary expenses, gain greater control over cloud investments, and enable scalable, cost-effective growth.

To adapt to this model, organisations must shift from traditional methods of managing technology expenditures to more agile, OpEx-driven frameworks. FinOps transforms CapEx-heavy infrastructure management into flexible, cloud-native models for managing infrastructure, platforms and software as a service, mitigating the risks of unchecked cloud spending. According to a survey by the FinOps Foundation, more than 50% of organisations cite reducing waste or unused resources as their top priority, highlighting the need for more effective cloud governance.[7]

Visibility to optimisation: The structured steps of FinOps

The FinOps framework guides organisations through three structured steps – assess, optimise and implement – that progressively enhance cloud cost control and financial accountability. Each step builds upon the last, helping CFOs and teams move from basic visibility into cloud spending to fully integrated optimisation, aligning cloud investments with strategic goals.

Three phases of the FinOps journey life cycle



The FinOps maturity model offers a structured path for organisations to develop their cloud financial management capabilities. In the first phase, **crawl,** the journey starts with simple cost visibility and basic management, and progressively advances through the **walk** phase towards full integration, automation and cost optimisation in the **run** phase.

(7) https://www.finops.org/insights/key-priorities-shift-in-2024/#new-priorities

01 Establishing basic cloud visibility:

In the **crawl** phase, the main focus is on gaining initial visibility into the cloud architecture. At this stage, organisations have limited access to detailed reporting and rely on basic KPIs. KPIs, like **total cloud spend** and **idle resource tracking,** are crucial in highlighting unused or underutilised resources that can be optimised or decommissioned to reduce waste.

The goal in this phase is to create a basic understanding of how cloud resources are being used, and to start identifying inefficiencies. At this stage, the focus is on reducing obvious waste and capturing early wins.

02 Introducing automation and intermediate KPIs:

As organisations move into the **walk** phase, automation becomes key to managing cloud costs. Here, intermediate KPIs such as **budget variance** (comparing predicted vs. actual cloud spend) and **cost per customer** start to appear. These metrics help CFOs refine their financial forecasts, track usage per department, and optimise licence management by identifying unused licences within the infrastructure.

This phase fosters deeper collaboration between finance, IT and business teams. Automation tools also enable real-time cost tracking and uncover actionable insights that can enhance budget management.

03 Advanced cloud optimisation:

In the **run** phase, organisations reach full maturity in their FinOps practice. Advanced automation tools are fully integrated, and cloud costs are optimised at every level. KPIs like **anomaly-detected cost avoidance** help identify and mitigate unexpected spikes in cloud spend, while **cloud ROI** tracks the return on cloud investments.

At this stage, organisations can fine-tune their cloud operations through continuous monitoring and iterative improvements. Teams can now seamlessly work together and utilise insights from FinOps tools before making business decisions.

Employee training and cultural transformation in FinOps

Implementing FinOps successfully requires more than adopting technical tools — it demands a cultural shift toward financial accountability and collaboration. Effective FinOps requires both technical tools and skilled teams. Employee training is crucial for optimising cloud spending and fostering cross-department collaboration. As cloud technology evolves, continuous learning ensures teams stay current, driving shared responsibility for cloud costs and ensuring that cloud cost management practices remain efficient and effective.

Beyond technical adjustments, FinOps adoption hinges on transforming organisational culture. Teams from finance, IT and operations must work together, taking collective ownership of cloud expenses. This cultural shift drives transparency and reinforces financial accountability, ensuring that all departments understand how their cloud usage impacts the overall financial health of the organisation. By aligning cloud consumption with broader business objectives, FinOps ensures that cloud spending supports strategic goals rather than becoming a cost burden.

To achieve this transformation, organisations need strong IT expenditure governance. A well-defined governance framework built around clear objectives and standardised procedures guides decision-making to ensure that purchasing processes are cost-effective and aligned with quality standards. This framework helps identify the IT functions most critical to the business and ensures that technology investments are strategically aligned with long-term goals.

The role of CFOs in IT cost governance

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As cloud adoption grows, CFOs play a critical role in managing cloud costs and ensuring financial accountability across the organisation. They must oversee cloud expenditure by assigning costs to specific teams, projects or departments using **tagging mechanisms** for efficient tracking. This ensures that cloud spending is aligned with business goals and facilitates cost transparency.

Key responsibilities of CFOs in cloud cost management include:

Budgeting and thresholds:

CFOs establish budgets and spending thresholds based on historical data and projected growth, while ensuring compliance with industry regulations and internal policies. This helps create a structured financial framework for cloud expenditures, promoting accountability at all levels.

Auditing and optimisation:

Regular audits are essential to identify unused or underutilised IT assets. CFOs can streamline cloud management by implementing automated decommissioning workflows that eliminate resource sprawl and reduce unnecessary expenses. This ensures that the cloud infrastructure remains lean and cost-effective.

Achieving cost visibility:

Clear visibility into cloud spending is crucial. CFOs must leverage cloud provider dashboards and third-party FinOps tools to build real-time, comprehensive dashboards that consolidate data from various cloud services. These dashboards should provide a holistic view of expenses, usage patterns and resource allocation, enabling informed decision-making. Without this visibility, cloud costs can quickly spiral out of control.

Anomaly detection and alerts:

Cloud costs can fluctuate significantly based on usage, making them complex to manage. CFOs can address this by implementing automated anomaly detection systems that flag sudden changes in cloud spending. Real-time monitoring tools with spending alerts can also ensure better control over expenses by detecting unusual spikes and allowing CFOs to take corrective actions before costs escalate.

For these governance efforts to succeed, strong collaboration between **finance and IT teams** is essential. CFOs must work closely with IT leaders to align cloud cost management with strategic business objectives. This cross-functional partnership fosters **collective ownership** of cloud cost optimisation, ensuring that cloud initiatives are both financially sustainable and operationally efficient.

FinOps tools for CFOs

To effectively manage and optimise cloud costs, CFOs can leverage a variety of FinOps tools, which fall into three key categories: Cloud Service Provider (CSP) tools, third-party vendor tools and custom-built tools. Each category serves a distinct purpose, allowing organisations to evolve their financial management capabilities as they mature in their FinOps journey.

Here are some examples:

01 Cloud service provider tools

For organisations starting their FinOps journey, **CSP** tools, such as **AWS Cost Explorer** and **Azure Cost Management** offer foundational features, including direct integration into cloud platforms and capabilities such as **cost tracking, resource allocation** and **basic budgeting.** They offer CFOs a clear overview of cloud usage and real-time spending trends, making it easier to capture early insights and take **data-driven decisions.**

CSP tools are easy to adopt and ideal for organisations needing a **straightforward view of their cloud costs** at the beginning of their FinOps implementation. They set the stage for deeper analysis and control as organisations mature.

02 Third-party vendor tools

As organisations grow in FinOps maturity, the need for more advanced tools arises. Third-party vendor tools like **CloudHealth by VMware, Apptio Cloudability** and **Spot.io** provide enhanced features such as **advanced automation across platforms, multi-cloud optimisation** and **predictive analytics.** These tools offer CFOs more detailed cost breakdowns, insights into resource utilisation and the ability to forecast future cloud costs.

These tools empower CFOs to **optimise cloud performance** at a deeper level, gaining insights that extend beyond simple tracking. They help reduce costs through automation and more accurate financial forecasting.

03 Custom-built tools

For organisations with unique financial management needs, **custom-built tools** may be required. These are tailored solutions, developed in-house or with specialised partners, designed to track highly specific metrics that standard tools cannot address. Custom tools allow organisations to fine-tune their FinOps strategies and align cloud spending with their specific financial goals. They also integrate with internal systems to provide unified financial reporting capabilities.

Custom-built tools provide the **highest level of flexibility** and are ideal for organisations that need to measure unique KPIs or require specialised reporting and governance frameworks to achieve their strategic objectives.

Call to action

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CFOs play a pivotal role in driving financial accountability and optimising cloud costs through FinOps. When assessing an organisation's current phase in the FinOps spectrum, the CWR model offers a guide to achieving cost savings and enhancing cloud governance:

01 Crawl: Build the foundation with basic financial tracking

- **Why it matters:** Understand cloud resource consumption and establish basic KPIs for cloud costs.
- **Key actions:** Assemble FinOps team, set KPIs, implement cost-tracking tools, create cost reports.
- **Immediate benefits:** Gain clear visibility into cloud expenditures, set benchmarks and identify cost-saving opportunities.

02 Walk: Automate cost monitoring for increased transparency

- **Why it matters:** Automate cost management processes to monitor cloud costs and identify inefficiencies.
- **Key actions:** Automate cloud cost monitoring, optimise resource tagging, enhance KPIs, automate reporting.
- **Immediate benefits:** Real-time insights into cloud consumption, reduce unnecessary expenses, align spending with business goals.

03 Run: Leverage advanced automation for scalable growth

- **Why it matters:** Integrate financial automation with cloud governance using predictive analytics and advanced reporting tools.
- **Key actions:** Implement advanced automation, assign cost ownership, monitor and refine KPIs, conduct regular reviews.
- **Immediate benefits:** Enable scalable and agile growth, minimise waste, maximise cloud ROI, align expenditures with business strategies.

As the need for IT and cloud services continues to strengthen and expenditures simultaneously on the rise, it is imperative for IT spending to evolve in tandem with a changing technology landscape. Leaders must stay informed of evolving technologies, its use cases and impacts to the organisation from both technical and financial lenses. FinOps implementation offers a means to achieving this and ensuring technological and fiscal responsibility.

Contact us

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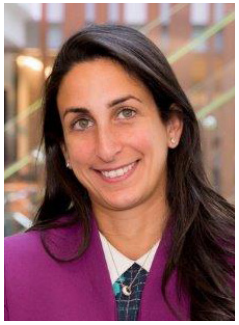

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