



Cloud spend management and optimization

Enhance your cloud investments



Many companies struggle to be cost effective with both their software and their cloud spend. An estimated 35% of cloud computing spending is wasted via instances that are over-provisioned and not optimized¹. Companies have difficulty tracking what software assets they own, how and where they are deployed as well as the needs, usage and costs of assets. While software is a strategic asset, most companies don't have a strategic solution to manage and optimize the different types of software spend—and managing cloud spend becomes even more complicated.

Cloud spend optimization can be surprisingly complex. Example complexities include:

- The typical cloud bill can be **hundreds of thousands to millions** of lines long
- Material and immaterial items are mixed together and difficult to identify
- There is a constant stream of new instance types and services that limit standardization
- Variable payment schedules complicate existing spend management practices
- Very complex discounting structures confuse users
- The large variety of users and budget holders exacerbates cloud sprawl
- Resource owners often have little to no visibility into what their applications will cost in the cloud.

Key questions to answer to assess the maturity of your cloud spend optimization efforts include:

- Do your organization's IT professionals understand the fine balance between performance and costs with cloud computing?
- How are you controlling and justifying the amount you spend on cloud computing?
- What is your approach to optimizing the use of reserved instances?
- Have you defined trigger actions for optimization practices?
- Do you have cloud policies in place for cost, security, compliance, and operational functions?
- Have you defined who is responsible for analyzing the patterns of financial data to uncover, react, and respond to anomalies?

KPMG and Flexera help companies enhance their cloud investment

By combining a worldwide team of software licensing, software asset management, and cloud specialists, KPMG LLP (KPMG) delivers a leading-class solution to enhance cloud investments. KPMG professionals work with clients to identify wasted cloud spend and address gaps via automated and process-based solutions. As a foundational part of companies' digital transformation strategies, cloud can deliver more, faster; but at the same time, this often results in wasted spend. Overspending creates opportunities for cost optimization. Dynamic consumption, fluid pricing, and lack of oversight are driving the need for cost transparency and controls.

KPMG's 5 cloud cost management levers

- Right-sizing instances for lower cost**
Up to 15% cost reduction on total cost of ownership*
- Reducing environments and use auto scaling**
Up to 10% cost reduction on total cost of ownership*
- Match usage to storage class**
Up to 10% cost reduction on total cost of ownership*
- Picking the right pricing model**
Up to 15% cost reduction on total cost of ownership*
- Continuous measuring and monitoring**
Keeps total cost of ownership in line

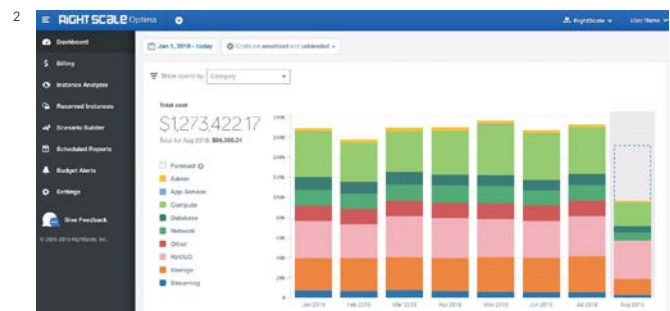
*KPMG modelling based on representative enterprise cloud scenario

* *Are You Paying Too Much for Cloud?*, KPMG LLP in the U.K.; 2018

Leveraging RightScale OptimaSM from Flexera, a leading cloud management platform, KPMG provides a thorough solution that helps clients to enhance their cloud investments.

RightScale Optima enables companies to:

- Effectively tag, monitor and chargeback cloud spend
- Identify unused or underused cloud resources
- Drill down from summary data all the way to individual servers
- Evaluate the most cost-effective regions and instance sizes
- Identify the best discounting options based on your usage level
- Manage your usage to leverage existing discounts
- Automate alerts and snapshot cleanup
- Implement budget controls to avoid surprises.



KPMG and Flexera have invested in a global team of specialized software license management professionals who understand licensing metrics, system integrations, and software asset management (SAM) processes. This team possesses deep technical and functional skills and can successfully identify areas where SAM solutions will drive significant cost savings across all types of on-premise and cloud software. The alliance has resulted in a portfolio of successful client engagements, strong references, and case studies. Because KPMG and Flexera approach your project with a common goal, you would work with a single, multidisciplinary team with a wealth of systems and compliance experience executing on a single, coordinated project plan.

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¹ RightScale® State of the Cloud Report from Flexera™, 2019
² RightScale OptimaSM Solution Brief, RightScale®, 2017.



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