A Walk in the Cloud

Accenture and AWS: The rise of the cloud economist

Ellen Bencard, Walk in the Cloud Host

Ellen Bencard leads Accenture’s marketing campaigns in the UK while also managing to nourish her journalistic roots as an established blogger on the arts, travel and fine dining. Her corporate work usually finds her behind the scenes, coaching her team to bring together big ideas, insightful commentators, exciting events and innovative channels in ways that inspire prospective clients. But this isn’t the first time she’s stepped into the limelight to show off her training as a reporter, writer and presenter. She’s anchored a web-based YouTube series for BT called Top Tips for CIOs and was Northwestern University’s on-site media spokesperson at the Royal Wedding of Prince Harry and fellow alumna Meghan Markle. Born and educated in the American Midwest, Ellen’s lived in the UK since 1999 and is a proud dual citizen.

Kevin Long, Cloud Economist, Amazon Web Services

Kevin Long is a Cloud Economist in the Amazon Web Services (AWS) EMEA Public Sector team. He advises executive stakeholders on the economic impact of cloud technology. This includes supporting organisations in developing a business case for the migration of large-scale workloads to cloud. Kevin also supports AWS customers in developing a robust approach to Cloud Financial Management and the development of FinOps capability. Kevin is a Chartered Accountant (ICAEW, FCA) and has worked in the technology sector through the majority of his career.
Dean Oliver, Cloud First UK FinOps Lead, Accenture Technology Strategy & Advisory

Dean is part of, and leads the Cloud First FinOps business for the UK. He brings significant experience working across the Financial Services industry, specialising in large scale Cloud FinOps and IT Value Realisation transformations. His primary focus has been in supporting senior leadership understand, prioritise and maximize their investments in technology.
**Intro:** Walk in the Cloud.

**Ellen:** Welcome to the second episode in our new season of Walk in the Cloud, where we’re focusing on partnerships. I’m your host, Ellen Bencard. And I get by with a little help from my friends. We all do as much at work as we do in our lives. In this series, I’ll be digging into ideas and services that have grown out of partnerships in the cloud. And today that partnership leads me into the world of finance. I’m joined on this walk by Kevin Long, Cloud Economist at Amazon Web Services. Hello, Kevin.

**Kevin:** Hello there.

**Ellen:** And Dean Oliver, Cloud First UK FinOps Lead at Accenture. Hello, Dean.

**Dean:** Hi Ellen.

**Ellen:** Dean, there’s a bit of corporate speak in that title. Can you just clarify what’s Cloud First, and what do we mean by FinOps?

**Dean:** Yeah, sure. So Cloud First is simply a mindset that considers cloud-based technology solutions before any other, really. And Cloud FinOps is an emerging methodology for organisations to be able to manage finances when in the cloud.

**Ellen:** And Kevin, your title of Cloud Economist, not one I’ve heard before. What do you do?

**Kevin:** No, you’re at it there. It is a really great title and it’s a really exciting place to be at the moment. And it aligns very well with what Dean’s just mentioned there with FinOps. So there’s a couple of things that I focus on in my role. Essentially what I do is talk with organisations about the benefits that come from cloud. And a lot of that comes from cost savings as they migrate to cloud, but it can be also wider benefits around the innovation it brings in terms of being able to do new things and do them faster, but also around staff productivity and also fundamentally operational resilience, having better IT infrastructure. And then the second aspect of what I do is once organisations are using clouds to any degree it’s to help them to reduce their spend, help them to cut their bills and optimize their costs. And so really what I’m about is really helping that, that journey to cloud financial management. That’s really what it encompasses.

**Ellen:** Kevin, in the last series of this podcast we did an episode on how CFOs were playing an increasing role in cloud-based transformation. Are you mostly working with CFOs or does it go bigger?

**Kevin:** It’s a great question. And, and it’s often a very wide coverage, so yes, the CFO is going to be instrumental, both in terms of the early decisions about what does get migrated. The CFO will often be the one who’s, you’re looking at the business case, putting the business case together and getting the justification for a migration to cloud. But then yes, once, once using cloud, particularly at scale, it’s the CFO that worries about the size of the spend, and the optimisation of that. And that’s really what we’re covering here.
The CFO’s not so low. And so often it’s going to be the CTO or other, key figures that we work with in terms of the technical details of how that optimisation can be achieved. So a bit of a mixed bag, really.

**Ellen:** Great. So Dean, you know, I know we tend to talk about cost efficiencies, but also about innovation. It’s hard to do both at the same time. What do you think organisations can do, to go on that whole journey to value?

**Dean:** So I think once organisations are migrated to the cloud, the need to realise it, it doesn’t stop there. The need to be able to live in the clouds and the need to have the functions and capabilities in place that help them to do that. And FinOps is one of those areas, and it’s a methodology and it helps organisations to continuously manage, control and optimise the cloud spend to support them in achieving the expected value from their investments. And we’re helping many of our clients right now with those behavioral and cultural changes that need to happen across all areas of their organisation. And that helps them adapt from the on-premise fixed capacity infrastructure, CapEx mindset, to one of a realtime consumption, best price in OPEX mindset. And that real-time piece is the most important thing to pick up on. And it needs a number of new capabilities in terms of real-time show by continuous cloud cost optimisation and unit economics that help the organisation tie back their cloud spend, to the business metrics and the overall business strategy itself.

**Ellen:** And can either of you give me any examples of, I love this idea of companies that live in the cloud, how do they make that real? What, what kind of things are happening inside that kind of company?

**Kevin:** So maybe if I give one specific example, organisations will often look at how the developers work in practice. So as developers build new capability or maybe modernise existing applications and capabilities, how do they actually think about cost? And as Dean alluded to there, it’s often a cultural change. In the past, in an on-prem world, they didn’t need to think about the cost of the infrastructure, it was kind of a sunk cost. Now they do, but it’s a new capability. So organisations will often use, maybe gamification to kind of bring, bring to life the areas where, teams can kind of see visibly how they’re competing against each other, in terms of being able to be innovative in the cloud, to do things in a better way. It can be gamification in terms of just looking at, for example, non-production resources to make sure that they are turned off in the evening and at weekends when they’re not needed, that concept of only paying for what’s needed and only provisioning what you’re going to need. It’s a great example there of just bringing it to life. If you’ve got a kind of a scorecard that shows the kind of where things are out of kilter, as Dean says, it’s great ways of just automating reports and, that kind of visualisation. It’s a great way to bring attention to those, those techniques.
Dean: Yeah. To take Kevin’s example one step further, we helped a large global bank put in place that gamification and we also helped them to automate a number of the optimisation recommendations in terms of the process around that. So if I give you a full end to end example, there’s a number of systems out there, including AWS itself, which will provide optimisation recommendations to help reduce costs, to help make better commitments or to help do architectural changes to the cloud workloads. But that is just a very long list of ideas, essentially. What you’ve then got to do is make that real, you’ve got to add the business context to that, which we did. And then you’ve got to help the business to prioritise that from a cost to a chief perspective, in terms of all of the other initiatives and ideas and change that they have on the backlogs and make sure that gets in a prioritised way to those engineering teams on their backlogs so that they can take action in a reasonable timescale.

Dean: So we’ve helped organisations put in place that whole process flow, and automate that as much as possible. So you’re not just having a great list of ideas that reduce costs, but you’re flushing that right the way into the organisation lead core system so that the right people are seen at the right time. And then to Kevin’s point from a gamification perspective, we took that whole feedback loop from when the engineers took action or decided it wasn’t a good idea, and filtered that back into benefits, realisation reports at the executive level to show how well each of the business areas performing and the team from a cost reduction perspective and also into our algorithms to say, don’t make that recommendation again. It wasn’t a good idea and to make sure we don’t annoy the teams basically with continuous poor recommendations. So that was the all around the making it real.

Ellen: Let’s move on to this idea of partnership, but what is the point of bringing multiple people in? What do clients get from working with Accenture and AWS as a trio that they wouldn’t get, if any one of us were working on our own?

Kevin: Yeah, I was going to say for me, that the alliance that we have with Accenture, the benefits to customers is multitude. That kind of combination of, experience and expertise helps to accelerate the customer on the journey. The customer sees the value that that AWS brings in terms of that rich platform. And that ongoing as, Dean just mentioned there, that development of new capabilities and innovation, but they need support to kind of help them on that journey. And some of the things that Dean’s just outlined in terms of FinOps capability and the change to processes, the change to techniques, and tools that they use, that to me is so much better done as a combination between the three parties. And from kind of a practical point of view, I suppose, if we can help between us to identify those, shorter term opportunities that will have most impact, through experience, then it’s even better. So, you know, a couple of great examples that often organisations will knock at some point about saying,
should we move to manage databases? Great example of where you can save a lot of staff time by actually moving sort of traditional databases that would be managed by individuals and quite intensively put those in a managed environment. You free up people time to then spend that time on added value activities, things that are going to be more innovative and more business value.

Ellen: And Dean this approach that your partnership brings. Do you think it’s cutting edge? Is it old hat or somewhere in between?

Dean: So I’d say it’s cutting edge. It’s a, it’s a new operating model. And it’s a way of working that is very different for organisations to how they’ve operated for the last decade or even longer. And it’s a way of operating financially in the cloud. And to do that, they’re having to introduce new processes, new governance, change organisational structures, and introduce new engineering techniques and new tooling in order to do that. And as me and Kevin had mentioned, it’s creating a mindset where the engineering teams, most importantly, becoming accountable for cost management. And that’s simply because the purchasing on a day to day basis has been taken out the hands of the procurement teams and put into the hands of those teams themselves. So the term of DevSecFin, DevSecOps is becoming is now DevSecFinOps. And it’s a mindset where the engineering pods are becoming accountable for the spend, and the resources need to be skilled in cloud economics in order to do that and take advantage of that consumption based OPEX cost model of the cloud. And that will help them to gain the competitive advantage, in a very fast moving world of cloud. And what we’re finding is one in three organisations right now, they’re not achieving their expected value from their investments. And the primary barrier we’re seeing for that is cost. And that’s where FinOps is going to help them.

Ellen: Got it, got it. Kevin, I’m going to end with you, Dean just talked about mindset. How do you think that executives can start changing their mindset to make the most of the kind of things you guys have just been talking about?

Kevin: I think it’s really, it really comes down to embracing the fact that, I mean, first of all, cloud, and I think quite obviously. But for some organisations it’s not obvious, but cloud is absolutely here to stay and is absolutely fundamental to future success. So many of the times when we look at business case, we can see that potential for cost savings from the outset. As Dean says, there’s often that kind of gap where maybe organisations are not realising that value, or maybe not recognising it as quickly as they want to. So the mindset change is, is to kind of step back from some of that detail initially, and look at the bigger picture of the mission of the organisation and what they’re trying to achieve, prioritise on the things which you’re going to have most impact. And then work with those teams within the organisation, whether it’s the finance teams, whether
it's the security teams, if they're looking at improving their security posture through cloud, or whether it's the development teams to bring new ideas and new innovation. But effectively to prioritise on those things that which will have most impact and tackle those things, quickly and efficiently.

**Kevin:** And so cultural change and a change in approach combined with this technology change is crucial to the future success. And that's what we see in practice, organisations that take that mindset, really directionate their journey and, and get the benefits much quicker.

**Ellen:** Super great to hear. Thank you both for joining us on today's walk.

If you found this conversation useful, you might want to check out episode four of our first series of Walk in the Cloud, when I talked about the changing role of the CFO with Accenture's Ambrose Shannon. It made a perfect prequel to today's walk. Next time, lots of people are talking innovation when they talk about the cloud, but are they talking sense? We're getting down to practical realities with our friends from Google.