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ARC212

# Lessons learned from COVID-19 cost optimization efforts

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# Lessons learned from COVID-19

What happened

What customers did **not** do

What customers did do

Focus for 2021



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# What happened

- Significant global event – COVID-19
- Customer impact varied
- Similar events previously







# What customers did not do

- Delay acting or implementing
- Intensive research and training
- Bring in experts (always)







# What customers did do

- Implemented AWS Well-Architected Framework best practices
- Shifted priorities and aligned
- Implemented cost optimization and Cloud Financial Management (CFM)
  - Practice CFM
  - Expenditure and usage awareness
  - Cost-effective resources

# Priorities and alignment





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# Priorities and alignment

- Operations – determine your priorities
- What was the outcome?
  - Consistent, shared understanding of goals
  - Alignment across diverse business units
  - Success – progress and impact

# Determine what your priorities are

Takeaway 1
AWS Well-Architected Framework – Ops 1



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# Implementing cost optimization and CFM



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# Implement CFM

- Establish a cost optimization function
- Implement cost awareness
- Report and notify on cost optimization







# Implement CFM

Takeaway 2
AWS Well-Architected Framework – Cost Q 1



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# Expenditure and usage awareness



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# Expenditure and usage awareness



Monitoring cost and usage

- Configure data sources
- Configure billing and cost-management tools



Decommission resources

- Focus on waste (highly efficient)

# Configure your data and tools to be able to eliminate waste

Takeaway 3
AWS Well-Architected Framework – Cost Qs 3 and 4



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# Cost-effective resources





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# Cost-effective resources

- Pricing models
  - Savings plans and reserved instances
  - Highly efficient
  - Purchase a portion and re-analyze
- Resource type, size, and number
  - Efficiency varies (analysis, and testing, validation)

# Prioritize savings plans, and be cautious with right sizing

Takeaway 4
AWS Well-Architected Framework – Cost Qs 6 and 7



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# What is next?
# 2021 focus





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# Goals and targets

- Why?
  - Alignment and direction for your organization
  - Motivate your people
  - Measure progress
- Implement
  - For your people
  - For your workloads

# Good goals and targets

- Based on efficiency, **not** cost
- Expressed in $ or easily converted to $
- Mandatory – workload outcomes per $

**Bad**

- RI utilization
- SP coverage
- Decrease my bill

**Good**

- RI waste
- SP available discount
- Increase my efficiency

# Summary

- Determine what your priorities are
- Implement CFM
- Configure your data and tools to be able to eliminate waste
- Prioritize savings plans, and be cautious with right sizing
- Goals and targets for people and workloads

# Thank you!



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