

Implement Cloud Cost Management Best Practices

For organisations to optimise their Cloud investments and deliver the expected value within their budget, stakeholders need to fully understand both business- and technical-related concerns. The following elements can support such an approach to avoid cost overruns :



1 Tagging Resources for Cost Management :

this involves assigning naming conventions, classifying and tagging all resources, including servers to owners, and adding labels to resources that are associated with a specific project. Customised tagging is recommended for easier cost identification and monitoring, especially for multiple accounts that need granular monitoring.

2 Unifying Data Through Consolidated Billing :

consolidated billing, such as what is offered by Amazon Web Services (AWS) and Microsoft Azure, centralises all payee accounts into one account to qualify for volume discounts. This is highly recommended for large organisations that need to spread the cost of their Cloud infrastructure across both on-premise and Cloud over time, thus lowering the TCO.

3 Taking Advantage of Pricing Deals :

Microsoft Azure Hybrid Benefit for Windows Server can help in applying base pricing instead of Azure Windows Server VM pricing for better cost savings. On the other hand, Microsoft Azure also offers development or test pricing for non-production workloads.

For instance, Microsoft Azure Spot Virtual Machines allow users to access unused Microsoft Azure compute capacity at significant discounts of up to 90 per cent, compared to pay-as-you-go prices. These virtual machines are ideal for workloads that can be interrupted, like batch processing jobs and dev/test environments.

4 Requiring Consistent Cost Monitoring :

monitor and evaluate all the operational costs associated with the Cloud as well as the Cloud cost itself. Enterprises need to put such a process of continual improvement in practice to prevent scope creep, easily implement corrective decisions, and meet projected profit margins.