Covelent.

G–Cloud 14
Cloud Cost Optimisation

Service Definition Lot 3 Cloud Support

May 2024
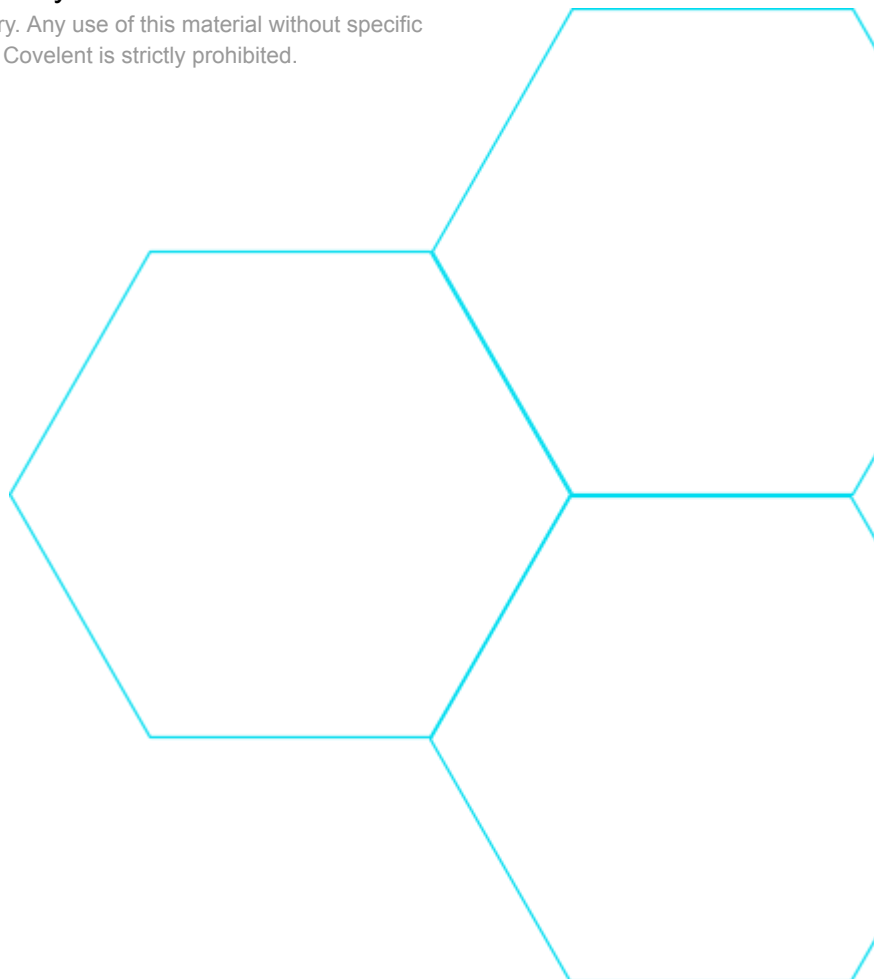
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1.   Who are Covelent?

We understand the challenges you're facing:

Services are expected to be readily available in the cloud, user-friendly, and cost-effective. Globally, governments are utilising advanced technologies to enhance their existing services and launch new ones, with the UK often at the forefront.

Despite significant progress in the cloud journey, many departments and public agencies have yet to fully exploit the potential of cloud computing, big data, and artificial intelligence. Addressing a number of pivotal questions will help maximise these technologies:

- How to revise your cloud strategy to achieve cost savings
- How to meet the needs of an increasingly mobile and tech-savvy population while ensuring access to services
- How to utilise the vast amounts of data generated daily to improve service quality and public experience, using big data analytics and AI
- How to secure expertise in cloud computing, big data, and AI from global firms and SMEs
- How to manage these advancements given the tight constraints on public budgets

Covelent is an innovator in providing integrated solutions in cloud computing, big data, and AI for both the public and private sectors. Our Technology and Data and Analytics Practices further extends our offerings with a comprehensive range of services. We bring access to Covelent's unequalled and bleeding-edge global network, which includes:

- A network of over 2,000 industry leading consultants and subject matter experts across 80 fields in 15 functional areas and 9 dedicated service and capital intensive industry sectors
- Consultants on 6 continents, spanning all major regions

Introducing Covelent

Covelent are an independent specialist growth strategy management consultancy based in London. Wholly dedicated to service and capital intensive industries such as the public sector. We differentiate ourselves by focussing on delivering meaningful impact and lasting tangible value by operating at the forefront of innovation and strategic thinking. We advise at the executive level across industries (multinationals, governments, NGOs..) addressing their most pressing issues.

Data and insight are built into every decision we make and across our extended network of consultants, we leverage industry leading expertise and bleeding edge thinking into technology, cloud and AI to deliver superior outcomes across design thinking, cloud and AI technologies, big data and agile delivery.

Our unique and differentiated approach to delivering tangible and outsized client value is underpinned by our ability and agility to orient on what matters most, enabling for quick and efficient delivery of high-quality solutions.

Our consultants have experience delivering:

120+ cloud based applications for public and private sector clients

80+ mobile apps

50+ cloud-based data and analytics projects

30 leading AI integrations

8 privately trained and tuned large language models (LLMs)

 We are extremely grateful for the work you undertook, the support you gave us and the significant outcomes you have delivered

- Public Sector CFO

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2. What capabilities do we provide?

Our work ranges from rapid prototypes to full-fledged cloud-based enterprise systems and functional, needle-moving AI integrations. We also provide a range of advisory services and big data analytics.

		Cloud, data & AI capabilities	Our outcomes
	Innovation	**Create fully-operational cloud-based and AI platforms** for client organisations	AI integrations Process automation Cloud-native simulations Digital fixes
	Inspiration	**Ideation** to allow rapid prototyping and reduce time to defining solution	Cloud-native dashboards Customer experience improvements Calculator type templates
	Agility	**Quickly build cloud-based apps** for data collection, visualisation, and automation	Automated data collection reporting Cloud-native dashboards Hi-end data visualisations
	Advice	**Build agile and cloud capabilities** of clients to enable delivery of cloud-based platforms using agile methods	Strategy formulation Agile training Agile and cloud transformation Digital channel diagnostics Business Analysis Programme Management
	Analysis	**Custom-made cloud-based data-analytics solutions,** from hosting and modeling to building big data capabilities for clients	Data model definition and implementation Productisation of existing data models Cloud-native analytics solutions
	Production	**Production ready digital products and solutions** that leverage AI, the cloud and get the most out of your data	Cloud-native digital products Custom software and tooling Private large language models Big data engines

3.   How are we different?

Covelent thinks differently. And we operate a lean impact-driven team, oriented around three key principles.

Hiring only the top talent
- We hire the top thinkers and doers from world-leading tech companies and start-ups
- The combined digital experience of an average Covelent team is 50+ years
- We have experts in UX/UI, web, cloud, big data and agile, AI and strategy

Boutique levels of agility and flexibility
- As a boutique we can out-manoeuvre and out-position our competitors
- We operate with a high degree of efficiency and can reorient at a moments notice
- **For one public sector client we delivered £35m in savings over a 12 week engagement**

Building client capabilities
- Knowledge retention and transfer are core to our deliveries and we pride ourselves on placing strong emphasis on ensuring that our clients teams are brought along on the journey. We build wiki's, hold classroom and 1-2-1 training sessions and provide detailed documentation, walkthroughs and recordings to support your new capabilities.

What you have enabled us to do, with the constraints we had, in the timeframe afforded, was nothing short of sensational.

- Chief Executive Officer

4. How do we drive Cloud Cost Optimisation?

In light of government budgets facing continuous pressure, one of the most critical areas for cost savings is within existing cloud ecosystems, and existing cloud infrastructure and outsourcing contracts. Our experience has shown that savings of over 30% can be achieved by creating cost transparency, making requirement trade-offs, conducting on-site efficiency reviews, and utilising external benchmarks. These savings are possible not only through negotiating or renegotiating new cloud outsourcing contracts, as well as by bolstering contract management capabilities and enforcing amendments, but also by optimising internal cloud governance procedures and execution processes.

Covelent leverages a comprehensive understanding of each client's unique cloud architecture, which directly influences cost. By engaging with clients to deeply understand their cloud infrastructure and how it supports their product, we document goals for reducing expenditures efficiently, ensuring that engineering time is optimised. Our team helps clients make informed decisions on resource allocation by mapping out how different business units utilise cloud services, identifying cost drivers, and potential savings.

Furthermore, Covelent's experts are adept in negotiating cloud contracts that yield significant savings, tailoring terms to the specific needs and usage patterns of clients. This targeted approach ensures that investments in cloud services are both wise and cost-effective, bolstered by our profound insights into how organisations use their cloud infrastructure on a granular level.

Typical assessment projects range from 2 to 6 weeks with clear actionable recommendations provided as an output. Executing these recommendations vary depending on the size of the organisation or the business unit in question.

Our Outcomes

Our Cloud Cost Optimisation service offers specialist expertise in finding areas for cloud cost optimisation, and negotiating contracts with cloud providers that save you money and set you up for success. With the proliferation of big data, driven by advances in AI, cloud costs have continued to increase at an outpaced rate. As such, governments and public sector bodies can often have monthly cloud bills that run into the millions. We'll review your bill and your architecture to map out where you can save, and strategise how we can best negotiate your contract based on your needs. We aim for a 10-20% reduction in cost.

	Assess	A **1 to 3** day assessment of your cloud ecosystem and spend history. Consisting of detailed meetings that produce clear practical, productive ways you can optimise your cloud spend.
	Report	A detailed yet digestible report of cost savings consisting of quick ins and more in depth projects. When we identify an opportunity to save, **we aim for 10-20% in cost reduction**. On average, 60% of the opportunities we identify take less than a month of engineering time to implement.
	Implementation Plan	A clear plan with defined milestones, responsible parties, and required support to reach the cost reduction target.

Our Approach

Our goal is to significantly enhance the success of cloud migrations by synchronising the cloud vision and strategy with the execution roadmap. Every client challenge is unique, but we have outlined the outputs of a typical three-phase project below to illustrate what can be expected.

Phase 1: Baseline Assessment (1-3 days)	- Baseline for Cloud Cost Optimisation: We initiate our process by conducting thorough reviews of your organisation's cloud costs, architecture diagrams, and any pertinent documents you provide. This comprehensive evaluation allows us to understand your current technological landscape deeply, identifying any challenges, gaps, or issues. - Our framework is designed to deliver quick, actionable advice on optimising your cloud expenditure. In just a few days of focused meetings, we delve into the details of your goals, your cloud architecture, and your usage patterns to uncover practical and productive optimisation opportunities. - Following this intensive session, we provide a detailed report of our findings and schedule further discussions to clarify any points and ensure you have all the information needed to make informed decisions.
Phase 2: Cost Optimisation Project (6-8 weeks)	- Identify Savings Initiatives and Develop Cost Optimisation Strategies: Our approach to cloud cost optimisation isn't just about presenting data; it's about showing you where you can make significant savings in a clear and concise manner. We begin by utilising a contract analysis tool to scrutinise each service area thoroughly. We ask targeted questions to determine: - The specific outcomes and requirements desired. - The efficiency of the service delivery. - The appropriateness of the price being paid for the service. - Following this initial review, we conduct deep dives into high-priority areas which could include: - Lean walk-throughs with your teams - Analysis of future procurement and service needs. - Adjustments to SLAs and elimination of bespoke requirements. These efforts help us understand the commercial landscape, including the significance of the contract to the supplier and the

availability of alternative suppliers. With this knowledge, we develop a detailed supplier engagement plan that includes a communications plan, a timeline for supplier engagement, and identifies key contacts.

- Our negotiation strategy is crafted by understanding the contractual mechanisms available for changes, creating best alternatives to negotiated agreement scenarios, and scoring models. We align team roles to ensure everyone is clear on their part in the process.

- Actionable Outcomes: We demonstrate potential savings not at the bottom of a lengthy report but through an accessible and straightforward presentation. Our team, experienced in cloud environments and skilled in identifying cost-saving opportunities, does the detailed analysis so your engineers don't have to be diverted from their critical projects. We offer a range of solutions from quick wins that are easy to implement, to more substantial projects and long-term strategies.

- Money Talks: When identifying savings opportunities, we target a 10-20% reduction in costs. Remarkably, around 60% of these opportunities can be implemented in less than a month, maximising efficiency and minimising disruption.

Phase 3: Execution Roadmap and Implementation Plan (4-8 weeks)	- Implementation Roadmap: Our approach includes presenting a clear pathway to your cloud cost optimisation. This considers several critical factors such as technological risks, associated costs, time and availability of your people, any necessary downtime for existing services and its impact on business operations, along with planning for the transition period.
	- Implementation: During this phase, we deliver the actual execution, including the setup of a Project Management Office, formation of necessary teams, and establishing governance structures. Covelent provides ongoing support for technical implementation, change management, and communication planning.

5.   How you can contact us

We can help you solve your digital, cloud, data and AI challenges without imposing pre-defined solutions and whilst working within your environments. We are available to help you find the right approach and right solution to deliver impactful outcomes.

Contact us to explore how we can help you.

For the absolute fastest response: gcloud@covelent.com

For specific queries relating to our Digital & Technology and Public Sector services:

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For more information on Covelent visit our website:

https://www.covelent.com

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