Hybrid Cloud FinOps
G-Cloud 15

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1 Service Overview

Hybrid Cloud FinOps is a strategic discipline that brings financial accountability to the complex operational landscape of managing both public and private cloud environments. It enables organisations to make informed trade-offs between cost, speed, and quality by embedding financial governance into hybrid cloud strategies.

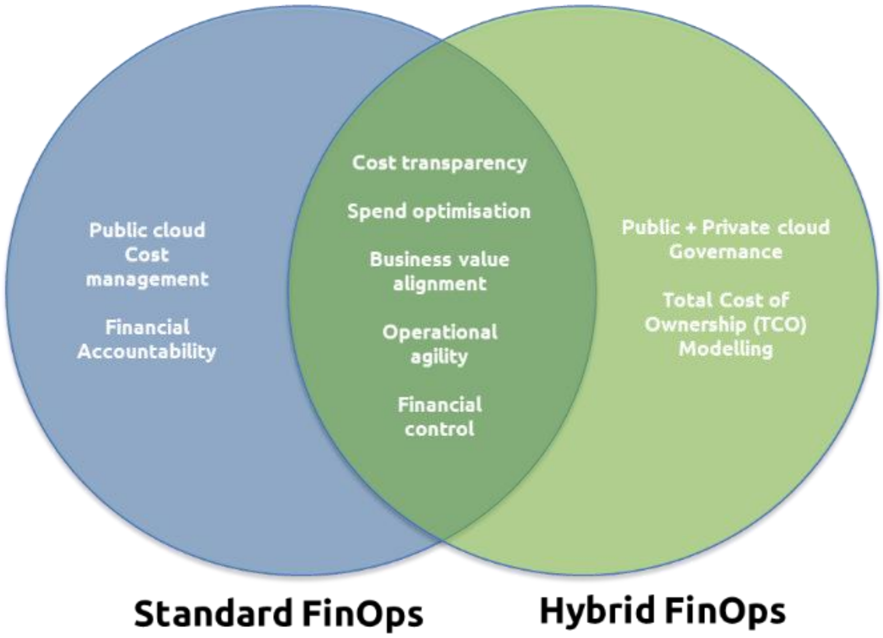
Capgemini can deliver tailored Hybrid Cloud FinOps services, including consultation, business analysis, and implementation, through experienced and certified practitioners. These services are designed to address the unique challenges of hybrid architectures, such as cross-environment visibility, workload placement, and cost allocation.

At the core of our approach is Capgemini's proprietary Hybrid Cloud FinOps Framework, built on best practices from the FinOps Foundation. This framework defines a high-level target operating model and recommended ways of working, supporting consistent governance, cost transparency, operational efficiency, and the harmonisation of disparate cost models across hybrid estates.

By extending the foundational capabilities of traditional FinOps, Hybrid Cloud FinOps broadens stakeholder engagement, bringing together finance, engineering, operations, compliance, and security teams from both public and private cloud teams. This collaborative model enables organisations to optimise not only cloud spend, but also operational performance and strategic agility required when operating across public and private cloud.

Capgemini's framework can help organisations move beyond reactive cost control toward a proactive, sustainable model of financial governance, ensuring cloud investments deliver long-term value and support the achievement of strategic business outcomes.

The following comparison highlights the key distinctions and synergies between traditional FinOps and Hybrid Cloud FinOps functions.



1.1 Capgemini's FinOps Phases

Capgemini applies its FinOps methodology to Hybrid Cloud environments through a structured, iterative cycle comprising three key phases:

- Inform
- Optimise
- Operate

These phases are designed to address the unique financial and operational challenges of managing Hybrid workloads across both public and private cloud infrastructures.

By leveraging Capgemini's FinOps Framework Capabilities, organisations can gain comprehensive visibility into Hybrid Cloud consumption, enabling smarter financial decisions and improved cost control.

1.1.1 Inform Phase

In the Inform phase of Capgemini's FinOps Framework for Hybrid Cloud, the focus is on building a comprehensive, data-driven foundation for financial accountability and operational efficiency. This phase is critical for enabling accurate cost attribution, performance benchmarking, and strategic decision-making, with a particular emphasis on the complexities of private cloud environments.

Key Objectives of the Inform Phase:

- Unified Cost and Usage Visibility:

Aggregating and normalising cost, usage, and performance data across public cloud platforms (e.g., AWS, Azure) and private cloud infrastructures (e.g., VMware, OpenStack, Nutanix). This includes:

  - Capturing infrastructure-level metrics such as CPU/memory utilisation, storage IOPS, and network throughput
  - Mapping CapEx investments (e.g., hardware, licensing) to ongoing OpEx-like consumption models through internal chargeback or showback

- Detailed Cost Attribution and Metadata Enrichment:

Applying meaningful metadata such as business unit, application, environment, and project tags to both public and private cloud resources. In private cloud, this often requires:

  - Integrating with CMDBs and ITSM tools to enrich VM and service metadata
  - Tagging shared infrastructure components (e.g., clusters, storage arrays) to enable proportional cost allocation

- License and Entitlement Visibility:

Establishing a clear view of license consumption vs. entitlements for key platforms (e.g., VMware, Microsoft, Oracle). Capgemini can help clients:

  - Identify license sprawl and underutilisation

- Track core-based and socket-based licensing models
- Align license usage with actual infrastructure deployment

- Operational Efficiency and Consolidation Insights:

Capturing and analysing resource utilisation metrics to identify inefficiencies in private cloud environments, such as:

- Over-provisioned VMs
- Low-density clusters
- Idle or zombie workloads (these insights lay the groundwork for consolidation strategies in the Optimise phase).

- CapEx vs. OpEx Mapping and Financial Transparency:

Helping finance teams distinguish between capital-intensive private cloud investments and consumption-based public cloud costs. Capgemini can support:

- Mapping depreciation schedules to service lifecycles
- Simulating OpEx-like models for private cloud through chargeback/showback
- Forecasting hybrid cloud spends with greater accuracy and granularity

- KPI and Benchmark Development:

Integrating cloud spend data with operational and business insights, including:

- Resource utilisation benchmarks
- Operational efficiency metrics
- Business performance indicators which enable the creation of unit economics (e.g., cost per VM, cost per transaction) that reflect the true value and impact of hybrid cloud usage.

The Inform phase delivers the financial clarity and operational insight needed to empower teams across engineering, finance, and operations. By establishing a single source of truth for hybrid cloud cost and performance (especially in complex private cloud environments) organisations are equipped to make data-driven decisions, drive accountability, and prepare for continuous optimisation.

1.1.2 Optimise Phase

In the Optimise phase, Capgemini can enhance the Buyer's operational and financial efficiency across hybrid cloud landscapes, with a particular emphasis on unlocking value from private cloud environments. Building on the visibility and insights gained during the Inform phase, this stage applies data-driven, platform-specific strategies to reduce waste, optimise licensing, and consolidate infrastructure, ensuring both public and private cloud investments deliver maximum return.

Capgemini employs a comprehensive set of optimisation techniques, including:

- Resource Rightsizing and Consolidation:

Identifying underutilised compute, storage, and network resources across public cloud (e.g., AWS EC2, Azure VMs) and private cloud platforms (e.g., VMware vSphere, OpenStack). In private environments, this can include VM density optimisation, host consolidation, and storage tiering to reduce hardware footprint and energy consumption.

- License Optimisation and Compliance:

Analysing software and platform usage to reduce licensing costs, particularly for virtualisation platforms (e.g., VMware vSphere, Red Hat Virtualisation) and enterprise software (e.g., Oracle, Microsoft). Capgemini helps identify opportunities for license pooling, core-based licensing alignment, and retirement of unused entitlements.

- Cloud-Native and Modernisation Strategies:

Encouraging the adoption of containerisation (e.g., Kubernetes on private cloud) and microservices to improve scalability, reduce VM sprawl, and lower operational overhead.

- Workload Scheduling and Placement:

Leveraging intelligent workload placement to shift compute between environments based on cost, performance, and compliance, including bursting to public cloud during peak demand and scheduling batch jobs during off-peak hours in private data centres.

- Automated Decommissioning and Lifecycle Management:

Implementing policies to detect and retire idle, orphaned, or zombie resources, including VMs, snapshots, and unused volumes. This can help the Buyer to free up capacity and reduce operational risk.

The Optimise phase can deliver a robust, actionable roadmap that supports the Buyer to extract greater value from existing hybrid cloud investments, particularly by unlocking hidden efficiencies in private cloud environments through consolidation, licensing optimisation, and financial alignment.

1.1.3 Operate Phase

In the Operate phase, Capgemini can support the Buyer’s organisation to institutionalise FinOps practices across hybrid cloud environments, with a strong focus on the unique operational and financial dynamics of private cloud. Building on the insights from the Inform and Optimise phases, this stage transforms cost management into a continuous, embedded discipline, driven by governance, automation, and cultural alignment.

Key Activities in the Operate Phase Include:

- Establishing End-to-End Hybrid Cloud Governance:

Implementing governance frameworks that span both public and private cloud environments, with specific controls for private cloud resource allocation, licensing compliance, and infrastructure lifecycle management.

- Operationalising License Management:

Embedding tools and processes to track, audit, and optimise software and platform licenses in private cloud environments (e.g., VMware, Microsoft, Oracle). This includes:

  - Monitoring license utilisation vs. entitlements
  - Enforcing core-based licensing policies
  - Automating alerts for non-compliant or underused licenses

- Consolidation and Capacity Management as a Continuous Process:

Treating host and cluster consolidation as an ongoing activity, not a one-time event. Capgemini can help implement automated capacity planning, VM placement policies, and resource pooling to ensure private cloud environments remain lean and efficient.

- Policy-Driven Automation:

Enforcing automated guardrails for provisioning, scaling, and decommissioning in private cloud platforms. This includes:

- Auto-expiry of temporary workloads
- Quota enforcement by business unit
- Automated tagging and chargeback integration

- Role-Based Enablement and Training:

Delivering tailored enablement programs for engineering, finance, and operations teams, with a focus on private cloud cost drivers, licensing models, and infrastructure utilisation metrics.

- Compliance Monitoring and Reporting:

Continuously tracking adherence to financial and operational policies, including:

- License compliance audits
- Private cloud utilisation benchmarks
- Deviation alerts for unit cost thresholds

Capgemini fosters a culture of shared responsibility by aligning stakeholders around common KPIs and financial goals. In private cloud contexts, this includes:

- Empowering infrastructure teams with real-time cost and usage dashboards
- Enabling finance teams to model CapEx depreciation and OpEx simulations
- Encouraging business units to take ownership of their resource consumption and chargeback allocations

The Operate phase is not static. Capgemini encourages the Buyer's organisation to revisit the Inform and Optimise phases regularly, using telemetry and performance data to:

- Refine licensing strategies
- Reassess consolidation opportunities
- Adjust governance policies in response to evolving workloads and business priorities

By embedding FinOps into the day-to-day operations of hybrid and private cloud environments, the Operate phase can support the Buyer embed a culture where financial discipline, performance optimisation, and strategic alignment are sustained over time, turning cloud cost management into a core operational competency.

1.2 Capgemini's FinOps Framework Capabilities

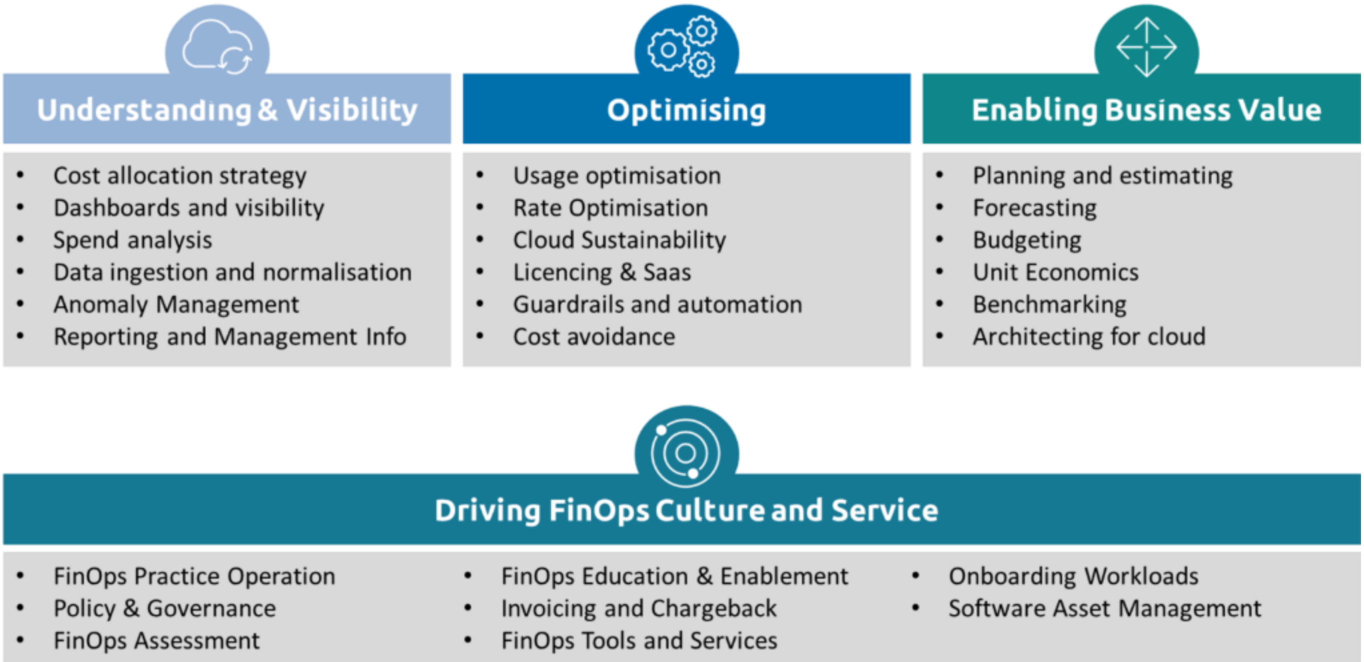
Capgemini's FinOps Framework Capabilities represent a structured suite of skills, tools, and processes designed to optimise the financial, operational, and strategic management of cloud resources across hybrid environments.

At the core of this framework is the ability to empower stakeholders across finance, technology, operations, and business units to collaboratively manage hybrid cloud investments, usage, and spend. These capabilities enable the Buyer's organisation to:

- Achieve end-to-end cost visibility across hybrid estates
- Improve budget accuracy by aligning forecasts with real-time usage data
- Drive cost-effective cloud consumption through informed decision-making and governance

By continuously monitoring, analysing, and optimising hybrid cloud operations, Capgemini's FinOps Capabilities support a dynamic and responsive approach to cloud management. This adaptability is essential in hybrid environments, where organisations must balance the flexibility of public cloud with the control and predictability of private infrastructure.

Capgemini also recognises that the FinOps landscape is constantly evolving. As such, the framework is regularly reviewed and updated to reflect changes in cloud technologies, pricing models, and industry best practices, ensuring that the Buyer's FinOps strategy remains current, scalable, and aligned with business goals.



Capgemini's FinOps Framework is organised into four core capability domains:

The **Understanding & Visibility** domain focuses on establishing a comprehensive, normalised view of cloud usage and cost across hybrid estates.

- **Cost Allocation Strategy:** Enables accurate attribution of cloud spend to business units, applications, and services, across both public and private cloud.
- **Dashboards and Visibility:** Provides real-time, role-based insights into usage, cost, and performance.
- **Spend Analysis:** Identifies cost drivers, trends, and anomalies to support proactive decision-making.
- **Data Ingestion and Normalisation:** Integrates and standardises data from diverse cloud platforms and private infrastructure (e.g., VMware, OpenStack).
- **Anomaly Management:** Detects and flags unexpected usage or cost spikes for investigation.
- **Reporting and Management Info:** Delivers actionable insights through tailored reports and KPIs.

The **Optimising** domain targets both usage and rate efficiency, with a strong emphasis on private cloud levers such as consolidation and licensing.

- **Usage Optimisation:** Aligns resource consumption with workload needs through rightsizing, workload scheduling, and decommissioning of idle resources.
- **Rate Optimisation:** Selects optimal pricing models (e.g., RIs, SPs for public cloud; chargeback/showback for private cloud).
- **Cloud Sustainability:** Reduces environmental impact by improving infrastructure efficiency and energy usage.
- **Licensing & SaaS:** Tracks and optimises software licensing across hybrid environments, ensuring compliance and cost-effectiveness.
- **Guardrails and Automation:** Enforces policies and automates actions to prevent waste and ensure governance.

- **Cost Avoidance:** Identifies and mitigates unnecessary spend before it occurs.

The **Enabling Business Value** domain ensures that cloud investments are aligned with business outcomes and financial planning.

- **Planning and Estimating:** Supports scenario modelling and capacity planning across hybrid environments.
- **Forecasting:** Projects future spend based on historical trends and business growth.
- **Budgeting:** Aligns cloud budgets with organisational goals and tracks variance.
- **Unit Economics:** Measures cost per unit of value (e.g., per transaction, per VM) to assess efficiency.
- **Benchmarking:** Compares performance and cost metrics against industry standards or internal baselines.
- **Architecting for Cloud:** Promotes cloud-native and cost-aware design principles to maximise ROI.

The **Driving FinOps Culture and Service** domain embeds FinOps into the organisation's culture, governance, and operational model.

- **FinOps Practice Operation:** Establishes a central FinOps function to drive consistency and maturity.
- **Policy & Governance:** Defines and enforces financial policies across cloud environments.
- **FinOps Assessment:** Evaluates current FinOps maturity and identifies improvement areas.
- **FinOps Education & Enablement:** Upskills teams through training, role-based guidance, and community building.
- **Invoicing and Chargeback:** Implements internal billing models to simulate OpEx in private cloud.
- **FinOps Tools and Services:** Selects and integrates tools that support FinOps workflows.
- **Onboarding Workloads:** Ensures new workloads are aligned with FinOps best practices from day one.
- **Software Asset Management:** Manages software entitlements and usage to optimise licensing and reduce risk.

All capabilities are underpinned by a strong FinOps culture, driven by inclusive communication, targeted education, and a network of FinOps Champions. This ensures that FinOps practices are embedded across the Buyer's organisation and evolve alongside its hybrid cloud maturity.

2 Business Need

One of the UK government's ongoing priorities is to achieve efficiency savings, a key focus for Digital Leaders across departments. Digital transformation and the modernisation of government services and data are central to this goal, with significant potential gains if legacy systems are upgraded and integrated into modern cloud-based platforms (NAO Report 2023).

However, managing these services across hybrid cloud environments, which combine public cloud flexibility with private cloud control, introduces new layers of complexity. These include:

- Navigating diverse technologies and platforms
- Reconciling cloud consumption across multiple environments
- Identifying and implementing cost reduction opportunities
- Forecasting spend in a dynamic, usage-based model

To address these challenges, Capgemini offers specialised Hybrid Cloud FinOps services. These services provide a modular, maturity-aligned approach to financial governance, enabling organisations to meet financial objectives, optimise cloud investments, and deliver measurable Value for Money while supporting the generation of Citizen Outcomes.

A key challenge lies in creating the financial and operational agility to adopt emerging technologies while managing a complex legacy estate of mission-critical services. Digital Leaders must gain visibility into the current hybrid estate, understand cost drivers, and identify sustainable optimisation opportunities to reinvest in transformation initiatives.

Without a mature FinOps capability, organisations often resort to short-term cost-cutting measures, such as rapid optimisation assessments, that fail to address root causes. This can lead to recurring issues like uncontrolled cloud spend, budget strain, and persistent cloud waste.

Capgemini's Hybrid Cloud FinOps Framework helps organisations move beyond reactive cost control toward a proactive, sustainable model of financial governance, ensuring that cloud investments are aligned with strategic goals and deliver long-term value.

3 Our Approach

Capgemini's public sector services are delivered by UK-based, security-cleared teams. Our FinOps methodology is grounded in industry best practices, informed by the FinOps Foundation, and strengthened through partnerships with leading Cloud Service Providers.

All services are designed and delivered using Capgemini's proprietary Hybrid Cloud FinOps Framework, which focuses on manageability, cost optimisation, and normalised data-driven decision-making across both public and private cloud environments. Where required, Capgemini can also provide managed support for newly transformed services or assist the Buyer with resource augmentation to ensure the organisation has the necessary skills to operate within existing or new technologies, environments, and processes.

Capgemini offers a combination of standalone and integrated services to manage and optimise the Buyer's hybrid cloud estate, while helping to build or enhance core FinOps capabilities.

The engagement typically begins with an assessment of the Buyer's current cloud operations and FinOps maturity. This is achieved through stakeholder workshops and interviews, supported by Capgemini's FinOps Maturity Assessment. The assessment helps clarify the organisation's current state, ambitions, and desired outcomes.

Capgemini can assess all FinOps Framework capabilities or focus on specific areas based on the Buyer's priorities. This collaborative process involves stakeholders from across the organisation, including IT Finance, Product and Application Owners, Architects, Engineering Leads, Executives, and FinOps personas.

Following the assessment, Capgemini works with stakeholders to prioritise key capability areas. Using our proprietary framework, we define and embed an initial target operating model, including the processes required to establish and mature each capability. This is supported by a proposed responsibility and accountability matrix to ensure effective operation and governance.

Capgemini also provides tailored performance benchmarks and metrics to measure the maturity and impact of the Buyer's FinOps capability. Data analysis and visualisation tools, either Capgemini's or those provided by the Buyer, are used to report on the value being realised from FinOps activities.

In addition, Capgemini offers training and upskilling to support FinOps adoption across the organisation. By helping to establish or enhance governance and reporting mechanisms, Capgemini lays the foundation for a sustainable and maturing FinOps capability.

Capgemini can work within the Buyer's existing FinOps function or help establish a new one. The duration and scope of engagement are determined collaboratively, based on current and future needs.

Our overall approach to building and maturing FinOps capabilities in hybrid cloud environments remains aligned with industry best practices and is centred around people, processes, and ways of working.

4 Buyer Responsibilities

Please refer to the Supplier Terms listed with this service on the Platform. These may contain additional Buyer obligations/costs the Buyer is subject to that are not identified anywhere else in the Supplier's Application or on the Platform.

If these responsibilities do not match your expectations, then please contact us in order that we can explore options to vary our approach.

5 Service Management

The service can be delivered as a defined project or on a day rate basis.

6 Protection of Data

This service is based on a security classification of 'Official', however should you have a requirement for a different security classification that you would like us to consider, please contact us to discuss.

7 On-boarding and Off-boarding

Capgemini shall undertake on-boarding and off-boarding activities agreed within the Order Form (including as a minimum an exit plan in line with the Call-Off Contract terms) which will be charged for in accordance with the Pricing section for this service.

8 Skills and Knowledge Transfer

Capgemini recognises that skills and knowledge transfer is a critical element in the provision of G-Cloud services to public sector clients. Where possible and applicable, this forms part of the delivery plan for the service agreed at the start of the engagement. Our consultants and engineers are experienced in providing skills and knowledge transfer for major private and public sector clients.

Where appropriate, we may use a standard approach, tailored to topic, skills-gap and individual, to ensure consistency and effectiveness. The approach, Capgemini's Assess-Plan-Implement framework, has been used repeatedly by our teams to structure the work involved in transferring skills and creating new teams capable of driving and sustaining change long after the end of the formal programme. The framework can be applied throughout a project to understand knowledge transfer objectives, plan training delivery methods and materials, and deliver and evaluate success.

9 Partnerships/Alliances

Capgemini has strategic alliances with Amazon Web Services, Microsoft and Google. Capgemini can leverage these alliances to find potential funding and preferred rate negotiations with these Cloud Service Providers. This option can be requested by you when you request this service.

In addition, Capgemini can use its partnerships with Cloud Cost Management and Optimisation software organisations to accelerate the service. This option can be requested by you when you request this service.

10 Vendor Accreditations/Awards

For the 13th year in a row, Capgemini has been recognised as one of the World's Most Ethical Companies® by the Ethisphere® Institute. This is an acknowledgement of our ethical culture that makes us an employer of choice and responsible player in the eyes of our clients, shareholders, and the wider community.

ISO 9001 Quality Management for Management Consultancy and IT Implementation and services to the Public Sector

ISO 27001:2013 - Provision (Delivery) of IT services including business applications development, maintenance and Data, Digital and Cloud technologies.

NelsonHall has identified Capgemini as a Leader in its 2022 NEAT Vendor Evaluation for Learning Services due to its ability to meet future client requirements as well as its capability to deliver immediate learning benefits to them.

Capgemini is the first amongst consultancy and technology firms to be recognized six times in a row for its thought leadership reports.

2023 Ecovadis Platinum Rating: We maintained a platinum rating, recognising us as a responsible and sustainable business in the top 1% of companies assessed.

Better Society Awards: Our collaboration with Code Your Future to offer digital skills training won a Better Society Award in 2022. The awards celebrate efforts by commercial organisations to create a better society.

Inclusive Top 50 UK Employers List: We achieved second place in the Inclusive Top 50 UK Employers List 2022/23 – a list that assesses companies for best practice on diversity, equality and inclusion

UK Best Workplaces for Women: We were listed as a Best Workplace for Women by Great Place to Work®. This listing is based on responses from our team to an anonymous survey about their employee experience.

UK Best Workplaces for Wellbeing: We are listed by Great Place to Work® as a Best Workplace for Wellbeing

Great Place to Work: We were certified as a Great Place to Work® in 2023, reflecting our employees' experience of working at Capgemini in the UK.

11 Sub-contractors

Capgemini UK may use the following subcontractors to deliver this service:

- Capgemini Technology Services India Limited.

12 Business Continuity and Disaster Recovery

No disaster recovery plan is provided as part of these Services.

13 Pricing

This service is priced in accordance with the SFIA Rate Card attached. Capgemini can also provide offshore resources at reduced rates where appropriate. Projects can be priced either on a Time & Materials or Fixed Price basis.

14 Ordering and Invoicing

Please refer to the Supplier Terms for this service.

We would be pleased to arrange a call or meeting to discuss your requirements of our service in more detail.

15 Termination Terms

Please refer to the Supplier Terms for this service.

16 Further Information

For more information about this or any of our G-Cloud services, please contact our Public Sector Team.

Phone: 0370 904 4858

Email: publicsector.opps.uk@capgemini.com including the following information:

1. The name of this service.
2. The name of your organisation.
3. Your name and contact details.
4. A brief description of your business situation.
5. Your preferred timescales for starting the work.

About Capgemini

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, generative AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2024 global revenues of €22.1 billion.

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