Drive down cloud costs with ServiceNow® ITOM Optimization

The IT challenge

Today, cloud services are rapidly becoming the foundation for digital operations, replacing static on-premise infrastructure with dynamic, scalable computing power. As enterprises transition to cloud computing model, anyone in the business can provision and access new cloud resources almost instantly—just like renting a movie on Google Play.

But pervasive use of cloud services comes with a heavy price. In fact, IDC estimates that 20% to 30% of total enterprise cloud spend is wasted due to lack of visibility and control.

For cloud operations, gaining visibility into cloud use and cost are huge governance challenge. Without knowing how cloud spend is tied to specific business services, applications, projects, or other business initiatives, cloud budgets become black holes.

It’s not practical and scalable to keep cloud resources active 24 hours a day—whether they are needed or not. This leads to further unnecessary cloud costs, breaking cloud budgets, and inhibiting cloud adoption.

On the other hand, IT can’t simply control by locking down cloud services or have lengthy approval processes that ultimately slow down development teams. How do you preserve the cloud’s agility while managing costs and creating effective governance?

The ServiceNow solution

ServiceNow® ITOM Optimization delivers the visibility and control you need while enhancing the agility of the cloud. It provides comprehensive visibility of cloud costs and usage, identifying and automating opportunities to optimize cloud spend. And, it also includes automated cloud provisioning capabilities, allowing you to establish an effective, agile cloud governance model.

ITOM Optimization consists of two complementary features:

- **Cloud Insights** gives you visibility and control of your cloud usage and costs. It uses the power of the Now Platform® to discover all of your cloud resources; breaks down cloud spend by cost center, business service, or other entity; provides recommendations on how to reduce cloud spend; and automates repetitive cost optimization tasks.

- **ServiceNow Cloud Provisioning and Governance** provisions and configures on-demand cloud services, accelerating cloud service delivery while providing consistent, nonintrusive governance guardrails that prevent uncontrolled cloud spend. It directly leverages native cloud provisioning capabilities, so you have unrestricted access to the full power of cloud vendors. It also works seamlessly with ServiceNow IT Service Management—including the service catalog and change management—providing a unified operating model across your cloud and non-cloud IT estate.

Note that Cloud Insights works seamlessly with Cloud Provisioning and Governance, but it doesn’t require Cloud Provisioning and Governance to measure and optimize your cloud usage and spend.

**Automatically identify who is using your cloud resources**

With Cloud Insights, you can automatically determine who is using cloud resources. Flexible, configurable policies classify each cloud resource based on attributes such as tags, assigning each resource to specific owners, cost centers, business services, applications, and other entities.

**Optimize cloud costs and usage**

Get complete visibility of your cloud spend and usage, broken down by services, applications, cost centers, and other entities. Identify cost optimization targets, including areas of high spend and stranded cloud assets.

**Eliminate wasted cloud spend**

Rightsize your cloud resources to match usage, and automatically turn off cloud resources outside of working hours.

**Create a consistent operating model**

Leverage your existing ITSM processes, quickly creating a unified management framework across cloud and non-cloud resources.

**Deliver cloud services faster**

Easily define new types of cloud services and offer them through a unified service catalog. Provision cloud services in real time, responding instantly to requests from DevOps and other cloud users.

**Strengthen cloud governance**

Establish non-intrusive policy guardrails, including quotas, available cloud service types, naming conventions, workload placement, and more. Automatically manage approvals for policy exceptions while instantly fulfilling compliant requests.

**Empower your users with self-service**

Deliver a streamlined, responsive user experience with an intuitive self-service portal where users can create and manage their cloud resources.

**Leverage out-of-the-box integrations**

Take advantage of integrations with configuration providers and other vendors, including Ansible, Puppet, and Chef, Infoblox, and CyberArk.
If you use ServiceNow® Discovery, Cloud Insights leverages this data to classify cloud resources. And, if you don’t currently use Discovery, Cloud Insights can still leverage billing reports and similar sources for classification.

These services are defined using cloud vendors’ native provisioning templates, giving you access to the cloud’s unique capabilities, rather than restricting you to a common subset of functionality.

Out of the box, Cloud Provisioning supports CloudFormation, ARM, Google Deployment Manager, and Terraform templates, and it also provides provisioning support for virtualized VMware environments.

Create non-intrusive policy guardrails
While consistent and effective governance is crucial, it can’t get in the way of time-critical processes such as your DevOps CI/CD chain. That’s why Cloud Governance allows you to define non-intrusive, role-based policy guardrails for your users, only requiring approvals for exception conditions. For example, you can:

- Establish quotas for storage, CPUs, and other resources
- Define the types of cloud service each user can access based on their role
- Enforce naming conventions for provisioned resources
- Control workload placement
- Set limits on the sizing of individual resources
- Enforce resource tagging policies
- Trigger approval workflows for requests only when specific conditions are met

These policy guardrails are applied when a user requests a cloud service via the service catalogue or through the built-in REST API.

Empower your cloud users with intuitive self-service
Cloud User Portal makes it easy for cloud users to manage all of their cloud resources in one place. This includes creating new cloud services, modifying existing services, tracking approvals, monitoring costs, budgets, and quotas, and seeing associated incidents and changes.