





FinOps for Kubernetes

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Introduction





Challenges and Best Practices for Kubernetes Cost Allocation

Customer Story

A High Performing
 Technology Company with
 complex cost allocation
 requirements transitioned
 to Kubernetes for
 portability and scale, but
 quickly encountered a
 cost allocation challenge
 they needed to solve

Challenges

- Lack of visibility into the consumption of shared Kubernetes clusters
- Need to allocate shared usage to the correct cost centers
- Full allocation includes
 Kubernetes and non Kubernetes costs

Best Practices

- Collect utilization by Kubernetes constructs and associate with cloud billing data
- Label Kubernetes resources to align with internal cost centers
- Unify Kubernetes label keys and traditional resource tag keys for a combined allocation model

Allocate & Optimize

- Analyze Kubernetes costs by clusters and namespaces
- Analyze Kubernetes costs by cost center
- Fully and accurately allocate all costs to the correct cost center, and provide the insights needed for optimization







Challenges



Challenges – Traditional Allocation

1/1 mapping with vendor tags

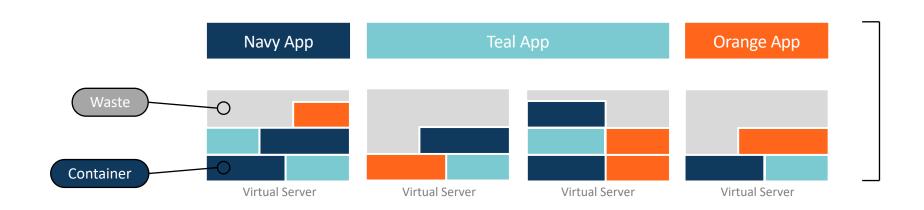
Navy App	Teal App		Orange App
EC2	EC2	EC2	Azure VM
Tag = Navy	Tag = Teal	Tag = Teal	Tag = Orange
GCP Compute	EC2	RDS	Azure VM
Tag = Navy	Tag = Teal	Tag = Teal	Tag = Orange
Big Query	Big Query		SQL
Tag = Navy	Tag = Teal		Tag = Orange

Dedicated Resources per App



Challenges – Allocation with Kubernetes

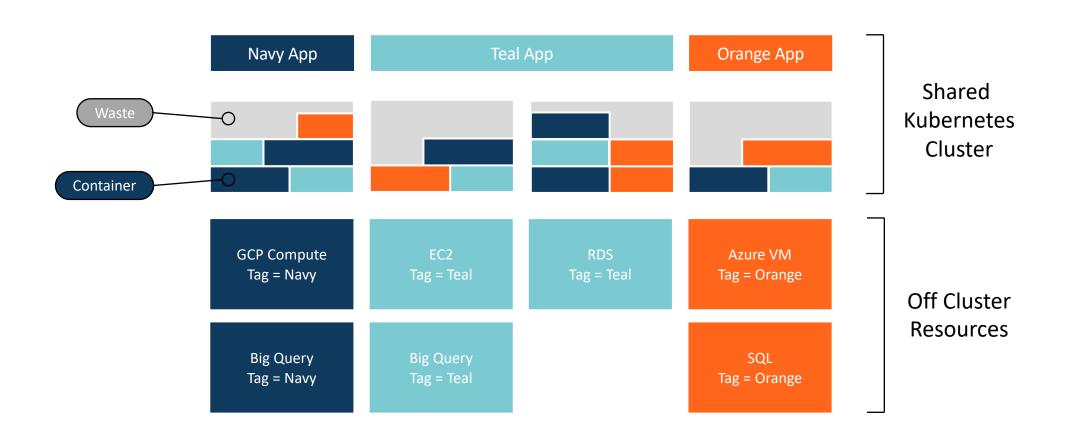
1/1 Mapping of Tags to VMs falls short



Shared Kubernetes Cluster



Challenges – Both are needed for Full Allocation









Best Practices



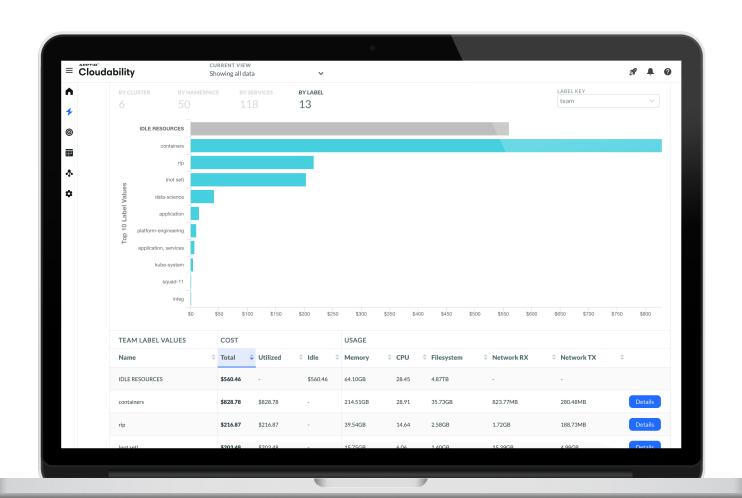
Best Practices – Collect Utilization and Associate with Cost

- Analyze utilization of underlying cluster resources (Memory/CPU/Network) by container object types like Namespace and Deployment, as well as Label Key/Value Pairs
- Associate utilization data with underlying cluster cost to perform allocation
- Check out our Open Source Metrics Agent: https://github.com/cloudability/metrics-agent



Best Practices – Labeling Strategy

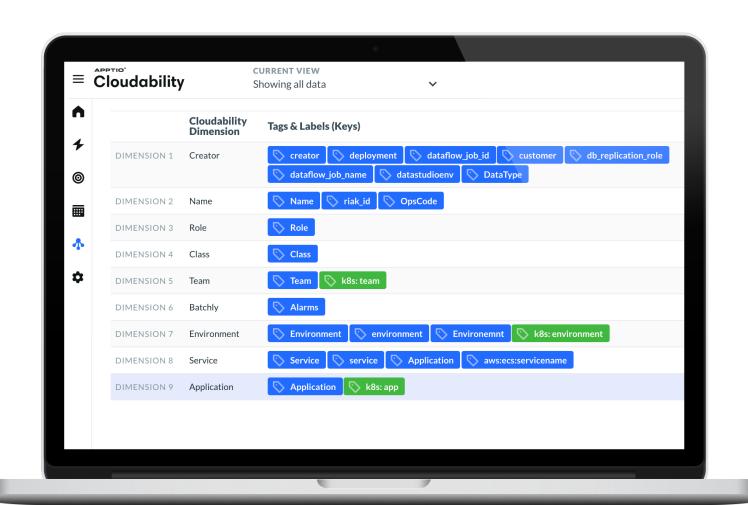
- Align K8s labeling strategy with allocation needs
- Label Keys for each cost center (App, Team, Department)
- Align across Cloud Providers
- Automate, if possible





Best Practices – Unified Label &Tag Strategy

 Map your resource tags and Kubernetes label keys together for a unified model







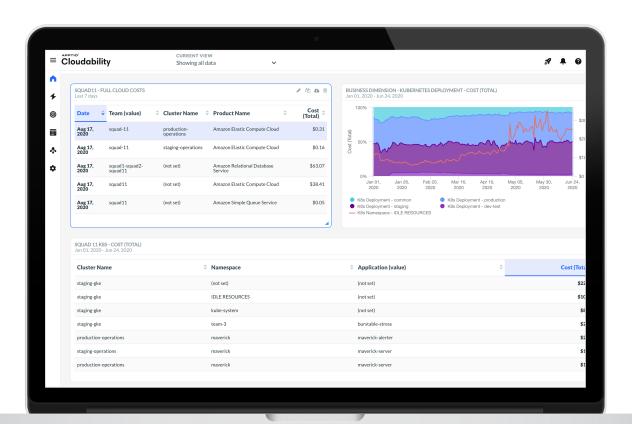


Allocate & Optimize



Allocate and Optimize

- Visualize your Kubernetes costs using Clusters, Namespaces, and Labels
- Visualize your Kubernetes Costs Alongside your Non-Kubernetes costs for Full Allocation
- Create Dashboards to provide visibility across multiple constructs so all costs can be accounted for, and teams have the data they need to optimize



Be Accurate

- Allocate Requests over Usage
- Factor in Node Pinning
- Use Actual Costs, including all credits and discounts
- Report on idle resources, and use that data to optimize your clusters







Thank You!