



FinOps Foundation Cloud+

Executive Insight

FinOps Foundation Cloud+

A new strategic framework
for cost optimization



June 2025 marked a watershed moment for enterprise technology management. The [FinOps Foundation](#)—the authoritative body governing cloud financial operations globally—announced an official expansion that will reshape how organizations manage technology costs for the next decade.

FinOps, originally designed for cloud infrastructure optimization, now encompasses “Cloud+”: unified management of SaaS subscriptions, AI workloads, software licensing, and hybrid infrastructure costs under proven FinOps principles.

This new framework [reflects the statistical reality confronting IT leaders daily](#).

[By late 2024](#), 70% of FinOps teams were managing SaaS spend while 65% handled software licensing costs alongside cloud responsibilities. Organizations tracking AI/ML spend jumped from 31% to 63% in a single year as these workloads generated massive, unpredictable cloud bills without replacing existing infrastructure.

For enterprise leadership, this creates a strategic imperative to look at cost optimization in the widest possible sense. Organizations already implementing comprehensive

FinOps practices consistently are achieving substantial cost reductions ([SoftwareOne clients average 25%+ cloud cost reductions](#)) while simultaneously funding innovation initiatives without the need for additional budget allocation. The really good news is that the extended scope of Cloud+ FinOps should significantly strengthen this virtuous circle.

With that in mind, this SoftwareOne Executive Insight examines the strategic opportunities created by the FinOps Foundation's Cloud+ expansion. It demonstrates why SoftwareOne's unique combination of Premier Member status, Governing Board participation, and proven delivery capability positions us as a definitive partner for organizations seeking Cloud+ transformation.

To start, let's take a closer look at the expanded scope of FinOps that Cloud+ comprises.

Understanding Cloud+ scope

The Cloud+ framework encompasses four critical domains under unified FinOps governance. Each addresses interconnected cost management challenges that siloed approaches simply cannot solve effectively.

- **SaaS management beyond subscription tracking.** [SaaS management under Cloud+ FinOps](#) focuses on usage pattern optimization, redundant tool elimination, and strategic vendor consolidation across application portfolios. Consider this: organizations implementing comprehensive SaaS management typically discover that 20-30% of their SaaS spending delivers minimal value. Once identified, those are resources that could usefully be redirected toward innovation initiatives.
- **AI cost volatility demands new governance.** [AI/ML cost management](#) requires fundamentally different approaches because traditional cloud optimization techniques don't translate to these dynamic workloads. GPU cluster costs can spike dramatically during model training periods, sometimes consuming months of allocated budget within days. API-based pricing for generative AI services creates costs that correlate with usage patterns controlled by business teams, not IT infrastructure decisions.
- **Software licensing bridges cloud and on-premises complexity.** Cloud+ FinOps addresses the compliance risks that can trigger expensive audit penalties while optimizing Bring Your Own License (BYOL) models, hybrid licensing strategies, and contract lifecycle management. The goal: maximize value from existing enterprise agreements while avoiding costly compliance gaps.
- **Hybrid infrastructure requires unified visibility.** This reflects the modern enterprise IT reality where workloads are distributed across public cloud, private cloud, and on-premises environments based on technical requirements, compliance mandates, and cost considerations. Effective management requires unified cost allocation, cross-environment optimization, and performance-cost balance across diverse platforms.



The true strategic power of Cloud+ emerges when these domains integrate systematically. SaaS and licensing integration eliminates duplicate functionality between cloud-based and on-premises applications. AI and infrastructure optimization ensures AI workloads run on the most cost-effective platforms available. This convergence creates optimization opportunities that fragmented approaches cannot achieve—and sets the foundation for measurable business value.

An aerial photograph of a small, white, narrow boat with a pointed prow, moving down a narrow, dark blue waterway. The waterway is flanked on both sides by dense, vibrant green foliage that appears to be mangroves or a similar coastal ecosystem. The boat is positioned in the upper center of the frame, and its movement has created a series of concentric ripples that spread outwards across the dark water. The overall scene is serene and natural, with the boat providing a sense of scale and direction.

Leveraging strategic opportunities

These integrated domains will release measurable business value that reaches far beyond simple cost reduction. As we know from our own client engagements, organizations implementing comprehensive FinOps practices gain competitive capabilities that transform how they operate, innovate, and compete.

- **Enhanced vendor negotiation power transforms relationships.** Unified visibility across cloud, SaaS, AI, and licensing domains changes everything. You'll understand your complete technology consumption patterns and approach negotiations from positions of comprehensive data. Consider Microsoft negotiations that include Azure, Office 365, and on-premises licensing. Detailed consumption data enables value-based contract discussions, letting you negotiate based on actual usage patterns while eliminating overpayment for unused capacity.
- **Budget predictability replaces reactive expense management.** Comprehensive visibility into technology spending trends enables accurate budget planning and resource allocation decisions. You can shift resources fluidly between technology domains based on business priorities. Cloud savings can fund SaaS investments. AI investments balance with infrastructure optimization. This operational agility translates into sustained competitive advantage.
- **Innovation funding through systematic optimization creates the most compelling advantage.** In our experience, the evidence for FinOps effectiveness already spans industries and organization sizes. [Zorg Spectrum achieved 75% reduction in cloud costs](#) that directly funded patient care initiatives. [A financial services firm eliminated \\$500,000 in unnecessary cloud costs](#) and strategically reinvested these funds to mature internal FinOps capabilities. [A healthcare technology provider](#) regained control over spiraling cloud costs, saving \$150,000 and enabling faster innovation. With the expanded scope of Cloud+, prospects for the future should be even brighter.
- **Risk reduction builds organizational resilience.** Unified technology cost management significantly reduces compliance risks across multiple domains while building fundamental capabilities. Comprehensive tracking dramatically reduces audit risks and prevents costly compliance penalties. The expanded scope systematically breaks down silos between IT, finance, and business teams, creating collaborative capabilities that improve decision-making quality organization-wide.

These proven outcomes, already being delivered through FinOps disciplines and suggesting good prospects for the Cloud+ expansion, establish the foundation for systematic innovation funding: a cornerstone for sustained competitive advantage.

Driving the optimize to innovate flywheel

This systematic innovation funding represents the strategic differentiator that separates market leaders from competitors. SoftwareOne's research reveals that [73% of mid-market companies now prioritize FinOps implementation](#), with the most successful organizations—"Optimized Innovators"—achieving both cost control and accelerated growth simultaneously. They don't view cost optimization and innovation as competing priorities. Instead, they create systematic processes where optimization directly funds innovation – a self-sustaining flywheel of continuous improvement.

Understanding the flywheel mechanism.

The process operates through four phases that build momentum over time. Initial optimization gains visibility across cloud, SaaS, AI, and hybrid infrastructure, generating immediate cost savings through waste elimination and strategic vendor negotiations. Innovation investments use these savings to fund strategic initiatives—new product development, digital transformation projects, enhanced customer experiences. Value creation from innovation success generates revenue growth, improved efficiency, or competitive advantages. This provides resources for expanding optimization efforts, creating larger funding pools and enabling increasingly ambitious innovation initiatives.

Cloud+ domains accelerate the momentum.

The expanded scope amplifies this flywheel effect significantly. Domain expansion extends optimization efforts from initial cloud focus to SaaS, AI, and hybrid infrastructure, creating larger funding pools. Innovation portfolio diversification spreads risk across multiple strategic initiatives while creating synergistic opportunities that compound returns and accelerate subsequent optimization cycles.

Implementation demands discipline.

Effective flywheel operation requires disciplined reinvestment of optimization savings into strategic initiatives rather than returning funds to general budgets. Organizations must adopt portfolio optimization thinking that balances immediate wins with longer-term strategic investments. Cross-functional collaboration between IT, finance, and business teams ensures optimization efforts align with business priorities while innovation investments deliver measurable value.

This systematic approach creates measurable business outcomes that validate Cloud+ FinOps transformation. Organizations mastering the flywheel mechanism generate consistent, predictable value creation that builds over time rather than delivering one-time cost savings that diminish in impact. This sustainable advantage becomes the foundation for strategic partnership selection.

An aerial photograph of a dense forest with a calm lake in the center. The lake's surface is dark and reflects the surrounding green trees, creating a symmetrical effect. The forest is composed of various types of trees, including tall evergreens and shorter deciduous trees. The overall scene is peaceful and natural.

What makes FinOps particularly powerful is how it transforms cloud cost management from a periodic review into an on going practice. Rather than reacting to unexpected bills, organizations gain the ability to predict, control, and optimize their cloud spend proactively. And that in turn can drive a flywheel of cost optimized innovation and growth that delivers value far beyond simply cutting costs.

Parker Nancollas,
FinOps Practice Lead, SoftwareOne



Partnering for success

If you're investigating Cloud+ possibilities, SoftwareOne can offer a unique perspective that addresses the complete scope of the new framework through proven methodologies developed over decades of FinOps implementation experience.

While most FinOps providers scrambled to adapt their services following the Foundation's 2025 framework announcement, we were already well positioned in a number of ways to help our clients with expertise and proven service across the expanded FinOps scope:

- **Direct FinOps Foundation involvement:** [SoftwareOne maintains Premier Member status](#) with the FinOps Foundation—recognition achieved by fewer than twenty organizations worldwide. Trent Allgood, our Regional Vice President of IT Portfolio Management (North America) serves on the [FinOps Foundation Governing Board](#) itself, while Parker Nancollas, our FinOps Practice Lead is a member of the FinOps Foundation Technical Advisory Council. Participation in these isn't honorary, it's substantive. When the Foundation announced Cloud+ scope expansion in June 2025, SoftwareOne immediately understood implementation requirements, potential obstacles, and proven approaches that would ensure successful adoption.
- **Integrated capabilities:** vendor fragmentation could undermine many Cloud+ transformation attempts. By contrast, our [software asset management foundations](#) extend back decades, establishing expertise in licensing optimization, vendor relationship management, and compliance governance. Combined with our FinOps expertise, this provides comprehensive Cloud+ implementation capability without coordinating multiple specialist providers. Traditional FinOps providers sometimes treat software licensing as a peripheral addition to their cloud expertise. We approach cloud optimization as a natural evolution of comprehensive technology asset management services. This fundamental difference creates substantial implementation advantages when managing the interconnected cost domains that will define Cloud+ scope.
- **Global scale:** with [350+ FinOps Foundation-certified practitioners](#) across 90+ countries we can ensure consistent excellence. This scale includes local expertise understanding regional compliance requirements, vendor relationship nuances, and technology consumption patterns crucial for multinational Cloud+ implementations.
- **Proven success:** As mentioned above, we have a powerful portfolio of proven FinOps success stories if you are looking for relevant expertise tailored to your own Cloud+ project. This includes:
 - Healthcare sector optimization that achieved [75% cost reductions and funded patient care innovation](#).
 - [Financial services capability building that generated \\$500,000 in savings](#) reinvested into internal FinOps expertise development.
 - [Spiraling healthcare cloud costs controlled](#): We helped Alpine Health Technologies gain control over their cloud costs after migrating to Azure, saving \$150,000 and enabling faster innovation.

These outcomes span diverse regulatory environments, technology architectures, and organizational scales, demonstrating the effectiveness of our methodology across the complete range of enterprise contexts where Cloud+ transformations are likely to occur.

Next steps

Your Cloud+ transformation begins with understanding current optimization opportunities and strategic implementation pathways. SoftwareOne is ready to help with everything from initial assessment through to sustained optimization across multiple domains.

Our FinOps diagnostic services will provide a structured evaluation framework to identify optimization opportunities, strategic priorities, and implementation roadmaps tailored specifically to your organizational context and transformation objectives.

Contact SoftwareOne

Schedule your FinOps diagnostic consultation with SoftwareOne and discover how Cloud+ optimization can fund your innovation priorities while building sustained competitive advantage. Today.



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TODAY**

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