



Using FinOps to efficiently align IT with the business to serve customers

LifeLabs | Healthcare



Business opportunity

LifeLabs provides testing and other healthcare services to citizens of Ontario and British Columbia. To meet growing customer demand from its partnership with the Canadian government, LifeLabs scaled up their customer-facing applications running on Microsoft Azure.

Running at scale, LifeLabs IT leaders realized they needed to efficiently consolidate cloud operations to lower costs, but also to better partner with the business in developing new customer experiences.

Technical challenge

Though LifeLabs online applications were already hosted in the cloud, they were setup and managed independently of each other through multiple IT service partnerships. With deployments managed separately, as cloud costs rose LifeLabs lacked detailed visibility into cloud operations to reduce Microsoft Azure service use without risking impact to customer experience.

To accurately assess their cloud service use in relation to business priorities, LifeLabs needed a single partner who could holistically manage their Microsoft Azure operations and setup governance as LifeLabs envisioned it.

Our solution

Together, LifeLabs and Kyndryl created a FinOps program that defined and clarified:

In detail, using Kyndryl Bridge and Microsoft Azure tools, the costs and purposes of deployed cloud resources, enabling strategic cost-cutting.

How cloud resources are serving business needs based on a tagging strategy.

Business and IT responsibilities for customer workloads using a RACI model.

Policies among IT and business stakeholders to govern use of cloud services.

Intake procedures to justify using new cloud services for business purposes.

The power of partnership

Microsoft Azure was indispensable for providing detailed usage data that enabled the LifeLabs team to better understand how business priorities translate into daily and projected consumption of cloud services.

What progress looks like

In creating the FinOps program, LifeLabs and Kyndryl have achieved:

- 35-40% annual savings in cloud spending, enabling work on new customer experiences.
- Consolidation of cloud resources to maintain reduced cost of Day 2, business as usual (BAU) operations.
- Reliable forecasting of IT costs for new business initiatives.
- 6 months delivery from assessment to full remediation.
- A process to continuously improve cloud operations, driven by weekly discussions of current and projected use of services.

About the customer

LifeLabs is healthcare services company in Canada. They perform over 112 million laboratory tests a year to help diagnose, treat, monitor and prevent diseases for millions of Canadians.



Meet the team

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