

## Cloud-Native Infrastructure as Code Terraform Cloud vs. Terraform CE DIY Approach

**Allaeddine Elareed** Sr. Solutions Engineer



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$$\bullet \bullet \bullet$$

```
resource "hashicorp_employee" "se" {
  name = "Allaeddine Elareed"
  job_title = "Sr. Solutions Engineer"
  team = "EMEA Partners - ME&A & BeNeLux"
```





## Agenda

Terraform History	01
Why IaC matters?	02
Terraform CE DIY	03
Terraform Cloud	04

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# **Terraform History**

The evolution of Terraform

### 2011 AWS introduced CF

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## Introducing AWS CloudFormation

#### Posted On: Feb 25, 2011

We're excited to introduce AWS CloudFormation, a new service that gives developers and businesses an easy way to create a collection of AWS resources and provision them in an orderly and predictable fashion. You simply describe the AWS resources you need to run your application in a simple text file called a template and AWS CloudFormation takes care of provisioning those resources in the right sequence and taking into account any dependencies between resources. Once provisioned, you can see all of the AWS resources you need to run your application in a single view.

To get started, AWS CloudFormation comes with ready-to-run sample templates to deploy some common open source applications that illustrate how easy it is to get the infrastructure for an application up and running quickly. These include WordPress (blog), Tracks (project tracking), Gollum (wiki) plus a wide range of sample templates to cut and paste from to create your own templates. There's a good chance that a ready-made template exists to cover what you want to do.

There is no additional charge for AWS CloudFormation. You pay only for the AWS resources needed to run your application. Please see the AWS CloudFormation detail page to learn more and get started today.

2011 AWS introduced CF

Need for an open source, cloud-agnostic solution

**Jul 2014** released TF v. 0.1

#### 



Amazon announced CloudFormation to the public yesterday, and while the general opinion I could glean from various sources shows that people are excited about this new technology, many are still unsure what it is and how it fits into their current cloud workflow. I feel as though I have a firm grasp on CloudFormation and will attempt to answer some questions here.

Note: I'm definitely not a representative of Amazon in any way, and anything here is simply my educated opinion on the matter.

[[MORE]]

#### What is it?

modifications.

CloudFormation is best described as an infrastructure provisioning tool based on a declarative language (expressed in JSON, in this case). CloudFormation takes the declarative file (a "template") and uses it to orchestrate the creation of various cloud services and hook them up together (resulting in a "stack").

The difference between this and Chef or Puppet, is that Chef and Puppet are configuration management tools and work best with installing and configuring software on new nodes. Some people have used configuration management for launching virtual machines and servers and so on, but this is an exception, and not the norm.

Chef and Puppet are complementary tools to CloudFormation. CloudFormation starts the server orchestration act and configuration management tools complete it.

#### Where does it fit in my current workflow?

It doesn't, yet. CloudFormation is really great at describing the infrastructure of a single application, service, or cluster, and bringing up the entire infrastructure as one atomic operation. However, CloudFormation doesn't yet provide any way to incrementally improve and re-provision infrastructure, which is most of the battle when doing any Ops work. There are some hints from Amazon that they are thinking about this for the future.



2011 AWS introduced CF

Need for an open source, cloud-agnostic solution

**Jul 2014** released TF v. 0.1 **2014 - 2016** The hard time

Practitioner Terraform Template

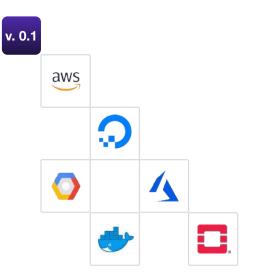
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**2017** - The year of Terraform



2011 AWS introduced CF

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**2017** - The year of Terraform

2018 - 2020 TFC / TFE





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				Workspace le	arn-terraform-run-trigge	rs-network triggered a	un a minute ago via Run Trigger 🔶 d	1848aa8	Readme
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				Upgrade	Upgrade	Less than a minute	+8 ~0 -0	See details	Remote
									Auto apply: Off
				1000					Metrics (last 1 ru
				Resources 0	Outputs 0				
				-					Average plan duration
				This workspace	does not have any resour	ces.		Learn about resources.	Average apply durat
									Total failed runs

2011 AWS introduced CF

Need for an open source, cloud-agnostic solution

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**2017** - The year of Terraform

2018 - 2020 TFC / TFE

Today

		ISI.
<b>3,000+</b> Providers	<b>12,000+</b> Modules	<b>20+</b> Run task partners
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250M+ Downloads*	<b>30K+</b> Certified users	<b>2,500+</b> Customers
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# Why laC matters?

## Shifting to cloud infrastructure

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DEDICATED INFRASTRUCTURE -

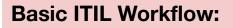


#### **Traditional Datacenter**

"Static" ITIL & Tickets

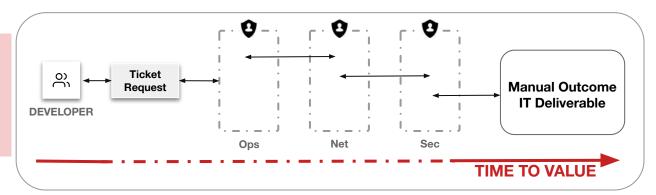


## The Iron Age



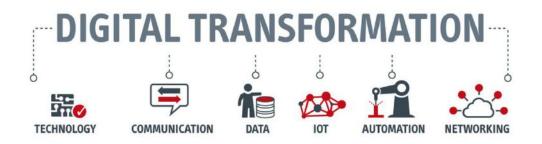
#### Gatekeeping process through silos

- Waterfall Model (1st, 2nd, 3rd...)
- Engineering Approach (Big Bang)
- Static and long lasting outcomes



## Traditional manual and static Workflows

"ClickOps" & Imperative infrastructure driven



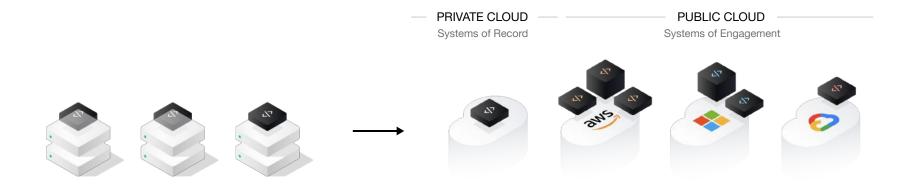
## **Means pressure on IT**

- Time to market doing things faster
- Increase **productivity** and lower **cost**
- Security & governance

Gartner predicts that by **2026**, **75%** of organizations will adopt a **digital transformation** model predicated on **cloud** as the **fundamental underlying platform**.

https://www.gartner.com/en/newsroom/press-releases/2023-04-19-gartner-forecasts-worldwide-public-cloud-end-user-spending-to-reach-nearly-600-billion -in-2023

## Shifting to cloud infrastructure



#### **Traditional Datacenter**

#### "Static" ITIL & Tickets

#### **Modern Datacenter**

"Dynamic" Self-Service & APIs

## ④

Challenge Solution Results

## Manual provisioning

Manual provisioning through point-and-click GUIs or custom scripts is slow, error-prone, inefficient, and difficult to use at scale.

Challenge Solution Results

With HashiCorp Configuration Language (HCL), infrastructure and services from any provider can be provisioned in a codified, secure, and automated fashion.

- HashiCorp Configuration Language (HCL) is human readable and machine executable
- Declarative, Turing-complete language
- Codify, version, and collaborate on infrastructure

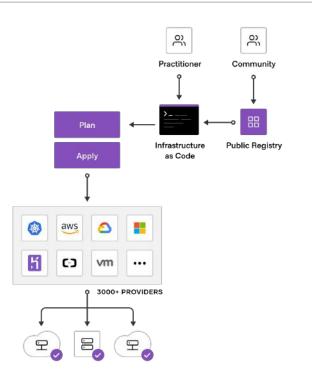
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```
resource "google_compute_instance" "svr" {
  name = "server"
  machine_type = "e2-small"
  zone = "us-centrall-a"
  boot_disk {
    initialize_params {
        image = "ubuntu-os-cloud/ubuntu-2004-lts"
      }
   }
  resource "dnsimple_record" "hello" {
    domain = "pineapple.pizza"
    name = "best"
    value =
   google_compute_instancesvr.network_interface.0.network_ip
    type = "A"
}
```

Challenge Solution Results

#### Compose, collaborate, reuse

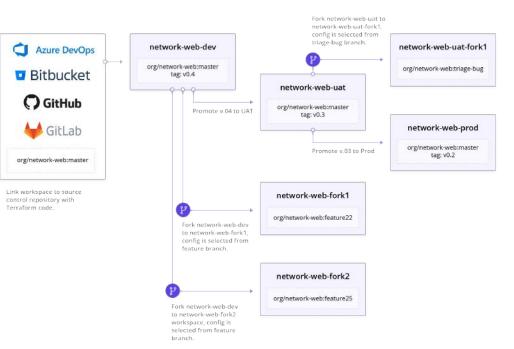
- Use version control and automation to reduce human error and failed builds
- Adopt Terraform infrastructure as code and policy as code to automate everything
- Provider plugins allow rapid creation and support for any infrastructure



Challenge Solution Results

### Benefits of infrastructure as code

- Versioning
- Collaboration
- Promotion
- Reuse



Challenge Solution Results

### D

## **Increase Agility**

With infrastructure as code, the manual effort involved in provisioning infrastructure is significantly reduced. Code can be reused and modified as many times as necessary.

## $\bigcirc$

### **Reduce Risk**

Minimize manual, error-prone work and reuse known-working and known-secure infrastructure configurations across an organization.



### **Reduce Cost**

By defining proper infrastructure footprints in modules, teams provision the infrastructure they need without wasteful and costly over-provisioning.

# Infrastructure as Code is one of the cornerstones of DevOps.

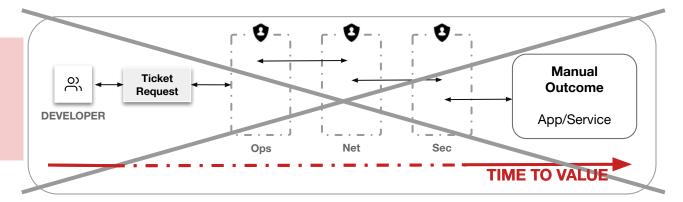
It is the "A" in "CAMS": Culture, Automation, Measurement, and Sharing.

## The Cloud Age

## **Basic ITIL Workflow:**

#### Gatekeeping process through silos

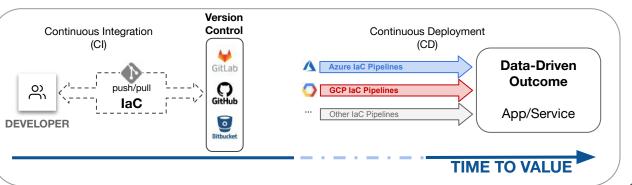
- Waterfall Model (1st, 2nd, 3rd...)
- Engineering Approach (Big Bang)
- Static and long lasting outcomes





CI/CD process through stages (dev...prod)

- IaC / Data driven (non-consecutive)
- MVP Approach (small chunks)
- Dynamic and short lived cycles



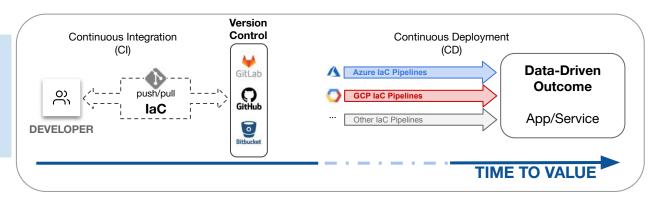


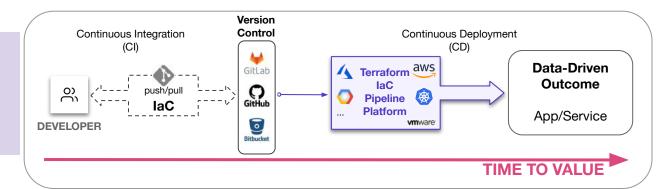
## A single IaC platform

#### **DevOps Workflow:**

CI/CD process through stages (dev...prod)

- IaC / Data driven (non-consecutive)
- MVP Approach (small chunks)
- Dynamic and short lived cycles





## **Terraform Workflow:**

Unified process through a single platform

- Workflow over technology
- Immutable infrastructure
- Learn once; use everywhere

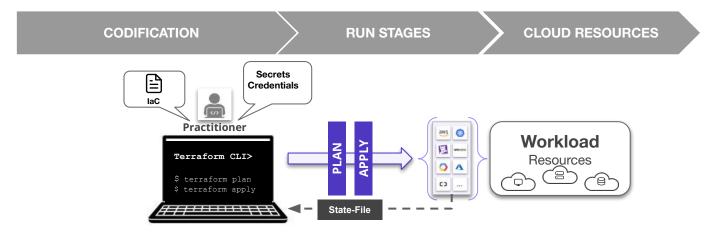
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# **Terraform CE DIY**

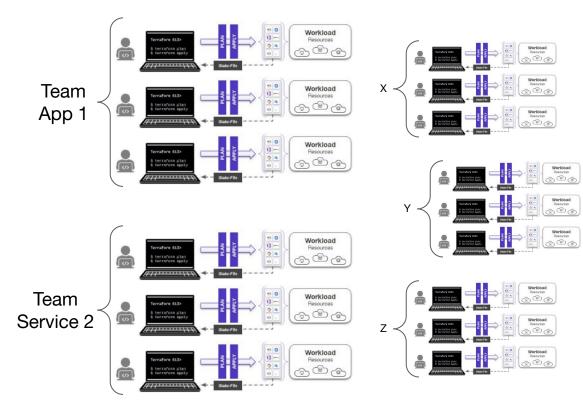
Playing Terraform on "Hard Mode"

## **Terraform CLI**



- Terraform CLI is our open source command line tool that can be downloaded from our website.
- It is a single binary installed on your local machine that is capable to execute IaC written in HCL.
- It is made for single practitioners to abstract any workload.

## **TF CE/CLI at scale**



#### **Enterprise concerns:**

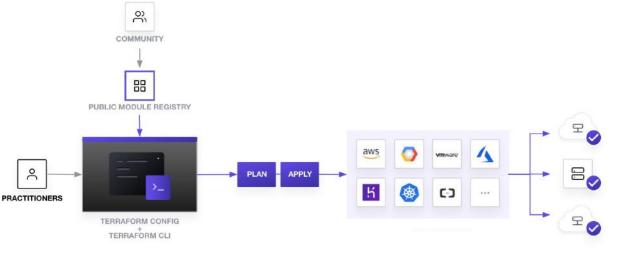
- Sprawl of credentials
- Sprawl of State-Files
- no governance & control
- no collaboration features
- no audit-trail

. . .

- no RBAC, no SSO
- no integration into existing ecosystems

## **Terraform CE Workflow**

- Custom scaffolding for any automation (CI/CD tools)
- Manual state file management
- Expanded logging and auditing plane

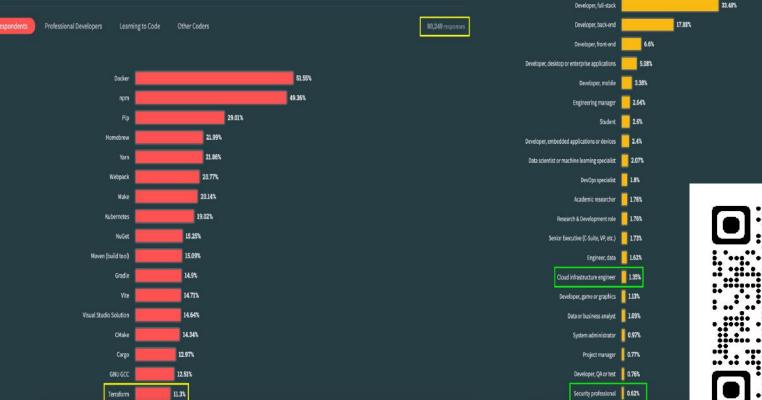


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#### Other tools

This year, Docker is the top-used other tool amongst all respondents (53%) rising from its second place spot last year.

People learning to code are more likely to be using npm or Pip than Docker (50% and 37% respectively vs. 26%). Both are used alongside languages that are popular with students (JavaScript and Python respectively).



Stack Overflow Developer Survey 2023 - https://survey.stackoverflow.co/2023/

#### Ø Developer type

Full-stack, back-end, front-end, and desktop/enterprise app developers continue to account for the majority of all respondents. We asked about developer advocates for the first time this yearalmost. 3% classify themselves as this type of developer.

#### 872 response



# The big picture

7 numbers to remember

56%

Boosted cloud spending in the last year, despite macroeconomic uncertainty

# 92%

Of high-cloud-maturity organizations say multi-cloud is working, or is expected to within a year 53%

Of high-maturity organizations are using multi-cloud to save money 74%

Of high-maturity companies say multi-cloud helps them attract, motivate, and retain talent

Rank of skills shortages as a multi-cloud barrier



Rank of security as a multi-cloud driver

92%

Of organizations are adopting, standardizing, or scaling platform teams

## So, what it takes?

#### **Collaborative laC**

Protecting and updating state files

Reporting, how IaC performs when applied.

Standardization across teams, avoid duplication of efforts

> Pre-built and well-documented Workflows

#### **Compliance & Mgmt.**

Governance & Security

Audit Logging

Role-based Access

State File, Variable Encryption & Creds Mgmt. Cost Tracking

Drift Detection

#### **Continuous Validation**

#### Self-Service Infra.

Standardized Environments to automate provisioning

Provisioning Compliance and Control

No-code option for less experienced users

#### **R&D + Support**

Architectural design -Strategies for workflow, approval gates, isolation, etc

Product releases

Bug fixes & upgrades

Operational/hosting costs

Availability

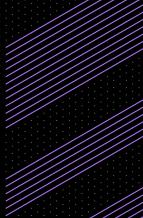


Our Terraform usage is far from perfect, and there are a lot of improvements we can make to improve the user experience. The Cloud Foundations team is working

https://slack.engineering/how-we-use-terraform-at-slack/



04



# **Terraform Cloud**

## **Enabling Platform Team Capabilities**

Standardize workflow, manage infrastructure lifecycle, operate at scale

Unified Workflow Management RBAC   Remote State Storage   Registry   No Code Workflow	<b>Policy &amp; Security</b> Sentinel, OPA Policy   Run Tasks   Enforcement	Visibility & Optimization Workspace Mgmt   Drift Detection   Continuous Validation   Alerts   Audit Logs   Roll-back/forward
<b>Reliability &amp; Scale</b>	<b>Governance, Risk,</b>	<b>Integrations &amp; API</b>
Managed HA   Self-Managed HA	<b>&amp; Compliance</b>	Okta, Splunk, Waypoint, ServiceNow,
Self-Hosted Agents	SOC Compliance   24×7 Support	HCP Packer

## **Dynamic Provider Credentials**

Challenge Solution

## **Credential management at scale**

Managing static, long-lived credentials in Terraform Cloud causes operational complexity for platform teams and introduces security risks.

## **Dynamic Provider Credentials**

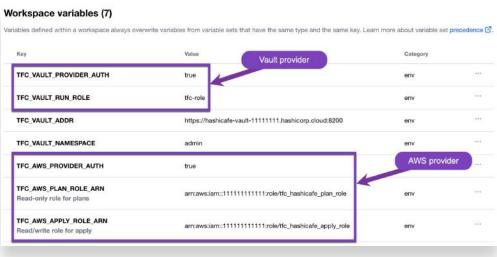
Challenge Solution

# Native just-in-time (JIT) provider authentication

A native solution for JIT access using Terraform workload identity and provider OIDC support.

Configure dynamic credential injection via workspace or project-level variables for:

- Vault
- AWS
- Azure
- Google Cloud



#### 36 © HASHICORP

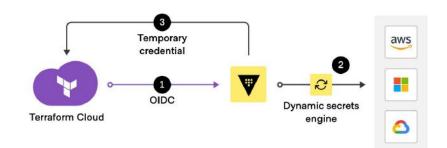
### Vault-Backed Dynamic Credentials

Challenge Solution

### Centralized credential management

Combine the power of dynamic provider credentials and Vault dynamic secrets engines.

- Authenticate Terraform runs to Vault using JWT/OIDC auth method
- Vault generates temporary cloud credentials for AWS, Azure, or Google Cloud
- Secrets are injected into the Terraform agent environment for use with providers
- Credentials are revoked immediately after each run phase



\*\* No inbound OIDC connectivity from cloud providers required for Terraform Enterprise

### **Team Management**

Challenge Solution

#### **Role-based access control (RBAC)**

To maintain proper security posture, organizations should provide access to configurations and provisioning only as needed by team members.

### **Team Management**

Challenge Solution

#### **Role-based access control**

Group users into teams for access to projects and workspaces to achieve "least privilege".

- Full role-based access control
- Assign users to one or more teams
- Granular management of team permissions

Teams let you group users into specific categories to en developers could be on a dev team that only has access	able finer grained access control policies. For example, your to applications.
In order to allow a team access to a resource, go to the name. At this point you can control the access level for t	Access settings for the specific resource and enter the team hat team.
The <b>owners</b> team is a special team that has implied acc your organization.	ess for all of your resources, but also has the ability to manage
Create a New Team	
Name	Create team
Teams	
AWS Team	1 member
Azure Team	1 member
On-Prem Team	1 member
owners	3 member

### Modules

Challenge Solution

#### Non-standardized provisioning

Without templated infrastructure as code, operators spend time manually fulfilling infrastructure requests, or developers provision cloud resources for their applications without oversight or guardrails.

### Modules

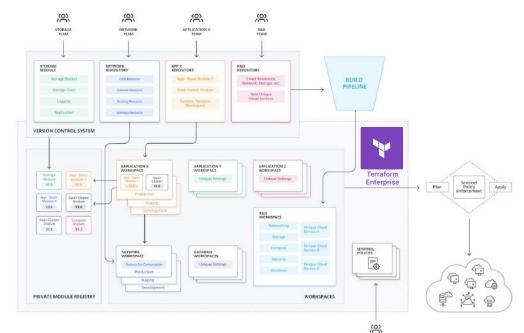
Challenge Solution

By creating reusable modules, operations teams empower their organization to efficiently provision approved, secured, and standardized infrastructure.

- Reusable, templated infrastructure as code
- Create interfaces with input and output variables

#### Producer / Consumer Workflow

- Producers create modules and publish to a registry for discovery
- Consumers explore the registry to create infrastructure as needed for applications



### Policy as Code

Challenge Solution

#### Guardrails around multi-cloud provisioning

Rapid provisioning opens up tremendous possibility, but organizations need to maintain security, compliance, and prevent over-provisioning.

### Policy as Code

Challenge Solution

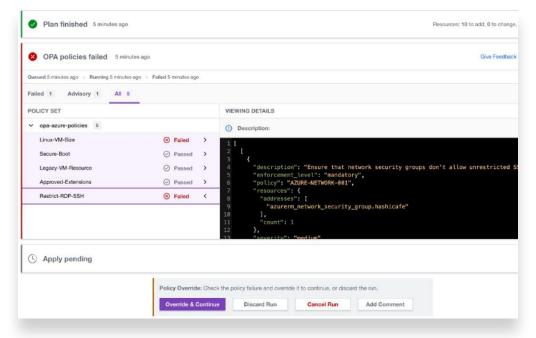
#### Native Open Policy Agent support

Leverage existing OPA skills

- Add Rego policies to your provisioning workflow with a first-class integration
- Coexist alongside Sentinel policies

#### **Enforcement levels**

- Advisory: Warning when a policy fails
- Mandatory: Block provisioning when a policy fails
- Allow or prevent overrides at the policy set level



### **Cost Estimation**

Challenge Solution

#### Visibility and impact of infrastructure cost

Cloud presents a decentralized purchasing model and gives everyone the ability to spend money for the company.

A challenge is enabling the practitioners deploying the infrastructure changes to understand the financial impact of the changes they're applying.

### **Cost Estimation**

Challenge Solution

#### **Cloud cost management**

Approaches for managing cost in a self-service operational model:

- Visibility: cost estimation before provisioning
- Management: set & enforce Sentinel policies
- Optimization: business changes to optimize cost long term

Plan finished a minut					
Plan finished a minute ago		Res	Resources: 2 to add, 0 to change, 1 to destroy		
Cost estimation finished a minute ago		Resources: 2 of 2 estimated - \$34.56/mo - + \$17.23			
Queued a few seconds ago 🕤 Finis	hed a few seconds ago				
RESOURCE	NAME	HOURLY COST	MONTHLY COST	MONTHLY DELTA	
∽ aws_elb	web	\$0.025	\$18.00	+\$18.00	
✓ aws_instance	web	\$0.023	\$16.56	-\$0.774	
Policy check passed	a minute ago		Policies: 0 passed	d, 1 advisory failed	
Queued a few seconds ago > Pass	ed a few seconds ago				
advisory failed cost-estima	tion-policies/aws-costing				
View raw log		Top	1 Bottom 1 Exp	and <sup>#</sup> Full screen	
Print messages:					
Checking to see if the prop	osed monthly cost is less than :	10			
FALSE/aws-costing.senting	nel:6:1 - Rule "main"				

### **Ephemeral Workspaces**

Challenge Solution

#### Clean up temporary resources

Many dev/test workflows require temporary infrastructure. But these resources are often left running long after they are needed, incurring unnecessary costs.

### Ephemeral Workspaces (Beta)

Challenge Solution

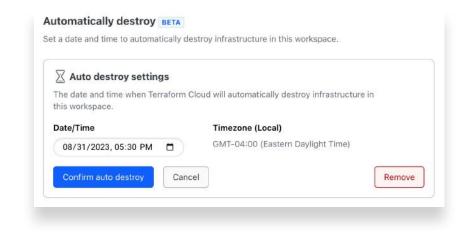
#### Automatic resource destruction

Set a time-to-live for a workspace to auto-initiate a destroy run.

Configure reminder and completion notifications.

Use cases include:

- Development sandboxes
- Automated test pipelines
- Demo or classroom lab environments



### CI/CD Pipeline Templates

Challenge Solution

#### Integrating into existing pipelines

Many organizations want to interact with Terraform through existing CI/CD tools, but building and maintaining custom workflows is challenging.

## CI/CD Pipeline Templates

Challenge Solution

Get up and running quickly with Terraform Cloud and Enterprise.

Integrate with existing CI/CD pipelines to minimize process changes:

- Containerized tool that implements common API functions
- Predefined templates for <u>GitHub Actions</u> and <u>GitLab CI/CD</u>
- Apply as a prescriptive workflow or integrate actions into existing pipelines

github.com/hashicorp/tfc-workflows-tooling

Terraform Cloud Plan Output	
Plan: 16 to add, 0 to change, 0 to destroy.	
[Terraform Cloud Plan](https://app.terraform.io/app/dbarr-org/workspac	es/aws-webapp-gha/runs/run-vT5dahcwnS
0	
©	
<ul> <li>danbarr merged commit dff4961 into main 11 minutes ago</li> </ul>	Hide details R
	Hide details R

### **Kubernetes Operator**

Challenge Solution

#### Automate Terraform Cloud from Kubernetes

Organizations or teams that are heavily invested in Kubernetes want to automate the provisioning of infrastructure from the Kubernetes control plane.

### Kubernetes Operator v2 (Beta)

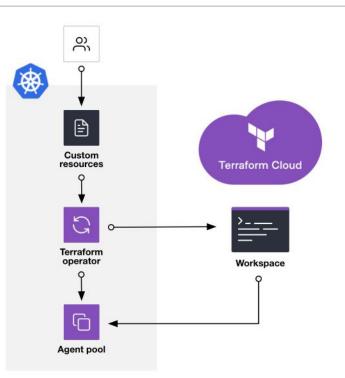
Challenge Solution

Manage Terraform Cloud and provision infrastructure using Kubernetes custom resources:

- `AgentPool` manages Terraform Cloud agent pools with auto-scaling support
- `Workspace` manages Terraform Cloud workspaces
- `Module` implements API-driven run workflows to provision infrastructure

Metrics for each controller are exposed in standard Prometheus format.

github.com/hashicorp/terraform-cloud-operator



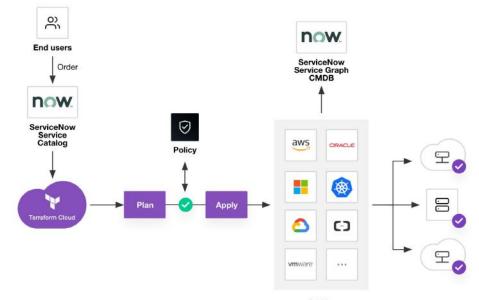
### **ServiceNow Integration**

Challenge Solution

#### Service management integration

Organizations with ServiceNow want to enable self-service infrastructure for end users while still maintaining their infrastructure as code approach for multi-cloud compliance and management.

For ServiceNow Service Graph customers, the Configuration Management Database (CMDB) is the source of truth for infrastructure visibility.



### ServiceNow Integration - Service Catalog

Challenge Solution

### Self-service infrastructure

Provision resources via the ServiceNow Service Catalog

- Familiar request workflow for users
- Customize via input variables
- Creates workspace and initiates a VCS-driven workflow
- Self-service destruction to clean up resources

Service Nanagement				
♥ Filter navigator     ★   €	Terraform Resources			
Self-Service	Items			
Benchmarks	Apply Run Terraform Apply Run ▼ Preview			
Business Calendar	Y rigitin			
Guided Setup	Apply a run to a Terraform Workspace			
Guided Tour Designer	Apply Run Flow			
IntegrationHub	Apply Run Flow  V Preview			
Interaction	Apply a Terraform Run using Flow Action example			
PDF Generator				
Process Automation	AWS Provision Resources Flow Preview			
Search Suggestions	Create Run			
Service Desk	Terraform Workspace Run  Preview			
System Map Page	Create Run Flow			
System Mobile	Create Run Flow Prevšew			
Terraform 🔶	Create Workspace			
User Experience Analytics	Create a Terraform Workspace  Preview			

### **No-Code Provisioning**

Challenge Solution

#### Getting up and running with Terraform

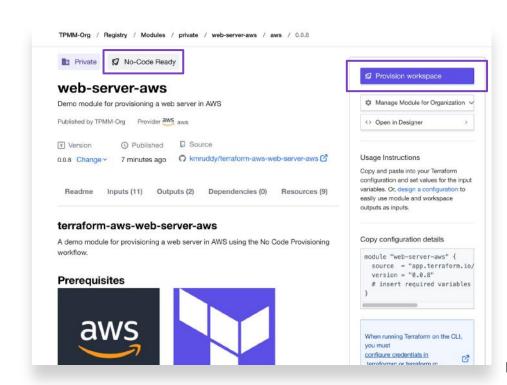
Skills shortage issues have been ranked as the top multi-cloud barrier for organizations. Provisioning something immediately useful with Terraform requires knowledge of infrastructure, as well as familiarity and comfort with HCL code, both of which create a barrier to adoption.

### **No-Code Provisioning**

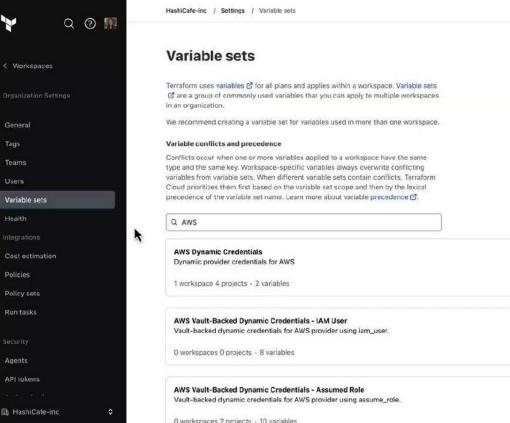
Challenge Solution

#### Deploy cloud resources using Terraform, without learning HCL

Teams can spend less time defining configurations and rebuilding the wheel, and spend more time building off the work of others and supporting the business.



### No-Code & dynamic credentials



Tags

Users

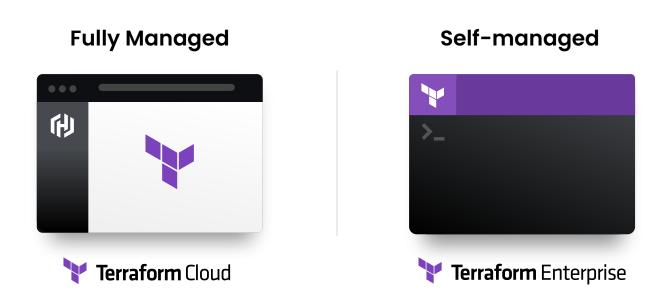
Last updated May 11th 2023, 9:49:23 am

Create variable set

Last updated May 11th 2023, 10:05:55 am

Last updated May 16th 2023 4:07:11 nm

### **Solutions to Fit Your Needs**



https://app.terraform.io/

# F

## Thank you

hello@hashicorp.com

## HashiCorp

### **Unlock the Cloud Operating Model**

