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What can Software Asset Management do for me?

Is your IT department really in control of what's on the corporate network?

A guide from Centennial Software
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Executive Summary

Software Asset Management (SAM) is becoming something of a buzzword in IT, but what exactly is it? While, to some, SAM may just be the new name for license compliance, in truth it's also much more.

In reality, there's not much new about SAM, it's more a collection of best practices designed to help organizations fully manage their IT software assets, which in turn should lead to improvements in cost control, risk mitigation and network security.

But like IT Asset Management (ITAM), SAM is not something you can simply jump into with both feet. Before you can start managing your software, you need to first understand what's already on the network. This first stage, called Discovery, is absolutely critical to the rest of the project.

This paper outlines the benefits an organization like yours can realize from Software Asset Management, as well as outlining the key requirements of successful Discovery.

Is your IT department really in control of what's on the corporate network?

'It is an irony of modern business that directors pay more attention to the control of assets such as company cars than they do to the management of business critical investments such as IT.' So says George Cox, director of the IOD. The irony deepens even further when you realize that many organizations spend more each year on software than they do on their car fleets.

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While most IT Directors would claim to know exactly how many PCs they had on the network, the reality according to Gartner is that 70% of organizations have up to a 30% discrepancy between expected and actual IT inventories. Delve deeper into a company's IT inventory – specifically the software – and the gap is likely to be even bigger.

Recent research undertaken by Centennial Software discovered that, while 61% of IT managers believed they knew exactly what software was installed on each PC across the enterprise, the same figure had not conducted an IT audit in the last three months, if at all.

Software Asset Management

The immediate reaction of many who learn about Software Asset Management (SAM) for the first time is to see it as another way of saying 'Software License Compliance'. But, while compliance is inevitably a focus of SAM, there is much more to it. SAM is about managing software to support the business goals; ensuring that the organization is not over-spending on software, that it is actively minimizing the legal risks of unauthorized or illegitimate software and that the IT department has full visibility of the corporate network.

Cost control

The BSA (Business Software Alliance) claims that it is twice as costly to get compliant (if you include the damages and cost of purchasing new licenses) than to buy the right number of licenses in the first place.

But it's not just under-purchasing software licenses that can cause problems. If you don't know precisely how many PCs you have on the network, what software they have installed and how each PC uses those applications, then you won't be able to identify software licenses which are not being used.

Having accurate and up to date information on software usage patterns will allow you to control your costs and will put

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Gartner

you in a better negotiation position when it comes to renewal time, or when a user asks you for new copies of a licensable software package to be installed on his PC.

You'll know exactly how many copies are installed and which are being used currently so that you don't over or under license at renewal. And you may find that there are unused copies of a software application in the organization that can be redeployed elsewhere.

Gartner states that organizations that fail to integrate software usage and inventory data to manage their software assets will overbuy licenses for 60% of their portfolio and will be out of compliance on 30% of their portfolio. Either way, the company risks losing out financially.

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Legal risk management

The ease with which software can be downloaded and installed from the internet or magazine cover mounted CDs, combined with a proliferation of pirated software on the market means it is easier than ever to introduce a legal risk to the network. What may at first appear to be shareware or legitimate licensed software can, unfortunately, often turn out to not be so.

Regular audits, combined with a centralization of software purchasing, ensure that the IT department knows what is on the network and can spot if unauthorized or potentially dangerous software is installed on a PC or server.

An effective SAM strategy can also help organizations address the risks associated with particular file types – notably video and audio files – which in addition to wasting precious storage can often present a copyright risk to the network owners.

Network security

Tracking the software on the network can help dramatically improve network security. For example, when a critical vulnerability alert is released for a particular application, those organizations with a full and up-to-date IT inventory will be able to see at a glance which machines are affected and where they are on the network. Armed with this information, administrators can make the decision to deploy a patch (if available) or even quarantine the affected PCs from the network.

Similarly, managers can use audit reports to check for software known to be 'dangerous' such as file-sharing or

internet messaging applications.

Discovery comes first

So where do you start? It's easy to be frightened off SAM by the perceived enormity of the project and the disruption likely to be caused to the wider business. Thankfully, the reality is quite different.

By choosing an effective network discovery solution, any concerns are easily answered and suddenly the cost, risk and efficiency benefits of SAM make the project a 'must-do' rather than a 'nice-to-do'.

The first step of any SAM project is to perform a software inventory. You need to know what you have and where it is before you can manage it. Only by knowing what programs are installed on which computers and how many computers your organization has (desktops, laptops, servers, printers, firewalls and switches) can you decide what changes are needed to best suit business requirements.

An accurate inventory will help administrators establish:

- Are we using the most recent versions of the programs we need?
- Do we have any unused programs that can be removed?
- Do we have a licensing shortfall on any applications?
- Are there any PCs or laptops that are not being used?
- Does every employee have the right software to meet their needs?
- Is the software installed on each machine being used regularly?

And with an inventory tool like Centennial Discovery® it is even easier than you would have imagined to create a quick, efficient and accurate IT inventory. What's more, by tracking not just PCs and servers, but all IP-addressable hardware devices and even individual file types, Discovery offers not just software asset discovery, but full network discovery.

Benefits for the IT department

Anything that makes your life easier when managing software has got to be good news. Once you have got a full view of your IT assets, you are then in a position to start controlling and managing them effectively. With the accurate inventory data you get from your audit you can then do a license reconciliation to see whether there are licenses you need to

'Managing IT assets throughout their lifecycle can reduce IT asset costs by up to 30%.'

Gartner

purchase or redeploy.

And once you have got compliance you need to keep doing regular audits to make sure that you stay compliant and can prove that you are.

Benefits for your business

Establishing an effective SAM strategy will mean that you can be sure that your IT assets are being managed throughout their lifecycle (which can reduce IT asset costs by as much as 30% according to Gartner). You will also be sure that your IT department's future planning is more effective by having a clear understanding of current requirements. And you'll know that you have competitive advantage because your IT team will be able to make better quality decisions about how to use their IT budget, based on facts rather than educated guesswork.

Return on Investment

The ROI timescale for a solution like Centennial Discovery is surprisingly short, with most users realizing a complete recuperation of outlay in six months or less. Longer term, the cost benefits of reduced software spend, minimal legal exposure, improving staff productivity and ensuring IT efficiencies can be dramatic. Simple as it may sound, just having accurate IT inventory data to hand enables managers to make the right decisions when it comes to managing business critical IT projects such as OS migrations, application upgrades and software roll-outs; which can save an organization thousands if not millions of pounds in wasted IT spend.

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Perform inventory audits fast and easily with Centennial Discovery

Centennial Discovery automatically discovers and records all software deployed throughout the organization - making it easy to reconcile licenses of a particular application or create a global view of all your software assets.

With Centennial Discovery you can:

1. Make sure that you find and monitor everything you've got on the network. Discovery finds all software (local and remote) and hardware.
2. Reconcile software used against licenses held. Discovery has a unique software recognition engine which positively identifies more applications.
3. Prove you're legal by supporting license negotiations with clear and accurate reports. By tracking software usage, Centennial Discovery can help managers decide when to remove redundant software, when to redeploy applications and even whether or not to renew maintenance contracts.
4. Be confident that you are in control and know that you can stay that way by re-auditing at any time with no disruption to productivity. Flexible reporting and software change alerts all help you to make sure that you stay legal.

Centennial Discovery enables managers to automatically locate and account for all software throughout the organization – dramatically reducing the management time required to assess and prove license compliance.

If all this sounds too good to be true, why not try at first hand? Download an evaluation copy of a full 5 seat version of Centennial Discovery from www.centennial-software.com to find out more about how easily it can help you start to manage your software applications.

About Centennial Software

Centennial Software is the fastest-growing dedicated developer of network discovery and IT asset tracking software. The company's flagship product, Centennial Discovery, is the ideal solution for IT professionals who need to quickly and easily ensure software licensing compliance, mitigate network security risks, improve helpdesk efficiency and optimize IT network assets.

With more than 3 million licenses sold to blue-chip organizations in over 40 countries, Centennial Software delivers its solutions through a network of resellers and private-label OEM partners.