



LANDESK White Paper

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# IT Asset Management (ITAM) Suite

A layered approach to your IT asset management strategy

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## The Basics of Managing Your IT Assets

By using a process-driven IT Asset Management (ITAM) program to analyze what you own and how you're using it, you lighten your load at audit time by being in command of the information your software and hardware vendors will demand. You also stand to trim your costs by recovering and reallocating underutilized software licenses, buying only what you need when you need it, and making more lucrative agreements with your vendors.

ITAM is a set of management disciplines that combine internal processes and the oversight of an asset manager with automated systems to drive genuine value across your organization. To be of value, ITAM must entail ongoing, repeatable procedures employed by all areas of the enterprise to define product versions and the terms and conditions of their use, to demonstrate actual ownership with verifiable records, and to determine who is using what and under what licensing agreement it is covered.

ITAM encompasses these five disciplines that enable you to track both hardware and software assets along with all relevant information, eliminate unused software licenses, drive immediate license savings, and ensure audit preparedness.

- 1. Connect with Your Vendors:** Use B2B Connectors to obtain detailed asset information directly from your vendors from the moment you acquire a new asset.
- 2. Leverage Intelligent Processes:** Use multiple discovery processes to create accurate inventory of devices and applications. Apply usage data to identify unused software, reducing IT overspend.
- 3. Normalize Your Data:** Normalization condenses acquired and discovered data to generate an uncomplicated picture of license entitlement and the hardware and software used.
- 4. Reclaim Operational Expenses:** Prepare for true-ups, stay compliant, and avoid overspending by automating the reclamation process for unused software.
- 5. Sit Back and Relax:** Multi-audience reports, viewable from anywhere on any device, instill confidence that you can pass an audit at any moment.

With these core practices in place, ITAM then offers the validation you need to protect yourself at the time of an audit and to plan effectively for the future by: 1) ensuring the consistent capture of data over time; 2) providing a history of changes over time; and 3) demonstrating at any given time control of your asset entitlements.

The benefit of having ITAM in place is that it significantly changes the way your organization views and manages its software and hardware assets. With ITAM, requests for software installations go through a request-and-approval process that takes into account the role of the requester and the available entitlements to ensure proper administrative tracking and oversight. When supplemented with a standardized catalog of approved titles, ITAM practices build the structure and context for active resource tracking, maintenance, and planning. This disciplined, process-driven approach enables cost management and chargeback. ITAM also goes beyond software monitoring to track and maintain all assets across your environment. It is critical to gain complete visibility of warranty data at the time hardware is purchased so you can manage recall information on assets like batteries, printer ink or toner, and other consumables. This process helps internal consumers understand the budget impacts of requesting and installing software and hardware assets.

ITAM will do much more than remove the pain from an external audit; it will allow you to perform routine internal audits to determine if your software and hardware assignments benefit your organization, if you have the right assets assigned to the right users, and if you are working with the right vendor. Without processes that offer up hard statistics, you have no leverage when negotiating license agreements, volume discounts, or the details of the audit process.

## Acquire and Import

Develop an integrated structured asset repository by collecting and importing key information about your software and hardware assets. By integrating the repository with other ITAM components, you can deduce chargebacks, potential upgrade paths, and the number of licenses still available for assignment. This is the most important stage to get right because if you do, the rest of the lifecycle will run more smoothly.

When you order a software asset, the reseller data aggregator downloads and enters the purchasing data such as the related cost per license and purchase order number. The vendor data aggregator then downloads and enters the license quantity information. The licenses will recalculate automatically to show how many licenses are available for other users. IT Asset Optimization will then tie them to a person and a device.

When you order a hardware asset like a printer, the Public Data Aggregators gather data, as does the Reseller Data Aggregator, which download the purchasing data. With the Manufacturer Data Aggregator the warranty information is entered, as well as information about cost per page and number of pages for the life of the printer.

When an asset already exists and is scanned by Microsoft System Center, that record is added and continues to be built with data from all the other data aggregators, so you have a complete picture of that asset for future reporting use.

## Discover and Inventory

Whether you want to renegotiate a software vendor license agreement or reassign unused or underused software or hardware, you first need to discover and inventory how and where you are using your software and hardware. By combining internal processes for tracking hardware and software with an automated ITAM discovery engine, you're able to locate your assets, analyze usage, and reconcile that information against entitlements, which you have stored in the structured asset repository. A company-wide discovery discipline serves your organization far beyond the audit by providing the necessary information to drive entitlement policies, recovery processes, and purchasing.

Once an asset is assigned to a user it can be tracked so you know what licenses are being used. It will often run many different scenarios through algorithms to ensure you're in compliance. This type of information will also help you when it comes to renegotiating licensing deals or enterprise license agreements, which could save thousands, because you'll know what you have and what you're using.

It is also critical to know how well you're using your hardware assets. If it's an asset like a printer, IT Asset Optimization can be performed to determine where the asset is and use rules to properly name or identify the asset. The data mapping is the means by which you can know who has the asset and where the asset exists. Managing assets through their active lives enables you to gain more intelligent data to improve asset management and reduce the associated risks and costs.

## Document, Control, Reconcile

Until you take control by documenting and reconciling software entering and leaving your organization, you remain exposed at the time of an audit. Centralized management proves that you have a discipline in place for assigning software and hardware specifically and consistently.

Unlike hardware, software isn't usually retired. It's either upgraded or reclaimed and recycled. Tracking upgrade licenses can often cause some anxiety, since it's difficult to know what the effective license usage is due to the many purchasing benefits offered, such as bundling, suites, and families. You must also consider downgrade rights. Your IT Asset Optimization processes should provide the information you need to reclaim unused or underutilized software and redistribute it to other individual requestors.

IT Asset Optimization processes can help you determine when assets should be retired by using information about the "born-on" date plus a predetermined amount of time or when the warranty expires. If you've gathered purchasing data through the data aggregators for SNMP-detected devices—like routers, switches, hubs, and IP phones—you will also be able to calculate when to retire these assets, ensuring you have the best and most cost-effective technology in place.

## An Audit Looms in Your Future

If you are increasingly anxious about software audits, you're not alone. Forrester Research found that organizations are "increasingly anxious about being subjected to software audits from the firms that supply the applications that they use around the world for tasks ranging from word processing to supply chain management."<sup>1</sup> Software companies have made it their business to collect on revenue losses from unlicensed software, and they act with backing from government copyright laws, which permit stiff fines well in excess of actual damages for the use of unlicensed software.<sup>2</sup> Software vendors aren't the only ones looking to capitalize on patent infringements. Disgruntled insiders within your organization now have incentives to make online noncompliance claims through the Business Software Alliance (BSA), which offers up to a \$1 million reward for a qualifying report of license noncompliance.<sup>3</sup>

[1] George Lawrie, "Defuse Software License Time Bombs With Software Asset Management," Forrester Research, July 9, 2010

[2] Software & Information Industry Association. "Anti-Piracy FAQ, 2009." [http://siia.net/index.php?option=com\\_content&view=article&id=387:piracy-faq&catid=8:anti-piracyoverview&Itemid=420](http://siia.net/index.php?option=com_content&view=article&id=387:piracy-faq&catid=8:anti-piracyoverview&Itemid=420)

[3] Business Software Alliance. <https://reporting.bsa.org/usa/home.aspx>

While penalties and increased license fees for noncompliance can cost organizations millions of dollars, they are far from the only costs your enterprise can face as a result of a software audit. An onsite audit can disrupt the work environment for many months and pull your internal resources away from key projects for the onerous task of gathering whatever information the software provider demands—from software invoices to the documents that came from companies you have acquired. Language in current license agreements can lead to misinterpretation and disputes, increasing attorneys' fees. And then there's the media: even if noncompliance was unintentional, the press may have a field day reporting that your organization has pirated software, damaging your reputation and brand.

If you can't easily put your finger on what software you have, where you have it, and how you are using it, the chances of failing a software audit increase. In addition, the complexities of today's license agreements often cause inadvertent software-use violations. A few years ago, counting up your discoveries and reconciling them against your purchases was enough to satisfy an auditor, but today a single license agreement can account for many entitlements. An example is the Microsoft Developer Network license, which allows you to consume one license to run many operating systems and applications on an unlimited number of computers as long as those computers are used for development and testing purposes. This kind of licensing agreement represents many complexities for the software asset manager charged with the reconciliation of software assets.

## Overbuying Software Licenses?

One of the ways organizations protect themselves against non-compliance is to overbuy software licenses. If you don't understand what you have, you may be tempted to overbuy licenses to avoid getting hit with penalties and fees. This crisis-driven approach to preparing for an audit may avoid fines, but it does nothing to reduce the time and money you'll spend to survive subsequent audits.

Many organizations may be overbuying software licenses without even knowing it. In fact, 78% of businesses don't know if they have the right licenses.<sup>4</sup> This presents an opportunity for IT to reclaim those unused licenses and reduce spend.

[4] The ITAM Review. "The real cost of a chaotic enterprise application estate". <http://www.itassetmanagement.net/2013/10/14/rimo3-infographic/>

The complexities of software management cause many organizations to wait until after a software audit costs them stiff penalties to implement some form of software management strategy. For many companies, software management means using the basic system tools that come with Microsoft Windows or other operating systems to account for software installations. But without a process for comparing installed software to allowances on a license agreement, you not only stand to fail an audit, you also have no way to recover and allocate underutilized licenses. Plus you have no way to align software buying with your needs or to make cost-effective agreements with your software vendor. You need an ITAM program that prepares you in advance of an audit and allows you to recover considerable costs by taking control of your software assets.

(sidebar or callout)

## Top 10 Benefits of ITAM

1. Allows you to reclaim unused software licenses and curb overspending
2. Helps you import and track warranty data and recalls on your hardware assets
3. Turns data into decision-making information
4. Supports both enterprise and departmental agreements
5. Improves internal analysis, chargeback, and financial accountability
6. Reduces legal/financial/reputational exposure risk
7. Improves efficiency and lowers IT support and maintenance costs
8. Assists in budget planning and resource allocation
9. Streamlines mergers and acquisitions
10. Delivers full visibility into lifecycle data for any asset

## Conclusion: Track and Control for IT Asset Optimization

Gain a complete view of all your IT assets from the point of purchase through their entire lifecycles with LANDESK IT Asset Management Suite. Know what assets you have, where they are, and how they're performing for better business decisions. LANDESK helps you track and control each asset to reduce your audit risk and provides your IT and business management associates with clear, timely information. You'll also save money by using your assets more effectively, not overbuying, and being able to negotiate more accurate deals with your vendors.



Work smarter

At Insight, we'll help you solve challenges and improve performance with intelligent technology solutions.

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