8 ways to drive cost savings using software asset management
As your business grapples with disruption and uncertainty, get visibility and control of your investments, projects, and workforce so teams can focus on operating business-critical services, maintain business continuity, and mitigate risk enterprise-wide.

Introduction

Organizations are spending more and more money on software, creating a messy universe of new and legacy assets and highlighting the need for software asset management. Global enterprise software spending in 2020 will be $507 billion, according to research by Gartner. Yet companies are still using outdated systems to track an expense that can be managed much more efficiently through a dynamic and comprehensive platform that delivers real-time data to IT and budget managers.

In any economy, every company should streamline software asset management (SAM) on a single platform, because it plots a direct path to cross-department efficiencies and bottom-line savings. In the new normal, created by unprecedented business and cultural disruption, SAM is more critical than ever to sustain your company’s resilience through a smarter workflow.

By reducing license utilization waste and redistributing software budgets to support strategic business initiatives, IT can accelerate a company’s digitalization agenda, contributing directly to revenues and growth.
Align software with company goals.

Full life cycle SAM platforms give companies transparency to visualize in one place how their software spending aligns with their goals, from the initial purchase request to the final retirement. What do you own? Are you buying what you need and using what you have? What software is hitting budget goals? Can you detect shadow software purchases and redundancies across the organization?

Embrace the power of one.

Instead of paying for many legacy tools, IT managers can now do more on one comprehensive platform than they could using a basket of others. Only when SAM is on the same platform where IT is managed can action be taken on license compliance risk, underused software, and idle clouds.

Save money with more efficient usage.

One of the key benefits of SAM is that it offers real-time visibility into license usage. If your company has software licenses for 2,000 users while, in practice, only 1,000 employees use the software, you can cut those costs and allocate those funds to other parts of the enterprise. On an enterprise-wide platform, department managers can easily identify and streamline software needs—then recover and redistribute licenses for higher and better use.

Track spending trends for ROI.

One of the most powerful functions of SAM on a comprehensive platform is the ability to track software spending trends. Unlike tools branded as “platforms” that are actually limited to SAM functions, a single platform for IT enables lets organizations to quickly identify cost and spending trends, giving IT management the real-time data needed to identify increases and negotiate lower prices with vendors. The organization can automatically track software demand from an employee self-service request catalog and avoid unnecessary purchases by first leveraging the extra software licenses sitting on the shelf. And they can bring it all together on one data model on one architecture.
Identify overlapping software use.
The best SAM capabilities can identify distributed usage and overlapping software opportunities. For example, if multiple departments are using different project management software and paying higher costs per user, there is an opportunity to consolidate contracts at a higher discount. SAM can also identify high uses of software with very similar capabilities. Do you really need four types of video conferencing software with a collective annual spend of $1.7M?

Detect software vulnerabilities for the enterprise.
One lapse in software security patches and updates can put the entire company at risk. Given the growing trend to work from home, especially in the new normal, the need for security compliance is even more acute. SAM, on a platform with native security, makes it possible for SAM teams to workflow route critical software information by device to security operations. With SAM, security can immediately identify what software vulnerabilities are where without waiting for the next scan to rectify exposures immediately and reduce the potential for hackers.

Match the right roles with the right software.
In larger organizations, there is a tendency to shower entire departments with the latest software, regardless of the cost. For example, a firm may automatically give licenses to everyone in a design department because designers all need the same tools. The reality may be that only half of the department uses that software while others have functions tangential to design. Smart SAM teams can allocate standard images to help simplify and automate the HR onboarding process for increased efficiency. Give the engineers or sales teams the software and SaaS access they need.

Automatically assign and distribute licenses.
Downtime is costly. Today’s top SAM tools automatically assign licenses and distribute software throughout the entire enterprise or on a departmental basis. When a data center is undergoing an architecture change, SAM on the same platform where the IT change is managed will surface the software cost of the change. Dropping an Oracle database into a new virtual cluster? When SAM works in conjunction with ITSM, coordination and savings begin to add up. After software is provisioned to desktops, SAM can identify what software people in their specific roles are using or not using, allowing them to revoke the underused software and make more informed purchase decisions going forward.
Creating your own SAM strategy

Although new SAM tools are helpful on their own, the biggest gains will still be realized through planning and automating workflows that facilitate interdepartmental communication.

Bring your software management and IT strategy together.

If you don’t have a single IT platform, find one that has comprehensive discovery capabilities, a robust catalog for normalizing software inventory, automated reclamation and redistribution of licenses, and flexible reporting on software usage, costs, and compliance trends. If you already have a single system of action in your IT department, add a powerful SAM capability to it to unify all processes.

Invite more ideas for a more comprehensive plan.

IT plays a role in all departments. All departments will use different software and the same software differently. Avoid making inferior plans by including all stakeholders early on.

Set goals and measure.

Nothing will grow unless goals are set and measured against. Get a higher ROI from your SAM by setting realistic goals, measured in short-term increments, and hitting them. Start with one or two software publishers with the highest compliance risk and the software with the most spend to get started.

Review and revise.

Set appropriate timelines for adequate data collection for periodic review. Revise your strategy in connection with your goals.

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Conclusion

As companies continue to heed the demand for more specialized technology to remain competitive and resilient, especially during times of disruption, this portfolio of software creates a bundle of potential inefficiencies and unnecessary cost across an organization when left unmanaged. Today’s smart SAM teams help IT managers organize and visualize the company’s entire software ecosystem to make better decisions and boost the return on each software license purchased while helping create a smarter way to workflow.

Remember that the best plans begin with a single platform that will help the company bring together its IT functions natively with SAM. The more key stakeholders contribute to the overall planning, the better the process down the road. Don’t forget business 101: Set goals, measure your progress, and review and optimize sharpen your strategy.