LicenseWatch Enterprise White Paper

Software License Management

LicenseWatch

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Software License Management

Software License Management is a key point of attention for many companies today. Data provided by market analyst Gartner illustrates the following: depending on the maturity level of software case management within a company, a company is able to save between 5 and 25 % on software license costs within the first year of installing a Software License Management System.

When a company does not use an inventory for data management, it will on average overspend up to 60% on software licenses and – in other cases – 30% too little. Therefore, many companies take unnecessary risks.

Many software vendors such as Adobe, Microsoft and Oracle have their own "software police" departments to conduct compliance audits among their clients. In addition, the Business Software Alliance (BSA) performs audits on a regular basis.

Software License Management (SAM) encompasses more than just license compliance. By using a Software License Management system a company shows its adherence to strict rules and regulations (risk and compliance) to which companies are nowadays subjected. The advantages of Software License Management are:

- Cost reduction
- Improvement of efficiency
- Facilitates cost management and cost distribution over investments
- Adherence to strict regulation on risk and compliance
- Improves/enhances corporate governance
- Reduction of business risks
- Better use of IT
- Improved security

Cost Management

Most companies lack detailed insight into the licenses it purchases, the overall costs of software licenses and if these licenses are sufficiently used. A Software License Management system will at least ensure that no unused licenses are kept within the company. It will also ensure that unnecessary purchases are avoided, maintenance costs are kept to a minimum and licenses are used more efficiently. Such a system will even reduce costs for software installations, for only strictly necessary software will be installed. A managed software environment is easier to maintain and thereby results in relevant cost reductions.

Cost Management on Enterprise Level

Purchasing software on a higher, enterprise level can also result in cost reduction:

- Rearrange your licenses worldwide, to avoid unused licenses. No duplication of licenses.
- Central purchase of software licenses provides economic and/or fiscal advantages.
- Software License Management systems also include a Contract Management module. Contract Management will allow you to manage all contracts more easily and efficiently and even provide a good base on which to start negotiations. Targets can be added to these contracts and regular evaluation of negotiated contracts will show if these targets are met in practice.

Contract Management provides thus better and more efficient management of contracts. Later in this paper this subject will be highlighted.

Risk and Compliance

Many large companies nowadays adhere to strict rules and regulations also known as Risk and Compliance, Sarbanes Oxley, Basel II, and so on. Even middle-large companies want to organise their business-processes in exactly the same way as their larger counterparts do. For them the organisation and management of their software licenses is very important.

In addition it is important for a Software License Management system to operate conform ISO 19770 standards and all its variations as to processes, software assets, software compliance etcetera. LicenseWatch supports all these necessary ISO regulations and rules.

All companies, also small and medium sized companies are entering an awareness-process. They are aware of the fact that organisations such as the BSA audits are executing their searches on a regular basis. They want to anticipate and take action on these audits. Companies are therefore increasingly triggered to purchase a SAM tool. Such a solution minimizes all kinds of risks when installed within companies.

Desktop and Enterprise Software License Management

Software License Management comes in different forms and levels. Some tools for example analyse desktop software used in a company, other tools analyse all enterprise software. LicenseWatch SAM can do both.

Security Risks

By implementing SAM you can prevent unwanted and unnecessary applications entering your company. In addition, Software Asset Management allows a company to manage its applications and their configuration. Employees will not be allowed to just install an application; the SAM tools inform your IT department automatically about each installation, which enables your company to dispose of unwanted applications. Finally, SAM contributes to enhancing and maintaining a high level of network security in the company.

Contract Management

The amount of contracts, even in a small company, generates a lot of work. The connections between contracts may be blurred which leaves the administrator with a time consuming job getting things in order. The lack of overview can frustrate the administrator causing him to make wrong decisions and making them in the wrong period of time. Essentially a blurry contract situation causes a loss of profit.

With a SAM Contract Management system the contract administrator knows that all contracts are dealt with and that he will receive a notification if

an important date approaches. It reduces contract expenses, increases margins and reduces total cost of ownership.

The complexity of the management of contracts and licenses occurs when renewals need to be done and reconciliation starts. The inventory of contracts and taking all rules and regulations into account is almost completely automatically done by the SAM solution from LicenseWatch. Optimisation of your contracts means saving money.

A unique feature of LicenseWatch, is its graphical presentation which makes it easier to achieve an overview of complex contract relations.

LicenseWatch Contract Management will bring:

- Complete overview of all corporate contracts
- Graphically overview of related contracts.
- Alarms and notifications for important contract dates.
- Easy importing of contracts from other systems.
- Timeline feature.
- Guideline feature.
- Customisable contract templates.

Life Cycle Management of Software Assets

It is important to have the ability to connect existing software deployment solutions such as Microsoft SCCM (System Centre Configuration Manager) or Symantec Altiris, which are used in many large and small organisations. These tools generate a lot of valuable information that should be integrated with a SAM tool. Only very few SAM tools provide the ability to integrate correctly with software deployment tools. Data from both tools should be integrated, analysed and loaded into pre-defined reports. Partners of software vendors can then tailor these reports to their own needs or combine these with the data generated by their own tools.

Support of Various Enterprise Functionalities and Application Suites

LicenseWatch SAM also supports application virtualisation such as CITRIX and hardware virtualisation such as VMware.

When a company uses an application, the application suites can be used in either a basic version or the complete suite. A SAM solution helps in defining which parts to use and what can be used best. Not every employee needs to install the whole suite, for instance, this saves companies a lot of money.

Implementation

Some SAM tools are quite complex to implement. Therefore they do not easily show positive results or even not at all. LicenseWatch, on the contrary, is easy to implement, roll out and ROI and advantages are quickly visible. There is a large difference between desktop software management systems and data-centre software management (Oracle licenses, Citrix, VMware), the latter being more complex. Furthermore, there is a large difference between the various software vendors on this particular market. LicenseWatch is covering all these various possibilities within its license software management solution.

The SAM tool of LicenseWatch is easy to use and easy to implement. Normally, companies are able to start with the delivery of inventory data within one day. Consequently, the system is usable and operational within one day. LicenseWatch can be installed on a server. When employees are logging on to their systems, the SAM system automatically gives a signal and starts running its inventory. After a couple of weeks or so, depending on the complexity of the software environment of the customer of course, a first full report on the software status can be run.

Inventory and Reporting

As far as the inventory of licenses within companies is concerned, or the search for various licenses within companies: this is done by software recognition. When running an inventory on a company's system, a lot of different information comes across. From Word to Excel, to Windows Service Packs, software suites, drivers etcetera. The software needs to be intelligent to do a proper 'software recognition job'. The software needs to identify and decide whether or not a piece of software is relevant enough as it is. The software will produce an application list with names and versions. LicenseWatch has pre-build into its software a lot of intelligence; therefore the software is capable of running an inventory or reconciliation of intelligence in a much more intelligent way.

For example: some large companies have pre-defined contracts with for instance Microsoft, meaning that they are able to buy software at lower prices than others. Partners can help here by also using this information with the inventory as a whole.

Resume – With Software License Management Tools

With Software License Management Tools, companies are able to achieve high level business goals, such as:

- Risk mitigation
- License Risk & Compliance
- Improved Financial Security
- Improved business- related functions
- Improving IT security
- Enhancing Corporate Governance
- And many more.

About LicenseWatch

LicenseWatch is today's leading software vendor that makes Software Asset Management extremely simple, providing cost effective control and compliance. With offices in Copenhagen - Denmark, Stockholm - Sweden, Ratingen - Germany and Amsterdam - The Netherlands, LicenseWatch focuses on delivering world class solutions which help its customers save on licensing costs and help them prevent under-licensing risks.

Please visit http://www.LicenseWatch.com for more information.

LicenseWatch is covering both desktop and enterprise Software License Management, a unique and efficient combination, which is very easy to install. Furthermore, our strengths lies in cost effectiveness; with our software, companies are able to reduce their costs tremendously. Compliance and risk is what we take into account for our customers. Last but not least, LicenseWatch has lots of features, functionalities, and possibilities: an advanced, complete solution.

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