



# BEST AND WORST PRACTICES:

## A LOOK AT WHAT TO DO AND WHAT NOT TO DO WHEN DEVELOPING A TOTAL SOFTWARE MANAGEMENT STRATEGY

Navigating through today's quickly evolving software environments can be a challenging and risky proposition, even when organizations have a formal plan in place. But with a comprehensive software strategy that formalizes every step—from assessment to ongoing management—it becomes far easier to avoid the costly consequences of noncompliant and poorly utilized programs. And that makes for fully optimized value realization of their technology investments. This paper takes a closer look at some of the initial steps of establishing and leveraging total software management (TSM) and also discusses some of the best and worst practices.



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## UNDERSTANDING SOFTWARE MANAGEMENT

Considering the role technology plays in today's business environment, having a keen grasp of the software component requires establishing and maintaining an evolving software management strategy. The goal of any successful program is to establish a multifaceted living platform.

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Specifically, a well-designed program is capable of assessing how effectively software resources support the overall goals of the organization and identifying ways to enhance value. Furthermore, it provides in-depth information to help with new product selections. A successful strategy also pinpoints and validates licensing model choices that can save the organization money by rightsizing licenses to avoid noncompliance fees or overspending for seats. A software management program even aids in deployments of software updates and new products while educating the IT staff and users about how to get the most out of the technology. That said, software management should support long-term software management activities with regular infrastructure and contract reviews as well as ongoing health checks.

One of the first steps of establishing a successful software management program is to identify who is accountable for three key areas: software asset management, procurement and/or budgeting, and software use. Depending on the organizational structure, all these tasks may fall under the auspices of one person or department, yet it is far more common today for these three duties to be the purview of three completely separate departments.

"Although there can be benefits associated with different individuals' being involved, the problem is that oftentimes not all the groups communicate with one another. This can become a significant problem when the manufacturer comes in and asks to do an audit or software asset management engagement," says

Lyndsey Dunn, licensing account executive with Vernon Hills, Illinois-based CDW, a leading provider of integrated information technology solutions. "Understanding who holds responsibility for each of these areas sets the stage for success."

With a clear understanding of the parties involved, the next step is to identify how, specifically, the company can best manage the budget as well as the use of the software. "For a holistic strategy to succeed, you need a process or methodology that works for your organization and embraces proven best practices," says Dunn. "Until organizations have a management methodology, they will still be at risk. A tool alone does not translate into success."

## BUILDING OFF BEST PRACTICES

Although organizations' strategies will have noticeable differences, there are a handful of proven best practices capable of guiding progressive businesses in the right direction:

**1 MAKING A COMMITMENT.** Those enjoying the most-successful software management strategies proactively enter into the process with determination. They embrace the importance of understanding and managing software use versus licensing entitlement. Organizations committed to a software management strategy tend to enjoy the most assistance and get the best financial deals from manufacturers, whereas organizations that decide to wait and see if they get caught tend to end up with high unbudgeted spending as well as fines associated with breaking licensing terms. Being proactive and having a solution in place often translates into better manufacturer relationships, which typically makes it more likely that the organization will enjoy favorable rates as it negotiates future purchases and upgrades.

**2 EMBRACING PROVEN ASSETS.** Choosing an intuitive tool specifically designed for software asset management is a must. Most organizations have solutions in place in which asset management is an available module. Although going this route is adequate for meeting simple requirements, it's important to remember that these solutions are rarely software-specific. Instead, they tend to focus on something else such as mobile device management. These solutions may have the ability to administer patches or specifically identify what assets are in the field, but they often lack key capabilities of specialized software management solutions. For instance,

a help desk solution will not necessarily have the ability to load all of the organization's contracts and entitlement details. A well-built solution will also allow for partners to plug in directly and complete punch lists, which can prove helpful as organizations add new assets.

**3** **REGULARLY TESTING THE STRATEGY.**

Regular attention and checkpoints—especially early on—are very important in identifying and swiftly rectifying potential issues. One approach is to pick one or two manufacturers that have more-complicated licensing structures and conduct monthly or quarterly checkpoints to make sure that the team using the software understands what rights have been purchased. Just because a tool is in place and data is there, people might still install the software beyond what is owned. It's often the periodic checks that keep everyone in line.

**4** **SEEKING ASSISTANCE.**

There are partners out there that can help. Finding the right partner with consulting experience and understanding of the license use rights is instrumental in explaining any gaps. A partner can even establish specific best practices to ensure compliance while effectively managing costs. A trusted licensing advisor is especially important in today's environment, in which manufacturers commonly approach organizations directly to do cadence checks. A good licensing advisor should serve as the glue to keep communication flowing between all involved and also act as a broker to manage the manufacturer relationship. There are also great benefits in finding partners capable of plugging directly into the organization's tools and solutions.

## BEING AWARE OF WORST PRACTICES

On the other side of the best/worst-practices coin lurk several common mistakes or worst practices that businesses need to avoid. Below are a few examples of mishaps capable of derailing an organization's efforts:

**1** **RELYING ON A TOOL.**

Properly leveraged, asset management tools can prove to be invaluable assets. However, expecting a tool to fulfill all the tasks associated with a successful total software management (TSM) strategy is foolish. Purchasing asset management tools can prove most beneficial in automating redundant components, but the downside is that they completely ignore the people factor and fail to

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provide the methodology component of actually benefiting from a TSM strategy. “Even when you have a tool in place that will give you data, you still need to understand what the data means from a license use rights and contract perspective,” says Dunn. “Knowledge still comes into play, and this is where a solid advisor can help—it is the SME capable of addressing questions.”

**2** **GOING DIRECT.**

Working directly with a manufacturer can be a costly mistake. Although it's reasonable to expect that a manufacturer would know its contract licensing and use rights better than anyone else, the reverse is actually quite common. “Manufacturers tend to upsell to a bigger package, because it is easier from a licensing perspective. But the bigger package may not be the best fit for the organization, and it may cost more,” Dunn says. “Just being easier and including everything doesn't mean that it's the best fit. Always make sure to have a third-party vendor-agnostic advisor assisting whenever a manufacturer enters the equation.”

**3** **PLAYING THE WAITING GAME.**

Those who wait for the manufacturer to come requesting an audit are at far more risk than those who take action proactively. Although building a software management strategy requires an ongoing commitment, getting started should not be overwhelming and can prove rewarding. “An easy first step businesses can take is something as simple as a one-time asset management engagement. Start by choosing a single manufacturer, doing an assessment to see what is deployed, and then comparing the results with the organization's license entitlements,” Dunn says. “This can establish a baseline and give you an overall perspective. Some people find that they have actually been doing a good job.”

**4** **IGNORING THE SIGNS.** Even for organizations that typically have a solid grasp of deployments, licensing, and strategic alignment, a handful of signs can point to potential issues. For instance, anytime there has been a lot of changeover—especially within IT staff—the likelihood that the organization will waver from its strategic software utilization strategy intensifies. Improper monitoring of SQL utilization is a prime example. Not everyone knows who needs SQL, so it's not uncommon for deployment errors to crop up. Mergers and acquisitions are also areas of concern. "When a new company comes into the fold, you are only as good as the information it provides. It is always good to do an assessment yourself and make sure you are living up to entitlement," she says. "Manufacturers look for these signs as well when selecting organizations to audit. On the plus side, a changeover can serve as an opportunity for management to take a closer look at what is being used versus entitlements."

**BOTTOM LINE:** In the simplest terms, a complete software management program necessitates that all those involved understand their roles and responsibilities, some sort of tool to manage the assets and license entitlement, and an organizational methodology that takes care of the flow. Building and maintaining a sustainable software management program is a complex component of IT management. It is an area where a lot of organizations want a plug-in solution that can manage use versus entitlement and most are not sure where to start.

"A top-notch management strategy does not happen overnight, and it is constantly evolving. It's important to remember that total software management is a journey, not a destination," Dunn says. "As a result, the data is good only at the moment you check. You can get data today, and someone can install something tomorrow. You need to stay on top of this."



## CDW'S APPROACH TO TOTAL SOFTWARE MANAGEMENT

Part of what makes CDW's approach to software management is its proven process, designed to proactively take organizations through each step of the way. Below are the key steps that effectively make CDW's approach a total software management (TSM) methodology:

**Assessing for Success.** Assessments focus on an organization's existing software environment to determine what programs are already running, whether they're being used effectively and how accurately prevailing licensing contracts reflect actual usage.

**Validating to Ensure ROI.** A return-on-investment analysis is a crucial component to the CDW strategy because it substantiates investments and choices when it comes to licensing models. ROI assessments help in validating the impact of important trends, such as server virtualization, and identifying the right licensing model for particular applications.

**Deploying without Drama.** Success starts with understanding and communicating the plan designed to help the organization activate benefits and fully realize what comes with the agreement—beyond just the software itself. For drama free deployments it's important to address an array of factors including the timeline as well as the budget for launching software and related hardware.

**Providing Ongoing Nourishment.** If an organization's total software management strategy ends after the deployment of new technology, it's missing the boat. A true total software management approach is more akin to a journey than a destination. Specifically, a TSM strategy should be an ongoing process that helps the organization meet the terms of licensing contracts, reduce the burden of compliance responsibilities and ensure that the software is delivering the expected benefits.