Software asset management: Where is the market headed?
What we are seeing today

**Software growth**
Enterprise software is the fastest-growing Enterprise IT segment in 2017, with 5.5% growth.
—Gartner, 2017

**Software spend**
The average enterprise spends 22% of its IT budget on software.
—Gartner, 2016

**Audit request**
Software audits are on the rise and it’s getting more expensive; 68% of enterprises get at least one audit request each year.
—Gartner, 2016

**Organizations**
89.5% of organizations could cut their software spending by maturing their SAM recycling and license optimization processes into their daily IT operational activities.
—Gartner, 2016
SAM stakeholders
Software is central to many functions within a company

**Vendor Management**
- IT cost reduction
- Better ability to negotiate contracts

**Legal**
- Regulation Compliance
- Better ability to negotiate contracts

**IT**
- Cybersecurity
- Link costs to consumption
- Enable end users

**Finance**
- IT cost reduction
- Limit spend increases

**End Users**
- Serve the customer efficiently and effectively
Software asset lifecycle

Software Asset Lifecycle

**Forecast and Request**
- Collect and aggregate forecast data
- Collect and aggregate software acquisition requests

**Analyze and Procure**
- Review and assess new / incremental software demand
- Perform a product rationalization analysis
- Validate license availability for installation requests
- Review acquisition requests and procure software licenses

**Install and Maintain**
- Install software
- Respond to and resolve software license inquiries
- Manage software license financial treatments

**Monitor and Track**
- Maintain software catalog
- Maintain software contract inventory
- Maintain software license inventory
- Assess, analyze and report software compliance
- Track software compliance issue remediation

**Decommission and Reuse**
- Review software/hardware decomm requests
- Review personnel change impacts
- Uninstall software

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What an effective SAM program can yield

Overview

- Super regional bank was looking to better manage several high-risk vendor contracts by addressing immediate concerns while simultaneously establishing a SAM program via a Build, Operate and Transition strategy

What we did

- Built and operate client’s SAM program
- Performed ELPs for IBM, Microsoft, and Oracle
- Developed standard operating procedures on how to develop ELP reports for IBM, Microsoft, and Oracle
- Configured “IBM BigFix” to allow for “Sub-capacity” licensing for IBM

Outcomes

ROI:
- First year cost savings: $9M
- Cost avoidance: $13.4M
Deloitte’s services

Managed Services
Various managed service levels provided based on client needs:
• On-going baselines any and all vendors utilizing client’s technology or Deloitte’s proprietary technology
• Operational support
• Cost savings/ad hoc activities
• SAM transformational efforts

Point Solution
• Baseline reviews
• Vendor audit readiness
• Software optimization
• M&A services
• ITAM supply chain services
• Vendor rationalization

Technologies
• Implementation and data integrations
• Contract/license entitlement onboarding
• Request management
• Compliance/Financial/Optimization Reporting

Program Transformation
• SAM process risk assessments
• Strategy and organizational structure development
• SAM policy, procedures, and roles development

Technology Implementation

Point Solutions
SAM Managed Services
Managed Software Asset Optimization: Redefining Software Asset Management

Limit audit risk and exposure, control IT costs and increase IT efficiency

Deloitte’s Managed Risk Services Delivery Model

**Skilled Professionals**
Software license & vendor experience to help clients optimize software licenses and achieve audit compliance

**Process Optimization**
Proven SAM framework and standards to identify, monitor and optimize software licenses, and improve data confidence

**Innovative Technology**
Provide transparency, streamlined workflow and insight across software estate

**Managed Software Asset Optimization**
New End-to-End solution to effectively and efficiently address the entire software life cycle journey

**MSAO value proposition**

- **Cost savings** – lower total software spend by eliminating unnecessary maintenance fees and software duplications
- **Trustworthy data** – drive smarter decision making
- **Audit compliance** – eliminate unexpected audit penalties and audit preparation labor with audit-ready ELP
- **Rightsized software spend** – optimize software licensing costs and streamline vendor negotiations
- **Outcome-based** – deliver business outcomes i.e. delivery of ELP and validation of non-discoverable products
- **Predictable pricing** – deliver tiered service tailored to size and scale of our clients and desired level of service

**SAM license optimization capabilities typically report up to 30% software spending reductions within one year.**
- Gartner, 2016

**With worldwide total vendor software sales of $326 billion in 2016, the savings possible from software license optimizations are just too large to ignore.**
- Gartner, 2016

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