How Can I Better Manage My Software Assets And Mitigate The Risk Of Compliance Audits?
CA Service Management helps you know what software assets are being utilized, pool and distribute unused software to where it is needed and mitigate the risks of software vendor audits.
Executive Summary

Challenge
In an environment where IT is asked to do more for less, effectively managing software is necessary to ensure that IT investments are cost-optimized. Unfortunately, most organizations do not do an effective job managing these investments. They rely on spreadsheets or homegrown databases to track software licenses and utilization. They have difficulty understanding which software licenses are being utilized and which are available. The organization over-purchases software and fails to maintain control over license compliance. This results in costly overhead for software and exposure to significant risk of compliance audit and violation.

Opportunity
CA Service Management asset management capabilities provide a market-leading solution designed to help you improve the financial, contractual, and operational management of your IT hardware and software assets throughout their lifecycle. They are expressly designed to address the needs of service providers and large enterprises as part of a comprehensive service management solution. The solution enables the end-to-end management of assets supporting IT services—from requisition to retirement, and provides financial visibility and control over those investments.

Benefits
A comprehensive asset lifecycle management solution delivers proven ROI to control IT spending, enables regulatory and policy compliance, and improves service delivery. CA Service Management asset management capabilities enable you to better understand which assets are being used and which are available. You are better able to reallocate software licenses where they are needed and retire assets that no longer bring value to the business. As a result over-purchasing and IT overhead are reduced. In addition, reporting capabilities vastly improve vendor negotiations, software compliance management and audit response. This, in turn, reduces vendor cost and mitigates software audit risks.
Section 1: Challenge

Keeping the lights on or driving innovation?

Organizations today are struggling to maintain competitive advantage in a challenging economic climate. For CFOs and CIOs, these two directives often come into conflict. Not only do CIOs and their IT departments need to support innovation to meet the needs of an ever diverse customer base, but they need to do so with significantly less budget than they typically had ten years ago. At the same time, the IT environment has become increasingly complex with high adoption of virtualization, new cloud-based infrastructure and platforms, and a wider array of devices to support. This complexity further stretches the already strained resources making it challenging to focus on innovation.

To address this dynamic, executives need to proactively manage the investments they have already made in software assets to ensure that they get the most from them. In addition, compliance with software licenses is an integral part of managing those assets. Vendors increasingly exercise the right to audit customers to ensure the licensee is not exceeding the authorized use for purchased software. Organizations are, thus, exposed to risks of compliance fines, subjected to the costs associated with conducting these audits, and severely impacted by disruption to their normal business operations that the response entails.

Unfortunately, most organizations do an inadequate job of managing their software investments. They rely on manual efforts, spreadsheets, or homegrown databases to track software licenses and physical assets. This results in a poor understanding of where these assets are leveraged, which ones are no longer used, and whether software utilization is in compliance with existing licenses. Instead of optimizing the investment, funding is siphoned from innovative projects due to this overspending on physical and software assets. The organization is exposed to software compliance fines and audit costs, and is ineffective in vendor negotiations due to a lack of reliable information.

Section 2: Opportunity

CA Service Management: Improving asset utilization

But what if you were able to manage assets differently? What if you were able to know what licenses are utilized and which should be reallocated? What if you could pool software licenses and distribute them where they could be more optimally utilized rather than purchasing new software? What if you could proactively manage vendor relationships and software compliance and mitigate risk from license audits?

CA Service Management software asset management capabilities empower you to address these demands. The solution helps you identify assets and licenses that are currently in use and those that are inactive. It helps you pool these assets and distribute them, on demand, to where they are needed. And it proactively reports on software license demand and vendor contracts. This empowers you to better negotiate contracts, to proactively manage software compliance issues and optimize the use of software licenses.
Recognize and import license information.
Integration with your existing discovery tools and procurement systems can enable you to sift through massive amounts of information. The solution’s master software catalog automates the time-consuming and error-prone task of manually recognizing licensable software, gathering purchased software licenses and compiling product use rights. This information can then be automatically reconciled, enabling software asset management analysts to be more efficient with their time and focus on higher value activities. As a result, you are better enabled to create a more complete and accurate inventory of used and available software in your environment.

Track, manage and distribute licenses throughout the organization.
Once you understand the licenses that are available, the solution helps track which of these licenses are in use and which are available and enables you to pool available licenses across the department or organization to improve the utilization of available assets. You are better able to match this availability with incoming demand, and, as a result, reduce the amount of over-purchasing for licenses.

Understand the cost implication of software assets.
Understanding the financial impact of your license base enables you to decide what costs are relevant to your organization and to allocate these costs accordingly. The solution tracks and categorizes specified software-related expenses, including historical, current, and projected costs, to help you analyze their financial impact. Costs can be allocated on a pro-rata basis to their respective projects and organizational units providing transparency and cost allocation based on the actual use resulting in greater acceptance for internal prices and cost allocation.

Audit and report on license utilization.
CA Service Management software asset management capabilities help you understand and report on software compliance. Advanced reporting capabilities allow you to report on and maintain software asset utilization. A dynamic, personalized dashboard displays results that are critical for better decision support and provides key indicators for the highest audit risks, the most expensive licenses, the most important publishers and the largest contracts. In cases where your organization is audited, you are able to significantly reduce the effort necessary to report and negotiate with the license vendor. In addition, your organization is far less likely to owe a compliance fine.

Vendor management
The solution helps manage vendor relationships by compiling detailed information about the vendors with which you do business, including contact information and their relationships to other companies. This enables you to take control of vendor relationships and to understand the interdependencies between all parties. You can leverage your buying power by gaining complete information about total dollars spent, as well as expected spend with a vendor during a given year.
CA Service Management’s comprehensive software asset management capabilities help you to recognize and import license information, distribute software assets to where they are needed, and proactively manage vendor relations and license compliance.

Figure 1.0

Section 3: Benefits

Reducing cost and risk through software asset management

By implementing an effective software asset management process and automating key steps in this process, you are able to improve performance along two dimensions. Improvements in software identification, product use rights, and pooling and distribution of available assets result in a reduction of costs that are earmarked to software acquisition. According to the CA ROI & Business Value Analysis Team, organizations are typically able to reduce the amount of software over-purchasing costs between 50% and 70%.1

Organizations are also able to reduce costs associated with conducting software compliance audits, mitigate the risk associated with receiving a compliance fine, and reduce software compliance fines themselves. Again, according to the CA ROI & Business Value Analysis Team, organizations who implement a CA Service Management software asset management process and solution are typically able to reduce the cost of software compliance fines between 45% and 55%.1

1 The impact ranges shown are provided to show a range of potential process improvements and ROI metrics that can be achieved through the appropriate, effective implementation and use of CA Service Management software asset management capabilities.
Section 4:
A complete approach to IT service management

All these software asset management capabilities were expressly designed to address the needs of service providers and large enterprises as part of our comprehensive CA Service Management solution, with robust integration, common multi-tenancy, and common reporting across Service Management and Automation solutions from CA Technologies.

- Integration with CA Client Automation allows you to move easily between the discovered IT asset inventory and managed IT asset financial, support and demographic attributes with all data stored and maintained within the same management database (MDB) thus providing a comprehensive IT asset and license management solution.

- Integration with CA Service Management service catalog capabilities provides complete asset life-cycle management starting with the initial request from the service catalog, allowing an end user/requestor to request an asset that in turn can be internally fulfilled from available assets in the inventory to eliminate unnecessary purchases.

- Integration with CA Service Management service desk capabilities is two-fold, encompassing both service desk functional processes and CMDB/asset data linkage, enabling you to leverage asset data to improve the delivery of operational IT services to your users. This integration also supports better change management decisions by facilitating a more comprehensive set of information when performing impact and risk assessment.

- Optional advanced reporting and dashboard capabilities enable non-technical users to quickly create and share interactive dashboards and reports.

Going beyond great technology: focus on people, process, and best practices.
CA Service Management takes a solution orientation, rather than a product one, to enable successful programs and business outcomes. This includes pre-built ITIL™ processes to speed your time-to-value, on-demand training to improve end-user adoption, repeatable and prescriptive maturity-based deployment methodologies and best practices implementation architectures to optimize your return on investment.

Content pack for ITIL. A set of pre-built ITIL process documents is provided along with supported, pre-built workflows that establish the foundation for you to rapidly implement, adopt, and standardize on IT service management processes—significantly reducing the amount of time required, the cost and the need for subject matter experts for an organization to develop this content themselves.

On-demand training. A cost-effective, continuous training tool that helps upgrade the skills of end users and analysts to address the organization’s need for a high level of end-user adoption with a minimal impact on day-to-day business operations. The CA Technologies On Demand Training module uses CA Productivity Accelerator to automate prebuilt content which is aligned with ITIL best practices and can be refined to map to your own processes, procedures and operations policies.
With minimal impact on day-to-day operations, the IT organization is better aligned both internally and with business objectives, experiences fewer support calls, and can focus on delivering new business services more quickly.

**Reference implementation architecture.** The Reference Architecture Program produces implementation architecture templates that are prescriptive in nature, explaining how to deploy Service Management solutions from CA Technologies, based on a certification program that thoroughly tests the functional, performance, and scalability attributes of the solution. The result is that deployment risk is mitigated, and costs and deployment time frames are reduced.

**Maturity-based deployment.** A series of prescriptive best practice documents for every phase of the implementation lifecycle brings our customers a wealth of knowledge and information to make informed decisions. Our Requirements Gathering Phase documents are pre-populated to provide the most common functional business requirements, technical requirements and use cases as identified by our customers and throughout the industry. These documents have been developed to allow for ease of use and completion to develop a service management strategy that, when executed upon, will assist our customers to reduce risk, costs and time-to-market.

**Data on-boarding.** CA Technologies has documented an extensive data on-boarding strategy and provided a use case library to assist organizations to lay out their data on-boarding requirements. The strategy contains detailed processes and data file formats to provide the level of guidance required to reduce the risk and time associated with this activity.

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### Section 5: Next steps

To learn more about CA Service Management software asset management capabilities and how you can achieve real business benefits today, contact your sales representative or visit us at [ca.com/itam](http://ca.com/itam) for more information.
CA Technologies (NASDAQ: CA) creates software that fuels transformation for companies and enables them to seize the opportunities of the application economy. Software is at the heart of every business, in every industry. From planning to development to management and security, CA is working with companies worldwide to change the way we live, transact and communicate – across mobile, private and public cloud, distributed and mainframe environments. Learn more at ca.com.