1 Oracle License Review - Was nun? - Software Asset Management (AMS)

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3 Schlüsselworte

SAM, ISO. ITIL, 19770, Software, Asset, Management, Lizenz.

4 Einleitung

Oftmals ergibt sich nach einer Oracle Lizenzüberpüfung die Notwendigkeit zur Durchführung weiterer Maßnahmen, insbesondere im Bereich des Software Asset Managements (SAM). Oracle LMS bietet hierzu einen neuen Service an. Ziel ist hierbei die Unterstützung des jeweiligen Kunden hinsichtlich Prozessanalyse im Best Practice Ansatz, um nachfolgend entsprechende Handlungsempfehlungen aufweisen zu können. Es handelt sich um einen SAM Reifegrad Assessment.

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Oracle AMS Asset Management Services

Software Asset Management. How Can Oracle Help?

This document introduces and positions Oracle's Asset Management Services. This is a new, free of charge service offering that is designed to encourage and help achieve better Software Asset Management practices for Oracle's customers.

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Document Name	Oracle Asset Management Services (AMS) White Paper No. 2
Document Purpose	To introduce Oracle Asset Management Service (AMS) and position the service. To explain the benefits of AMS and the value of this service. Consideration of some current SAM themes.

1   SAM Overview

The ITIL definition of Software Asset Management (SAM) is

"Software Asset Management is all of the infrastructure and processes necessary for the effective management, control and protection of the software assets within an organization, throughout all stages of their lifecycle"

SAM incorporates rules, policies, processes, tools and knowledge. All of these things combine to enable software assets to be actively managed. SAM also includes the management of considerable risks associated with non-compliance of software licenses.

The primary drivers for SAM activity are:

> Reduction in software costs (direct and the cost of ownership)
> "42% of organizations with even basic SAM programs are achieving savings, while those with formalized SAM processes have been able to cut their costs by 20% or more" (SIRB Research by IDC, 2010)
> Reduce the risk of licensing and compliance problems
> "45% of organizations struggle to keep track of software deployment and associated license commitments" (IDC - Maturity of SAM Practice in the UK Market - Research 2008)

What will encourage organizations to be active in SAM? It is the same business factors that apply to any IT activity. SAM has to provide a valid return on investment for an organization in order to be a serious consideration.

Part of the SAM ROI is tangible, providing a reduction in software costs and the cost of ownership. Part is less tangible, namely the value in identifying and eliminating license non-compliance, which can prevent unbudgeted spend and associated cost, which could result from vendor imitative to ensure software compliance.

This return on investment equation is not static. The balance of return can and does change over time depending on a number of internal, external, and economic market issues.

2 The State of the SAM 'Market'

A SAM program must inevitably compete with many other activities and projects. Any activity must be seen to add value or generate a return to justify the investment of effort and resource. Arguably, the business case for SAM activities is stronger today than it has been for a while.

This view emerges for a number of reasons.

2.1.1 Economic Conditions

In a time of economic downturn, most organizations face challenges that result in the need to reduce costs, including reduced IT spend. Just where can those savings come from?

Historically IT spend has been attacked at a number of levels. Hardware costs have fallen in real terms and margins are very small for hardware manufacturers, so there is little opportunity remaining there. There has been a trend to outsource support, development and other services in order to reduce IT spend, so it seems there is limited opportunity here too.

Step up software. The reality is that many organizations have not actively managed software and for this reason, for many, software remains an untapped seam, with considerable potential for savings and efficiencies.

In current economic conditions, there is a strong theme of 'sweating' assets, ensuring the best use is made of the assets that exist. In the world of software, that is the very purpose of active Software Asset Management. For example, depending on the study you read, it is estimated that between 10% and 25% of software purchased becomes 'shelfware' and is not actively used. That illustrates that software assets are often not used in the best manner.

Managing shelfware ('harvesting' of licenses) alone could provide significant savings, and of course SAM provides many other opportunities to rationalize and save.

2.1.2 Complexity

There is an increasing complexity and variety of software and licensing models available. Organizations face a multitude of variations of license type & models. There is perpetual, fixed term, software leasing, hosted and cloud-based licensing. Models might include hardware-based, processor-based, user-based, device-based, revenue-based, customer-based, etc.

Applications may be deployed locally, be web-based, deployed externally by third parties or be hosted in the Cloud.

There are multiple platforms: mainframe, mid-range, server, middleware, client-server, client, mobile devices like tables and smart phones, etc.

This range of models makes it ever more challenging to manage software, but this very complexity means that without active management, you may be wasting a great deal of money or developing a large risk exposure.

2.1.3 Vendor Review Activity

Vendor license compliance activity levels are increasing. Established software vendors have mature review programs and there are now additional software vendors who are developing new license compliance programs.

Software License Management (SLM) is a subset of SAM. SLM is concerned with specific methodologies to evaluate license compliance. These methodologies include processes and tools to establish and monitor software deployment and compare this to the existing license grant and entitlements to ensure a clear license position for each software product.

Therefore a good SAM practice can ensure that organizations maintain a record of their license position and software deployments in order to achieve and importantly, be able to evidence license compliance. Vendor efforts to ensure software compliance can be handled in an efficient manner and reduce the need to divert valuable resources and face unexpected software spend.

2.1.4   Cloud Computing

The term 'Cloud' is widely used, and frequently abused in the IT industry at the moment. In the SAM arena, what is of particular interest is what impact cloud computing will have on the requirements for, and the practice of managing software and licenses.

Many people tout the notion that the emergence of cloud computing will remove the need for active software license management, this reducing the value of, or need for SAM. This is something of an underestimation of its complexity, for a number of reasons.

Firstly, 'cloud computing' is not one single thing. Cloud is just a variation of computing model and in fact it covers a number of different approaches. Cloud may be local (internally hosted) or remote (externally hosted). Cloud may operate on a software as a service basis, whereby you in effect lease the use of the software rather than purchase a traditional license (and often the service provider is responsible for the licensing). Equally, software licenses may be purchased and used in the traditional perpetual model.

So from a perspective of managing software and managing licenses, cloud has a level of complexity, which needs to be considered. These variants of cloud location and license model have differing requirements when it comes to Software License Management and SAM. They still require active management to differing degrees.

Secondly, cloud computing is never likely to be all pervasive. It is just one computing model (or in fact several as mentioned) amongst many. Organizations will still have a mix of computing models that typically will include mainframe, cloud, virtualized, server-based, client-server, client–middleware-server, client and thin-client computing.

This increased complexity of computing models demands more focus from the perspective of software management, not less.

Thirdly, even in what is often the common perception of cloud, a remote cloud offering a software as a service model (SaaS), there is still a need for active management. When a service provider / supplier bills you for an application, it might be based on the number of users or perhaps the level of usage.

This scenario still demands active management to ensure that you have a view on usage to ensure that you are being billed correctly. Also to ensure that access to applications are controlled to drive down costs and basic maintenance activity is performed such as removing users who have left the organization.

It is true however that this type of cloud computing model can be of benefit in reducing some of the burden of Software Asset Management. For example in a SaaS scenario, a company does not need to be concerned about software version control, software maintenance, patching, etc. because under this model that activity in effect gets outsourced to the Service Provider.

2.1.5 Virtualization

Whilst virtualization is by no means a new topic it remains a 'hot' topic. Its significance to the SAM world and the corresponding risk impact on software licensing, means that it still demands consideration. Virtualization is mainstream. In one form or another, most large organizations have a significant virtualized estate. So what impacts are there?

Care is needed with the application of vendor licensing rules to a virtualized environment. Many software licensing models do not offer flexibility in terms of enabling customers to implement and adjust virtualization requirements as needed. This is due to the fact that virtual environments are rarely static and the technologies are always changing and incorporating new scenarios. There is an increasing use of dynamic movement or reallocation of resources in the virtualized infrastructure. VMs rarely remain a fixed size, or have the same resource allocation, or even reside on the same physical device. Ensuring that you abide by the licensing terms and remain complaint is undoubtedly made more challenging by these technologies.

Another consideration is that the very benefits of virtualization, the flexibility it offers, the enablement of rapid changes to the server estate, and dynamic resource allocation, all of these bring new risks. The result is that VM 'sprawl' is common. New VMs spring up because there is an immediate need, perhaps for capacity or test purposes and software proliferates as a result. Additionally VMs often do not get removed as planned.

From a SAM perspective, there is a requirement to have controls so that any server change events are considered for their licensing impacts and acted on as appropriate. Our experience is that there are often fewer change controls applied to virtualized environments, or perhaps it is more accurate to say that existing change controls are not effective in a virtualized world. Of particular concern is that virtualization is often used extensively for test and development environments, yet these are areas where the SAM controls are often not rigorously applied.

The net result is that unknowingly, software license requirement for virtualized environments can propagate and many organizations might face an unpleasant surprise when going under a license reconciliation process to establish a license position, under an audit or internal review. Strong, extensive change control is a must in the physical and virtual server world, and these should be part of your SAM best practice armory.

2.1.6 BYOD

'Bring Your Own Device' is a growing concept, driven primarily by growth in power and popularity of mobile devices in the form of smart phones and tablets. It began with users demanding access to corporate systems and data from their own personal devices. There are many organizations now that are conceding ground and allowing some form of access. Now it moves a stage further as some organizations adopt these devices as a corporate standard, or provide mobile access to specific applications.

Typically it has started with productivity applications such as email and calendars, but the reach is extending. The trend is gathering momentum because major software publishers are now providing tablet versions of their enterprise level applications.

What is the impact of this trend? Well, there are 2 considerations:

The extended use of mobile devices which are inherently less manageable and less secure
The issues arising from use of personal rather than corporate devices

IT departments have traditionally sought to control what software applications are installed on corporate devices and in some instances, to even lock down the devices. With mobile devices it is not so easy to secure such control, even if the device is corporately owned. When the device is privately owned then we enter a grey area. Adopting BYOD results in additional support burden that often does not have clear parameters or boundaries.

Through the use of technology such as VPN and interfaces like Activesync, IT departments can control and manage system access and security to some degree. Nevertheless, the device is inherently 'open' for the owner to do as they wish in terms of content. Organizations still have a 'duty' to act to prevent software misuse or copyright theft on devices that are allowed to connect to corporate networks.

There are a number of SAM issues that this matter raises:

> You need to consider your licensing models & impacts (e.g. understanding the impact between device-based licensing versus user-based licensing)
> Where does responsibility for licensing lie, with the owner or the organization?
> There are typically limitations on visibility of the devices and their content. Can your discovery mechanisms see and inventory these devices?
> Liability for software licensing issues and also of copyrighted content that may reside on these devices.
> What are your support policies regarding these devices and can you draw clear demarcation? Is the hardware, the software, the interfaces?
> How can you protect against the loss of these devices and data be secured?

3   What is Oracle Asset Management Services (AMS)

As a software vendor, Oracle believes that it is important that we act to help our customers understand and move towards better Software Asset Management practices. There are clear benefits for the customer and for Oracle by adopting this behavior.

For the customer:

> This can be a powerful primer for new SAM activities (raise profile, build business case)
> It can support the improvement for existing SAM practices
> It can help to move towards SAM best practice to achieve cost savings and better manage licensing risks

For Oracle:

> Customers buying the right quantity of licenses at the right time
> There is less likelihood of conflict over licensing
> It generates goodwill, by providing direct help and expertise
> It improves customer satisfaction

We believe that the best way to help is to provide expertise by performing a SAM Maturity Gap Analysis. This enables organizations to understand their current SAM practices in relation to a model of best practice based on the leading industry standards and real world experience. Using this gap

analysis, Oracle will provide recommendations for improvements to the SAM policies, processes and controls.

AMS – Asset Management Services is the new, global initiative by which we provide this assistance.

AMS focuses on SAM practices across the server/ datacenter platforms. It deliberately targets these platforms because most organizations' SAM practices are less mature in these areas (certainly in comparison to the desktop), due partly to the increased complexity. Yet, the value of software on these platforms is significant, typically the lion's share of software spend, so the potential for saving is greater.

3.1   Positioning of the Asset Management Service in the context of SAM Services

There are numerous activities that relate to Software Asset Management such as: selection and deployment of inventory tools, license management tools, management of software code, CMDB's, license reconciliation services, software usage monitoring, license renewals management, etc.

There are also many service providers who offer tools and services in the SAM arena.

It is not Oracle's intention to be involved in all of these activities or to be a SAM service provider. We seek, as a responsible software vendor, to promote the message of good SAM practice. To do so, we believe that through our Asset Management Services we can proactively provide real value in the SAM space rather than just paying lip service to the topic.

3.2   Why Maturity Assessment? - The Benefits of this Service

Oracle AMS (Asset Management Services) delivers a SAM Maturity Assessment (a gap analysis) with recommendations for improvement to SAM practices. This looks at your SAM policies, procedures, tools and controls in order to gauge your level of maturity against the SAM standards and experience of real world best practice.

Gap Analysis provides a SAM Roadmap

This service provides answers to some fundamental question:

> Where are we now?
> Where do we want to get to?
> How do we get there?

A SAM Maturity Assessment will answer these questions and provide a roadmap to get to where you want to be with your SAM practices.

As such it is an important first step for any organization serious about undertaking a SAM program. Equally, it is a useful tool to validate the progress of a more mature SAM program.

3.2.1 Scope

The SAM Maturity Assessment will look at all aspects of the software lifecycle for your Server / Datacenter estate.

Product Lifecycle
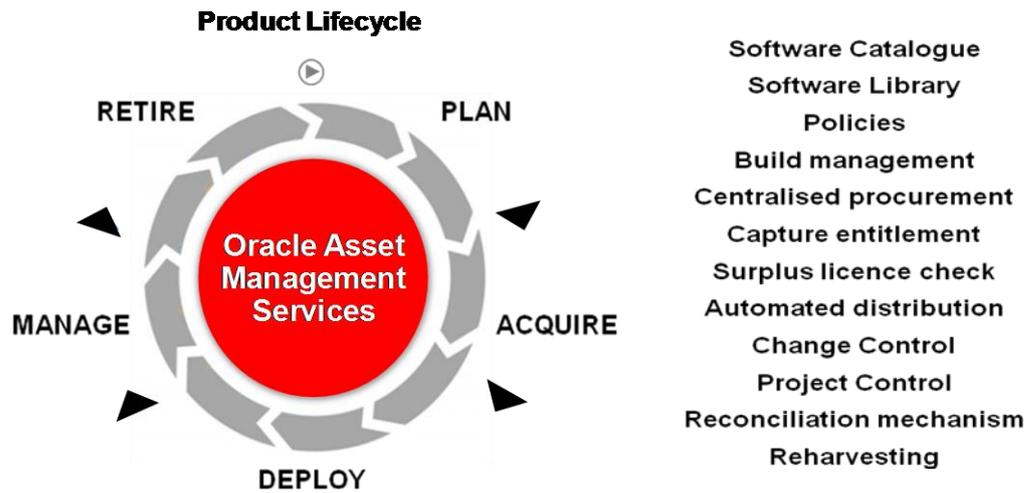
AMS does not look at establishing a license position, which is part of our License Review Services. A common misconception is that SAM is just license management. More accurately, Software License Management (SLM) is a subset of SAM. SLM is concerned with specific methodologies to evaluate license compliance. These methodologies include processes and tools to establish and monitor software deployment and compare this to the existing license inventory (license grant and entitlements) to ensure a clear license position (reconciliation) for each software product.

3.2.2 Benefits

Develop a better understanding of what SAM best practice entails

Understand your SAM strengths and weaknesses

Have a clear roadmap for SAM improvements

Utilize the industry accepted SAM standards, as it is structured in line with the ISO 19770-1 SAM standard, and make tangible the value to be had from these standards

Incorporates real world experience when determining recommendations and priorities

The assessment can be customized to take into account your specific goals and drivers

It can be used for a number of purposes:

To help raise the profile and build an internal business case for a SAM program

To define and build your own 'SAM Plan'

To help with prioritization of SAM activities

To provide a trusted third party review and validation of your existing activities

To better promote your existing SAM successes internally

3.2.3   Follow-Up

We are conscious of the value in continuing to support you after engaging with this service. For this reason, we remain in touch with customers after delivery, for a defined period in order to answer questions and support you in the implementation of the recommendations.

4   Why choose Oracle?

Oracle is keen to encourage our customers to consider and adopt best practice SAM because of the benefits to be had. To do so we as a software vendor chose to be proactive in addressing SAM by providing a direct service offering to our strategic customers. In doing so, we provide a specific service, which can be used as a primer to help you start a SAM program or to review your existing SAM activity.

So why should you choose Oracle to help you?

> We utilize a proven methodology developed in conjunction with one of the major Global Management Consulting Firms in the world that utilizes current SAM industry standards
>
> This activity focuses on the server and datacenter platforms. We recognize that Software Asset Management for these platforms tends to be less mature than it is for the client estates, hence it is an area we can add most value.
>
> In terms of flexibility, we can tailor the assessment to focus on specific areas or Oracle product sets.
>
> As a software vendor we can call upon a significant pool of expertise, should you have questions about the licensing or management of any specific Oracle products (as parallel or follow up activity)
>
> This is a ***free of charge*** service to our strategic customers. SAM expertise is typically a cost related activity. Oracle provides this service as an investment in our relationship with our key customers.
>
> There are no strings attached. This service has no other purpose than to help and support you to establish or enhance a SAM practice. Oracle is not selling SAM Services or SAM Tools.
>
> This is a global program that is offered in an increasing number of countries

The main purpose for Oracle is to encourage SAM best practice. Where our customers choose to engage with Oracle, we will seek to do just that. Our approach will as always be transparent and flexible.

You may have existing partners, service providers or resellers who can support you in this area and if so, we would encourage you to do so. An option here could be to align with Oracle to provide joint services. Additionally if you do not have existing partners, we are happy to provide you with information on existing parties providing these services. Ultimately this achieves the same goal: improved SAM practices.

4.1 Specific Examples

There are a number of typical scenarios in which AMS might be of direct value to your organization:

To help generate interest in SAM and to build an internal business case

To kick-start new SAM activity

To help you determine SAM priorities

To help you develop a SAM Plan to define and control your SAM activities

As an independent health-check on an existing SAM program

To define the core SAM processes & competencies delivered by a third party service provider

To validate the service provision by third parties

Support the setup of SAM controls in situations of (imminent) outsourcing

4.2 References

Here are some of the things customers have said after engaging with Oracle AMS.

"Following our work with Oracle Asset Management Services, we now have a comprehensive process in place for Software Asset Management across our European offices. We expect to save 20% on overall software costs and minimize any risk of licensing non-compliance."

"I would definitely recommend Oracle Asset Management Services to other organizations. The service provided was very good and has been very beneficial to our organization."

"Since working with Oracle Asset Management Services, we now have a comprehensive process in place to measure our software and services and to compare our supplier contracts. This enables us to ensure we are fully compliant at all times."

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