
Can you perform SAM without tools?

Razor-sharp decision-making takes Insight





Howard Daws

Technology Lead, Optimisation and Governance, Insight

Howard is responsible for the evolution of Insight's solutions to help clients optimise and govern their existing and future investments in technology and supply chain partnerships.

Over the past 20 years, Howard has designed and delivered a range of programmes for intellectual property owners, end-user client organisations and solution providers across many industries and geographies. He has helped to improve commercial positions, achieve efficient operations and maintain third-party relationships with particular focus on software licensing



When you consider what software asset management (SAM) tools deliver, the real question might be ‘why would you want to perform SAM without tools?’

SAM tools do most of the heavy lifting when it comes to scanning and analysing data sources to identify what software is installed and what is being accessed by users, devices and servers. It generates a lot of data that has to be translated and normalised to tell you what actual functions are being used, what products these equate to and, depending on the processing power of the server, platform or device, how many licences are being consumed.

There’s an additional level of complexity beyond simply looking at immediate evidence. A SAM tool will interpret usage and will also look at purchasing records. This presents a picture of what you’re entitled to and what has been deployed. With licensing knowledge, the indicative position of consumption versus entitlement can be configured and licensing efficiency optimised.

If tooling is such a huge accelerator of software optimisation and governance, why have many organisations not invested or leveraged their use of specialist applications to help?

In short, SAM tools have a cost. In addition to an amount each year per server, device and/or user, which itself that can add up to a sizeable amount of money, there is also a cost of maintaining data coverage and quality. Many organisations have invested in SAM tooling, but it has become redundant as it is not kept up to date. This leaves people questioning the value of tooling.

There are other organisations who may not have experienced enough pain to want to invest in a SAM tool in the first place. After all, if you are not getting huge bills, or are unaware of any inefficiency, why would you invest in solving an unknown problem? And there are always more important projects on the CIO’s to-do list. From the finance team’s perspective, it’s not high on the agenda either because it can be seen as a risk management activity or perceived as cost avoidance rather than driving ROI.



When faced with those arguments, how can you perform SAM without tools?

At Insight, we have worked with clients with SAM functions that sit between procurement, IT operations, legal and finance teams. SAM gathers the information from around the organisation and links it to help different stakeholders. It may end up being a mix of procurement data about what's been bought, and an educated estimate of how much the organisation is using it. Then the team drills down into buying behaviour. Common sub-optimal approaches include discrete purchasing of small quantities at different times from different vendors, or purchasing support levels that exceed what is actually required or used. SAM actions might also identify licencing limitations that prevent the organisation from meeting its goals, like preventing software being used in the cloud, or being accessed from outside a geographic region.

Certainly, there is a lot an organisation can do if it doesn't have the appetite – or budget – to invest in a tool. The human factor can identify wastage and efficiency opportunities and reduce the need for SAM tooling. And, it doesn't have to be an internal team, which even if it does have relevant knowledge almost certainly won't have the bandwidth to dedicate sufficient time towards SAM. Using an external team is a good way to quickly identify opportunities to save money and provide governance for an agreed budget. For our own part, we have direct experience of being the glue that connects different parts of the organisation to help manage risk and be more cost effective. For one global energy company, Insight delivers a continuous SAM office support service to manage over 400 software and cloud vendors. This not only reduces both direct and indirect costs by over 5% a year, it also significantly reduces the burden of the volume of work, releasing value back into the business.



Because every organisation is different, our dedicated consultants know to expect and work around limitations in data sources in ways that a SAM tool alone would struggle with. We use whatever the client has available – whether that is a contracts database, an accounts payable repository, monitoring tools, anywhere that, in our experience, holds data on the software assets and their usage.

There is no getting away from the fact that SAM is complicated. SAM tools are great but have a cost and an administration overhead that some organisations find off-putting. In the absence of specific SAM applications,

human teams can deliver results – maybe not with the data driven automation but enough to mitigate risk and increase efficiency. There’s a benefit multiplier when combining tooling and teams, but it can be a burden on already busy procurement, IT and finance professionals. The solution could well be engaging external, experienced teams to perform SAM for you. This is likely to be a winning outcome for many organisations and in fact Gartner® have already put a number to it, in a quote from its Magic Quadrant™ for Software Asset Managed Services which positions Insight as a ‘visionary’.

“By 2025, 40% of organisations will utilise continuous software asset management (SAM) managed services from third parties for at least part of their rapidly expanding and increasingly complex software estate.”

Source: Gartner® 2022 Magic Quadrant™ for Software Asset Management Managed Services



Find out more

To learn more about how we can help optimise and govern your software assets, why not ask the experts?

Join us for Meet the Experts

2022 EUROPE
MEET THE EXPERTS
Presented by  Insight



Razor-sharp decision-making takes Insight


Insight