Success Story:
Flexera Software

Customer Profile: Flexera Software is a software technology innovator; delivering business-centric Application Usage Management solutions to software publishers, intelligent device manufacturers, and enterprises. The company is ranked as a top 200 software vendor with products for software installation, licensing, entitlement and compliance management, application readiness and software license optimization. Flexera Software has more than 80,000 customers worldwide. Its software license optimization solutions help enterprises maximize usage of commercial software products, maintain license compliance and reduce ongoing software costs.

Challenge: Flexera Software's IT organization is global, but small; typical of most small-to-medium (SMB) size businesses. Operationally, Flexera Software IT supports the delivery of sophisticated software products to meet the demands of the company's customers. Prior to deployment of FlexNet Manager® Suite for Enterprises, managing internal software assets required extensive manual effort, consuming the time of IT staff that was needed for other IT functions. An estimated 4 months of part-time effort were needed to manually gather data for periodic software vendor true-ups and related software license purchases. In addition, software audits have been a growing trend and Flexera Software needed to improve audit readiness and reduce audit risk.

Solution: The solution was to implement FlexNet Manager Suite for Enterprises to automate the software asset management (SAM) and license optimization process. IT asset inventory is being collected, SAM process improvements were made and automated license reconciliation and optimization were put in place. As a result, the company is saving time and money and has gained the management precision needed to efficiently utilize its limited IT staff and budget resources.

Benefits: Flexera Software IT has reclaimed staffing resources and reduced software true-up costs dramatically. The company's Microsoft® Enterprise Agreement (EA) true-up liability was decreased from about $500,000 to less than $40,000 by fully leveraging license entitlements. The time required to prepare for a true-up has decreased by more than 75%. FlexNet Manager Suite for Enterprises has also helped the IT team to optimize usage of licenses across the company.

"Our software true-up expense dropped dramatically with the use of FlexNet Manager Suite for Enterprises. Prior to deployment, Flexera Software IT estimated that our true-up liability would be more than $500,000 for Microsoft software products. The actual cost dropped to less than 8% of this estimate—about $39,000."

Joni Ferneau
Director IT Infrastructure
Flexera Software

The Need for Managing Software Assets in Small to Medium Sized Businesses

Small-to-medium size businesses (SMB) are in a challenging position—having limited resources and yet high expectations for delivery of sophisticated IT solutions. The IT budget is often small, making it difficult to hire specialized technology expertise or justify the investment in tools that solve day-to-day IT challenges. Yet these investments are exactly what are needed to effectively control IT expenses. Efficient operations and effective utilization of IT resources allows organizations to reduce IT cost and better meet the needs of the business.

Maintaining control over software expenditures is challenging for organizations of all sizes. Potential for cost savings and the ability to achieve and maintain software license compliance are key drivers for implementing best practice processes and a software asset management (SAM) solution. Executives typically drive toward SAM and license optimization for these reasons, which proportionally can have an even greater impact for the SMB as compared to larger enterprises. In IT shops where resources are scarce, effective software asset management can be overlooked simply due to the pressures of many other business priorities.

Goals and Objectives are Far-Reaching for Flexera Software IT

Flexera Software is an SMB and yet also a global company with approximately 600 employees world-wide, a large mobile workforce and corporate offices in the United States, United Kingdom, Melbourne Australia, and Tokyo Japan. The company is experiencing a period of high growth—due to expansion through acquisition, as well as organic growth with the development of new products and services. Through this growth, it has become challenging to manage software assets and ensure the company remains in compliance with several major vendors.

Flexera Software IT prepared to deploy FlexNet Manager Suite for Enterprises with a number of objectives in mind:

- Improved audit readiness and associated audit risk reduction; reduced audit preparation time for vendors such as Adobe®, Symantec™, Oracle® and Microsoft®

- A streamlined annual true-up process with Microsoft

- Contract and license reconciliation to ensure compliance and reduce software costs

Flexera Software IT Grapples with Microsoft Licensing

As a key partner of Microsoft, software license compliance is important to Flexera Software. An estimated 100 hours of global IT support were previously needed to gather the inventory and license entitlement data for the annual Microsoft true-up. This effort had to be repeated each time an audit or annual true-up was approaching. Flexera Software handled this manually, as many organizations continue to do. The IT team completed a physical inspection of every system at every Flexera Software location, counting the number of software installations and validating the total licenses purchased. For Microsoft applications, the team increased this count by about 20% to counter any errors in the manual process, ensure compliance and accommodate the company's growth. This over-estimation along with the laborious effort needed to prepare had become both unmanageable and unaffordable.

The implementation of FlexNet Manager Suite for Enterprises was a straightforward process for the Flexera Software IT team, led by the consulting services organization. "Implementation of this tool was very simple," said Digesh Joshi, project manager for the initiative. "Our team utilized online training and documentation to understand the process with oversight and guidance offered by

Flexera Software consultants." During the first phase, the company was able to accomplish many of its detailed project objectives such as:

- Assess the software asset management and license optimization maturity level of the organization

- Utilize FlexNet Manager for Microsoft, part of the FlexNet Manager Suite, to generate an accurate and optimized Microsoft license position

- Leverage Flexera Software consulting services expertise to understand license entitlements and reduce true-up costs

- Independently use FlexNet Manager Suite for Enterprises training materials to educate the team

Benefits to the Organization

The Flexera Software IT team has realized benefits that extend far beyond the original goals and objectives of the project initiative. The clear winner was the financial benefit of reducing the Microsoft annual true-up cost to a fraction of the pre-deployment software estimate, as shown in Figure 1. This cost savings alone has saved Flexera Software far more than the investment in deployment of its own SAM and license optimization solution. The company is now able to fully leverage its Microsoft Developers Network (MSDN) licenses, for example, which helped reduce the true-up cost. The IT Team is now looking to see cost savings across other, heavily used software products in the company.

FlexNet Manager Suite for Enterprises has enabled Flexera Software IT to take
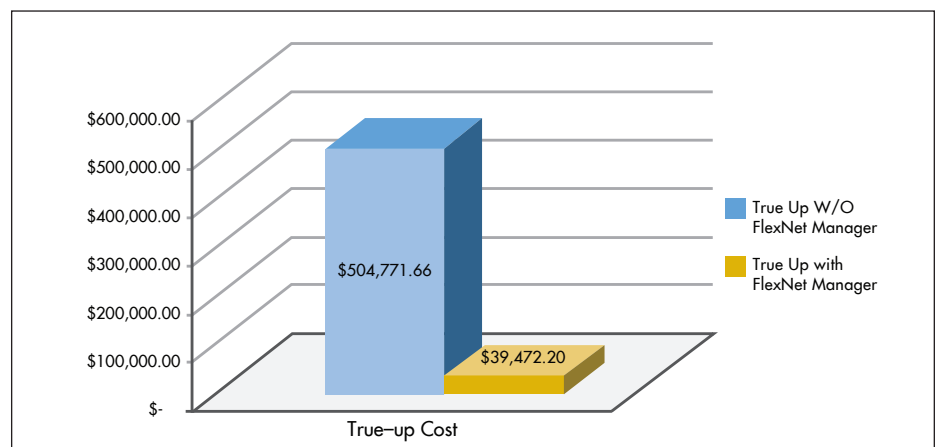
Fig 1: Microsoft Annual True-Up

control of software and hardware inventory, reconcile inventory with purchase order entitlements and calculate an accurate and optimized license position. With the implementation of this tool, Flexera Software IT has improved its understanding of what software products are installed in its environment, what is being used, who is authorized to use each application and how to allocate licenses against its Microsoft Enterprise Agreement (EA). Flexera Software has also been able to take full advantage of its membership in the Microsoft Gold partnership program which provides access to licenses for Microsoft products at no additional expense.

Other benefits include the following:

License Availability and Reharvesting to Defer New License Purchases

- Contracts and software procurement data are now stored in one central asset management repository. Availability of surplus licenses is now known and they can be allocated as needed.

- FlexNet Manager Suite for Enterprises can collect application usage information. Under-utilized and unused licenses can be re-harvested and re-allocated to employees that have a higher need for those applications. Flexera has recovered over 40 licenses from Visio Professional users and other applications, putting resources to work where needed.

Improved Forecasting

- FlexNet Manager Platform reporting enables improved budgeting for software expenses. The Platform is the foundation of the FlexNet Manager Suite and provides extensive hardware asset management, software asset management, contract management and reporting capabilities.

Improved Visibility

- Adapters available with FlexNet Manager Suite for Enterprises enable the importing of data from Active Directory and financial systems to match employee, machine, cost center and licenses. This allows reporting at multiple levels of company hierarchy.

- The FlexNet Manager Platform's business reporting portal provides many out-of-the-box reports. Report delivery can be automated and delivered via email as well. The following reports are most useful to the Flexera Software IT organization:

    - All software licenses

    - License breaches

    - All payments

    - Applications without evidence

    - Hardware asset views for all servers, laptops, workstations and printers

    - Hardware warranty information

- Dashboard views provide vital company-wide information about software and hardware assets. The Flexera Software IT team was surprised at the extensive amount of hardware asset information they are able to see using this product.

In addition, FlexNet Manager Platform provides the ability to create 'custom views' per individual users' reporting requirements.

Process Improvements

- Optimized management of Microsoft Developer Network (MSDN) licenses

- Processes are now in place to centrally maintain an accurate list of production servers, desktops, and laptops

- Process assessments are done periodically to identify areas for process improvement, as well as to quantify and communicate savings and ROI.

- Policy has improved for handling terminated users.

Flexera Software IT Plans to Expand SAM/License Optimization Efforts

The Flexera Software IT team has many plans moving forward. Success of this project has provided fuel for additional investment in the internal IT asset management program. Future efforts will be to further mature IT processes to achieve even greater efficiency and to address other critical software vendors. Adobe Systems products are on the horizon in the near-term utilizing Flexera Software's license optimization solution for Adobe software— FlexNet Manager for Adobe. Oracle and Symantec are both planned to follow the Adobe project.

Longer-term objectives include: maturing hardware asset management capabilities, identification and removal of unauthorized, non-corporate software applications in the environment, and integration of FlexNet Manager Platform with the Microsoft Exchange ActiveSync server to manage the company's mobile device inventory. Additional Flexera Software products will also be deployed to support the evolving maturity of SAM and license optimization. Planned product implementations include AdminStudio Virtual Desktop Assessment, Workflow Manager and Flexera Software App Portal.

About Flexera Software

Flexera Software is the leading provider of strategic solutions for Application Usage Management; solutions delivering continuous compliance, optimized usage and maximized value to application producers and their customers. Flexera Software is trusted by more than 80,000 customers that depend on our comprehensive solutions - from installation and licensing, entitlement and compliance management to application readiness and software license optimization - to strategically manage application usage and achieve breakthrough results realized only through the systems-level approach we provide. For more information, please go to: **www.flexerasoftware.com**