Success Story:
IT Managed Service Provider
Creates Scalable SAM Service Based on FlexNet Manager Suite

Customer Profile: Our customer, headquartered in the United States, provides a wide range of consulting, systems integration and design, IT and business process outsourcing services to its clients worldwide. The company employs nearly 100,000 people in dozens of countries and has developed smart, technology-enabled solutions to solve its clients' toughest challenges.

Challenge: As a leading provider of IT-as-a-Service solutions, the company required a best-in-class solution for software asset management (SAM) to scale its services to a large number of enterprise accounts. Its clients required a solution to mitigate software license compliance risk.

Solution: The company's SAM Managed Service offering is a combination of People, best practice Processes, and Technology. They selected FlexNet Manager Suite for Enterprises from Flexera Software to replace their previous homegrown technology. FlexNet Manager Suite provides market leading, next generation software asset management and license optimization capabilities.

Benefits: The increase in productivity offered by FlexNet Manager Suite has enabled the company to roll out its SAM Managed Services to more than 40 medium and large enterprises to date, and the number is growing. They also use the Flexera Software license management and optimization technology internally and have achieved significant cost savings on software from several key vendors.

FLEXERA SOFTWARE

"For many years, our own annual enterprise agreement true-up with a major software publisher was very painful—we always owed money. After we implemented Flexera Software's FlexNet Manager Suite internally, we found that we were actually over-licensed! For the first time, we had accurate information."

Director of global software asset management services

FLEXERA SOFTWARE® FlexNet Manager® Suite for Enterprises

As a leading provider of IT-as-a-Service solutions, the company required a best-in-class solution for software asset management to scale its services to a large number of enterprise accounts. Their clients required a solution to mitigate software license compliance risk. The company had contractual requirements to deliver reports showing software licenses consumed versus entitlements and needed better technology to meet these obligations.

The company has had a long history with software asset management and several years ago they decided to build their own tools. But, in 2010 they decided that their homegrown solution would not enable them to ramp their managed services business in line with their goals. They went to the market with a request for proposal (RFP) and based on their own experience, they knew exactly what the tool requirements should be. They got more than a dozen responses from SAM tool vendors. After a rigorous testing and selection process, the company chose FlexNet Manager Suite for Enterprises from Flexera Software.

Why FlexNet Manager Suite?

The company based its decision to buy FlexNet Manager Suite on four key factors. First, FlexNet Manager Platform, the foundation of the FlexNet Manager Suite, contains an Application Recognition Library (ARL) covering more than 110,000 software titles from 14,000 vendors. Customers on maintenance receive monthly updates to the ARL, which is constantly growing to include new software titles and versions.

Second, the Platform also contains a Stock Keeping Unit (SKU) Library with more than 500,000 software product part numbers. The SKU Library allows FlexNet Manager Suite to automate the purchased versus installed license reconciliation process by matching purchase order line items to software inventory. The SKU Library and the associated automation provided by the Flexera Software solution, really helped tip the scales in favor of FlexNet Manager Suite for the customer.

The third key consideration was extensive license management automation for critical vendors—Microsoft, Adobe, IBM, and Symantec. All four of these vendors' products are in every one of the company's clients' IT environments. FlexNet Manager Suite provides automated entitlement based license management for all of these vendors, taking into account product use rights to optimize the customer's license position and reduce ongoing software costs.

The fourth factor was Flexera Software's large installed base of medium and large enterprise customers. This demonstrated to the customer that Flexera Software not only had the best technology, but was also an established market leader.

"To this day, FlexNet Manager Suite is the leading tool in the software asset management and license optimization space," proclaimed the director of global software asset management services. "The other vendors are all chasing Flexera Software, but they're not there yet."

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KEY DISCRIMINATORS	SELECTION CRITERIA
Market Analysis	✓ Market Leadership ✓ Global enterprise customer base
Advanced Application Recognition Capability	✓ Number of software titles recognized across multiple platforms and vendors (*more than 110,000 in the Platform*) ✓ All titles with 20 or more instances in the environment can be added within 30 days
Mature Heuristic for Optimal Allocation	✓ Ability to allocate licenses based upon prioritization and "best" terms and conditions
Vendor SKU Library	✓ Identifies software purchased and license agreement type based on the SKU number; links entitlements to inventory ✓ Large number of software part numbers in library (*more than 500,000 in the Platform*)
Product Use Rights Library	✓ Captures complex software product use rights which are associated with specific vendors' license agreements and titles ✓ Advanced software license optimization technology
Alignment with Major Publishers	✓ Microsoft, IBM, Adobe, Oracle, SAP and Symantec

Figure 1: SAM and License Optimization Tool Selection Criteria

People, Process & Technology—for SAM Managed Services

The company has a 3-phased process for its software asset management service. First is the 'Rationalize Entitlement' phase in which the team digs through historical procurement records and applies licensing terms and conditions. FlexNet Manager Suite's Product Use Rights Library helps to determine an accurate license position for critical vendors such as Microsoft and Adobe.

The second, 'Action Plan' phase, is where the team makes a series of recommendations on how to handle both under-licensed and over-licensed situations for the key vendors. They help the client to negotiate the best deal for a true-up.

The final 'Run and Maintain' phase is the ongoing daily operation of managing the software estate and maintaining license compliance for the client.

The company has a global team of SAM services people, from recent college grads to licensing subject matter experts (SMEs). This team always works remotely, never onsite, and has access to FlexNet Manager Suite in one of their datacenters. This gives the company great flexibility to field the best team for each phase of the project, in each account. The size of the team varies, with the largest contingent in the first phase of the project and tapering off to a small staff in the ongoing Run and Maintain phase. For example, in one account with 7500 hardware assets (desktops, laptops, and servers), they had a team of 5-7 people in the initial Rationalize Entitlement phase, but only require ¼ of a full time equivalent (FTE) for the Run and Maintain phase.

The company follows best practices which include having detailed documentation for every software asset management procedure. The global team communicates and collaborates via a web portal that allows them to share lessons learned, constantly improve their SAM processes, and make sure that everyone on the team knows about the changes.

One of the first client processes that the company typically has to upgrade is the software procurement process, to ensure that SKU numbers are incorporated into purchase orders. With that in place, they rely on FlexNet Manager Platform's SKU Library to automate the license reconciliation process. They were their own first client for software asset management services. Internally, they have been able to use FlexNet Manager Suite's Product Use Rights Library to apply use rights, such as right of second use (users with a desktop and a laptop only consume one license) to reduce license consumption and minimize annual true-up costs. Their Microsoft Developers Network (MSDN) licenses are finally being allocated correctly and they've gotten control of Microsoft Project licenses.

The customer has a multi-tenancy system based on FlexNet Manager Suite deployed in its datacenters. They usually see at least two discovery and inventory tools in their clients' environments. Procurement data comes from systems such as SAP, while user and organizational data comes from Active Directory. Hardware data comes from a number of different systems including BMC Remedy, CA's AMI, and other tools. All the data is

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automatically collected on a weekly basis at the client sites and is securely ftp'ed to their datacenter where it is imported into FlexNet Manager Platform.

Because of their best practice process approach and the efficiencies provided by FlexNet Manager Suite, the company can be deployed and running for a new client in 60-90 days. Return on investment (ROI) can be as fast as six months, depending on the state of the client's processes and systems at the start of the program. Currently, they have more than 40 enterprise accounts worldwide with more than 500,000 hardware assets and 60,000 software titles under management.

Risk Mitigation and Other Benefits

The company's FlexNet Manager Suite based software asset management services allow their clients' decision makers, for the first time, to see accurate information about their software environment. This allows them to make better business decisions, reduce risk and ultimately save significant money. The easy wins are always over-licensed clients—the company can show the client where they don't need to renew software support contracts and where they can freeze new license purchases.

The highest priority in most of their accounts is risk mitigation—their customers want to gain control of their software licenses and avoid software vendor audits. FlexNet Manager Suite allows the company to maintain continuous license compliance for their clients and achieve this goal.

"When we deliver our first license management report, every customer says that it's the most comprehensive information they've ever seen," said the director of global SAM services at the company. "Ultimately, FlexNet Manager Suite enables my team to give our clients control over their software environment, which in turn helps them reduce licensing cost and risk."

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 enterprises. 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**

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