
Software Licence Compliance

A guide to Software Asset Management in the Enterprise

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Overview

Software Asset Management (SAM) is a key area which IT directors and managers must focus on to ensure legal compliance.

FAST and BSA software compliance has been a driving force behind the large number of software license compliance projects undertaken by today's businesses. Many companies and IT directors have faced prosecution as a result of failing to put in place the necessary measures and processes to ensure that the business is compliant and remains compliant.

Other reasons also exist for achieving software compliance. You may want to insure that internal applications, whether developed in house or externally, are used by the right people. You will certainly want to avoid excessive software overpurchase, and you might want to ensure that employees are using the software most appropriate to their jobs.

Reducing the volume of software on machines and adopting a standard build is an established way of increasing reliability and reducing support costs across the organisation.

Centralising software procurement can also save money through volume discounts. This alone can save 10% to 20% of software purchase expenditure.

This document will help you establish the critical path to software license compliance and will discuss ways in which xAssets and other solutions can help achieve that.

As a general guide, if you do not have software asset management procedures and processes in place right now, you can expect an annual saving of 10% to 25% of your software budget. If you are able to extend this to hardware asset management, you can expect similar percentage savings on your entire annual IT budget.

Risk Assessment

The first step for any software compliance project should be to establish the current position

Parameter	Compliant ?
Have you established a Software Asset Management policy which has been approved by the management team ?	
Does your organisation implement standard controls for the procurement and redistribution of software licenses ?	
Do you have an automated discovery solution for discovering installed software on all your machines ?	
Who controls the software installed on end users machines – The end user or the IT department ? Are employees held accountable for licenses used on their machines ?	
Are you maintaining an asset register of software licenses purchased and do you perform Audits to ensure that the asset register stays up to date ?	
Can you easily match the software licenses purchased to the software licenses installed and in use ?	
Are users illegally sharing executables across a network ?	
Are you renewing software support contracts in the most effective way ?	

xAssets does not recommend a statistical approach to SAM compliance risk assessment, instead we recommend applying a common sense strategic approach to establishing total compliance as far as can reasonably be expected.



Implementing Software Asset Management

The key Requirements are:

- A Software Asset Management policy approved by senior management
- Either lock down user machines or force the responsibility for software license compliance onto each employees job description.
- Discovery tools which can scan all end user machines and retrieve a list of installed software.
- An asset management tool which can store all software purchases
- Ability to easily match purchases against usage

Common sense dictates that there is little point in purchasing a discovery agent which only discovers software. Most discovery tools including xAssets xAM Discovery discover hardware assets and the software installed on them.

The critical factors which need to be taken account are:

- The provision of an adequate budget to ensure compliance is achieved
- Employees have to take responsibility for the software they install
- Selection of the right discovery tool to ensure minimal impact and delivery of the information you need to ensure compliance
- Determine the processes you put in place to ensure compliance

The key processes to implement are:

- Centralised software procurement
- Minimise the number of software suppliers
- Regular IT asset audits
- Detection of illegal software installation and copying
- Appropriate reprimand for employees who break the rules
- Uninstallation and deletion of illegally installed or unused software
- Identification of problematic employees, suppliers and departments

And the key areas to avoid are:

- Choose the software tools most appropriate to your requirements

For example, if you require continual software usage monitoring, the solutions tend to be more expensive, whereas if you just want to take a once a day, once a week or once a month snapshot for review then lower cost tools including xAM Discovery may be appropriate

- We would recommend avoiding web services for software compliance information. If you find your software position is non-compliant, you will want that information stored only on your network.
- Avoid tools which consume unreasonable resources from client machines, the cost to the company in lower productivity is just too high. Some of the market leading tools at the lower end of the market have this problem.

Using xAssets tools for Discovery

An audit tool such as xAssets xAM Discovery can audit the entire network and return installed software information direct into an asset register.

Some specific points about xAM Discovery which you may want to consider are:

- Most audit tools are installed onto the client machine, so they are changing hard disk and registry settings and may be soaking up CPU and memory, slowing the users machine down. This can cause a significant cost to a large company if end users are unable to operate their PCs at full speed.

xAM Discovery does not touch the end users machine. It can be run from logon scripts or using scheduled or immediate discovery technologies created by xAssets. The impact on the CPU is negligible, since the process runs as IDLE class (which means it doesn't execute if the machine is busy) and typically finishes in 0.25 to 4 seconds.

- xAM Discovery allows the manual entry or upload of software license assets into the asset register. This allows direct comparison of licenses purchased to licenses in use. Many other discovery tools do not allow this.
- xAM Discovery detects the most important hardware asset attributes, including CPU, memory, disk space and size, device manager entries.
- xAM Discovery does not rely on software recognition. Many discovery tools maintain a library of known applications but this can be problematic for receiving updates and maintaining data. xAM Discovery looks inside executables to determine the manufacturer, version and description and this approach is far more successful because all software is recognised.
- xAM Discovery tracks product suites and individual products by identifying "Full Software" against "Installed Software" separately. These two independantly discovered lists can be reconciled with high level software classification codes so not only can you tell whether a user has got "Microsoft Office 2000" installed but you can also detect which components.
- Avoid discovery products which use viral technologies to spread through the network. There is a risk that these products will stop working when you install new security solutions.#

xAssets xAM Enterprise may be installed with Discovery to provide the following additional benefits

- xAssets xAM Enterprise can be configured to provide further information such as notifications when a user installs software, and notifications when software usage is nearly upto your licensed limit.
- xAssets xAM Enterprise can store additional information such as the software license agreement document and registration keys (xAM Discovery can also store registration keys).
- Store the minimum specification parameters against a software asset and ensure that your end users have a satisfactory machine specification for the software they are using.
- Get warnings when a computer is about to become high risk, for example when the windows drive is nearly full
- Get warnings when a computer has not appeared on the network for a set period of time.
- xAM Enterprise provides fully functional Contract Management, SLAs, Warranties, Lease Management and can be run as a process oriented system, which can help ensure that your corporate policies and procedures are followed correctly.

Achieving Compliance

The project

- Establish a budget and get management approval and understand of the potential liabilities and potential savings

Company and people:

- Get employees and management to understand the legal and corporate issues
- Establish company policy
- If appropriate, force employees to take responsibility for installing software illegally

Complete the discovery process:

- Implement a discovery tool
- Enter your software license asset purchases
- Reconcile software usage against software purchases
- Understand the software licensing terms for each product

Report your findings:

- Prepare detailed reports of non compliance and risk areas
- Identify departments and employees who constitute a software compliance risk
- Reconcile your software asset register against software purchases from your accounting systems

Moving into Compliance

- Remove or delete unused and illegally installed software
- Purchase additional licenses where required
- Ban the installation of software without signed agreement from IT departments

Staying Compliant

- Continue to monitor installed software with your discovery tool
- Continue to reconcile installed software to purchased software
- Ensure that all employees understand the legal requirements

Move into Effective Software Asset Management

- Centralise procurement of software
- Ensure that software licenses are redeployed when an employee leaves
- Implement standard builds so you can rebuild a PC from a template
- Store contracts, warranties and SLAs in your asset management database
- Create a formal list of software which your employees are permitted to use
- Ensure you are notified of forthcoming recruitment and contractor projects so that you can purchase additional licenses in advance.

... And start saving money

- Buy site licenses where possible
- Ensure that all employees use the same package for the same business function
- Negotiate strongly for discounts with software suppliers
- Ensure that you use your software maintenance contracts to the full extent to maximise business benefits
- Bring internal software development under control and ensure consistent standards and platforms

Conclusion

This concise guide has given pointers to the most important aspects of implementing effective Software Asset Management in organisations with 200 to 10,000 computer nodes.

The majority of Software Licence Compliance projects are successful but the levels of expenditure and manpower put into the end result varies greatly.

Please contact xAssets if we can be of further assistance.