SOURCES DRIVING THE DISRUPTION GAP AND HOW TO CLOSE THEM

Remove uncertainty and the risk of unexpected technology spend with full visibility and control of all hardware and software across the network.

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THE DISRUPTION GAP IS GROWING

As an IT leader, you can expect to lose control of half of your IT spend within the next three years. According to the analysts at Gartner:

> **By 2020, Gartner predicts that large enterprises with a strong digital business focus or aspiration will see business unit IT increase to 50% of enterprise IT spending.**
>
> Gartner, Metrics and Planning Assumptions Required to Drive Business Unit IT Strategies, Kurt Potter, Stewart Buchanan, 21 April 2016

This is 50% of business transformation projects, SaaS solutions, mobile deployments and other technology spend driven directly by business units, with little or no involvement by IT.

Does this signal the death knell for IT departments and leaders? No, not exactly. But the tectonic shift in who controls IT spend and who is left to clean up the pieces is creating a "Disruption Gap" between IT and the business, where the lack of alignment is bad both for business and IT leaders who fail to adapt to the new world of digital transformation.

This short eBook will show how IT leaders must create visibility into all technology spend to close the Disruption Gap and protect the financial interests of the organization.

THE DISRUPTION GAP DEFINED

At one time, not so long ago, building IT infrastructure and managing the software that runs on it was the sole the responsibility of the IT department. Budgets and control were largely centralized. There was alignment between the business and IT, if only because there was total reliance.

This short eBook will show how IT leaders must create visibility into all technology spend to close the Disruption Gap and protect the financial interests of the organization.

But the world of IT procurement, provisioning and consumption has changed. SaaS, IaaS, PaaS, and other service-based delivery models have enabled business units to own the purchase and consumption — but not necessarily the management and support — of critical business software. This trend towards self-determination is creating a gulf between the central IT function – the CIO – and the rest of the business. And this gulf is the Disruption Gap.

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HOW THE DISRUPTION GAP HURTS BUSINESS AND IT

MORE URGENTLY THAN EVER BEFORE, ORGANIZATIONS NEED TO ESTABLISH A SINGLE SOURCE OF TRUTH ACROSS THE NETWORK.

Business-unit driven technology spend holds great promise of better agility and closer alignment with customer and market needs. IT departments, however, find themselves in the difficult position of needing to know about, maintain, and plan for all software used in the enterprise despite the fact they may not have been involved in its purchase.

The implications for CIOs are especially stark. A key evolution in the CIO role has been a shift from technology implementer to planner, helping the CFO budget for future spend. At the same time, CIOs must ensure the organization spends wisely and drives real business value from current investments.

The Disruption Gap makes both these responsibilities simultaneously more difficult and more critical than ever.

The more people creating IT spend, the more opportunity there is to overspend through duplication, missed opportunities for volume purchasing and shelf-ware. The evidence of waste is clear with Gartner finding that "clients that mature their SAM processes and use tools to focus on license optimization typically report up to 30% spending reductions within one year.*

If the CIO is to continue fulfilling the role as the chief guardian of realizing the full value of IT investments, the CIO needs one thing above any other: visibility.

*Gartner, Cut Software Spending Safely With SAM, Hank Marquis, Gary Spivak, Victoria Barber, 16 March 2016 ID: G00301780

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WITH VISIBILITY COMES INFLUENCE
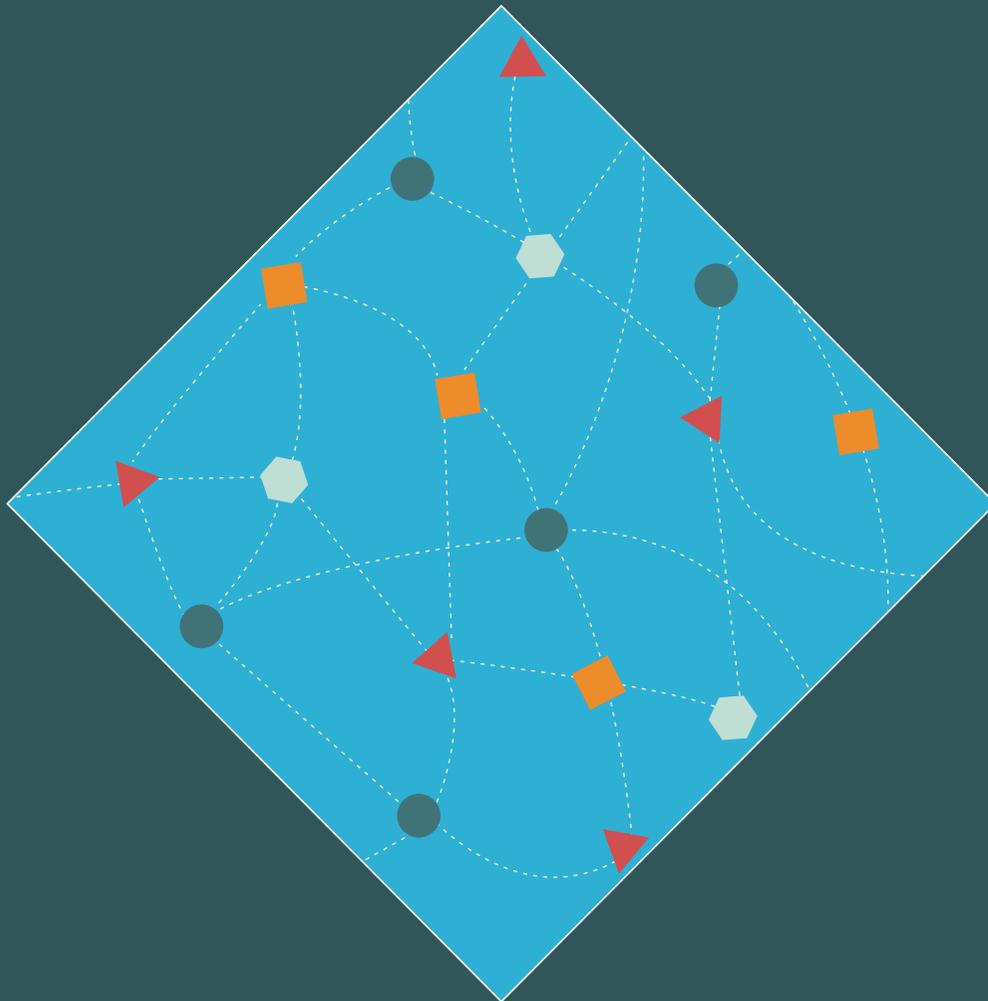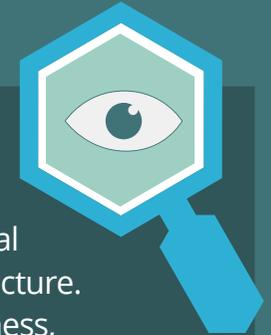
With visibility, the CIO puts themselves in the central positon of being the one who can see the full big picture. With insight into IT use across all areas of the business, the CIO can redefine his/her role from one of command and control to chief influencer. The influencer strategy is needed as nothing is going to change or reverse the trend of increased business unit IT and decreased IT centralization. The CIO shouldn't waste time fighting it.

Instead, with complete visibility into network assets, software spend and services, the CIO is in the perfect position to influence how the organization and individual business units consume software, driving substantial cost savings, efficiency gains and preventing security risks. Armed with this insight, the CIO can become the chief broker of IT spend, the go-to person for business units looking to drive the best deals with vendors and the creator of virtual teams across multiple business units with common interests and goals.

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VISIBILITY CLOSES THE DISRUPTION GAP

So how does the CIO get visibility? With true, multi-platform IT asset discovery that extends from mobile devices to desktops, from datacenters to the cloud. Wherever and however software and services are consumed, the CIO and their team needs to know about it.

Most organizations have discovery tools. The challenge is that existing tools are often inadequate. In fact, Gartner predicts that "By 2019, existing discovery tools will be useless for 90% of SAM needs."* Common discovery issues include:

- **Focus only on current knowns.** Using Active Directory or other IT-governed sources to discover assets tends to find assets you already knew existed. The real challenge lies in discovering assets that are NOT governed by IT.

- **Not accounting for cloud and mobile.** Two things make cloud and mobile spend difficult to track. First, spending on these platforms is often driven by business units with little or no control by IT. Second, many discovery tools haven't adapted to changes in technology consumption and are unable to track these deployment platforms.

- **Not realizing virtual is quite real.** Over the past 10 years, few technologies have remade the datacenter like virtualization. Unfortunately, many discovery tools are unable to account for the intricacies of virtualized environments.

Complete visibility requires automatic discovery of all types of assets (on-premises and cloud-based software and infrastructure, mobile devices, laptops, and network devices) across all platforms (Windows, Mac, Linux/Unix, etc.).

Let's look at some of the most common discovery challenges and get an understanding of how addressing them increases visibility and closes and the Disruption Gap.

*Gartner, Augment Your Discovery Tools for Cloud Software Asset Management Right Now, Hank Marquis, Victoria Barber, 9 February 2016 ID: G00292131

GETTING VISIBILITY INTO THE CLOUD

The huge appetite for cloud deployed software is forecast to continue to grow strongly as more vendors offer cloud-hosted options and business units demand the agility and quicker time to value that SaaS provides. Left unmanaged, however, SaaS might just as well stand for Shelfware-as-a-Service.

By their nature, cloud technologies are designed to promote consumption. Vendors make it increasingly easy to launch new platforms and consume more services. It's clear that unused cloud licenses and virtual servers left running will soon become a major cause of overspend.

Visibility into cloud investments helps reduce financial risk. For example, automatically retiring unused Azure or AWS instances is one way to trim bloated IaaS budgets. Another important capability is being able to track how individuals use SaaS applications which helps right-size the allocation of user licenses. Usage data also enables fine tuning entitlement levels per user, a potentially huge cost savings when SaaS vendors employed function-based tiered pricing models.

A KEY STEP IS TO ENSURE DISCOVERY FOR ANY NEW SYSTEM – ON-PREMISES OR VIRTUAL.

THIS ENSURES THAT EVEN INSTANCES WHICH RUN FOR ONLY A FEW HOURS OR A COUPLE OF DAYS – INSTANCES THAT ARE TYPICALLY NOT PICKED UP BY SCHEDULED INVENTORY SCANS – ARE TRACKED.

Whether your organization is planning to increase its investment in cloud technologies or maintain current spending levels, the risk of wasting money is high. Total visibility of software and hardware consumption, including cloud deployments, ensure every penny spent on IT across the organization delivers value.

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MOBILE VISIBILITY DRIVES COST CONTAINMENT AND ENHANCES SECURITY

Mobile is the new workplace: today's users regularly access data and consume software on multiple devices from wherever they are. Organizations have had to respond to user expectations of being able to instantly consume data by delivering applications that provide access to secure corporate information and giving users a consistent experience whether using a PC or mobile device.

Mobile usage and spend, however, can be difficult to track as it is often purchased and consumed by business units without centralized IT accounting and control. In addition, many vendors of IT ecosystem solutions such as ITSM, IAM and SAM do not provide the ability to adequately track mobile usage. It is critical to ensure all IT applications have kept up with the rapidly changing nature of the workplace.

Bring-your-own-device (BYOD) means that employees are effectively self-deploying devices and applications, making full visibility of mobile usage especially important. Visibility supported by an enterprise mobility management (EMM) solution allows IT administrators to monitor all devices connected to the network and employ controls separating corporate from personal data. As users add their own apps, the organization gets continuous visibility on usage and non-compliance. When authorization expires, downloaded content or apps are remotely wiped and company data erased from the device.

With the ability to track application installs across all common mobile platforms, including iOS, Windows Phone and Android devices it easier to optimize mobile app investments such as Apple's Volume Purchase Program, Google Apps for Work, or Google Apps for Education.

Complete user and usage visibility is a pre-requisite for role-based access to managed apps in which users only see the apps that they are eligible to download and workflow management enables them to request apps and be approved for access. With full insight into app usage and the approval process, organizations save money on licensing and assure compliance.

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VIRTUALIZATION COMPLEXITY, SIMPLIFIED

Enterprise software reflects one of the largest expenses for an organization. With the intricacies of licensing virtual assets and physical hosts, getting visibility into datacenter applications is a resource and time consuming task.

In most cases, enterprise software running in the datacenter or on IaaS platforms is licensed based on the physical capacity of the host system or a subset thereof (such as IBM's Sub Capacity or Oracle's Hard Partitioning). To understand what capacity needs to be licensed to run specific software, you need to understand the topology of the datacenter. Typically, the datacenter is an aggregation of physical host servers grouped into clusters with virtualized layers.

To build visibility you need to connect to both physical hardware and deployed virtualization technologies. This lets you build a comprehensive picture of both host and guest devices, determine the relationship between the two and identify the physical resources allocated to virtual machines. This complete picture is critical to accurate software licensing.

With this kind of visibility, you can apply virtual machine usage rights—to ensure maximum coverage from existing licenses–and calculate minimum license assignment rules, making it clear exactly how many cores and processors should be licensed.

IT'S AN IMPOSSIBLE TASK TO MANAGE ENTERPRISE SOFTWARE WITHOUT FULL VISIBILITY OF ALL DATACENTER COMPONENTS AND THEIR RELATIONSHIPS.
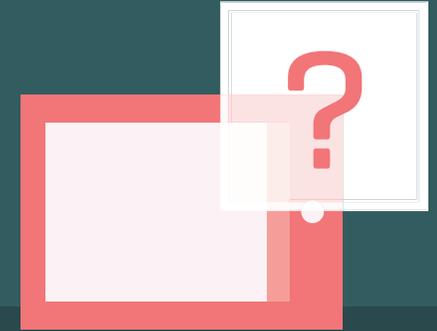
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EXAMPLE:

IBM products such as Tivoli and WebSphere can be licensed either in full-capacity or sub-capacity mode. Products licensed in full-capacity mode typically cost **five times** more than the same product licensed in sub-capacity mode, so it is crucial to ensure all eligible products meet IBM's sub-capacity requirements including the installation of IBM's License Metric Tool (ILMT) on each server with PVU-based software.

Amazingly, many organizations don't fully take advantage of sub-capacity license savings, primarily because they didn't deploy ILMT fully. Why did they fail to deploy this free application where it was needed? Because they didn't have complete visibility into their IT estate and didn't even know **where** ILMT was required.

A robust discovery and inventory solution identifies all servers that require ILMT, providing stakeholders with full visibility of the estate, enabling them to identify where to install ILMT agents and ensure all additional sub-capacity requirements are met.

NOT KNOWING WHERE IBM PVU-BASED PRODUCTS ARE INSTALLED MAKES IT IMPOSSIBLE TO ENSURE THAT ALL SUB-CAPACITY REQUIREMENTS ARE MET

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AFTER DISCOVERY, BUILD A CONSOLIDATED, NORMALIZED INVENTORY

Having discovered all your assets, it's time to build an inventory. While discovery tells you what's there it doesn't indicate how—or if—an asset is being used. Nor can discovery answer such questions as which virtual machines are running in which cluster, or which applications are part of which bundle. Fully closing the Disruption Gap, requires a solution which provides detailed insight into installations and configurations across your estate.

Many organizations rely on more than one hardware and software inventory source to ensure complete network coverage. Business unit IT spend associated with the Disruption Gap only makes this issue worse as new sources of software and infrastructure are established. Consolidating the data from these sources requires integration connectors that collect and import data from third-party systems such as Microsoft SCCM, Dell KACE 100, BMC ADDM, LANDesk, and Altiris and IBM software inventory products such as ILMT, TADd, or BigFix Inventory. If multiple inventories are used, it is critical the solution provides a single pane-of-glass view of all inventory data.

Inventory, whether extracted from one source or many, starts with a list of raw executable data and other metrics. Deciphering the software title, vendor, version and release date is burdensome if not impossible. Normalizing inventory data starts by reconciling it against commercial software titles (vendor, suites, bundles, etc.) and then identifying major and minor release, version and edition. Without normalization, organizations are likely to miss opportunities for software rationalization and license optimization. Normalized data also mitigates risk by identifying and removing duplicates.

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THE FUTURE IS NOW

Ask many CIOs to imagine a world of business unit IT and you'd forgive them for seeing a world of chaos, risk and overspend. But with full visibility of IT use across all areas of the organization, the trend towards business unit IT and digital transformation doesn't have to be dark and gloomy.

Visibility enables the creation of a single source of truth for all IT assets on all enterprise computing platforms. With visibility, it is possible to optimize all technology spend, regardless of origin and to create realistic budgets based on actual usage and need. Redundant software can be reclaimed, compliance positions can be calculated, risk minimized and costs reduced.

WANT TO CLOSE YOUR DISRUPTION GAP, REDUCE COSTS, MITIGATE RISK?

Why not experience first-hand what it's like to get full visibility of your estate.

TAKE A SNOW TEST DRIVE TO SEE IT IN ACTION.

Snow Software has developed a range of solutions providing the visibility and insight necessary to help CIO's bridge the Disruption Gap and support their role evolution from one of command and control to chief influencer.

ABOUT SNOW SOFTWARE

By managing software in use across the organization, Snow creates tangible savings and releases budgets, giving enterprises around the world the confidence to invest in new technologies such as virtualization, cloud and mobile.

Snow provides C-level executives, software managers and procurement professionals actionable intelligence on software installs, usage and entitlements across all platforms – from mobile to desktop, datacenter to cloud – saving up to 30% of software spend in year one.

Some call it Software Asset Management, Unified Device Management or even just license compliance.

Like thousands of organizations around the world, we call it Snow.

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SNOW SAM PLATFORM

Slm Snow license manager

With millions of licenses sold, Snow License Manager is the world's leading SAM solution.

Srs Software recognition service

Recognize commercially-licensable applications across the network.

Sic Snow integration connectors

Integrate Snow's SAM platform with existing Inventory, ITAM and Service Management solutions.

Inv Snow inventory

The true multi-platform audit solution designed to find devices, audit software installs and track usage.

Vm Virtualization management

Identify and manage virtual assets across the network.

Sos Snow optimizer for SAP ®software

Manage SAP licensing to optimize one of the enterprise's largest software costs.

Sdm Snow device manager

A complete enterprise mobility management solution that handles the full lifecycle of mobile devices.

Ap Snow automation platform

Define and implement automated process to support software optimization.

Om Oracle management option

Cut the costs of managing complex Oracle licenses.

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