

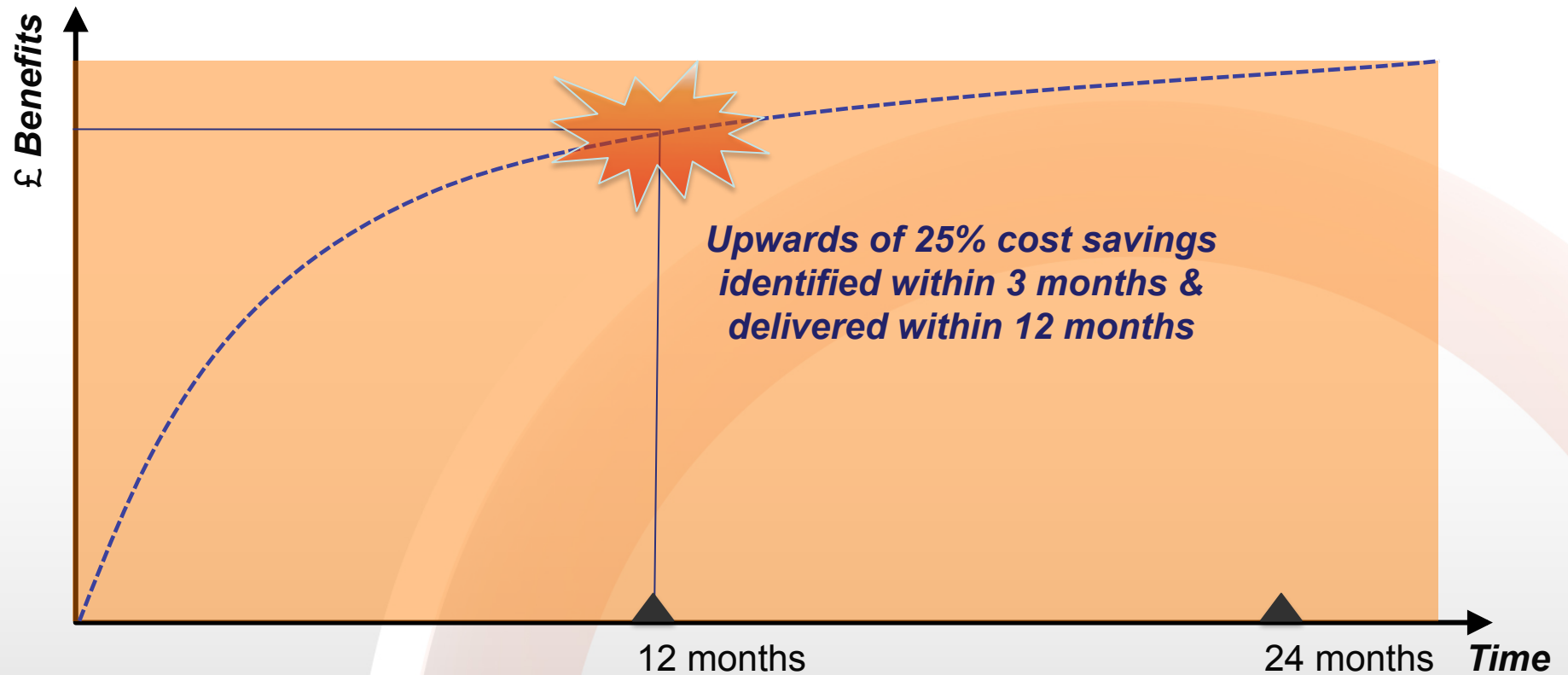
4sl Group

IT Efficiency & Effectiveness

***IT Asset Management***  
***Saving Money, Reducing Risk***

# Value Proposition

- Identify & accelerate cost savings through effective & efficient asset management



# IT Asset Management - Why is it relevant?

***Do you have an efficient means for tracking & controlling software assets?***

*Resolving this can expose significant savings on unused licenses & remove exposure to major risks from software currency, license violations and in-bound vendor audits.*

## **CIO & IT Director Pain Points**

- *Efficiency improvement*
- *Risk mitigation*
- *Value Vs Cost Transparency*
- *Vendor in-bound audits*

## **Vendor Challenges for IT-AM**

- Potential in lost revenue
- Customer inventory reconciliation
- Brand & franchise risk resulting from forced audits

# Case Study – Global Financial Services Firm

## ■ Problem

- Limited visibility of application license status across **all** software assets
- Resource constraints required rapid assessment to spot savings & risks

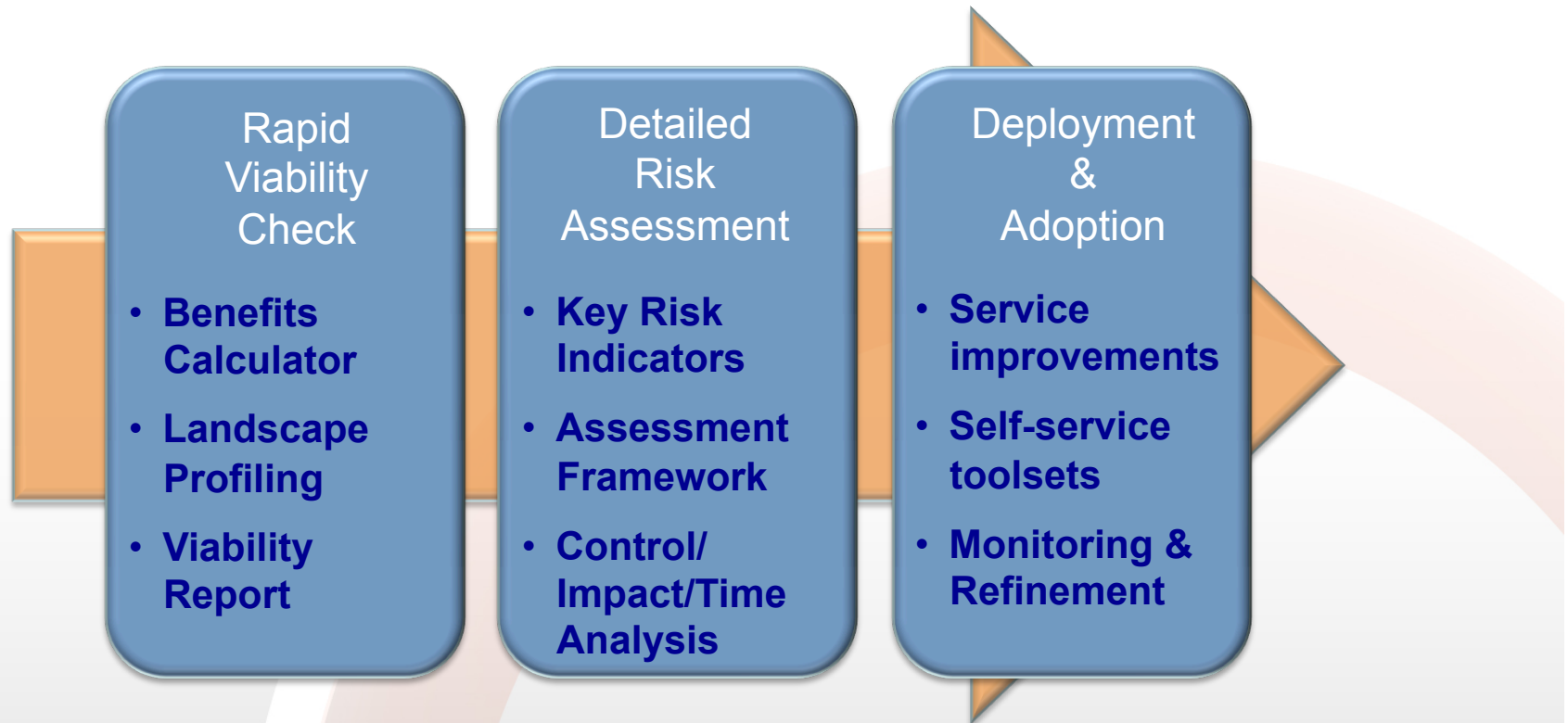
## ■ Objectives

- Identify key efficiency gains (incl. associated cost savings) & major license exposure
- Expose & resolve all material gaps (incl. cessation of further licensing gaps)
- Avoid planned in-bound vendor audits
- Establish greater transparency & 'self service' management of software portfolio

## ■ Solution & Benefits

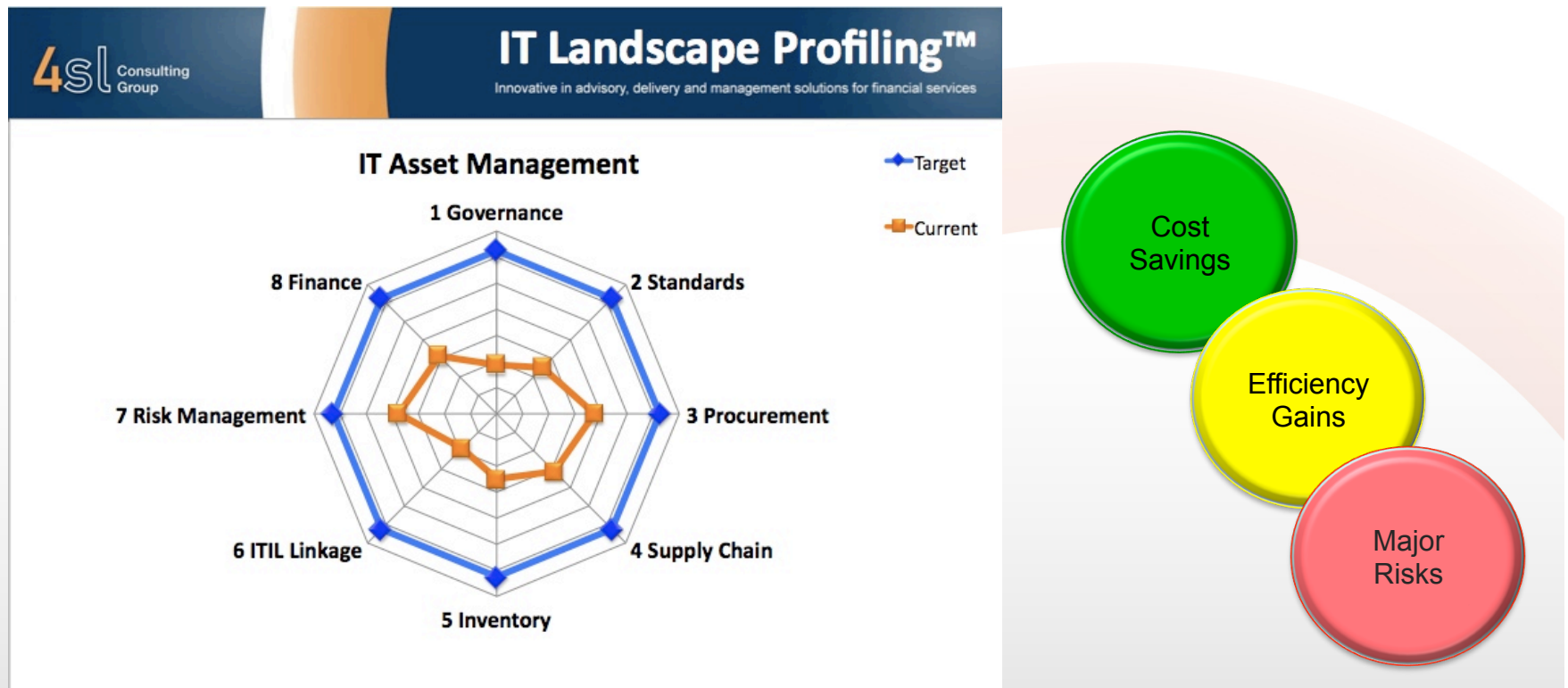
- CIO sponsored programme based on development of Risk Assessment Framework
- **\$5.6M cost avoidance identified within 3 months** incl. reduced maintenance & elimination of unused software
- Self-declaration & management processes implemented for low risk products
- Ownership & responsibility established for every product
- Improved vendor relationships & leverage based on accurate usage data
- Self service toolset developed & deployed (incl. Management Portal, Inventory Tool, Desktop, Data Centre & Server Room Discovery Tool)

# 3 steps to effective asset management



# Step 1. Rapid Viability Check

- Landscape profiling across 8 key levers to identify quick wins for cost savings, related efficiency gains & major risks.
- A key first step in establishing a Risk Assessment Framework.



# Step 1. Rapid Viability Check

- **Objective**

- To establish current efficiency & effectiveness of Software License Management function.

- **Considerations:**

- Establish the main issues/goals/benefits looking to be addressed.
- Identify a mandate or related initiative underway in this area.
- Establish level of sponsorship & governance required to deliver significant change around software licensing & asset management.
- Identify where vendor management can be improved or leveraged in negotiations.
- Understand what Policies & Control Standards in place around software licensing across the organisation.
- Establish existing internal or external audit points around software licensing.

- **Outputs:** Landscape Profile & Viability Report

- Under-utilised software assets
- Over-subscription on software purchasing
- Service management improvements
- Exposure to vendor (e.g. inventory accuracy, license true-up, etc.).

# Step 2. Detailed Risk Assessment

- “A quantitative analysis to evaluate efficiency gains & risk avoidance initiatives”
- *Landscape Profiling determines 5 key risk indicators to build a risk assessment framework.*

Key Risk Indicator	Risk Rating (1-5)
Geographic Spread	
License Complexity	
Financial Materiality	
Install Base	
Multiple Ownership	
Vendor Spend	
Vendor Attitude	
Vendor Relationship	
Criticality of Software	
Unit Cost	

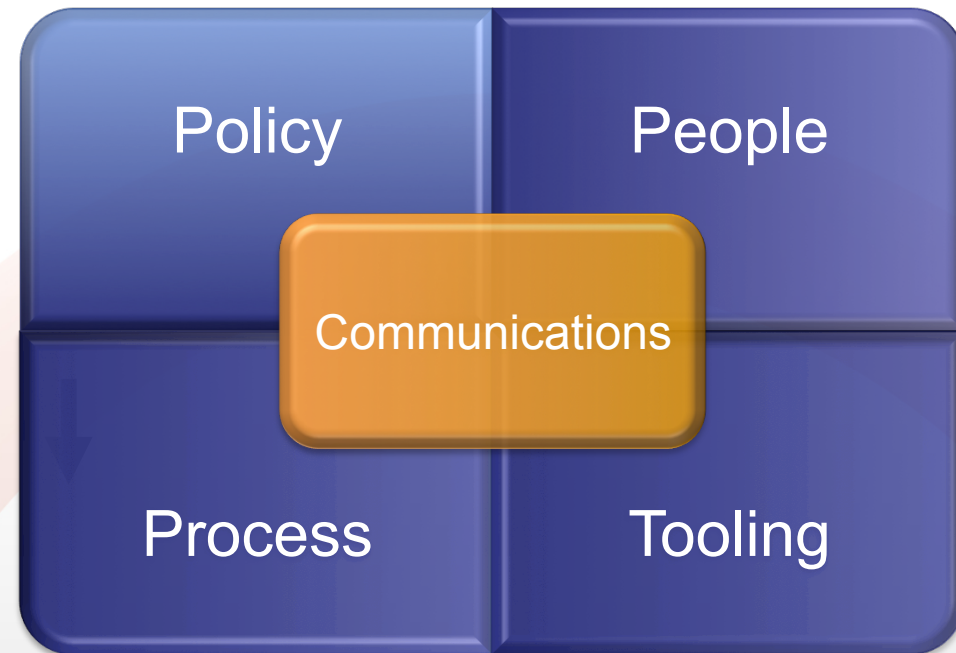
- *Landscape Profiling identifies target product lines for assessment.*

	Risk Score	Geographic Spread	License Complexity	Financial Materiality	Install Base	Multiple Ownership
Product Line 1	4.6	4	5	4	5	5
Product Line 2	2.8	4	3	2	2	3
Product Line 3	2.0	2	3	2	1	2
Product Line 4	3.4	3	3	3	4	4
Product Line 5	5.0	5	5	5	5	5

High chance of overspend or risk exposure

## Step 2. Control/Time Impact Analysis

- Establish targets for cost savings & major risks from risk assessment framework.
- Execute 'deep dive' into Policy, People, Process & Tooling functions to determine related efficiency & effectiveness gains.
- Initial impact analysis of potential gains against Control & Time perspective to prioritise initiatives.



# Step 3. Deployment & Adoption

- Establish appropriate governance function for stewardship, oversight and review.
- Mobilisation of high priority efficiency & effectiveness gains from Control & Time impact analysis, for example:
  - supply chain optimisation & leveraging toolsets
  - process definition and/or reengineering
  - workflow automation
  - asset disposal/recycling
  - management reporting
- Monitoring & reporting function to track major items resulting from risk assessment framework.

# Summary

- Proactive IT Asset Management can ensure efficient and effective use of software and hardware assets throughout their lifecycle.
- Our 3 step approach can help accelerate the maturity of processes, tooling and organisation required to achieve this
- Execute a Rapid Viability Assessment and help expose the major cost savings and risk mitigation initiatives that you should be addressing.