Microsoft®

SAM
SOFTWARE ASSET MANAGEMENT

The SAM Optimization Model

control, optimize, grow

In an ever-changing global marketplace, companies are looking for every opportunity to gain a competitive advantage and simultaneously grow revenue, profits, and customer loyalty. Meanwhile, new regulatory requirements, competitive pressures brought on by an increasingly connected global economy, and technologies that "level the playing field" for companies of all sizes are making it more difficult for companies to stay ahead.

In this environment, the role of information technology (IT) is rapidly becoming a key strategic asset to support and drive innovation, profitability, and customer satisfaction. On one hand, increasing IT complexity has made it more difficult—and costly—to manage a company's infrastructure and platform. On the other hand, the promise of the strategic advantage a company can achieve through technology is driving new waves of IT investment.

Aligning IT with Business Strategy

Due to the increased importance of IT, certain issues now have the risk of becoming larger potential roadblocks to a company. One of these is business–IT alignment. While disconnects between lines of business and IT have always been a source of annoyance, misalignment now has a more direct impact on the success of the business.

Unfortunately, many organizations struggle with business–IT alignment. The lack of a common language, understanding, and background inhibit the ability of otherwise talented IT and non-IT business executives to establish a level of synergy necessary to maximize the value of IT for the business.

The Journey toward an Optimized Infrastructure and Platform

Fortunately, resources are available to help companies assess the strengths and weaknesses of their existing infrastructure and platform and develop a long-term strategy, with an associated short-term roadmap, to improve their level of IT Optimization.

A Dynamic System and Supporting Infrastructure

A dynamic system is the Microsoft vision for what an agile business looks like—where IT works closely with business leaders in order to meet the demands of a rapidly changing and adaptable business environment. Dynamic IT is Microsoft's technology strategy for products and solutions that help businesses enhance the dynamic capability of their people, process, and infrastructure and platform using technology. Dynamic systems are a strategic asset to a company because they increase the capability of a business and its people to meet ever changing demands with a quick and effective response.

An Optimized Infrastructure and Platform

Microsoft has processes and best practices, technology solutions, and training available to help businesses start the journey toward a dynamic system. Central to the Microsoft Optimization efforts are Optimization models, including the core Infrastructure Optimization (IO) Model. This model helps drive demand for a more secure, well-managed, and dynamic infrastructure to enable organizations to help reduce their overall IT costs, make better use of IT resources, and make IT a strategic asset for the business.

Benefits of Optimization Models
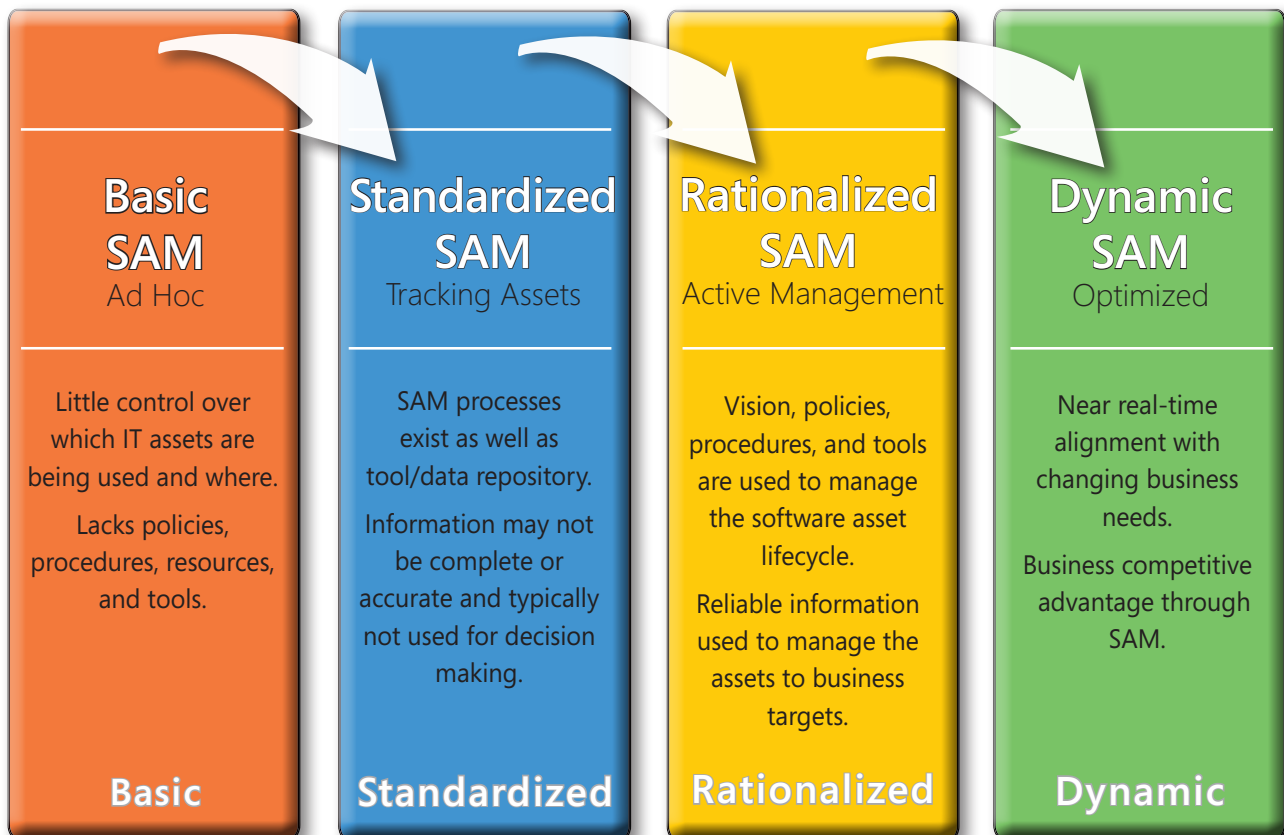
Optimization models provide companies with a methodology for understanding their IT capabilities. They provide an actionable roadmap to help organizations transition from one Optimization level to the next. The models also provide customers, technology partners, and Microsoft with a common terminology to coordinate efforts to help customers improve their level of IT Optimization.

The SAM Optimization Model

The Software Asset Management (SAM) Optimization Model is aligned with the Infrastructure Optimization (IO) Model and provides a framework to accurately evaluate SAM processes, policies, and tools.

The IO model is used to benchmark your organization's current Information Technology (IT) infrastructure and help create a more secure and better managed environment. The primary goals of IO are to help rationalize and reduce your IT costs, reallocate underutilized IT resources, and streamline IT business processes. Implementing SAM, which is an integrated set of policies, processes, people and tools dedicated to discovery and management of an organization's software holdings, is necessary so an organization can optimize its IT assets. Information technology optimization is a common goal of both the IO Model and the SAM Optimization Model, therefore it makes sense for your organization to align these initiatives along a common framework.

Using the IO stages of Basic, Standardized, Rationalized, and Dynamic, your SAM partner can conduct a SAM Optimization assessment based on 10 key SAM competencies. The end goal of the assessment is to evaluate the SAM Optimization level of your organization based on a set of established and objective criteria. Once your organization knows its optimization level, it can work to advance from one optimization level to another, based on guidance from your SAM partner.

Basic SAM Ad Hoc	Standardized SAM Tracking Assets	Rationalized SAM Active Management	Dynamic SAM Optimized
Little control over which IT assets are being used and where. Lacks policies, procedures, resources, and tools.	SAM processes exist as well as tool/data repository. Information may not be complete or accurate and typically not used for decision making.	Vision, policies, procedures, and tools are used to manage the software asset lifecycle. Reliable information used to manage the assets to business targets.	Near real-time alignment with changing business needs. Business competitive advantage through SAM.
Basic	**Standardized**	**Rationalized**	**Dynamic**

Levels of SAM Optimization
Your Microsoft SAM partner will assess your SAM Optimization level and help you advance to subsequent levels.
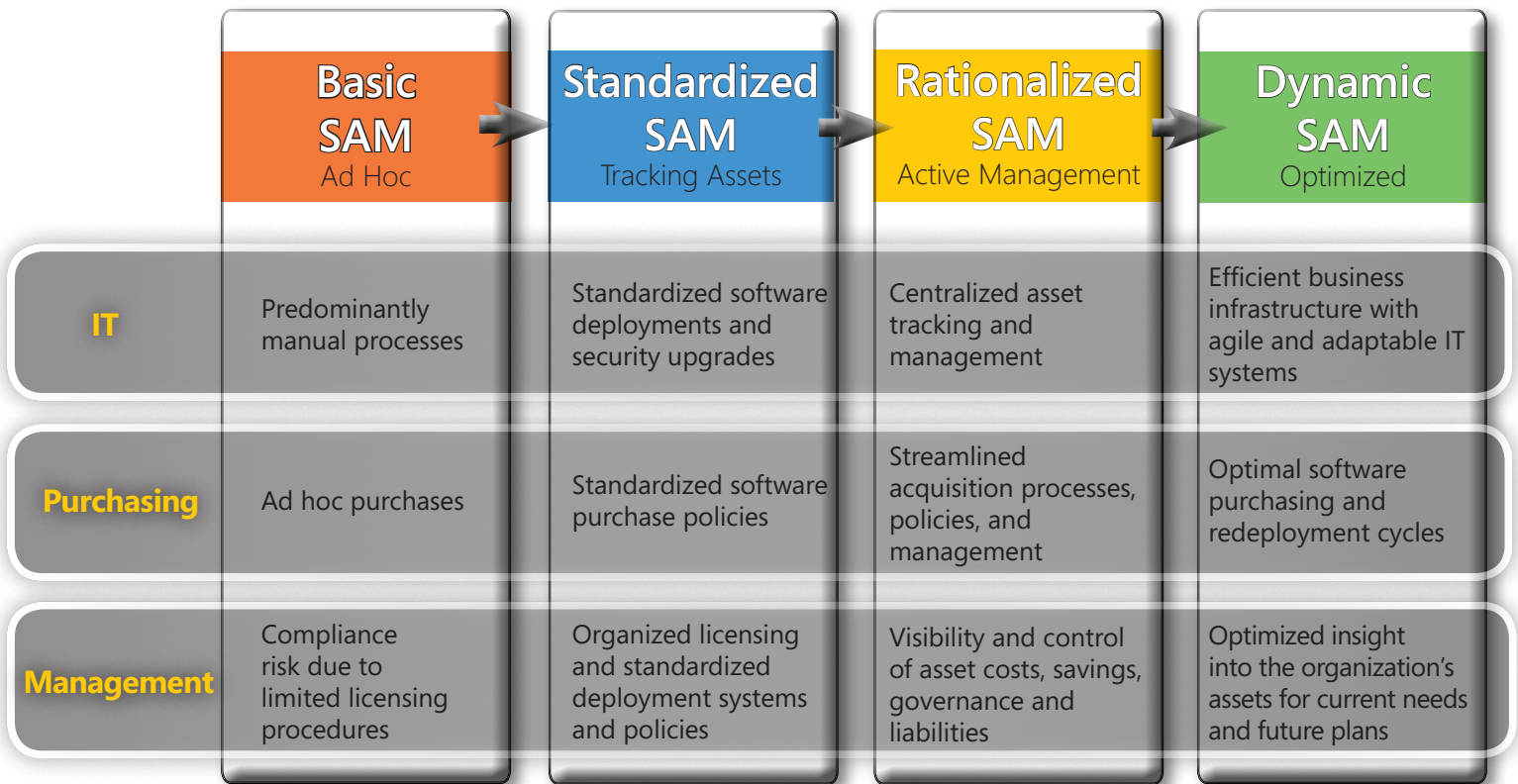
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Competencies

The chart below contains the 10 key competencies that the SAM partner will evaluate and the key competency questions that will be used in order to determine the customer's SAM Optimization level.

ISO 19770-1 Categories	Key Competency	Competency Question
Organizational Management	SAM Throughout Organization	How has software asset management (with documented procedures, roles, responsibilities and executive sponsorship) been implemented in each infrastructure group?
	SAM Improvement Plan	Does your organization have an approved SAM improvement plan?
SAM Inventory Processes	Hardware and Software Inventory	What percentage of user PCs and servers are included in a centralized software inventory/ CMDB (configuration management database); which is populated by a software tracking tool?
	Accuracy of Inventory	How often do you reconcile software inventories with other sources to verify accuracy of assumed license metrics (for example user counts based on HR employee records)?
SAM Verification Processes	License Entitlement Records	What percentage of procured software licenses are recorded in a license entitlement inventory (a central repository/tracking of all licenses owned and/or previously acquired)?
	Periodic Evaluation	How often do you reconcile software deployments (usage) to software entitlements (purchases)? Software entitlements are software licenses owned or previously acquired.
Operations Management and Interfaces	Operations Management Records Interfaces	How do the various Operations Management functions (contracts, financial fixed assets, service support, security, networking) use software and hardware inventories in their daily roles?
Lifecycle Process Interfaces	Acquisition Process	What percentage of total software purchases in your organization are made through or are controlled & tracked by centralized procurement?
	Deployment Process	What percentage of total software deployed across organization's PCs and servers (considering all operating systems) is installed through centralized sources or through a controlled distribution environment?
	Retirement Process	What percentage of retired hardware assets are tracked in a way to enable the software on them to be reused?

optimize ★

SAM By Role

Implementing a SAM plan ultimately involves and benefits all departments within the organization. Each area has its own unique roles and strategies that can build and support a case for SAM that benefits the organization. This chart provides examples of three key roles.

	Basic SAM Ad Hoc	Standardized SAM Tracking Assets	Rationalized SAM Active Management	Dynamic SAM Optimized
IT	Predominantly manual processes	Standardized software deployments and security upgrades	Centralized asset tracking and management	Efficient business infrastructure with agile and adaptable IT systems
Purchasing	Ad hoc purchases	Standardized software purchase policies	Streamlined acquisition processes, policies, and management	Optimal software purchasing and redeployment cycles
Management	Compliance risk due to limited licensing procedures	Organized licensing and standardized deployment systems and policies	Visibility and control of asset costs, savings, governance and liabilities	Optimized insight into the organization's assets for current needs and future plans

SAM benefits your operational capabilities through standardized procedures and best practices, increases awareness of your company's software purchasing needs, and gives you greater insight into managing your company's assets.

IT

Control security risks that result from the use of unauthorized software and/or a lack of knowledge of available security updates, ultimately reducing support incidents.

Optimize efficiencies with centralized asset tracking to always know what software you have, what could be better used elsewhere, and what types of programs you will need in the future.

Grow your business infrastructure with flexible and agile IT systems that can easily adapt with future needs.

Purchasing

Gain centralized **control** and implement/enforce procurement procedures by increasing your understanding of the software licenses that your business needs to succeed.

Optimize your negotiations and vendor relations by knowing exactly what software your organization needs and uses.

Grow visibility into short and long-term planning for upcoming software purchases that are necessary to meet current and future business requirements.

Management

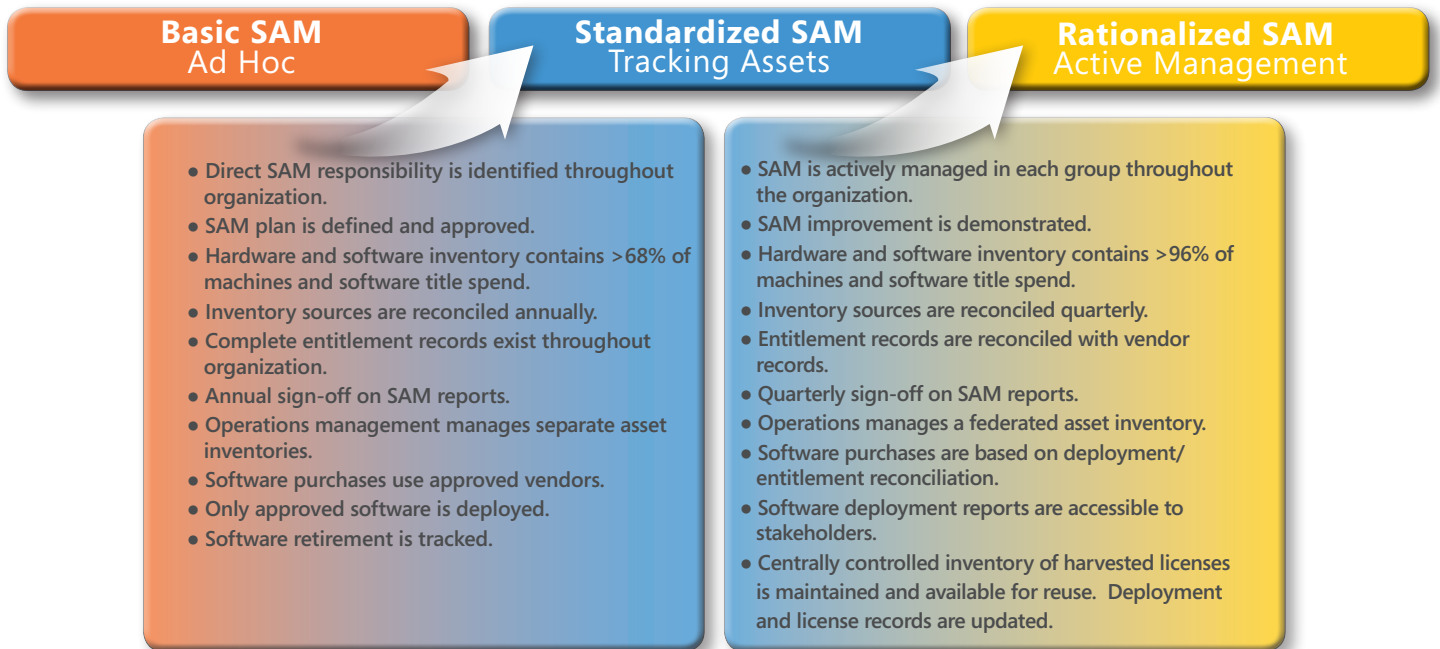**Control** and limit your company's legal liability through better software and license management.

Optimize the time-to-market through streamlined software functionality and a thorough knowledge of existing databases.

Gain greater insight into your company's assets and needs, helping you make more informed decisions and better plans for the **growth** of the organization, both short term and for the future.
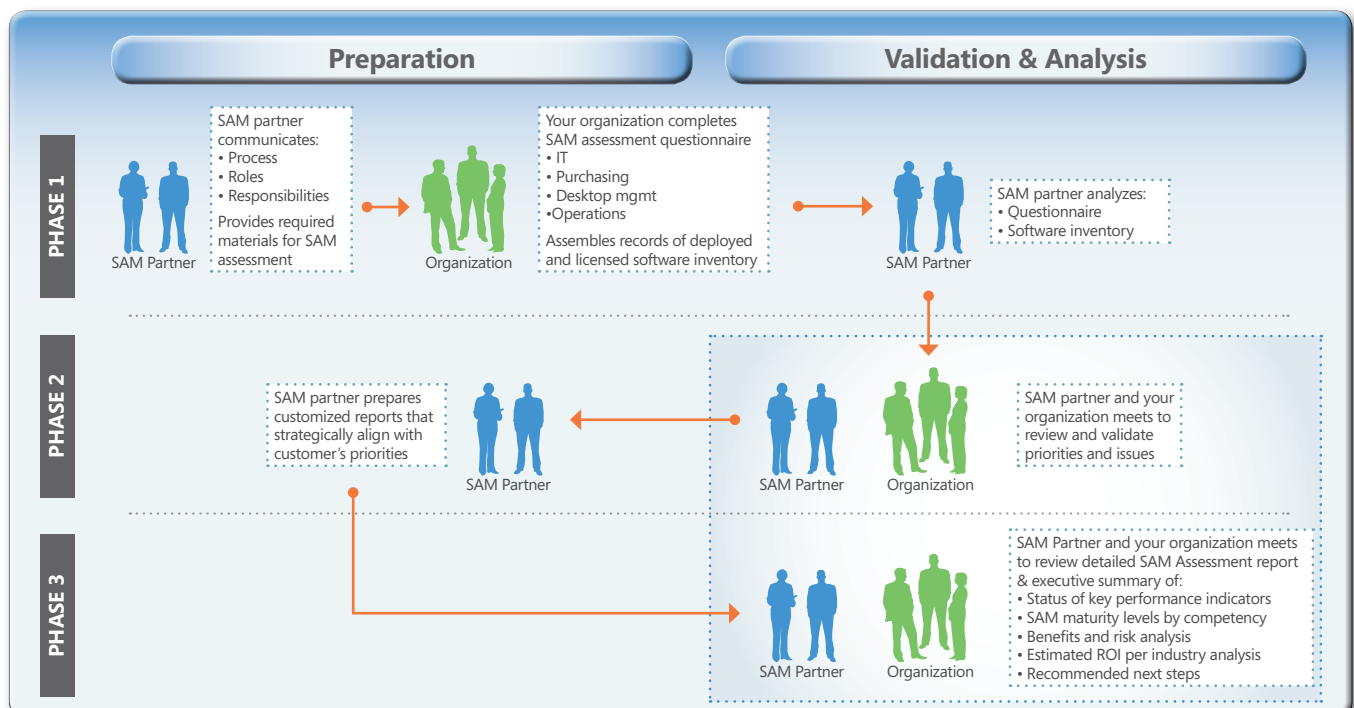
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SAM Maturity Model Tipping Points

Software Asset Management provides financial and risk management benefits when implemented correctly. SAM implementation will show both immediate and long-term results that can help your organization have better control over software and hardware costs. The tipping points graphic below shows the SAM policies and processes necessary to move from a Basic SAM to a Standardized SAM level or from Standardized SAM to Rationalized SAM.

Basic SAM	Standardized SAM	Rationalized SAM
Ad Hoc	Tracking Assets	Active Management

Standardized SAM
- Direct SAM responsibility is identified throughout organization.
- SAM plan is defined and approved.
- Hardware and software inventory contains >68% of machines and software title spend.
- Inventory sources are reconciled annually.
- Complete entitlement records exist throughout organization.
- Annual sign-off on SAM reports.
- Operations management manages separate asset inventories.
- Software purchases use approved vendors.
- Only approved software is deployed.
- Software retirement is tracked.

Rationalized SAM
- SAM is actively managed in each group throughout the organization.
- SAM improvement is demonstrated.
- Hardware and software inventory contains >96% of machines and software title spend.
- Inventory sources are reconciled quarterly.
- Entitlement records are reconciled with vendor records.
- Quarterly sign-off on SAM reports.
- Operations manages a federated asset inventory.
- Software purchases are based on deployment/ entitlement reconciliation.
- Software deployment reports are accessible to stakeholders.
- Centrally controlled inventory of harvested licenses is maintained and available for reuse. Deployment and license records are updated.

The SAM Optimization Process

Your SAM partner can lead you through the SAM optimization process. There are three phases to the process. The first phase centers around the preparation and analysis of the SAM Assessment questionnaire and licensing records. Phase 2 consists of on-site review and validation of the customized reports and strategy analysis. In Phase 3, a detailed SAM assessment and Executive summary is presented highlighting your organization's SAM maturity levels and recommended next steps.

Preparation | **Validation & Analysis**

PHASE 1

SAM Partner — SAM partner communicates:
• Process
• Roles
• Responsibilities

Provides required materials for SAM assessment

Organization — Your organization completes SAM assessment questionnaire
• IT
• Purchasing
• Desktop mgmt
•Operations

Assembles records of deployed and licensed software inventory

SAM Partner — SAM partner analyzes:
• Questionnaire
• Software inventory

PHASE 2

SAM partner prepares customized reports that strategically align with customer's priorities

SAM Partner

SAM Partner Organization — SAM partner and your organization meets to review and validate priorities and issues

PHASE 3

SAM Partner Organization — SAM Partner and your organization meets to review detailed SAM Assessment report & executive summary of:
• Status of key performance indicators
• SAM maturity levels by competency
• Benefits and risk analysis
• Estimated ROI per industry analysis
• Recommended next steps

chart

SAM Optimization –
Planning SAM Practice Improvements

Your Microsoft SAM partner will help your organization progress from one SAM Optimization level to the next in order to realize the full potential of SAM. The chart below shows each SAM key competency and a description of the processes or procedures in effect at each level of SAM Optimization. Using this chart, you can better understand where your organization is currently within each competency, and use it to plan for improvements to reach the next level.

Key Competency	Basic	Standardized	Rationalized	Dynamic
SAM Throughout Organization	Project Manager assigned but SAM roles & responsibilities not defined.	Direct SAM responsibility is identified throughout organization.	Each functional group actively manages SAM.	SAM responsibilities defined in job descriptions across organization.
SAM Improvement Plan	No SAM development or communication plan.	SAM plan is defined and approved.	SAM improvement is demonstrated.	SAM goals part of executive scorecard; reviewed regularly.
Hardware and Software Inventory	No centralized inventory or < 68% assets in central inventory.	Between 68% and 95% of assets in inventory.	Between 96% and 99% of assets in inventory.	> 99% of assets in inventory.
Accuracy of Inventory	Manual inventory; no discovery tools.	Inventory sources reconciled annually.	Inventory sources reconciled quarterly.	Dynamic discovery tools provide near real-time deployment details.
License Entitlement Records	Procurement manages contracts; not accessed by IT managers.	Complete entitlement records exist across organization.	Entitlement records reconciled with vendor records.	SAM entitlement system interfaces with vendor entitlement to track usage.
Periodic Evaluation	IT operations managed on ad-hoc basis.	Annual sign-off on SAM reports.	Quarterly sign-off on SAM reports.	System reconciliations and ITAM report available on demand.
Operations Management Interfaces	SAM not considered part of M&A risk plan and company integration.	Operations manages separate asset inventories.	Operations manages associated asset inventory.	All business units follow the same strategy, process, & technology for SAM.
Acquisition Process	Assets purchased on a per project basis; without a review of current availability.	Software purchases use approved vendors.	Software purchases based on deployment/ entitlement reconciliation.	All purchases are made using a pre-defined asset catalog; based on metered usage.
Deployment Process	Assets deployed by end -users in distributed locations; no centralized IT.	Only approved software is deployed.	Software deployment reports are accessible to stakeholders.	Software is dynamically available to users on demand.
Retirement Process	Software is retired with hardware, and is not harvested or reassigned.	Unused software is harvested (where the license allows) and tracked within a centrally controlled inventory.	Centrally controlled inventory of harvested licenses is maintained and available for reuse. Deployment and license records are updated.	Automated process with centralized control and tracking of all installed software, harvest options, internal reassignment and disposal.

grow

Frequently Asked Questions

Q. What is the Infrastructure Optimization (IO) Model?

A. The IO model is used to benchmark an organization's current IT infrastructure and help create a more secure and better managed environment. The IO model's primary objectives are to rationalize and reduce IT costs, reallocate underutilized IT resources, and streamline IT business processes. The IO model assesses an organization's IT infrastructure level as Basic, Standardized, Rationalized, or Dynamic.

Q. What is the SAM Optimization Model?

A. The SAM Optimization model is a SAM framework aligned with Optimization that allows your Microsoft partner to evaluate your organization's SAM progress effectively and objectively. Using the IO stages of Basic, Standardized, Rationalized, and Dynamic, your Microsoft partner conducts a SAM Optimization evaluation based on 10 SAM competencies. The vendor independent industry wide standard these are adopted from is ISO/IEC 19770-1:2006 SAM Processes. The end goal of the evaluation is to assess the SAM Optimization level of your organization based on a set of established and objective criteria. Once your organization understands its Optimization level, it can work to advance from one Optimization level to another. The Optimization model provides the framework to improve the management of software assets and the investments your organization makes in them.

Q. Why is Microsoft implementing the SAM Optimization Model?

A. Microsoft is implementing this model to provide an established set of objective criteria which partners can follow with customers to make consistent SAM assessments. Before a customer can begin to improve their SAM business practice, they need to have a clear picture of where they stand and where they would want to eventually be. The new model will provide a clear framework for these assessments.

Q. What are the benefits of the SAM Optimization Model?

A. Benefits to your organization include: alignment with the established IO model that many companies are currently familiar with, guidance on how to get from one SAM Optimization level to another and the related benefits, and creation of a roadmap to visualize savings at each stage of Optimization.

Q. How long does a typical SAM Optimization assessment take?

A. As an average estimate, the SAM optimization assessment should take between two and five days if the proper preparation work has occurred and the key company contacts for the assessment are available. These could include purchasing, finance, IT, and operations department leads.

Resources

- Microsoft Software Asset Management (SAM) - **http://www.microsoft.com/sam**

- SAM Maturity Model - **http://www.microsoft.com/sam/en/us/optmodel.aspx**

- IO Model - **http://www.microsoft.com/io**

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