



The Benefits of Intelligent Usage Metering

Eight Reasons Companies Need Asset Usage Metering with Asset Vision®

A SCALABLE SOFTWARE WHITEPAPER

Executive Summary

It is important to understand whether the tools you have, or what you are evaluating, can truly meter asset usage in ways that will enable significant cost savings, support portfolio planning and provide audit defense. In this whitepaper, we will describe the significant contribution usage metering provides and why companies choose Asset Vision. Your organization may already have access to technology or features inside an existing software product that are supposed to meter application usage, but what you have may not be up to the task. There are important metering capabilities that are typically absent in tools that claim to do usage metering.

Usage metering tools will often tell you how long a traditional application is open on a desktop. More commonly, these tools just report whether an application has been used at all, and the last time it was launched. This limited information, taken from Add/Remove Program entries, is rarely accurate.

Usage Metering Contributes to Ensuring Strong Cost and Process Controls

There are four main business process areas where IT asset usage metering provides benefits to an organization.

The first, software license management, is a major use case for application usage metering to ensure software license cost control. It is not uncommon for software to be installed or made available and then either underutilized or not used at all. When scaled across an organization, such shelf-ware represents an enormous waste of money.

Next is the increasing adoption of self-provisioned, cloud-based applications or internal "App Store" models for application delivery, and the situation is getting worse. These application deployment models can lead to the provisioning of applications that are not used as intended, which in turn can lead to unnecessary hardware and software costs. To enable effective strategic IT cost optimization, improved asset metering is a must.

Migrations are another consideration. Be it cloud, OS or application migration, usage metering plays a strong role. Migration is now a business-as-usual task even for mid-sized organizations. Despite it being business-as-usual, migration from one platform or set of applications to another can be very costly in terms of compatibility testing and remediation. Accurate software usage metering can dramatically reduce this cost, as it eliminates the testing and migration of applications that are not used.

"Any application migration or license planning exercise based without intelligent usage information will always result in the migration or licensing of applications that either aren't required, or for which a more efficient implementation is possible."

“The vast majority of solutions only meter the opening and closing of traditional workstation applications.

This is not enough for real cost optimization.”

IT outsourcer cost transparency is another important process to understand. This is true if the situation is a true outsource arrangement or you are trying to monitor IaaS and PaaS arrangements. IT outsourcing agreements sometimes fail to yield the returns originally forecast, and costs associated with outsourcer productivity and management are not always transparent. A common use for application usage metering is to determine how much time outsourced teams spend working on assigned tasks or are the contracted cloud services in line with expectations.

When the work of the outsourcing team in question is application-intensive, an objective measure of effort can be derived from the amount of time spent inside tools and websites related to their tasks. This information can then be used as a cost transparency baseline for improvement discussions with the outsourcer.

Finally the effective governance of application and website use is both a security, cost and productivity challenge. Well-run organizations implement application and website use policies for governance and as part of HR processes. Any discussion of IT system misuse needs reliable, objective evidence, and usage metering can provide that evidence.

Improve Overall Asset Utilization Effectiveness by Following This Checklist

- ✓ **Read/Write Detection.** Unless you can determine whether use of an application is read-only or read/write, it's almost certain that you'll be identifying license requirements that simply do not exist. If your users only ever read documents or web pages in certain applications, not only is a read-only/viewer/report-only license going to be a lot less expensive, it will be a better solution for the user.
- ✓ **License Camping.** By license camping, we refer to those situations where users launch high-end applications each day just to demonstrate to the license control system that they need a license. In tests Scalable has conducted at numerous customers, actual usage of applications managed by these systems is almost always materially less than the managers of the environment imagine. We've seen real usage over a 90-day period as low as 5 percent of the total community of users.
- ✓ **Web Application Usage.** Application usage metering methods that simply monitors page loads is not adequate for real cost optimization. To get a usable picture of ongoing requirements for the web application in question, what's needed is metering the amount of time spent interacting with identifiable elements of the application and whether the interaction was read-only or read/write at multiple levels.
- ✓ **Plug-In Usage.** In some cases plug-ins or add-ons to software have licensing implications at least as significant as the underlying application. They also represent an application migration barrier. Software usage metering must encompass whether individual plug-ins are loaded and actually used in your environment. Otherwise, an organization will be totally unprepared for software audits that may cover the plug-ins, and will have no visibility into the impact of plug-ins on migration plans.

“... vast amounts of time and resources are being spent on trying to understand what is being used, where it is and who are using company assets and not on innovation.”

- ✓ **File Usage.** Migration to newer versions of applications sometimes requires an assessment of file compatibility. Being able to monitor which files are used and edited by end users enables the compatibility exercise to focus on only those files that matter. This number is often a small fraction of the total number of files, which has a direct impact on migration costs.
- ✓ **Sub-Function Usage.** Many high-end data feed applications or large ERP suites have modules that are defined by some set of functions a user may exploit. For example, inside a single application, various data feeds are identifiable as sub-functions, and are separately chargeable. If such systems are used by an organization, it is important that application usage metering can be configured to monitor and report on sub-function use, as just monitoring the application can't provide a picture of which components are genuinely required.
- ✓ **Primary User Identification.** If you can't accurately identify who is using a given application, much of the actionable intelligence is lost. When user identification starts and ends with the last logged in user, for organizations that hot-desk or share resources in other ways, this is of little use. It's much more valuable to identify the primary user of a workstation or actual user of an application.
- ✓ **Client Side Resource Consumption.** In addition to metering software use, measuring the impact of running applications on underlying hardware resources can be particularly valuable.

Summary

Usage metering tools will often tell you how long a traditional application is open on a desktop. More commonly, these tools just report whether an application has been used at all, and the last time it was launched. Many vendors now claim to offer software usage metering. As you can see in the checklist, a thorough review of the scope of any usage metering offered is required. In order to better understand your specific situation, this checklist can provide a basis for comparing available solutions in the marketplace. Just as important is using these eight points to appreciate how to make broader use of asset metering, not just software asset metering, capabilities in your organization. The limited information, taken from Add/Remove Program entries, is rarely accurate. If asset usage metering is treated as a check-box item during a product review process, you will not get what you need. A thorough review of the scope of usage metering offered is required. Set against the real needs of organizations to meter usage, this open/close approach level is seriously inadequate.

Learn more about Scalable's Asset Vision at www.scalable.com, or email us to request a demonstration at sales@scalable.com.