

Optimizing engineering application licence costs

A Scalable guide for managers and IT teams

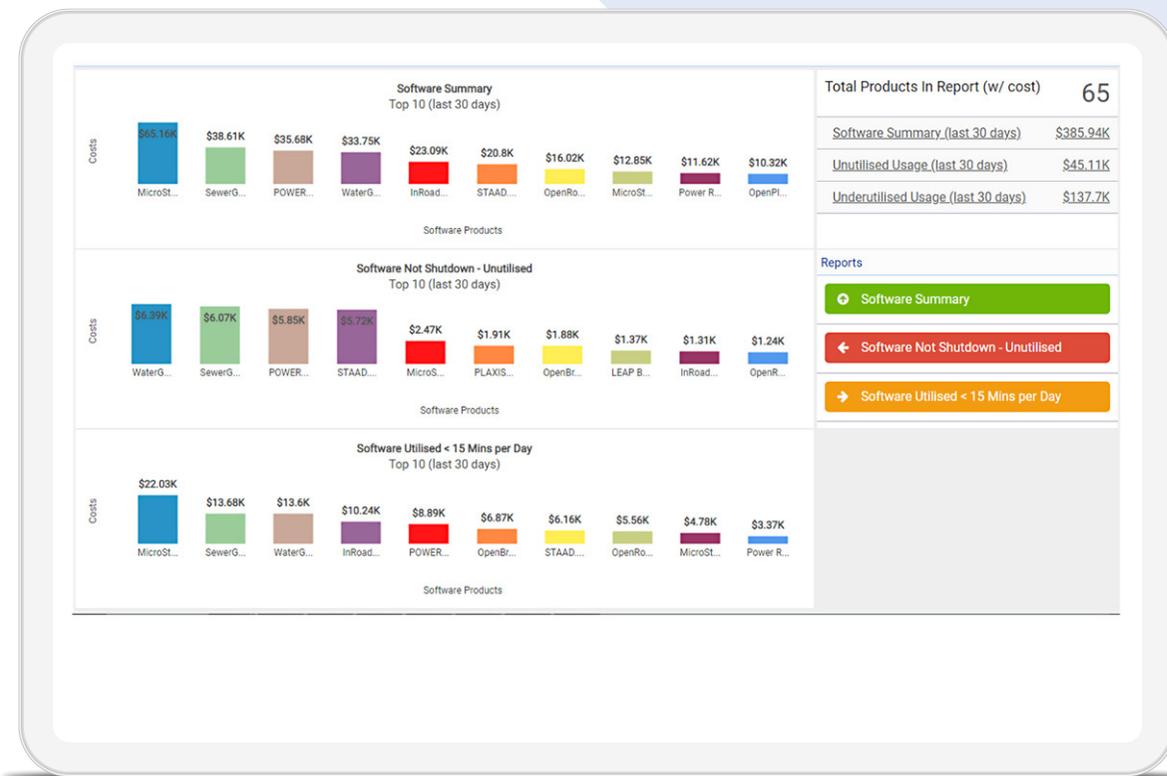


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Critical capabilities needed to optimize engineering application licence costs and achieve **immediate and significant savings**

In this e-book, we will describe the significant contribution intelligent usage metering provides to teams needing to optimize engineering application costs and why companies choose Asset Vision. Your organization may already have access to technology or features inside an existing software product that carry out some level of metering, but there are important application usage metering capabilities that are typically absent in these tools.



Executive summary

Reducing the cost of high value engineering applications is achieved through insights provided by intelligent usage analytics that pinpoint unused, and underutilized engineering applications, enabling actionable outcomes that quickly deliver significant cost savings, often millions of dollars.

Not all usage information is helpful. Inaccurate or partial perspectives on usage can mislead application portfolio managers and IT buyers who commit to contracts with inbuilt wasted expense driven by an inaccurate understanding of requirements.

To avoid this, securing intelligent usage metering data based on minute by minute analysis of all software across the IT estate is key to providing the essential insights that help cut software license costs, and reduce wastage on license usage, of all engineering applications, regardless of licensing type.

Asset Vision's usage data enables customers to fully understand the extent to which every engineering, and other high value applications, are being used. The resulting information and insights enable customers to put in place appropriate actions to manage licence availability, monitor and verify vendor usage/token billing and renegotiate contracts for a variety of licencing models, including concurrent, term subscriptions and token licencing models, to reflect actual usage requirements, quickly achieving significant savings.



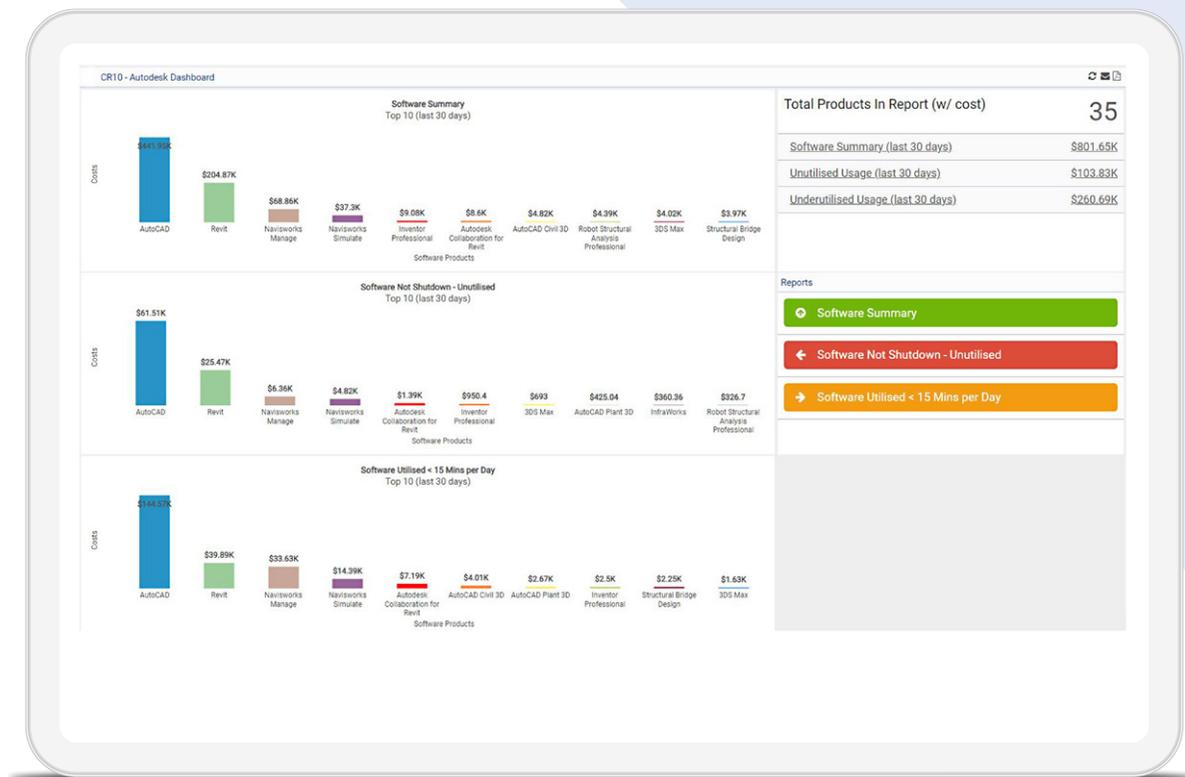
Establishing licencing requirements – getting the numbers right

When managing Token and concurrent license contracts it's essential get the numbers right. Application portfolio managers, IT vendor managers and IT purchasing teams strive to secure optimal application licence portfolios and depend on an accurate understanding of requirements.

Overestimating the requirement and purchasing too many tokens is a risk as unused tokens expire; annual tokens expire after 365 days and contract-based tokens expire at the end of the term. Eliminating the wasted expense of expired tokens, underutilised concurrent users or simply unused applications can only be achieved with detailed usage data.

Establishing the facts – license control systems don't deliver

A common fallacy is that license control systems can provide accurate usage data. In most cases, these tools just report whether an application has been opened, and the last time it was launched. This limited information is rarely accurate and, in our experience, they're too susceptible to being 'gamed.' Bad practices such as 'licence camping', where individuals open an application to ensure availability, and thereby consuming cost, even though they may not be using it until later in their working day. Simplistic data on when an application was opened or closed gives an inaccurate and misleading picture of requirements and leads to excessive costs.



Accurate usage intelligence – critical for optimal savings

Optimized application licence portfolios and cost management rely on the discovery of all engineering and other software licenses, and the capture of detailed, minute by minute usage information, showing when and by whom these licenses are used over time, by location, business unit or individual for all types of licenses: On-premise, subscription and token licencing models.

- **Rightsize contracts:** Asset Vision delivers unique insights that help drive savings of subscription, tokenized and concurrent licenced software. Use detailed usage data to buy and renew only the subscriptions and token levels you need. Asset Vision provides granular usage analytics together with actionable insights for cost reduction and right-sizing.
- **Optimize concurrent licence models** with forensic level detail on usage and usage patterns to give absolute visibility of licencing requirements based on actual usage. Understand peak demand patterns and ensure optimal licence purchase that ensures availability at minimal cost.
- **Renegotiate vendor contracts** for high cost applications based on actual usage data. Inventory & usage data enables you to see what you have, identify what's inconsistent between your contract and actual usage, and optimize what's truly needed across the organization.



- **Stop paying for applications you're not using –** Enable significant cost savings in annual software costs by identifying underutilized or entirely unused.
- **Understand user usage patterns** and provide the data and insights to be able to manage licence usage and eliminate 'bad practice' to reduce costs. Asset Vision provides accurate usage data and insights that enable IT teams to pinpoint instances of licence and token consumption that incur unwarranted expense and where users can be coached to change behavior.
- **Minimize overspending**, maintain compliance and ensure the proper tools are in the hands of the right users.

- **Eliminate Redundant Applications –** It's not uncommon for organizations to be running multiple versions of the same type of software, but there are huge efficiencies to be gained by eliminating those redundant applications and consolidating to only one, including:
 - Bigger volume discounts from vendors
 - Lower support and security costs for just one application vs. many
 - Streamlined renewal efforts, so application rationalization and elimination of what's redundant can create some major cost savings.

Critical capabilities licence portfolio optimization



Minute by minute usage data

Application discovery, normalization and granular usage analytics that provide deep-dive keystroke and mouse click data providing a single point of truth of your organization's IT inventory and accurate usage fingerprint across your entire IT estate – cloud, on-premise, and hybrid environments.



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 plugins 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.



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.

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

This is not enough for real cost optimization.

Summary: **Accurate usage intelligence**

– critical for optimal savings

Usage metering tools will often tell you whether an application is open on a desktop. More commonly, these tools just report the last time it was launched. Many vendors now claim to offer software usage metering, however, the information they provide is limited and presents an inaccurate picture of user requirements leading to inaccurate definition of user requirements and the resulting wasted expense.

Scalable Software's Asset Vision can help

Asset Vision⁴

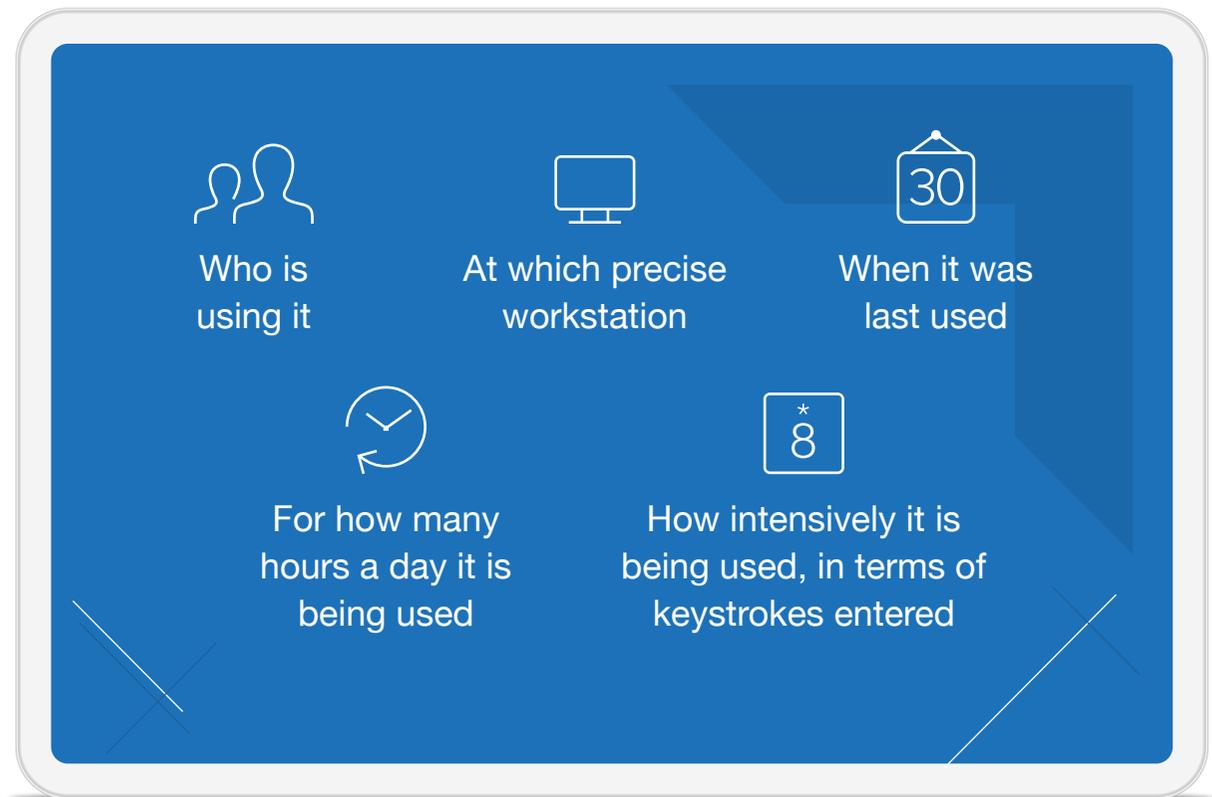
Asset Vision enables application portfolio managers and IT teams to quickly survey the entire IT estate and discover how to make smart decisions about rationalizing software assets and delivering software savings using intelligent usage metering. Asset Vision finds and catalogs hardware and software assets across the IT estate, irrespective of platform or location.

Uniquely, Asset Vision enables the capture of minute-by-minute usage data needed to support your cost optimization and application portfolio rationalization initiatives, enabling faster delivery and significant cost savings through right-sizing subscription and token based licencing models, the elimination or reassignment of unused or underutilized software licences and the removal of unnecessary duplication and overlap across the IT estate.

Asset Vision discovery, normalization and granular usage is unique in ability to provide a single point of truth of your organization's IT inventory and usage fingerprint across your entire IT estate – cloud, on-premise, and hybrid environments.

The solution delivers the insights and usage Intelligence to tell IT teams the 5 critical datapoints that underpin cost optimization and digital transformation initiatives.

The 5 critical datapoints...



Learn more about Scalable's Asset Vision at www.scalable.com

Learn More

About Scalable

Founded in 2008, Scalable Software delivers comprehensive, granular and intelligent analytics tools that give organisations a real-time business lens to improve digital agility and empower employees to thrive. Its workplace analytics platform, Acumen, enables organisations to measure, optimise and transform the employee experience.

Acumen collates and distils data using agent and agentless discovery from across an organisation's technology infrastructure. Using a blend of digital KPIs and metrics, insights are delivered to leadership, IT and HR teams, giving them deep visibility into how the hybrid working model is performing. Armed with this knowledge, organisations can drive digital agility – by protecting employee wellbeing, optimising the digital experience, boosting employee success, and reducing complexity and cost.

For more information visit: www.scalable.com or email: info@scalable.com