

# Software asset management and software license optimization from KPMG and Flexera Software

Many organizations are unable to answer basic questions about their software assets. What assets do you own? How and where are they deployed? How much do your assets cost you? Are there less expensive options? Are you buying what you need and using what you have? What is your process for purchasing new software?

Software licensing can represent up to 25 percent of all IT spending. While software is a strategic asset, most companies don't have a strategic solution to manage and optimize software spend. Working with KPMG LLP (KPMG) and Flexera Software to proactively manage your software licenses provides you the opportunity to save between 5 and 30 percent of your annual software spend.

## Software Asset Management

Software Asset Management (SAM) is the active management of data throughout the seven stages of the software life cycle—from the initial contract negotiation through to end of life (Figure 1). Often these individual subprocesses are performed by separate departments and are inconsistent, disorganized, and disparate.

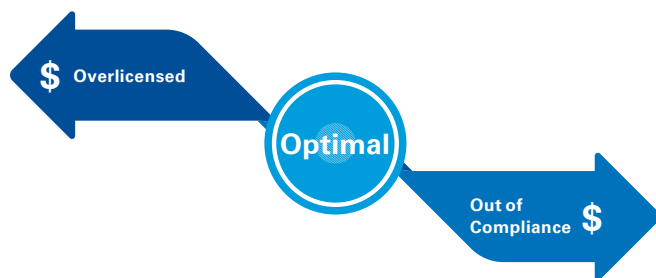
Because of this, critical data points are lost throughout the process. SAM governance incorporates all aspects of the software life cycle and provides a central point where data is captured, monitored, and processed to enable informed business decisions.



**Figure 1.** KPMG and Flexera Software can streamline SAM processes throughout the entire software life cycle.

## License Optimization

Software License Optimization is the proactive management of the software estate to improve asset utilization, reduce costs, and maintain license compliance. It requires reconciling software installations (inventory) with license entitlements (purchases) while taking into account the license agreements that determine how the software can be installed and used. A Software License Optimization solution aims to reduce overall software spend while reducing risk of noncompliance with enterprise software license agreements.



**Figure 2.** KPMG and Flexera Software help companies maintain the software estate at an optimal level that reduces both overpurchasing and out-of-compliance assets.

## KPMG

KPMG has extensive experience in assessing, enhancing, and implementing SAM and Software License Optimization solutions across the globe. With hundreds of team members possessing specific and detailed knowledge of vendor licensing metrics, terms, and conditions, KPMG has guided SAM implementations across multiple geographical regions and industries. Using a phased approach, KPMG enables organizations to incrementally implement capabilities and realize benefits along a path that leads to a mature, well-designed SAM program. This approach provides clients with a cost-effective, rapid deployment method for optimizing software assets.

## Flexera Software

With its broad suite of license management and compliance products, Flexera Software is an established global leader in Software License Optimization solutions. These solutions help companies increase the value garnered from software by strategically managing application usage throughout the software life cycle. Flexera Software enables

enterprises to gain visibility and control of IT assets, reduce ongoing software costs, and reduce license compliance risk. With market-leading Flexera Software products, companies can lower IT costs and increase the usage and value derived from software.

## Why KPMG and Flexera Software

KPMG and Flexera Software have invested in a global team of specialized software license management professionals who understand licensing metrics, system integrations, and SAM processes. This skilled resource pool possesses deep technical and functional skills and can successfully identify areas where SAM solutions will drive significant cost savings. The alliance has resulted in a portfolio of successful client engagements, strong references, and case studies. Because KPMG and Flexera Software approach your project with a common goal, you will work with a single, multidisciplinary team with a wealth of systems and compliance experience executing on a single, coordinated project plan.

## Our Approach

KPMG and Flexera Software can help your company to improve software asset and license management in the following three areas:

### Reduce licensing costs

Overpurchasing and an inability to reharvest unused, transferable licenses translates to significant wasted spend. Purchasing software outside of negotiated agreements means missing out on the lower costs associated with volume discounts. Excessive shelfware means purchased software was never deployed. Proactively managing software assets provides multiple ways to reclaim wasted budget.

KPMG and Flexera Software can help your company to streamline the operations that support software requisitioning, deployment, and ongoing license management. The engagement begins with a cost optimization assessment that looks at specific vendor license agreements and deployments, SAM business processes, and corporate governance to identify savings opportunities such as eliminating maverick purchasing from multiple locations or reducing asset proliferation from rapid growth or acquisitions. KPMG and Flexera Software will then set up the SAM infrastructure to help optimize license usage on an ongoing basis. You can benefit with improved support processes and a greater realization of your software investment.

### Reduce noncompliance risk

Unlicensed software can expose your company to unexpected true-up spend as well as legal risk. Software vendor audits that result in out-of-compliance positions can lead to large, unbudgeted expenses. Inaccurate and incomplete asset inventories cause wasted spend and added risk. In these cases, you need to better manage software assets to stay ahead of any software license compliance requirements and to be prepared for vendor software audits.

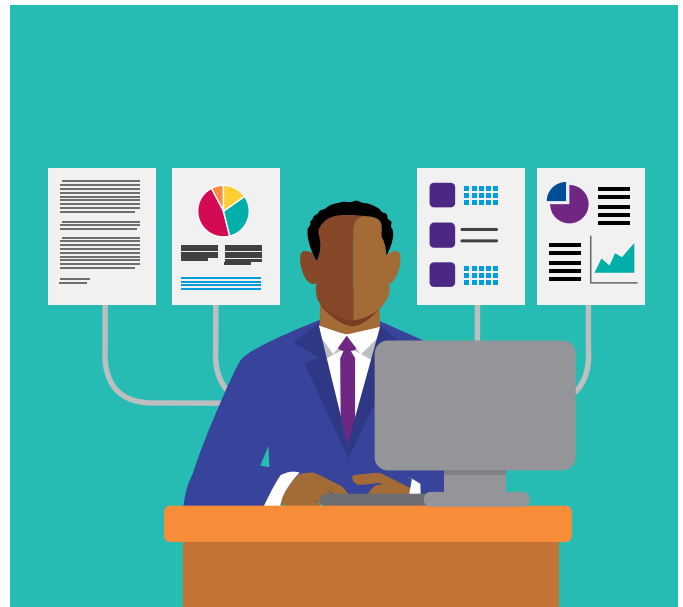
KPMG and Flexera Software can help you develop a program to monitor software license compliance within your organization by leveraging the Flexera Software toolset. You can benefit from automated, tailored reports and alerts that allow you to proactively monitor license positions for selected vendors. These will provide early warning flags highlighting potential compliance exceptions along with potential options for addressing the issues. This vastly reduces wasted time spent on manually responding to software license audit requests.

### Improve process efficiency

Misaligned policies, processes, and tools—resulting from a lack of governance around SAM—can make the ongoing operational management of software challenging. Inconsistent policies, processes, and systems can lead to inaccurate and ill-informed decisions for procurement and infrastructure deployment. Faulty tracking processes result in inconsistent software versions and can lead to ineffective software patching and support. Without complete data cleansing processes during decommissioning, sensitive information can end up in the wrong hands. If your organization needs to develop, refine, or revamp its existing SAM process and governance, KPMG and Flexera Software can help. Engagements for improving process efficiency begin with an assessment of the current approach by profiling existing SAM operations; understanding existing roles, responsibilities, and technology; and identifying gaps against leading practices. Then, KPMG and Flexera Software recommend a strategy and work plan for reaching a high-level, future state of process efficiency leveraging the Flexera Software toolset to embed ongoing operational efficiencies—both in the SAM function itself and in related areas that interface with SAM including procurement, finance, and IT operations.

### Benefits of Software Asset Management and Software License Optimization from KPMG and Flexera Software

- Reduce license consumption and lower ongoing spend on software licenses and maintenance
- Lower the risk and cost of software license noncompliance
- Gain control of the software estate with repeatable, automated SAM processes
- Negotiate favorable contracts by understanding corporate software usage and needs—including what is needed and how it is used
- Provide IT Strategy and Operations groups' visibility into software licensing and usage data to help understand how their applications are being consumed



Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates.

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