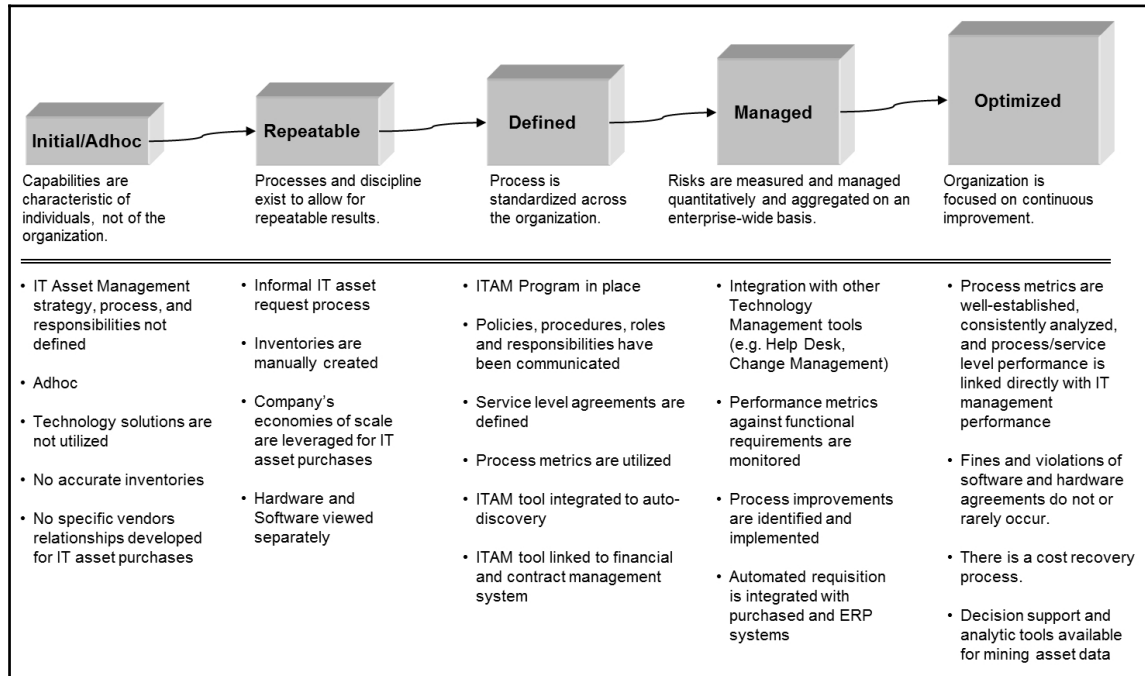
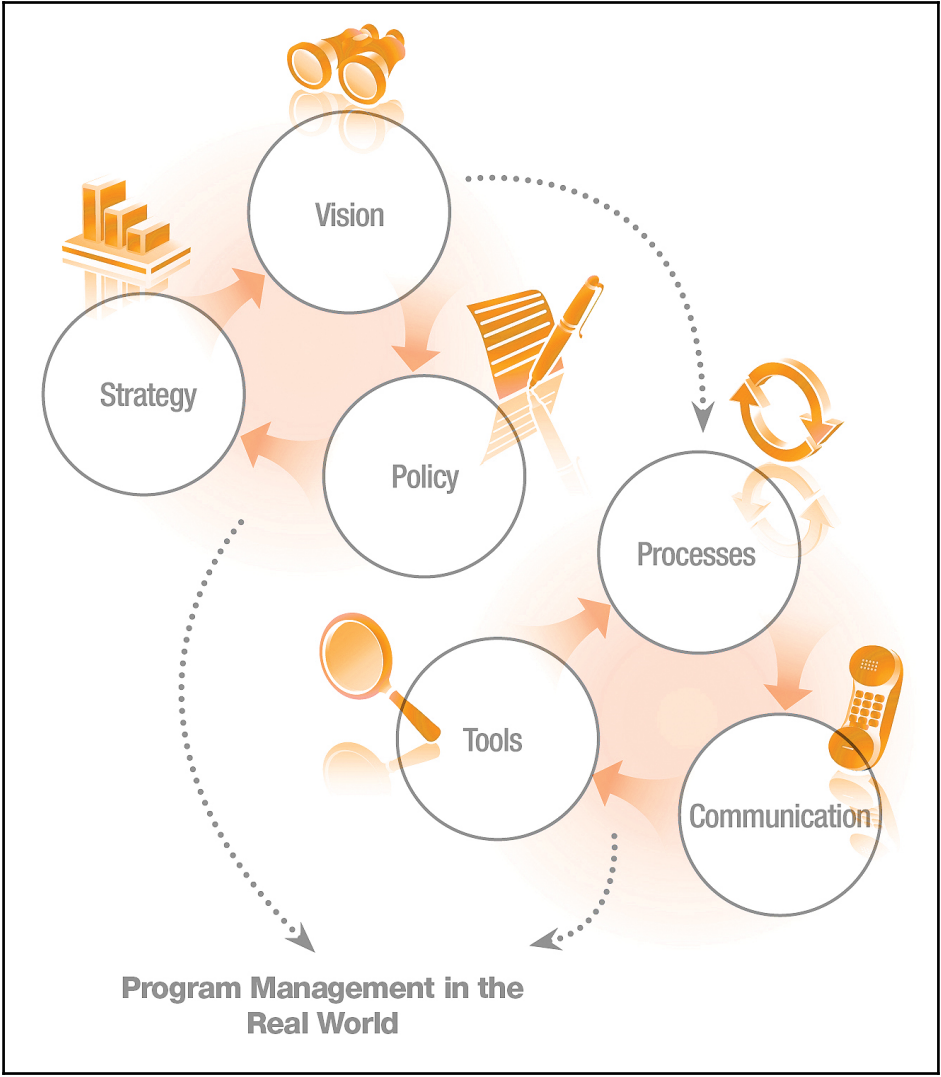


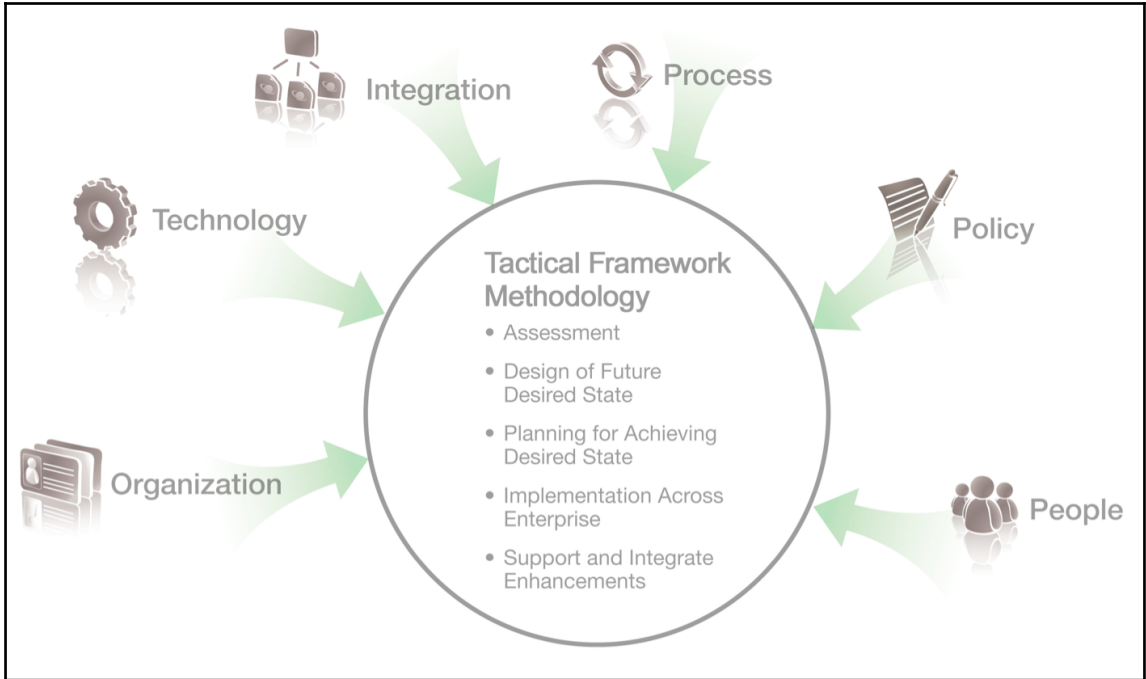
Chapter 2: ITAM Strategy and Plan

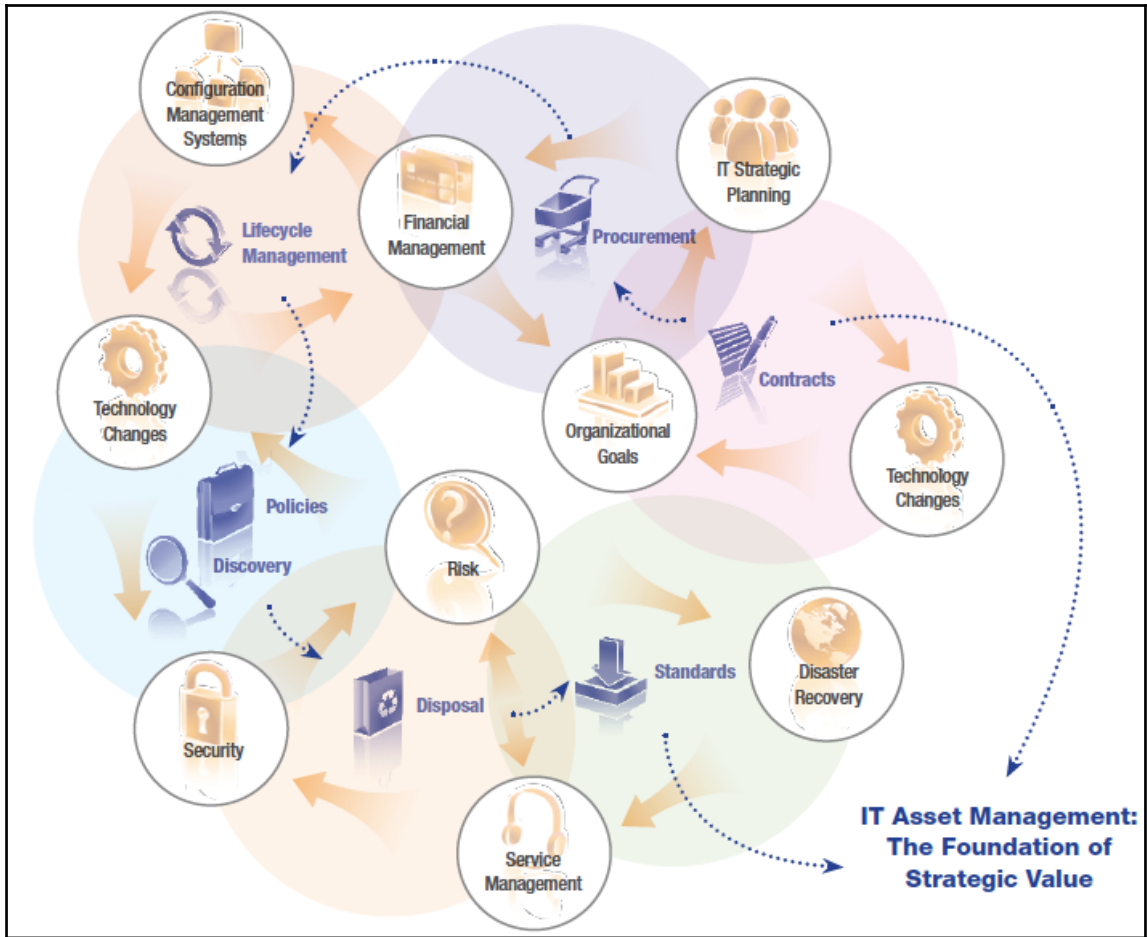


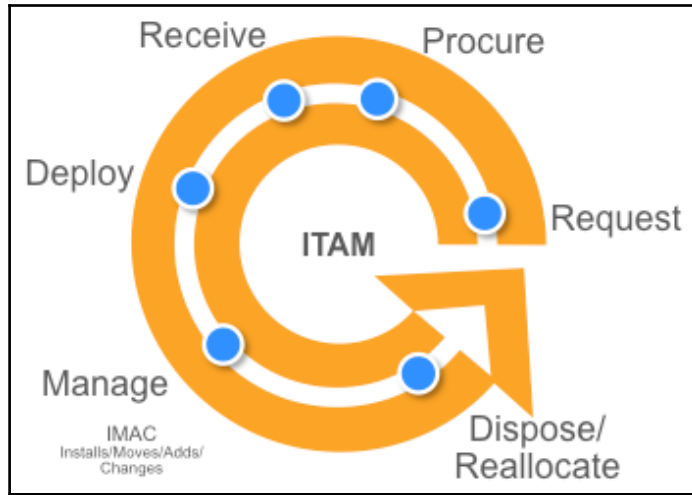
ITAM Program Maturity – Month + Year

Acquisition Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Asset Identification	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Communication & Education Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Compliance Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Disposal Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Documentation Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Financial Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Legislation Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Policy Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Program Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Project Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized
Vendor Management	Initial/Adhoc	Repeatable	Defined	Managed	Optimized









Chapter 3: The New Risk Management

Standards and Regulations Organizations			
ISO – International Standards Organization	COBIT – Control Objectives for Information and related Technology	IAITAM – International Association of Information Technology Asset Managers	DCMA
EPA – Environmental Protection Agency	NCCUSL	NEPA	PCT
RIAA	RCRA	ROHS	SOX
Super DMCA	Title 17	TRIPS	TLT
UCITA	UETA	WCT	WIPO Performance and Phonograms Treaty

Common Policies	ITAM/ SAM	IT Security and Disaster Recovery	IT Administration	IT Software Development
<ul style="list-style-type: none"> ◦ Internet utilization ◦ Download ◦ Software ◦ Anti-piracy ◦ Anti-virus ◦ Desktop utilization ◦ PDA ◦ Hardware ◦ Acquisition ◦ LAN/WAN ◦ Security ◦ Disposal management ◦ Disaster recovery 	<ul style="list-style-type: none"> ◦ IT asset inventory management ◦ IT vendor selection ◦ Hardware and software asset decommission ◦ Software asset management and anti-piracy ◦ Software and hardware acquisition ◦ Software license harvesting and recycling ◦ Mobile ◦ BYOD 	<ul style="list-style-type: none"> ◦ IT threat and risk assessment policy ◦ IT security plan ◦ IT media storage policy ◦ IT disaster recovery policy ◦ Computer malware policy ◦ IT access control policy ◦ IT security audits policy ◦ IT incident handling 	<ul style="list-style-type: none"> ◦ Information technology (IT) management policy ◦ IT records management policy ◦ IT document management policy ◦ IT device naming conventions policy ◦ TCP/IP implementation standards policy ◦ Network infrastructure standards policy ◦ Computer and Internet usage policy ◦ E-mail policy ◦ IT outsourcing policy ◦ IT department satisfaction policy 	<ul style="list-style-type: none"> ◦ IT project definition ◦ IT project management policy ◦ Systems analysis policy ◦ Software design policy ◦ Software programming ◦ Software documentation policy ◦ Software testing policy ◦ Design changes during development ◦ Software releases and updates ◦ Software support policy ◦ Software consulting services ◦ Software training policy



Policy:
Software Asset Management and Anti-Piracy

Number: ITAM 001
Effective Date: August 21, 20XX
Supersedes: New Policy
Dated: July 31, 20XX

It is important to manage software well, just as you would any other valuable company asset. Nahteava, LLC. and its subsidiaries and affiliates, (collectively "Nahteava") understands that all software is protected under copyright law and includes provisions granted by the software publisher as well as obligations stated in the End User Licensing Agreement (EULA). Nahteava is committed to complying with the requirements of the EULA and to preventing copyright infringement of all published works. Nahteava acknowledges that unauthorized duplication of software may subject users, officers, and Nahteava to both civil and criminal penalties under the United States of America Copyright Act.

1. **IT Asset Management:** Information Technology Asset Management (ITAM) is the process of tracking and analyzing the technical and financial information of an organization's hardware and software. This process spans the life cycle of hardware and software assets from the moment the asset is requisitioned through its procurement, receipt, deployment, maintenance and retirement. Nahteava will manage IT assets (hardware and software), working in conjunction with purchasing, vendor management, and the IT department. Software Asset Management will ensure Nahteava has a complete record of all software acquired for Nahteava IT equipment. Software Asset Management in conjunction with the Nahteava Legal Department will also be aware of the potential penalties for infringing copyright law.
2. **Software Piracy:** Software piracy is the illegal distribution and/or reproduction of software. Purchasing software is actually purchasing a license to use the software. That license spells out how you may legally use such software. Any time someone uses the software beyond the scope of the license, that person — or Nahteava — is violating the license agreement and copyright law. Whether software piracy is deliberate or not, it is still illegal and punishable by law. Software piracy can subject an individual to arrest and criminal prosecution, with fines of up to \$250,000 and prison terms of up to five years. In civil cases, the software publisher can recover actual damages and the profits attributable to the infringement, or statutory damages of up to \$150,000 per product.
 - a. **Types of Software Piracy**
 - i. **Corporate or end user:**
 1. Underreporting software installations acquired through volume purchase agreements
 2. Making additional copies of the software without having the proper number of licenses

3. Swapping disks inside or outside of work
 - ii. **Subscription licensing:**
 1. Using subscription-licensed software past the expiration date.
 - iii. **Support Entitlement:**
 1. Accessing support entitlements (e.g., .DATs, super .DATs, updates, or upgrades) without a current agreement.
 - iv. **Internet piracy:** This can occur in many different forms, including:
 1. Auction sites that offer counterfeit and/or outdated products
 2. Peer-to-peer networks that allow for unauthorized file sharing
 - v. **Counterfeiting:** Someone attempts to copy the product and packaging to look like the original.
 - vi. **Hard-disk loading:** Some unscrupulous suppliers illegally install software to help sell computers. While many suppliers are authorized to install products onto the machines they sell, honest vendors supply the software via agreements with software vendors.
3. **Duplication:** Nahteava will not duplicate media or documentation unless expressly authorized to do so by the software publisher. Duplication of software will only occur for archival and disaster recovery purposes, with ownership of this process residing in the IT department and oversight by the IT Asset Management Office, Software Asset Management (SAM).
 4. **Education:** All Users will have access to software policies to ensure full understanding of processes, as well as consequences, for not adhering to anti-piracy policies.
 5. **Software Acquisition:** Software will not be acquired through user corporate credit cards, office supply, petty cash, or personal expense budgets. All software will be purchased through appropriate Central Procurement and/or Vendor Management contact with approval and validation provided by the Software Asset Management team. Acquisition channels will be restricted to ensure proper registration, inventory, and support information is recorded.

Software Asset Management (SAM) monitors when new and prohibited software is installed on Nahteava systems. Purchases made outside of the acceptable processes will not be reimbursed and will be removed from company computers. *Reference the ITAM Software and Hardware Acquisition Policy.* [Insert policy link]

6. **Software Disposal:** *Reference the Hardware and Software Asset Disposition Policy.* [Insert policy link]
7. **Software Management:** Software will be registered in the name of Nahteava and not individual users. An inventory of software licenses will be maintained, updated regularly and compared to inventory of installed software. Software Asset Management (SAM) initiated internal audits will be conducted. Software license inventory will document the

title and publisher of the software, date and source of acquisition, location of installation, and serial number of software. Media, documentation, and serial numbers will be stored securely, with access only available to designated installers. Whenever possible, licenses will be harvested from retired machines and redeployed, rather than purchasing new licenses.

8. **Shareware/Freeware:** Shareware and freeware are copyrighted works with EULAs. It is Nahteava policy to follow and adhere to EULA requirements and acquire and register products in the same manner as commercial software products. Shareware authors will be paid the fee they specify for use of their products.
9. **Open Source Software:** Open Source software must be managed in the same manner as commercial software: the organization must understand licensing requirements and be aware of any changes to these agreements, such as commercialization of such products. These products may be covered under General Public License (GPL), GNU Library or "Lesser" General Public License (LGPL), or MIT License (MIT). Support contracts may be purchased and will be managed in the same manner as other support contracts.
10. **Home Use Rights:** Company-owned software may not be taken home and installed on employee owned computers, unless permission is granted through a licensing agreement where the publisher has granted home use licenses as part of the contract. Nahteava commits to tracking any licenses installed for home use and monitoring use of media and software serial numbers to ensure only approved installations are completed.

Personal owned software may not be installed on Company-owned computer(s) and/or Company issued mobile devices. Users must understand licensing requirements and be aware that uses of non-commercial software for commercial purposes are prohibited.

11. **Storage of Media, Proof of License and Serial Numbers:** All media and serial numbers will remain securely stored; with access granted only to staff that require them for software installation and distribution. Serial numbers will not be shared with any staff not authorized to complete installations. Proof of license will be filed in a secure location and will be accessible to Software Asset Management.
12. **Mergers and Acquisitions:** Any companies acquired or merged with Nahteava will be required to provide an IT asset list to calculate the value of the IT assets. This inventory will include, but is not limited to, a hardware and software inventory of desktop computers, laptops, servers, mainframes, network devices such as routers and switches, and communication devices.
13. **Divestitures:** Before finalizing details of a divestiture, suppliers must be contacted to determine which licenses, if any, can transfer with the divestiture, and what the process is for completing the transfer. Where applicable, written notification on letterhead detailing the name of the buyer, number of licenses being transferred, product name and version,

and serial numbers will be sent to the publisher within 15 days of the divestiture being finalized. In cases where suppliers do not allow their licenses to transfer, notification will be sent to the divestiture organization to inform that the product cannot be transferred and will need to be purchased from the publisher. In addition, notification will be forwarded to the publisher, to inform that the product will no longer be in use.

Be sure to note if there are any additional fees, and document the entire transfer process closely (this documentation is important because the company needs to be able to prove compliancy in case of an audit). If additional fees are excessive, investigate options to migrate to alternative products, including a cost/benefit assessment to calculate feasibility. Update the documentation regularly.

- 14. Compliance/Non-Compliance:** Adherence to this Policy is the responsibility of all users, and is mandatory. All users have a duty to report any known or suspected violations of this Policy to the Nahteava IT Asset Management Office (ITAM), Information Security (InfoSec), and/or the Legal Department immediately so that prompt remedial action may be taken. Investigation of alleged violations of this Policy will be the responsibility of ITAM, InfoSec, and/or Human Resources.

“Users” means all Nahteava employees (whether full-time, part-time, intern, per diem, independent contractor or temporary), service providers, vendors, contractors, consultants and other third parties given access to Nahteava’s IT assets (hardware and software).

- 15. Coordination, Administration, and Revisions of the Policy; ITAM Program Administrator:** The individual in charge of overseeing this Policy as of the date of its creation is the IT Asset Management Program Head, (hereinafter, the “ITAM Program Administrator”). Users should direct any questions or report any issues regarding the Policy to the ITAM Program Administrator.

The ITAM Program Administrator is responsible for: (1) overseeing, monitoring, managing, maintaining and coordinating the implementation of, training for, and compliance with this Policy on a periodic basis; (2) assessing existing risks to Nahteava; (3) developing ways to manage and control such risks; (4) monitoring third-party vendor arrangements to ensure software compliance; and (5) testing and revising this Policy in light of relevant changes in technology and threats to Policy information. The ITAM Program Administrator will seek the guidance and assistance of IT, Legal, Human Resources, Vendor Management, Central Procurement, Internal Audit, and Information Security as necessary. Any new policies or procedures with respect to IT Asset Management and Software Asset Management must be approved by the ITAM Program Administrator and the Nahteava Chief Technology Officer.

Only the ITAM Program Administrator and Nahteava Legal have authority to revise this policy, although variances may be approved. This policy will be reassessed on an annual basis and revised as appropriate.



Policy:
Software License Harvesting & Recycling

Number: ITAM 004
Effective Date: August 21, 20XX
Supersedes: New Policy
Dated: July 31, 20XX

The purpose of this policy is to establish and define standards, guidelines, and restrictions for software license harvesting and recycling of software in accordance with copyright and software license agreements. License re-harvesting and recycling both involve reclaiming and reallocating unused software licenses.

- 1. Software Management:** Software will be registered in the name of Nahteava and not individual users. An inventory of software licenses will be maintained, updated regularly and compared to inventory of installed software. Software Asset Management (SAM) initiated internal audits will be conducted. Software license inventory will document the title and publisher of the software, date and source of acquisition, location of installation, and serial number of software. Whenever possible, licenses will be harvested from retired machines and redeployed, rather than purchasing new licenses. *Reference the Software Asset Management and Anti-Piracy Policy.* [\[Insert policy link\]](#)
- 2. Software License Harvesting:** License harvesting involves identifying machines with licenses not currently being used or being under-utilized. For example, licenses not being used by certain end-users or business units within Nahteava, and/or computers in storage that contain installed software. Where this situation exists, Nahteava can recover these licenses in order to avoid new software spend and/or potentially reduce annual maintenance costs. When re-harvesting “unused” apps, application metering is used to track usage and find candidates for re-harvesting. Exceptions are made for users with annual, seasonal or periodical.
- 3. Software License Recycling:** License recycling is the process of reclaiming licenses from retired hardware. At configuration management, all equipment must be checked for software installed prior to data erasure, on all major operating systems. *Reference the Hardware and Software Asset Disposition Policy.* [\[Insert policy link\]](#)
- 4. Check End User License Agreements (EULA):** Vendors may have certain restrictions on how often software licenses can be recycled. When engaging in license re-harvesting and recycling, it is important to know what the vendor agreements stipulate, otherwise Nahteava could become non-compliant. *Reference the Software Asset Management and Anti-Piracy Policy.* [\[Insert policy link\]](#)

5. **Retirement/Re-harvesting Guidelines:** The Central Asset Repository will ensure that software and related assets are tracked and flagged as removed, recycled and/or reused where appropriate and in compliance with information management requirements. The Central Asset Repository will support the processes to ensure that:
- a. Deployed copies of software are removed from retired hardware (where it is permitted for licenses to be removed).
 - b. Licenses and hardware assets which can be redeployed are identified for redeployment.
 - c. Assets transferred (re-harvested) to other parties, and are transferred taking into account any confidentiality, licensing or other contractual requirements. For example, in the case of divestitures.
 - d. Licenses and hardware assets that cannot be redeployed are properly disposed of.
 - e. Records are updated to reflect the changes above, and audit trails are maintained of all changes.
6. **Coordination, Administration, and Revisions of the Policy; ITAM Program Administrator:** The individual in charge of overseeing this Policy as of the date of its creation is the IT Asset Management Program Head, (hereinafter, the "ITAM Program Administrator"). Users should direct any questions or report any issues regarding the Policy to the ITAM Program Administrator.

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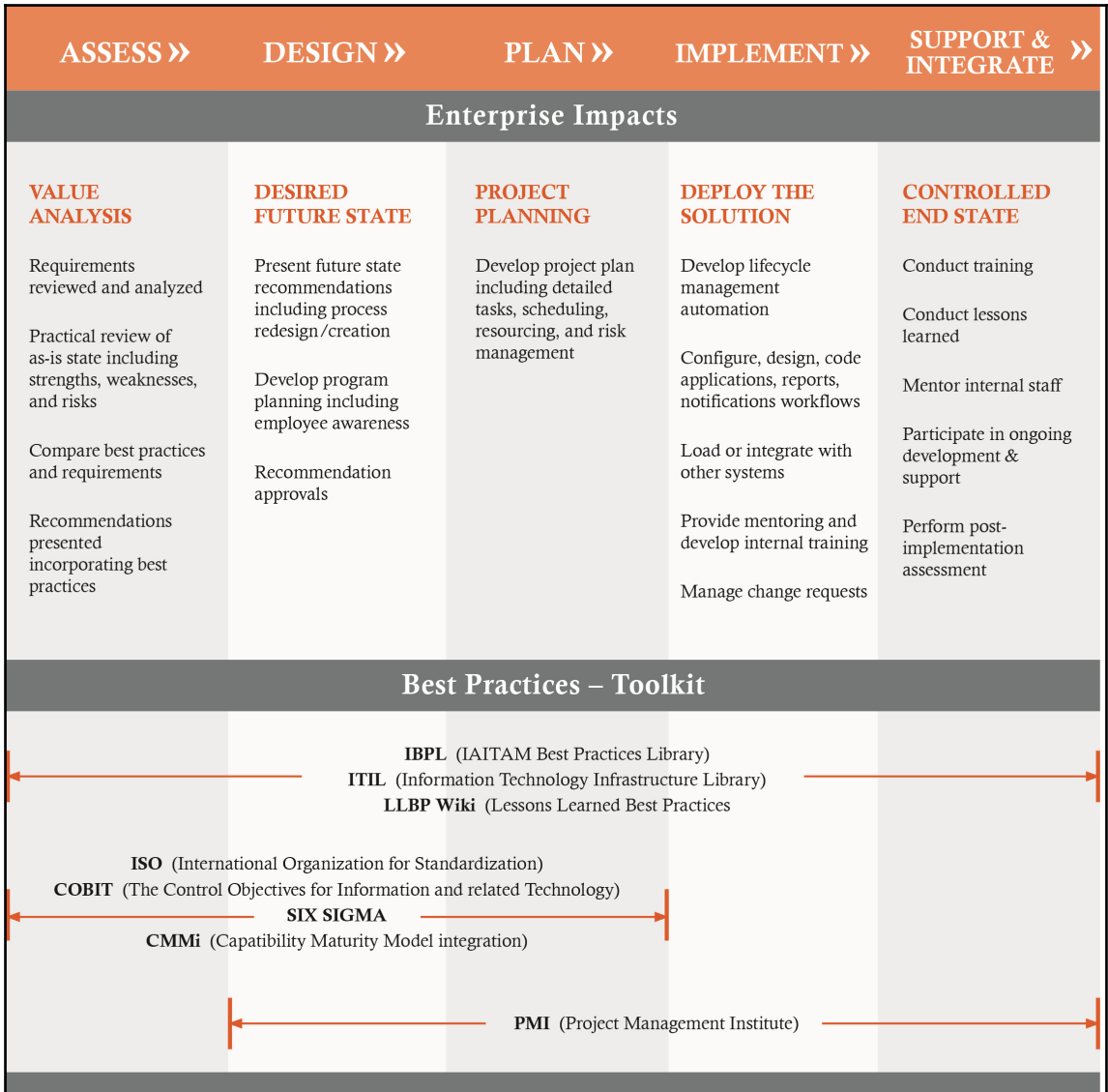
DEFINITIONS:

"Nahteava" collectively means Nahteava, LLC. and its subsidiaries and affiliates and/or the business unit for which you are doing work.

“Central Asset Repository” is an IT Asset Management tool/system that allows control and management of all IT assets throughout their lifecycle from one location. Information maintained is as follows, but not limited to end-user, location, software installed, software license, hardware details, purchase amount, contract, and maintenance/warranty details.

“IT Asset Management (ITAM) Office” means the Nahteava organization responsible for providing the processes, tools, and support for managing Nahteava software and hardware entitlements and asset inventory.

“Users” means Nahteava employees (whether full-time, part-time, intern, per diem, independent contractor or temporary), service providers, vendors, contractors, consultants and other third parties given access to Nahteava 's IT assets (hardware and software).



Acquisition	Asset ID	Communication & Education	Compliance	Disposal	Documentation	Financial	Legislation	Policy	Program	Project	Vendor
Defining IT Asset Acquisition Process	Define Receiving Process	Communication Process	Define Audit Process	Disposal Record Requirement Process	Define Archive Process	Define Invoice Reconciliation Process	Define Legislative and Regulatory Advocacy	Define Policy Requirements	Defining Standards for Technology	Define project validity review process	Define Scorecard Process
Defining Negotiation Process Including T & C	Define Acceptance Process	Education Process	Define Compliance Requirements	Prepare Asset Removal Requirement/Process	Define Archive Requirement	Define Budget Standards	Define Legislative and Regulatory Requirements	Define Policy Review Process	Define Roles and Responsibilities	Define project estimating process	Vendor Crisis Management Process
Defining the Request Process	Define RMA Process	Change Management Process	Define Process Review	Disposal Requirements	Define Documentation criteria Requirements	Define Chargeback Process	Define Legislative and Regulatory Tracking Process	Define Policy Implementation process	Define RSI Requirements	Define project performance review process	Define vendor rules of engagement process
Defining Approval Process	Physical Inventory Process	Define Training Content Requirements	Define Process Implementation	Define Software Harvest Process	Define documentation review process	Define Service Costing Process	Define Legislative and Regulatory Action Plan	Define Policy Effectiveness metrics	Define Program Projects	Define project benefits and cost process	Define vendor consolidation process
Defining the Redeployment Process	Define Asset ID Tagging Process	Define Communication Content Requirement	Define Audit Swat Team Process	Define Disposal Security Process	Define project documentation Requirements	Define Contract Review Process			Define Program Scope	Define project business case process	Define vendor gifts and gratuities guidelines
Defining the Asset Selection Process	Define asset ID Tagging change control process	Define Vendor Communication Policy		Disposal Process *include remote	Define collection and input of historical data	Define reconciliation with Fixed Asset Process			Baseline	Define project change process	Define Criteria for vendors classified as strategic
Identify Suppliers	Determine order reconciliation Process	Define Policy Communications Process		Define Disposal Due Diligence Process **Software	Define Documentation Workflow Strategy	Define cost metrics and review process			Cost Benefits Analysis	Define post project review process	Define vendor business offerings
Prepare Justification Process	Determine Rejection Criteria			Define Storage Process					Business Plan	Define project risk management process	Define vendor information update
Prepare Request Process	Determine Rejection Process			Define reconciliation process					Process Automation	Define project QA process	
Prepare Asset requirements				Define disposal audit process					Risk Management	Define post Implementation resource reallocation process	
Identify Key Suppliers									Define program roadmap	Define project closure process	
Prepare RSI/RFP/RFQ Process									Define cost requirements	Define project resource selection process	
Prepare Lease Process									Define integration requirements		
									Define Reporting strategies for all KPA's		

IT Asset Management Function Model

1 – IT Asset Demand Planning

Generate LRF

Demand Forecasting

Create Budget

Design Review

Request for Data Center Environment

Evaluate for Standards

2 – IT Asset Procurement

Service Catalog

Contracts Management

Purchase Requisition

Purchase Order

3 – IT Asset Inventory Management

Central Receiving

Receive, Validate and Tag Assets

Inventory Staging

Pay Invoice

4 – IT Asset Deployment Management

Software Packaging

Install, Build and Test

Install Desktop Software

Install Server Software

5 – IT Asset Records Management

Discovery - Catalog and Agent Management

Discovery - Asset Record Reconciliation

Discovery - Scan and Data Feed

Discovery - Maintain Tools

Move and Change

Mapping / Data Loading [License & Procurement Data]

Mapping / Data Loading [Install Data]

Mapping / Data Loading [Deployment Data]

Update Models and Counters

Audit SOP Review

Audit Execution

6 – IT Asset License Management

Vendor Audit

Software Metering

License Pool Management

8 – IT Asset Decommission Management

Product Retirement

Decommission

7 – IT Asset Cost Allocation Management

Asset End of Life Validation

Lease Returns

Repurpose Asset Inventory

Cost Allocation Management

9 – IT Asset Disposal Management

Uninstall

Dispose

Chapter 4: What is SAM?

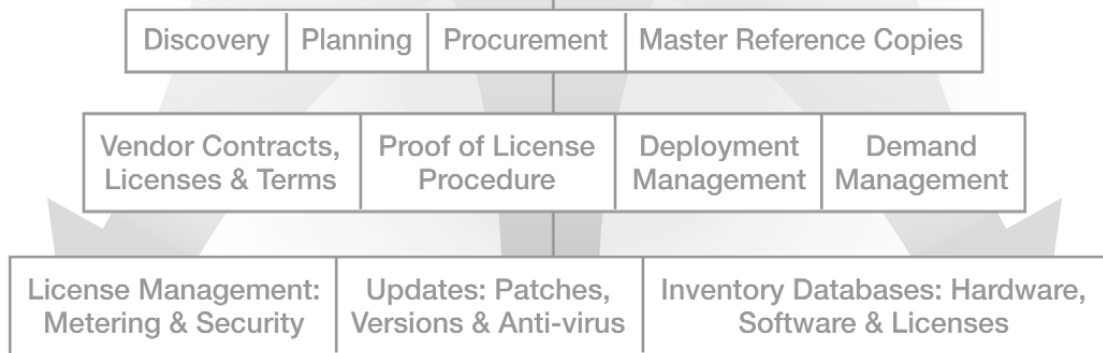




Business Strategy



Software Asset Vision, Strategy & Policy



A best practice implementation spans the full software asset lifecycle.

QUICK TIP 1

Know what you have:

Find the products already in the environment generating data on software:

- *Three or more common*

Investigate centralizing the data

Consider an automated software dictionary that:

- *Groups executables into user-readable titles*
- *Handles suites*
- *Updates continuously*
- *Allows you to add corporate-grown software*

QUICK TIP 2

Consider how you license:

License types easier to manage

Incorporate true-ups into agreements if that is what you have to do anyway

When buying, get them to provide valid electronic proof of purchase

Match licensing to strategic plans:

- *Skipping an upgrade*
- *Moving to a different platform*
- *Spending now to save later, or vice versa*

QUICK TIP 3

Consider how you allocate:

Does everyone really need it?

Harvest unused licenses:

- *Usage statistics*
- *At hardware disposal*

Standardize the environment further, create larger pools to re-deploy

QUICK TIP 4

M and A are Fire Drills:

Opportunity for auditors:

- *Look before you buy*
- *Get ready ahead of audit*

Review *new* contracts:

- Change of name OK or not
- Location specific contracts
- Look for volume discounts and other advantageous details (test licenses, escrow)

QUICK TIP 5

Use audit results:

Audit result: More installed than needed, or licensed:

- *Make sure de-installation procedure works*
- *Build a license bank so these over-purchases aren't lost*

Audit result: Good data on one vendor, up to date license count:

- *Use to build SAM, keep these results up to date*

QUICK TIP 6

Negotiate wisely:

Use audit results in future product purchase negotiations:

- *Negotiate better terms, matching your real usage*
- *Make sure proof of ownership is clear (tackle the media problem)*

Negotiate from overall position with vendor, not a single product

Contracts negotiated wisely but put in a drawer – not so wise!

QUICK TIP 7

Build a managed software list:

Managed Software List

Strategic Software

Discovered Software

QUICK TIP 8

Next steps:

Analyze and re-prioritize

Purchase Strategy

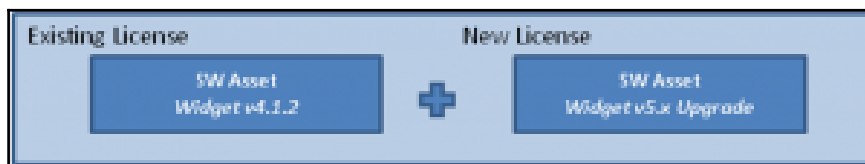
- *License types to match overall plan or role*
- *Negotiation processes*

Find opportunities to improve compliance or being able to prove compliance

Network with peers in other companies and seek advice from industry professionals

Compliance Overview

What you bought → *What you have rights to use* → *What you have installed*
(upgrade/downgrade rights) *Further Complicated by:* *(How install is tied to purchase)*
(Where you can use)



Usage	Contracts	Process
<ul style="list-style-type: none"> ➤ Which applications are not in use? ➤ Which applications are over-licensed when compare to use? ➤ Should the standard image be adjusted? ➤ Are there products in use that have the same functionality? ➤ Are technology enhancements changing how usage is occurring (virtualization, CITRIX, and so on.) ➤ Does the organizational structure allow re-purposing of licenses and if so, does it occur? 	<ul style="list-style-type: none"> ➤ Is there more than one contract for a specific application and are savings possible through consolidation? ➤ Are there untapped savings opportunities in current contracts such as site licensing, enterprise licensing, moving to a small server? ➤ Can negotiations practices be updated to generate savings, immediate or long term? ➤ What costs are associated with each vendor and application? 	<ul style="list-style-type: none"> ➤ Are any SAM processes missing or out of compliance with ISO 19770-1? ➤ Is the corporate software policy up to date, complete, and enforceable? ➤ Does the life cycle process re-capture licenses at hardware disposal? ➤ Is there an awareness campaign for all users? ➤ Are there desktop lock-down capabilities that can be used to improve compliance?

Chapter 5: Understanding and Surviving Software License Compliance Audits

January 2, 20XX

First Name, Last Name
Manager
Company ABC
Address 1
Address 2
City, State, Zip

Re: Vendor X Software License Review

Dear First Name, Last Name:

We would like to express our appreciation to Company ABC for utilizing Vendor X technology solutions within your enterprise.

The Company ABC has been selected to undergo a Vendor X software license review. Vendor X License & Compliance ("L&C") works with our customers to conduct objective software license reviews to ensure that Vendor X software is being utilized in compliance with the terms and conditions of the End User License Agreements ("EULA"). Software license reviews are part of Vendor X's continuous efforts to highlight the importance of software asset management and to improve our overall licensing programs.

In an effort to expedite the software license review and add value to your existing software asset management practices, Vendor X has created a multi-step review process, as outlined on the next page. I will contact you within five business days to conduct our first meeting. Vendor X values our relationship with Company ABC System and we appreciate your attention to this matter. I look forward to working with you.

Sincerely yours,

Full Name, Senior License Compliance Consultant
Phone:
E-mail: |

Software License Review Process

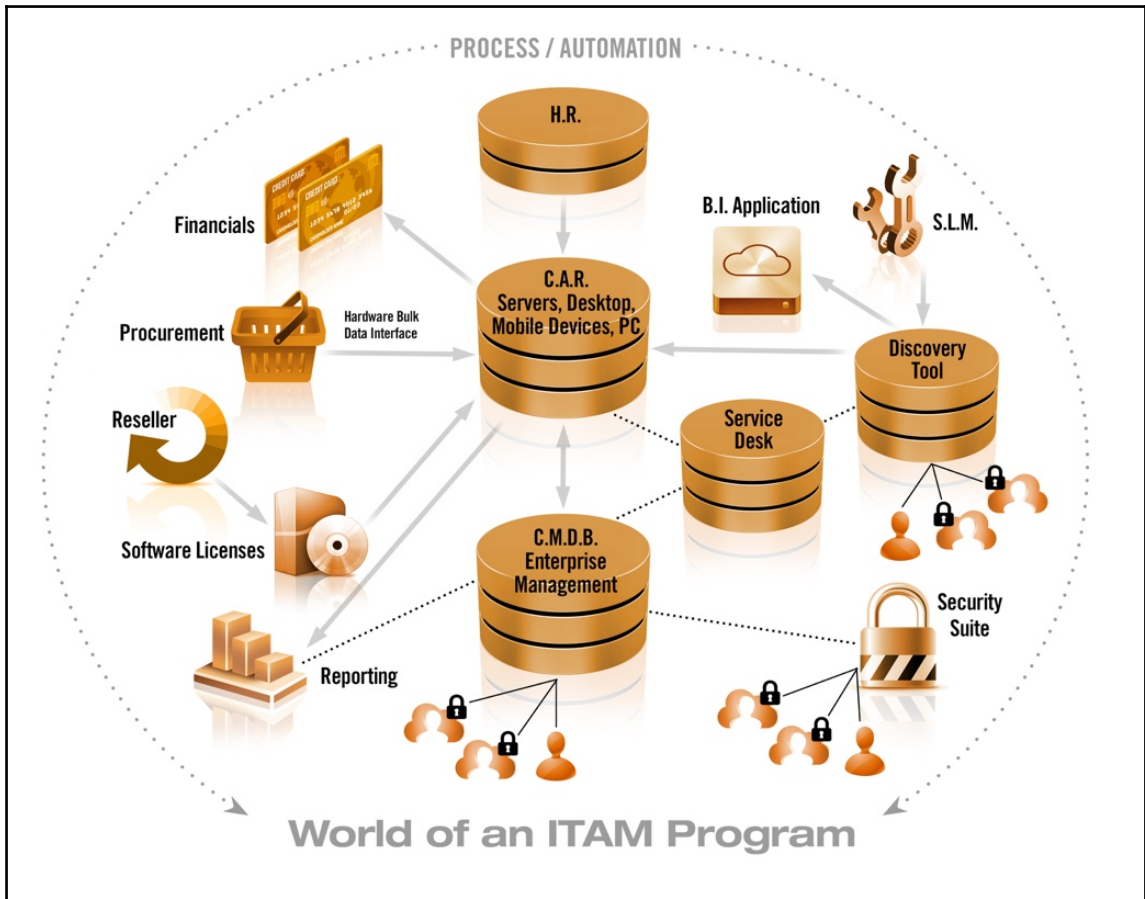
The Vendor X software license review process is comprised of the following standard procedures, including but not limited to:

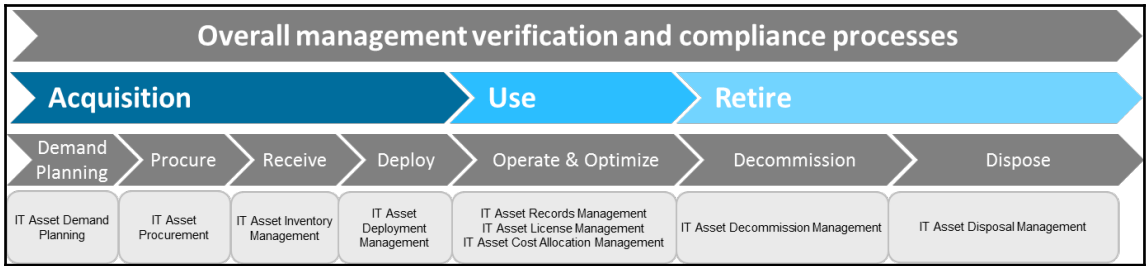
1. Company ABC System's completion of the attached **Environment Worksheet**, which will help determine the scope of the review. Please be prepared to discuss these worksheets in detail at our initial conference call, to be set within five business days of the date of this letter.
2. Submission of an **Active Directory hardware report** exported via the Windows based CSVDE command tool (see attached instructions). This tool needs to be run on each domain within your organization (if more than one). This report(s) is due to Vendor X within 15 days of the date of this letter.
3. Submission of **two installation data reports** from your specified Software Asset Management (SAM) tool or Vendor X scan tool (if needed) for all regions deemed within scope, as agreed upon during the phone conference. These reports are due to Vendor X within 30 days of the date of this letter and will include the following:
 - Desktop data - for all workstations in your organization
 - Server data - supplemented by the Vendor X Environment Worksheet
4. Submission of all **additional purchase data**, including data from your resellers, for all related entity names, for all regions, for all available historic dates, within 30 days of the date of this letter. To ensure completeness, please include the most data possible and go back in time as far as the reports allow.
5. Upon complete submission of the above deliverables, Vendor X will compare your software deployment with your license purchases and the terms of the associated EULAs. Vendor X will submit to you a **findings report** including complete license reconciliation for your records.
6. If the above analysis shows a deficit in licensing, we will ask that you work with your Vendor X Account Manager and/or your reseller of choice to resolve any compliance findings by **purchasing the deficient licenses** immediately and no later than 14 days from the notification of findings by Vendor X.

Please prepare to make all supporting records available upon request. These steps will help to ensure an efficient review process as well as proper licensing for your organization. We have also enclosed a document containing frequently asked questions for your review.



Chapter 6: ITAM Tools – What Should You Look For?





Project Summary / Objectives

Objectives

The IT Asset Management strategic initiative is to implement consistent policies, processes, and tools centrally, for lifecycle management of hardware and software assets company wide.

The objective of this initiative is to:

- Establish ITAM foundation of people, processes, and tools.
- Establish a single centralized repository, using consistent processes, functions, and data – to provide a consolidated view of technology assets (hardware and software) for planning and procurement, financial accounting, application and infrastructure operations, risk mitigation and reporting purposes.
- Establish policies and procedures relating to software acquisitions, management, deployment, usage and retirement of software.
- Track equipment, licenses and contractual agreements to avoid losses and non-compliance violations. Limiting risk through proactive software license compliance.
- Provide timely and accurate assessments of future asset needs to meet business and technology initiatives.
- Reduce costs through improved license agreements negotiations.
- Eliminate, reduce and/or reallocate underutilized licenses.
- Increase efficiency by monitoring and managing costs savings.
- Reduce service desk time, streamline IT procurement and operations
- Train staff so policies/procedures are correctly and consistently employed.

Out of Scope

- Assets outside of IT control
- POS systems
- PCI Machines

Technology Scope

- Define as-is / to-be processes prior to deploying a tool.
- Establish policies and procedures relating to software acquisitions, management, deployment, usage and retirement of software.
- Deploy ITAM/SAM tool

Data Migration / Integration

- Active Directory(AD), HR, Location, Finance data, Oracle, SAP
- All known IT software renewals and original order contracts/entitlement with corresponding usage.

Major Business Process Scope

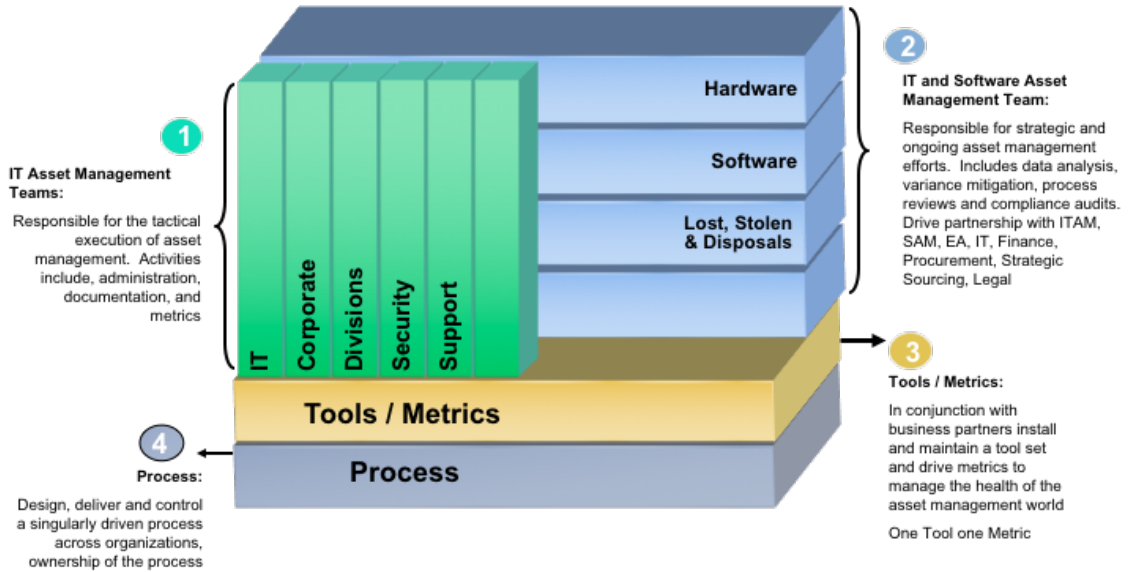
Key IT and Software Asset Management business processes are as follows:

- Acquisition
- Approvals
- Deployment
- Re-harvesting
- Retirement / Disposal

Project Schedule

Phase 1, Release 1: January XX, 20XX - March XX, 20XX
 Phase 1, Release 2: April XX, 20XX – September XX, 20XX
 Phase 2, Release 1: August XX, 20XX – December XX, 20XX
 Phase 2, Release 2: TBD

Understanding Inputs and Outputs



General Descriptors	Product A	Product B	Product C	Product D
Centralized Data Center Optimization	✓	✓	✓	✓
Change Control	✓	✓		
CMDB Data Quality	✓	✓	✓	✓
Business Service Management Integration	✓	✓		✓
Power Management		✓		
Standardization	✓	✓	✓	✓
Scalability and Ease of Use				
Proven scalability for large enterprises	✓	✓	✓	
Agentless ping sweeps/low impact scans	✓	✓	✓	
Browser-based interface	✓	✓		✓
Thick client-based interface	✓			✓
Data Center Recognition & Indexing				
Completeness				
Agent Free, Credential-based discovery	✓	✓	✓	✓
Agent based discovery	✓		✓	✓
Discover Applications	✓	✓	✓	✓
Discover Servers, Hardware, Printers, Applications, Storage, and Networking	✓	✓	✓	✓
Discover Web Services and dependencies	✓			✓
Discover J2EE applications	✓	✓	✓	✓
Discover databases	✓	✓		✓
Discover mainframes	✓	✓		
Discover virtual infrastructure	✓	✓	✓	
Discovery run scheduler	✓		✓	✓
Discover Layer 2 topology	✓	✓		✓
Discover Layer 3 topology	✓	✓		
Discover VMWare	✓	✓	✓	
Discover Multi-platform	✓	✓	✓	✓
Single-click leads to "failed discovery"	✓			
Platforms supported	AIX, HP/UX, Solaris, Linux, Windows, OS/2, and DOS	AIX, HP/UX, Solaris, Linux, Windows, OS/2, and DOS, Mac OS x, Tru64, NetBSD, Unix Ware, Open BSD, FreeBSD, IRIX	AIX, HP/UX, Solaris, Linux, Windows, OS/2, and DOS	AIX, HP/UX, Solaris, Linux, Windows, OS/2, and DOS
Analysis and Reporting				
Extensible data model	✓	✓		✓
Flexible recognition engine and scripting	✓	✓	✓	✓
Automated update service	✓	✓		✓
Integrated reporting and analysis	✓	✓	✓	
Critical dependency reporting/viewing	✓	✓		✓
Capable of configuration comparisons (points in time)	✓	✓		
Out-of-the-box normalized reports	✓	✓	✓	✓
Change tracking in real time	✓	✓		✓
Potential security threat viewing	✓	✓		✓
Full text search capability	✓	✓		✓
Graphical dashboard management	✓	✓		✓
Collaborative portal interface	✓			
Software Installations				
Identifies software installations	✓	✓	✓	✓
Identifies software installation version	✓	✓	✓	
Easily updates to add new software	✓	✓	✓	✓
Automatically discovers new software	✓	✓	✓	
Identifies authorized and unauthorized usage				
Identifies frequency of use	✓	✓	✓	✓
Integration				
Flexible CMDB and BSM tool integration	✓	✓		✓
Configurable Data Mapping	✓	✓		✓
Integration toolkits for custom applications	✓	✓	✓	✓
Comments				
Other points	Ease of use: Medium This product would really be more than you need.	Object-Mesh Database Search everything No artificial schema restrictions Extensible reasoning platform Monthly knowledge updates Automatic provenance Information stability Interactive analysis Focus – 100% focus on IT Discovery & Application Dependency maps		No archive feature for CIs not relevant to CMDB daily ops
Ease of use	medium	easy	easy	difficult
Ease of installation	easy	easy	easy	medium
Bandwidth on Network	not bad	not bad	not bad	awful

Strategic	Tactical	Operational
<ul style="list-style-type: none"> ➤ Undefined goals and objectives ➤ Lack of governance or ownership ➤ Lack of employee buy-in/resistance to change ➤ Lack of consensus ➤ Disconnect with the business strategy ➤ Extending ownership across departmental boundaries 	<ul style="list-style-type: none"> ➤ Lack of standards ➤ Weakness in process specification ➤ Weak or non-existent communication and education program ➤ Incorrect or no methodology ➤ Underestimated time to map and agree on processes ➤ No single, identifiable process owner 	<ul style="list-style-type: none"> ➤ Little to no tool support ➤ Lack of process visualization ➤ Perceived process design/execution gaps ➤ Misinterpretation of tool capabilities

Requirements Traceability Matrix (RTM)

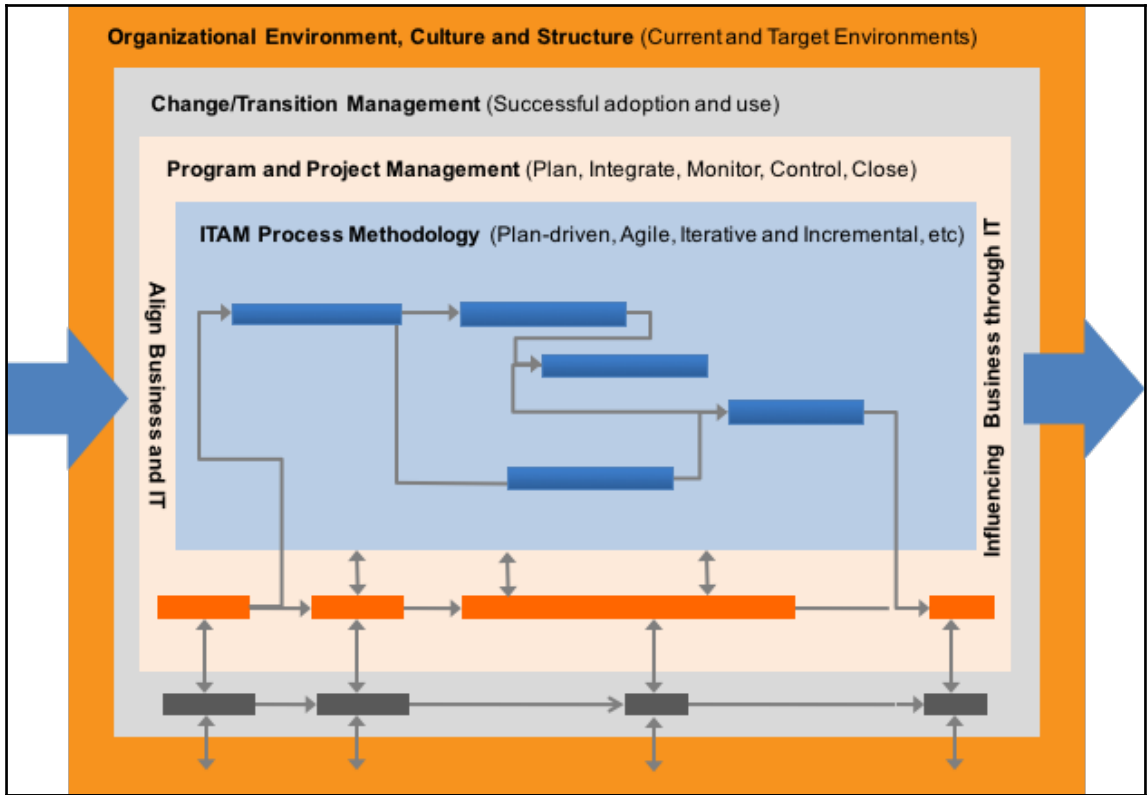
Sub Process (Level 2)	Key Capabilities (Level 3 Activity/Use Case)
Define program scope	No Level 3 Activity/Use Case required
Defining standards for technology	No Level 3 Activity/Use Case required
Define roles and responsibilities	No Level 3 Activity/Use Case required
Define tool requirements	Required tool infrastructure for non-production and production environments to include system monitoring, backups, redundancy, and disaster recovery.
Define tool requirements	Group licenses by internal application name
Define tool requirements	Show licenses by business owner
Define tool requirements	Show unused licenses that have already been purchased
Define tool requirements	Show non-compliance with over-extended licenses
Define tool requirements	How license by contracts
Define tool requirements	Software usage monitoring
Define tool requirements	Fields in which to track/enter contract number
Define tool requirements	Can track third-party relationships (VAR/reseller agreements)
Define tool requirements	License optimization to include both up- and downgrade licensing
Define tool requirements	Oracle-specific compliance and application visibility
Define tool requirements	Microsoft-specific compliance and application visibility
Define tool requirements	Adobe-specific compliance and application visibility
Define tool requirements	IBM-specific compliance and application visibility
Define tool requirements	VMware-specific compliance and application visibility
Define tool requirements	Software metering to report unused licenses already purchased, report over-extended licenses, and the historic tracking of licenses
Define tool requirements	System can provide the ability to track and allocate license costs to one or more cost centers
Define tool requirements	Has a field to track what divisions the software was acquired for, if specific to one or more, but not entire enterprise
Define tool requirements	Provides fields that can be used to describe what proprietary business systems/ applications leverage the software licenses, and in what quantities, per app, and per environment
Define tool requirements	Provides fields to input and track the vendor contact information
Define tool requirements	Provides fields to track the budget years to allocate costs to
Define tool requirements	Provides fields to enter original Purchase Order Agreement numbers
Define tool requirements	Provides generic fields to enter comments or custom data
Define tool requirements	Grouping of licenses by application, business group, and internal applications
Define tool requirements	Grouping assets by application
Define tool requirements	Grouping assets by business owner

Requirements Traceability Matrix (RTM)

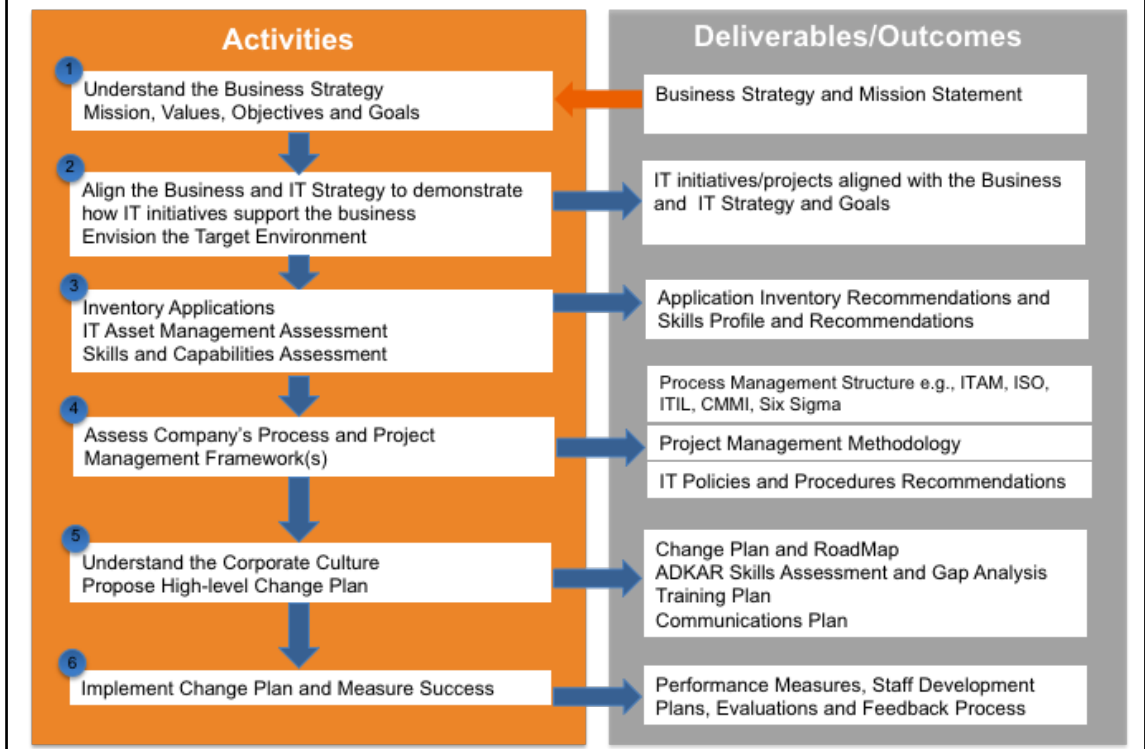
Sub Process (Level 2)	Key Capabilities (Level 3 Activity/Use Case)
Define tool requirements	Add non-standard fields (for example, consoles, LOM, and peripherals)
Define tool requirements	Show top-down view of virtual assets (that is, show a VMware/OVM/Xen/IBM VIO host and drill down to the virtual guests) Including: Operating system, Version, CPU/Memory, Network information & Disk layout
Define tool requirements	View of system details
Define tool requirements	Ability to track production systems versus non-production systems
Define tool requirements	Ability to track clusters/members and relationships
Define tool requirements	Ability to track hardware warranty data
Define tool requirements	Show assets' current status in the lifecycle (for example, active, decommissioned, repurposed, disposed)
Define tool requirements	Ability to be updated by role (for example, PMs can change an asset to active on go-live, ops can decom a system when requested)
Define tool requirements	Ability to group hardware and software assets by location/division
Define tool requirements	Ability to group operating system instances by application of the business group
Define tool requirements	Ability to group by data center
Define tool requirements	Ability to group by AD domain or OU membership
Define tool requirements	Audit management and reporting capability
Define tool requirements	Track /Alert on due dates for maintenance renewals, expiration dates, and so on
Define tool requirements	Tracks months to contract expiration
Define tool requirements	Tracks contract start date
Define tool requirements	Tracks contract end date
Define tool requirements	Has fields for tracking the internal manager/negotiator of the contract (and can preferably pull this data from the AD or GAL)
Define tool requirements	Has a field to track what divisions the software was acquired for, if specific to one or more, but not entire enterprise
Define tool requirements	Provides fields to track the contract dollar amounts
Define tool requirements	Provides the ability to embed links or attachments to original contracts, ELA's, and so on
Define tool requirements	Provides ability to classify and track license types (that is, perpetual versus SaaS)
Define tool requirements	Product provides the ability to track whether it is software licensing only, software and hardware licensing combined, or hardware only
Define integration requirements	Integration requirements to AD, will export user login ID and e-mail, as well as configure for SSO
Define integration requirements	Integration requirements for Oracle, will export from Oracle HR: employee first name, last name, e-mail, location, division, hire date, and term date

EXAMPLE							
ITAM MEASURE OR METRIC	BUSINESS DRIVERS						
	COST MGT.	RISK MGT.	ROI, VALUE	LEGAL REQ.	POLICY REQ.	SAFETY	INTERNAL INFLUENCE
Software cost as a percentage of total company revenue	x		x				
Percentage of critical information assets or software residing on systems that are currently in compliance with the approved system architecture		x			x		x
Number of failed or ineffectual business unit responses to issues identified as control weaknesses that result from software non-compliance prevention analysis, investigations or other feedback		x					x
Number of nuisance alarms from corporate facilities monitored by Corporate Security	x	x				x	
Number of safety hazards proactively identified and eliminated annually		x		x	x	x	
SW compliance penalty avoidance	x	x	x		x		x
Re-use of reclaimed assets—both HW and SW to reduce current HW and SW overspend	x		x		x		x
Eliminate expenses for assets discovered to be no longer in possession, for example, HW maintenance, tax, insurance, and so on	x	x	x		x		
Vendor management - SW and contract negotiation on the customer's terms instead of the vendor's terms			x	x			

Chapter 7: Increasing ITAM Program and Project Success Rates using Change Management



McLachlan Change Approach – 6 Strategy Steps to Clear Action Plan

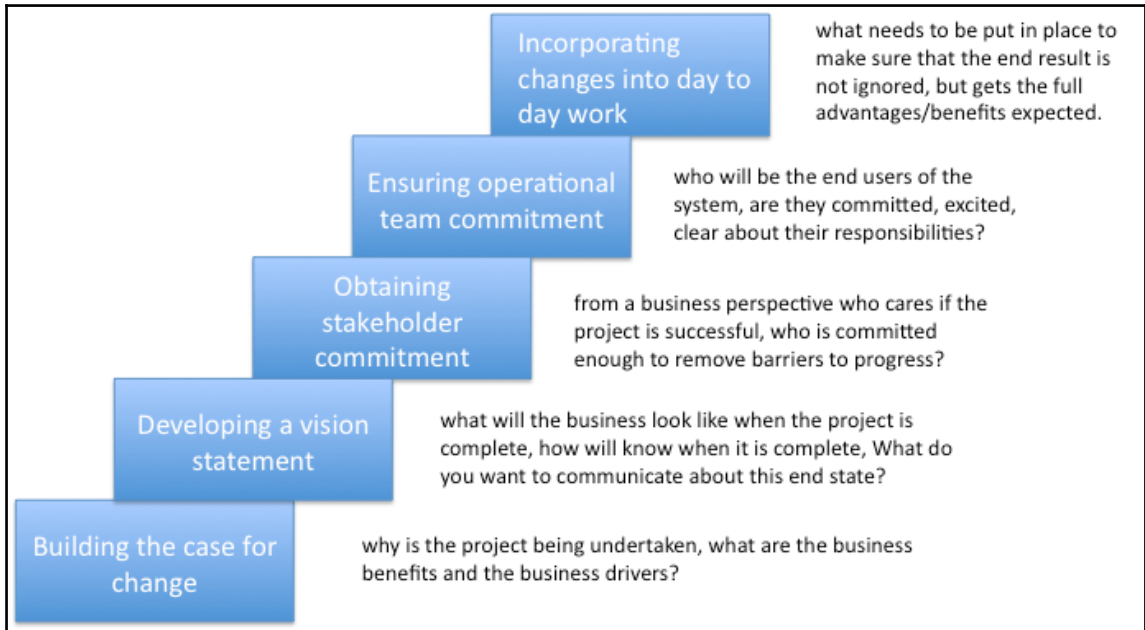
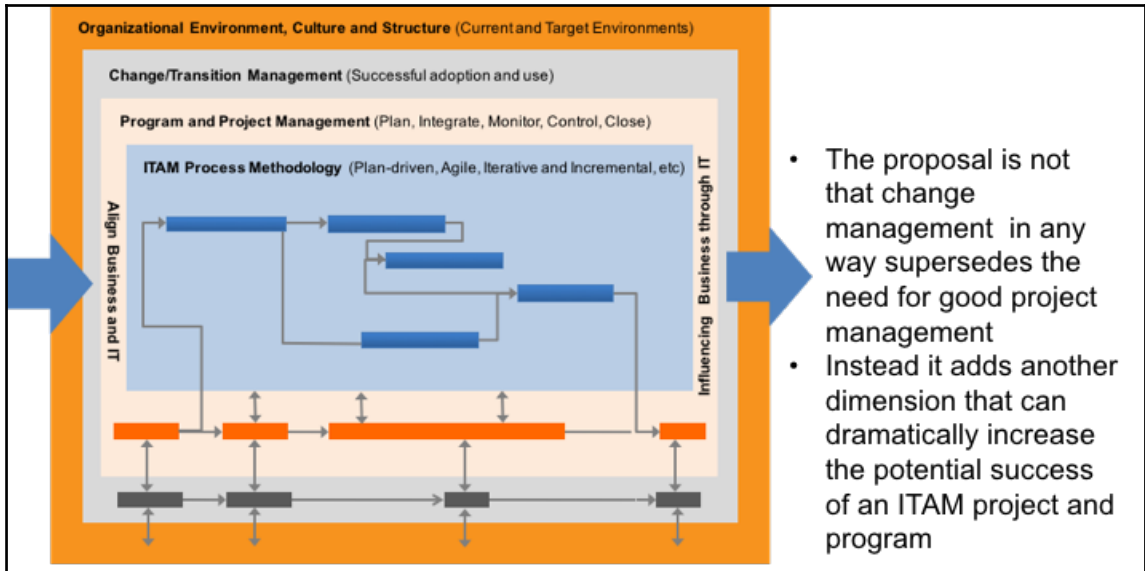


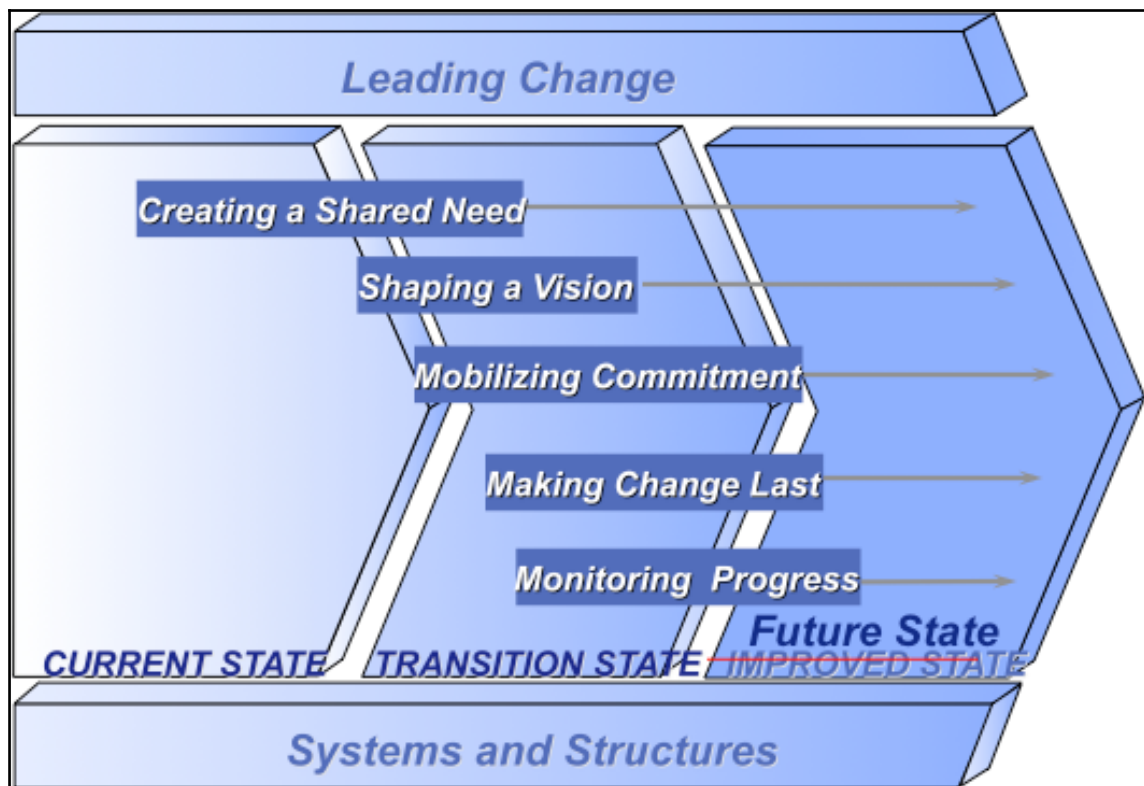
Top Ten Barriers to Change

Competition for limited resources	48%
Strong functional boundaries	44%
Limited change skills	43%
Resistance by middle management	38%
Long lead times for IT equipment	35%
Poor initiative communications	35%
Employee opposition	33%
HR (training/people) issues	33%
Organizational fatigue	32%
Unrealistic project plans / timetables	31%

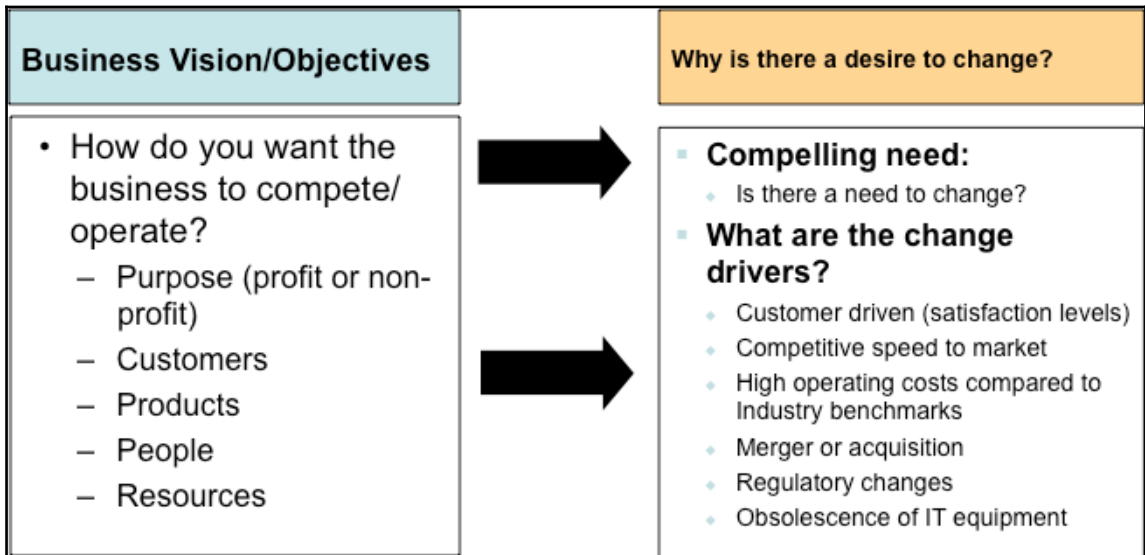
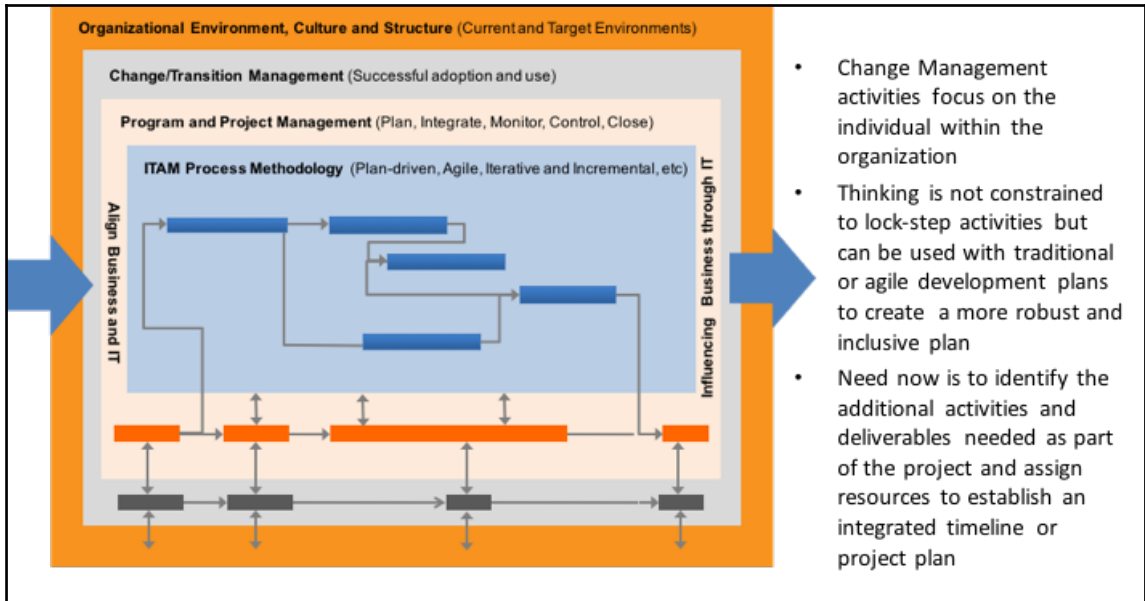
Percentage of 500 Companies

Ensuring top sponsorship	82%
Treating people fairly	82%
Involving employees	75%
Giving quality communications	70%
Providing sufficient training	68%
Using clear performance measures	65%
Building teams after change	62%
Focusing on culture/skill changes	62%
Rewarding success	60%
Using internal champions	60%

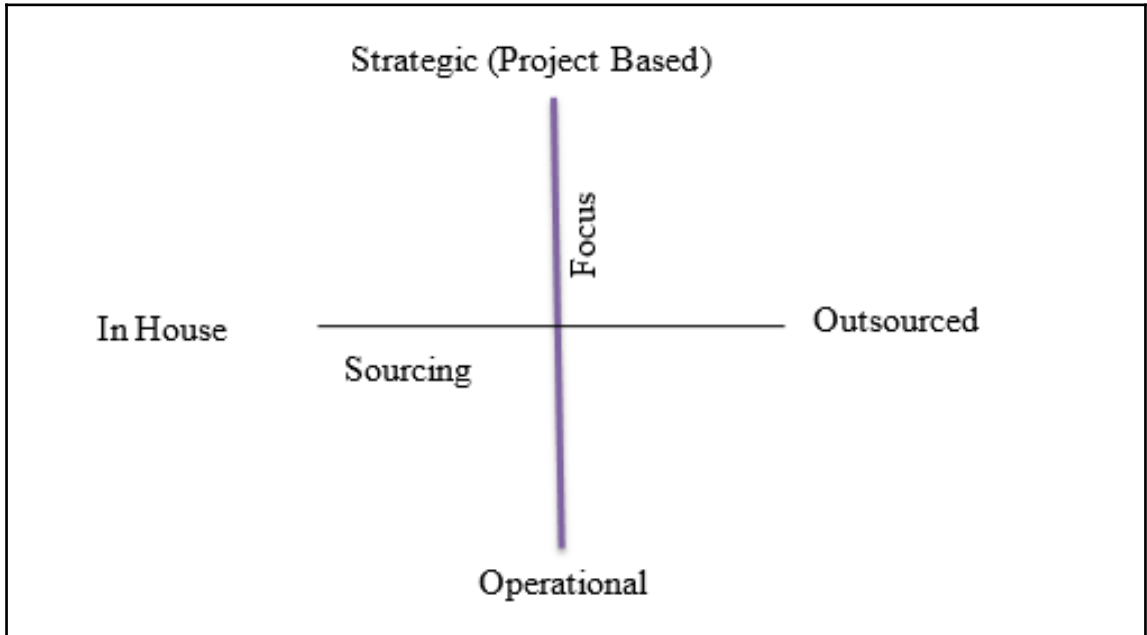


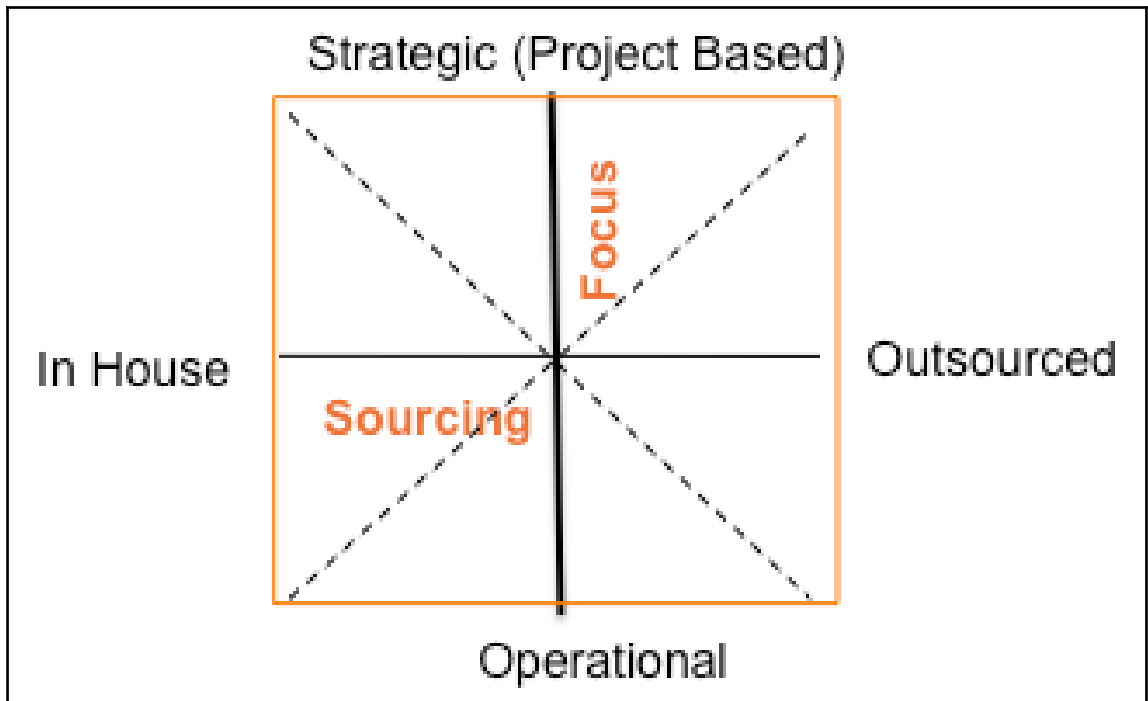


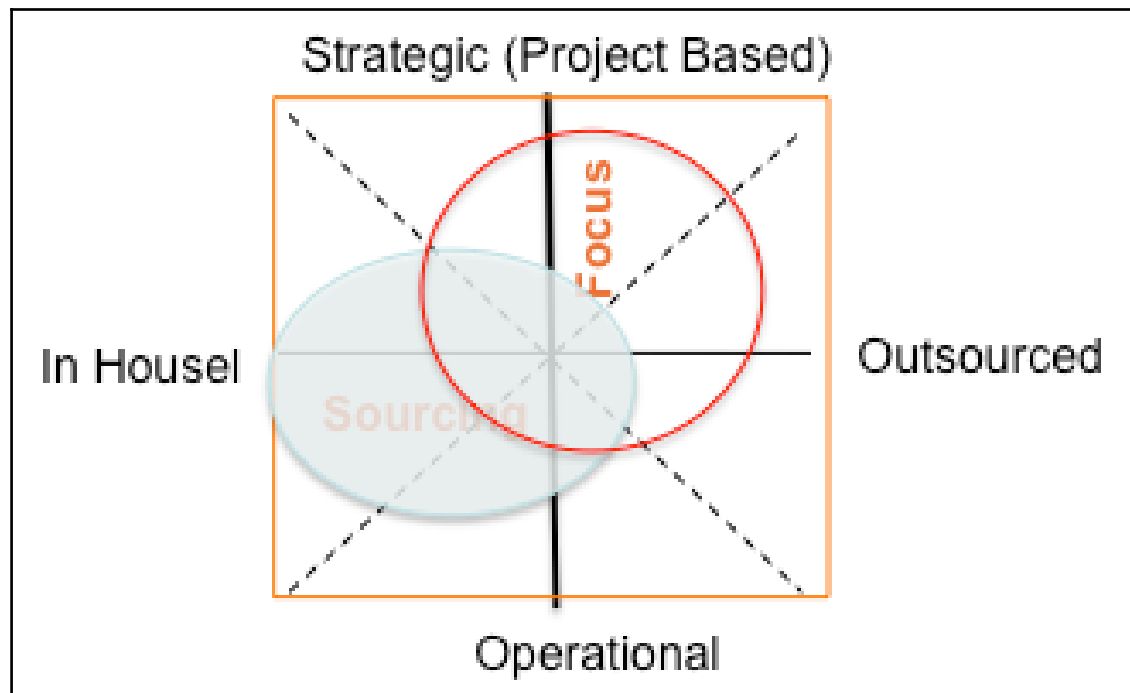
	Assessing the case for Change	Developing a Vision Statement	Obtaining Stakeholder Commitment	Ensuring Operational Team Commitment	Incorporating Changes into Day-to-day ways of work
Awareness	Craft the messages describing why a change is needed	Design and describe what will the change look like?	Develop a stakeholder Matrix	Expand the stakeholder Matrix to understand who else is impacted by the change?	
	Understand who is impacted by the change and develop a communications strategy	Demonstrate and communicate how the change supports business goals?	Identify the top project/business sponsor?	Develop a Targeted Communications Plan	
Desire		Define the business benefits associated with the change and what are the risks of not changing?	Determine who will take ownership of the project to ensure the change is successful?	Involve the team in defining What's In It for Me (WIIFM) Operationally and Individually	
		Consider what will motivate people to want to adopt the change?	Plan how can you influence people that are not committed to the project success?	Document the target environment to illustrate how will things improve after the change?	
Knowledge			Develop performance measures and targets. Understanding the costs of getting people trained to use the new systems	Determine and Design the artifacts needed to enable the change e.g., training, processes, procedures, tools?	
Ability			Assist stakeholders in building an extended support structure for the change ?	Develop training curriculums and schedules, coaching and mentoring networks	Establish reinforcement training and learning events.
Reinforcement					Establish rewards, recognition programs, certifications, audits, etc to keep the focus on leveraging the change



Organization Mission/Value Statements	Business Objectives	Strategy/Goals	Projects
Focus on optimizing stakeholder value for clients	Build and strengthen Business Partnering Relationships (trusted advisor)		
Provide Industry expertise to help solve clients toughest enterprise business problems		Demonstrable and consistent ways of working, aligned to Industry standards	possible ITIL Implementation in IT Department ?







What is the value of a vision statement?

- To explain why it is important to the business to make a change
- To answer the question "where do we want to be?"
- To highlight areas that will need to change
- To ensure there is a shared understanding of the need for the change
- To identify potential champions
- To understand early if there is likely to be any major resistance

What are you looking for in a vision?

- Expressed with optimism and emotion
- Seen as being worthwhile and "worth the risk"
- Customer focused
- Challenging, motivating & energizing
- Easy to understand
- Actionable
- Everyone gets it!
- End result focused

Envision

1. Imagine a point in the future when the project has been very successful.
2. Find words to describe what you would see, hear, feel as you observe key constituents functioning in the new, changed state.
3. Collect, collate and reach consensus.
4. Integrate in vision statement.

Vision Statement

Validate

Once the vision has been implemented
What would you expect to see in terms of behavior change?

Describe the differences in term of what you behaviors would expect to see:

- Starting
- Stopping
- Continuing

Align

1. Individually jot down key phrases that capture the essence of why the team exists and what the team wants to be known for by it's key customers
2. Collect, collate and reach concnsus.
3. Integrate in vision statement.

SWOT Analysis

Internal	Strengths	Weaknesses
External	Opportunity	Threats

Consider where you want to be as the end of the change program and what that will look like internally and externally and both short and long term

Three D's Matrix

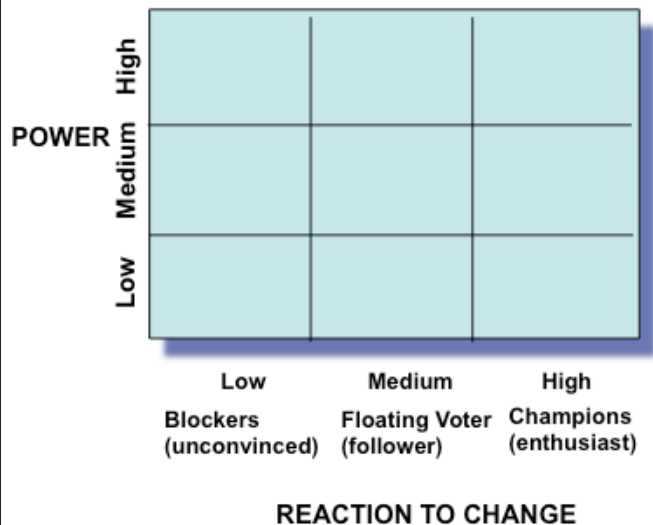
Variety of Approaches	Examples/Actions
Data/Diagnosis	External benchmarks
Demonstrate	Proof of Concept
Demand	Mandate

Determine how the change be put into affect in the most effective way?

Incorporate into the communications strategy

Ties to the corporate culture – what approach is likely to be the most effective

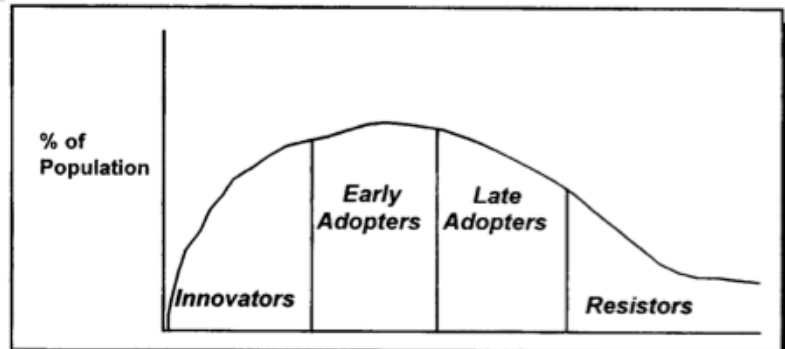
Stakeholder Matrix



1. Develop a list of potential stakeholders – there may be multiple but focus on the top individuals or groups
2. Determine their position on the stakeholder matrix
3. Prioritize in terms of importance to the success of the project
4. Consider what actions need to be take to move the top priority stakeholders to the right hand side of the matrix

- Need to continue to manage and update the stakeholder matrix as positions may change during the course of the project.
- Consider each stakeholder as a mix of the following and how this will impact actions taken:

- Innovator
- Early Adopter
- Late Adopter
- Resistor



Positive Resistance (Testing the Change)

- Open-minded questioning
- Disagreeing with the solution
- Lobbying for alternative solutions
- Analyzing and appraising alternatives
- Questioning the need
- Challenging the vision

What can you do?:

- Listen and be prepared to discuss particularly the solution
- Support if appropriate at the visioning stages
- Challenge if the issues are related to why the project is being undertaken

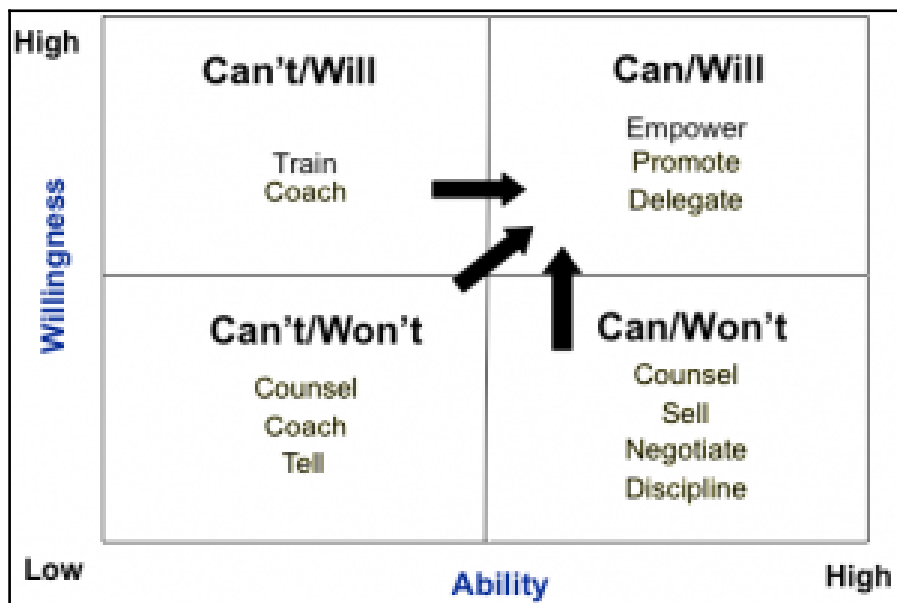
Negative Resistance (Push back)

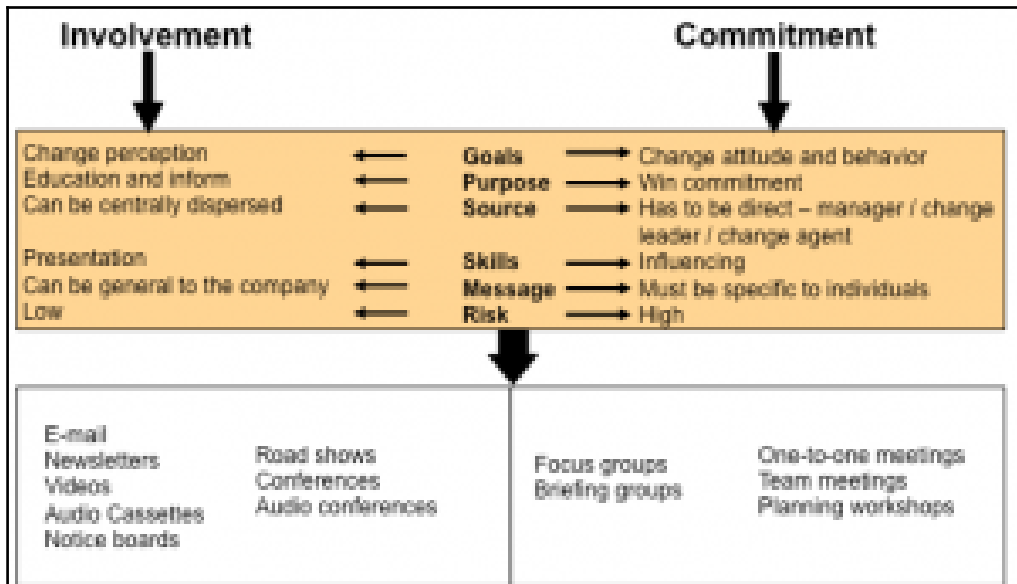
- Not attending meetings
- Being too busy to attend training
- Pulling key people out of workshops
- Starting another initiative
- Questioning the budget
- Having a phantom initiative
- Ignoring the initiative

What can you do?:

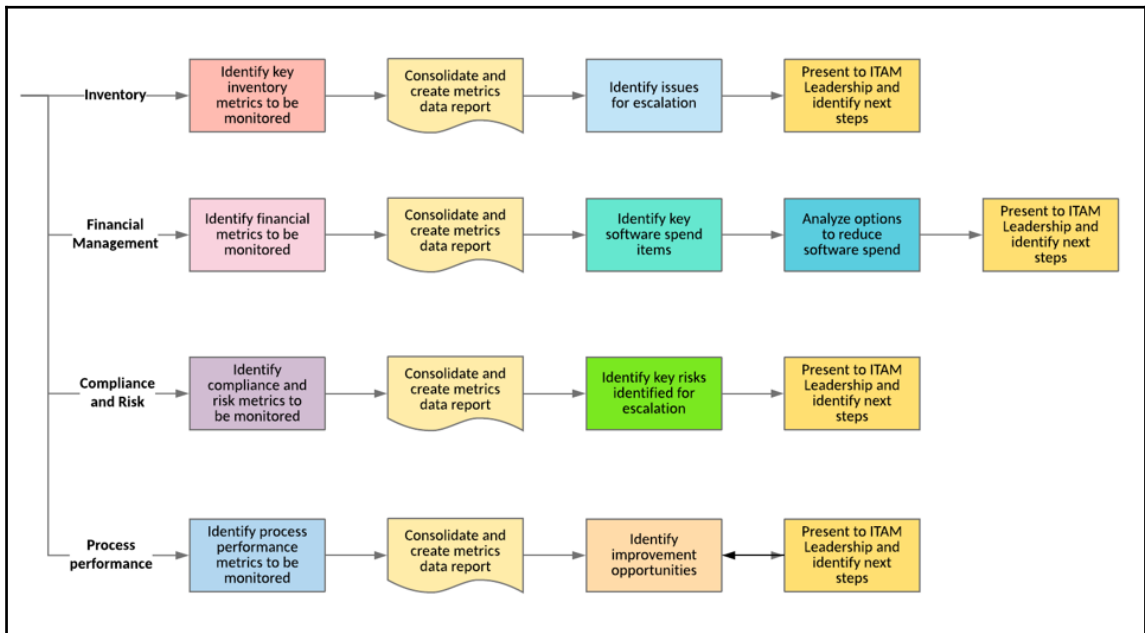
- Understand that there will be some resistance and look for ways to mitigate concerns, but do not spend too much time resolving the problems of few if this is distracting from the overall success
- Be prepared to use the Executive Sponsor

	Involved in the Change	Committed to the Change
Awareness	Understand why the change is being made and what it involves	Understand why the change is being made and what it involves
Desire	Will comply with the change if I have to	Can see personal and/or organizational value of the change and wants to be part of it's success
Knowledge	Tell me in detail what I need to do	What can I do to get access to the materials that will help me make the change successful?
Ability	Who do I ask when things go wrong?	What can I do to make sure things don't go wrong?
Reinforcement	What am I being measured against?	How do we build on the change to continually improve?





Chapter 8: Now What?



ITAM Role Description	Responsibility & Knowledge/Skill Set	Process Tasks
Asset Manager	<ul style="list-style-type: none"> • Collaborate with management to define cost savings, asset compliances and service improvements. • Coordinate with management in utilizing the asset management tools to analyze, review and track asset data. • Manage asset reconciliation and asset disposal agreements. • Educate end-users on ITAM/SAM policies. • Prepare and manage IT asset capital and expense budgets. • Ensure audit compliance for IT assets. 	<ul style="list-style-type: none"> • Design and execute asset management policies, procedures and processes. • Develop asset control processes to monitor accountability, identification, maintenance, location and contracts. • Assist in inventory management, procurement and reharvesting activities. • Assist in contract negotiation, contract renewals and vendor management activities. • Monitor software licenses to ensure they comply with license agreements and usage standards.
End User	<ul style="list-style-type: none"> • Has knowledge of request process, technology standards, approval cycles 	<ul style="list-style-type: none"> • Uses e-forms, web-based interface, e-mail, or phone to request IT assets or services.
Request Management	<ul style="list-style-type: none"> • Has knowledge of technology standards, approval cycles 	<ul style="list-style-type: none"> • Receives request, verifies against internal technology standards, financial requirements and approvals • Flags request as standard or exception • Routes exceptions to proper resources
Service Management	<ul style="list-style-type: none"> • Responsible for execution of processes for: <ul style="list-style-type: none"> ○ Requests ○ IMAC • Knowledge of Asset Lifecycle 	<ul style="list-style-type: none"> • Verifies asset availability • Initiates service order (IMAC) • Insures requests are moving and being worked on

ITAM Role Description	Responsibility & Knowledge/Skill Set	Process Tasks
Procurement / Vendor Management	<ul style="list-style-type: none"> • Responsible for execution of acquisition process • Knowledge of technology standards, approval flow • Develops purchasing policies and procedures • Vendor relationships • Product-line knowledge • Negotiation skills 	<ul style="list-style-type: none"> • Receives request • Verifies approvals • Creates and maintains P.O. • Researches pricing & gets quote • Maintains vendor contacts and vendor contracts
Receiving	<ul style="list-style-type: none"> • Responsible for execution of the receiving process • Knowledge of receiving/return policies and procedures 	<ul style="list-style-type: none"> • Takes care of deliveries • Prepares return of equipment
IMAC	<ul style="list-style-type: none"> • Responsible for execution of the IMAC process • Knowledge of IMAC policies and procedures, including decommission and disposal • Knowledge of technology standards 	<ul style="list-style-type: none"> • Receives and prepares assets for deployment • Installs/Moves/ Adds/ Changes • Maintains IT asset data • Tags assets during configuration
Decommission	<ul style="list-style-type: none"> • Responsible for execution of the disposal process • Knowledge of lease agreements • Knowledge of fixed asset policies and procedures • Knowledge of software harvest and reuse policies and procedures 	<ul style="list-style-type: none"> • Returns IT assets to lessors • Updates ITAM/SAM system with asset status information • Disposes of physical asset • Harvests software/software license
Financial Analysis	<ul style="list-style-type: none"> • Responsible for execution of the financial analysis process • Fixed assets, financial policies and procedures • Depreciation rules and recommends changes • Budgets & cost centers 	<ul style="list-style-type: none"> • Maintains budget groups and cost centers • Compiles cost data for leadership
Software Management	<ul style="list-style-type: none"> • Responsible for execution of the software asset management process, software harvest and recycle process, entitlement management • Software product lines • Knowledge of technology standards • Software Audit Response 	<ul style="list-style-type: none"> • Communicates software standards • Monitors license usage and compliance • Approves license allocation • Manages software license agreements
Contracts, Warranty, Maintenance Management	<ul style="list-style-type: none"> • Responsible for execution of the contract management process • Vendor management • Knowledge of technology standards 	<ul style="list-style-type: none"> • Manages contract • Manages software agreements • Manages warranty agreements • Manages vendor maintenance agreements

