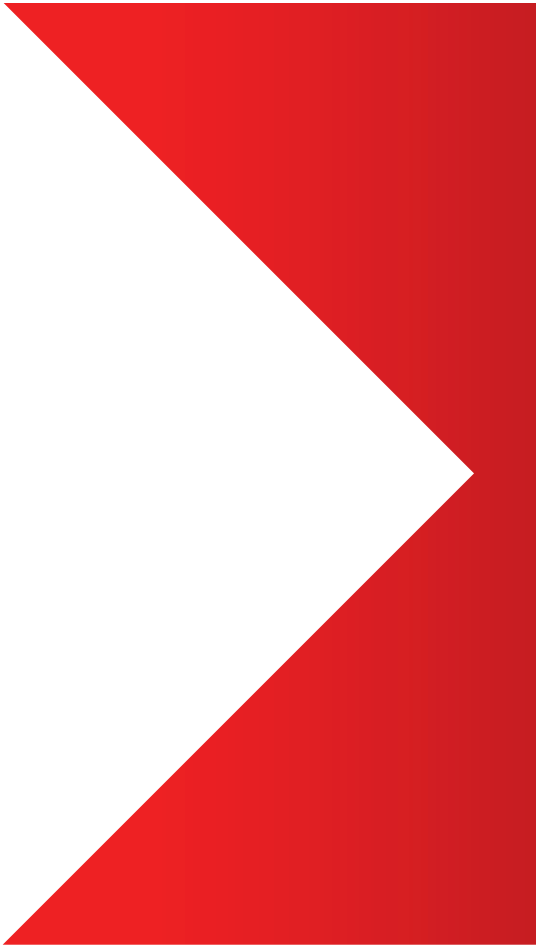


BSA SAM ADVANTAGE GUIDE FOR VENDORS



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INTRODUCTION: THE NEED FOR BSA SAM ADVANTAGE

Notwithstanding the continuing educational campaigns by the Business Software Alliance (BSA), other industry associations and software vendors themselves, software piracy continues to be a major issue affecting organizations, large and small, all over the world. According to the 2008 global software piracy study carried out by IDC, the information technology industry's leading global market research and forecasting firm, the worldwide dollar losses from piracy have risen by \$8 billion between 2006 and 2007 to nearly \$48 billion. Piracy has a direct impact on the revenues of a software vendor, depriving vendors of just rewards for their innovation and intellectual property, and affecting their ability to innovate and grow.

The immaturity of the software asset management (SAM) sector has been partly to blame as end-user organizations lack the required reference models, training, accreditation, and third-party support to implement effective SAM processes. Software vendors differ greatly on how SAM programs should be conducted, each taking their own approach.

Following an extensive review and consultation with many of the leading software vendors, Business Software Alliance (BSA), the world's

leading software industry association, has recognized these issues and is launching BSA SAM Advantage to address them.

BSA SAM ADVANTAGE IS DIFFERENT.

BSA SAM Advantage is a unique initiative that uses an entirely different approach to develop the SAM industry and ensure truly effective SAM practice. BSA SAM Advantage is the only initiative sponsored by a not-for-profit association, supported by many of the world's leading software companies, delivered by professional partners, resellers and practitioners, and guided by the world's standards making body, ISO. SAM Advantage is geared to help those wanting to achieve lasting SAM with an easy-to-follow, digestible, framework to achieve conformance with the ISO standard for SAM.

It is vital that the software industry works together in supporting BSA SAM Advantage in order to help organizations address licensing issues using a common methodology to help protect software revenues now and in the future.

THE PROBLEMS ORGANIZATIONS HAVE IN ADDRESSING LICENSING

Software has a very real and direct impact on business productivity, yet many organizations too easily take it for granted. Although the majority of businesses do not intentionally use illegal software, many do not make software compliance a high enough priority within their organization in order to effectively ensure compliance. Indeed, the management of a company's software estate is not a straight-forward process. The number of different software applications in use and the variety of licensing agreements can be complex for organizations to manage. Changes in the software industry and the manner in which

software is deployed—such as virtualization, multi-core computing and open source—combined with ever more diverse company structures are making the control of software assets even more challenging. Furthermore, many employees do not understand the security, financial and legal risks associated with software piracy and organizations face a cultural challenge in ensuring their staff recognize the need to respect copyright law. The widespread availability of illegal software online also makes it increasingly difficult for organizations to manage and control what's on their networks.





SAM: THE SOLUTION

While the software industry invests considerable resources in enforcing copyright law around the world, BSA believes that enforcement should be a last resort. The only long-term solution to software piracy is in the education of organizations on the benefits of preventing illegal software use and encouraging them to manage their software assets effectively.

Although SAM is still in its infancy, the BSA has spent recent years raising awareness of SAM as the best way to drive adoption of best-in-class software management practices so that organizations of all sizes worldwide can realize the full potential of—and value from—their software investments.

Organizations adopt SAM for several reasons, but according to an ISO survey carried out in May 2008¹, the principle drivers are to control licence compliance, ensure ongoing software cost efficiency, and meet IT governance requirements.

SAM gives organizations the resources they need in order to be the most productive, and ensures they are not over paying for the software being used, or paying for software that's not actually in use. SAM has been proven to deliver major cost savings in almost every organization: industry analysts² estimate savings from SAM to be 30% in the first year alone, with ongoing 5-10% annual cost savings in subsequent years. SAM can also help companies of all sizes become better-managed businesses, meeting IT governance requirements, obtaining the most value from the software needed to grow and compete, and assisting in avoiding security, financial, and legal risks.

SAM has been proven to deliver major cost savings in almost every organization

1. Source: ISO/SC7 Market Needs Study, May 2008

2. Source: "IT Asset Management: Moving to Higher Ground," Frances O'Brien, Gartner ITAM Conference 2003

WHY DO END USERS IMPLEMENT SAM?

Source: ISO/SC7 Market Needs Study, May 2008





CLEARLY THERE ARE SOME REAL INCENTIVES FOR ORGANIZATIONS AS WELL AS SOFTWARE VENDORS— SO WHY HAS SAM ADOPTION BEEN SO SLOW?

The structured management of software within an organization first started to emerge in the mid- to late- 1980s as desktop PCs rocketed in popularity, but it is only in the past five or so years that SAM as a discipline has taken shape. Whereas companies are experienced at dealing with compliance in other areas such as health and safety or financial reporting, software asset management processes are far more diverse and usually a product of a complex history and an evolving set of practices.

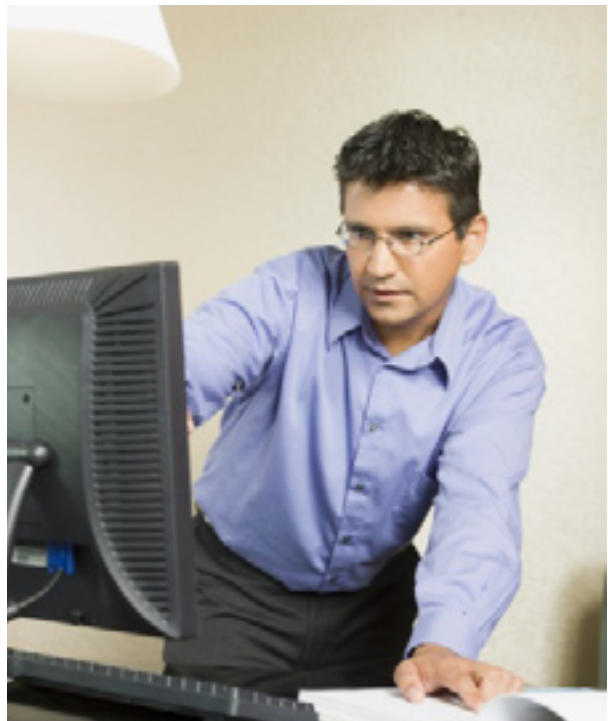
Software Asset Management is a complete, on going process, which requires commitment and the allocation of dedicated resources— both technology and people.

While many companies have embraced SAM and strive to achieve excellence in SAM processes and implementations, in many cases efforts can be focused on periodic audits, meaning problems are often only found after they have been present for some time. A large percentage of organizations still view SAM as a one-off project, either performed internally or by an external body. Disparate and inconsistent approaches to SAM within some companies have meant they're often recreating the wheel, with no dedicated, recorded SAM program in place.

Often, knowledge about SAM is split across different departments: effective training programs are needed to educate employees on the requirements of the SAM program, and it can be difficult to find the qualified engineers or managers who fully understand the requirements.

Furthermore, external consultants may be inclined to implement unique one-off programs and there has been very little in terms of reference models or benchmarks for reviewing the quality of any third-party SAM service. There is also a lack of understanding of the benefits of SAM—many organizations perceive it as an investment that will only increase costs rather than deliver financial, legal, and security benefits. Couple these with the fact that everyone involved in SAM has a slightly different understanding and interpretation of what SAM entails, leads to a lack of direction in implementing a successful SAM program.

While implementing inventory software or commissioning an audit certainly represents a positive step in taking control of your software estate, Software Asset Management is a complete, on going process, which requires commitment and the allocation of dedicated resources—both technology and people.





SO HOW CAN WE MATURE THE INDUSTRY AND IMPROVE UPTAKE IN SAM?

Clearly, the global software industry has lacked the appropriate framework and action needs to be taken to foster development of SAM practice. In addition to educating and training the relevant staff on the requirements of an effective project, the industry needs to ensure availability of qualified SAM partners and consultants. The IT industry must also ensure the appropriate accreditation, reference models, and benchmarks are in place to allow organizations to effectively gauge the ability of third-party providers and measure the

success of a SAM project. This guidance needs to be provided by an independent party that they can trust to provide impartial advice. In addition, SAM and the route to compliance must be presented in an approachable and digestible framework that enables organizations of different sizes and complexity to choose the appropriate processes and allows them to revisit and broaden their strategy as their software estate grows.





WHY IS BSA SAM ADVANTAGE DIFFERENT?

The arrival of the ISO/IEC 19770-1 SAM standard means that, for the first time, businesses can work confidently toward one global standard. The ISO standard represents an all encompassing set of policies and processes that can be implemented into a SAM program.

Building on the ISO standard, BSA SAM Advantage is the first independent, global Software Asset Management program created to help make license compliance a long-term, strategic

The framework is designed to be flexible, enabling companies of all sizes and industries to work toward a clear and measurable route to comprehensive SAM adoption through best-in-class training and resources. It has sometimes been said that for many companies—particularly SMBs—adoption of the full ISO/IEC 19770-1 SAM standard is too complicated, and often unnecessary. The standard doesn't specify how to implement the processes, how to prioritize the implementation, or which elements of the standard are applicable to which

BSA SAM Advantage helps organizations achieve better operational efficiency, improved information control, and enhanced risk management through a robust, internationally acknowledged SAM implementation framework.

process. While supported and recognized by many of the world's leading software vendors, the program has been developed by the BSA. As the world's leading industry software association and a not-for-profit entity, BSA's mission is to help all software end-users, guided by ISO standardization, to ensure optimization of their software assets. BSA SAM Advantage helps organizations achieve better operational efficiency, improved information control, and enhanced risk management through a robust, internationally acknowledged SAM implementation framework.

types of business. That's why we've created BSA SAM Advantage as a four-tier framework with stages appropriate for every type and size of business. The BSA has worked closely with the International Organization for Standardization (ISO)—including licensing of BSA-developed intellectual property—to ensure that the program provides a clear route toward the standard.



HOW BSA SAM ADVANTAGE WORKS

Little beats spending time with a professional, trusted advisor to achieve a goal. SAM Advantage works by enabling and accrediting consistent, committed SAM professionals who can help and support clients as they develop successful SAM programs.

BSA SAM Advantage has created the *SAM Advantage Roadmap* of practical steps and recognized milestones for each of the tiers. Going deeper than the standards elements (*what you have to do*), SAM Advantage Training comprises a series of resources developed in conjunction with software vendors to guide partners in *how best to do it*. They include:

- Scenario-based training modules with case studies and skilling on how to apply the tiers
 - ↳ help you drive results, anticipate the quick-wins and common issues
- The SAM Advantage Roadmap, steps and milestones
 - ↳ help you engage all stakeholders with a shared view of progress and ability to show leadership
- Practical resources
 - ↳ help you get started quickly using the Advantage360 interview, agendas and

useful templates to speed your adoption and show how your support services can assist in achieving SAM goals

- Best practice workshops
 - ↳ help you develop the virtual team, identify opportunities, build on shared goals, understand key benefits and incentives, and communicate agreed plans and objectives
- Certification options
 - ↳ help review and appropriately recognize customer progress

The BSA SAM Advantage materials and training courses are intended to be delivered by accredited SAM partners. Our SAM partners are qualified and experienced practitioners, and will work with organizations to ensure they have the tools, knowledge and support to achieve their SAM goals.

Organizations tend not to become best-in-class smoothly, or in one leap. Instead, they tend to move through natural evolutionary stages, each one a plateau of attainment with key practices mastered. With the tiered approach, the BSA brings you a way of benefiting from best practice.



THE FOUR TIERS OF BSA SAM ADVANTAGE

TIER 1: Trustworthy data

While SAM has many benefits, organizations frequently cite the ability to achieve and show license compliance as the main reason for implementing SAM. Tier 1 focuses on creating a healthy engine-room for SAM. Processes that provide essential SAM data such as software inventories are usually imperative for organizations to master and get running smoothly, otherwise it can be difficult to set SAM in the right direction—much like a ship unable to steer. Trustworthy data flows help motivate and make a business case for further SAM. The first tier and training resources drill down on what it takes to deliver processes that can be repeated again and again and are properly authenticated to identify exactly which software is currently installed on your network.

TIER 2: Control Environment

Having established repeatable trustworthy data processes, organizations will be in a strong position to keep control of current risks and will be able to realize benefits from their current inventory. But what about the management of these processes so they *continue to adapt to new asset requirements*,

and in doing so, continue to recognize new risks and causes of risk? Tier 2 is about developing processes that give management proper control and fullest visibility through SAM, while meeting the needs of the business going forward.

TIER 3: Key Operational Processes

Some organizations may continue for some time with distinct SAM operations, which remain separate from service management or service-desk initiatives, for example. And while this may suffice for some, others will want to move to the next evolutionary stage, craving greater efficiency from integrating some SAM processes with other operational processes. This is not just about systems, but about integrating the way employees think and work. Tier 3 includes contract management, procurement, deployment, and retirement so they work together with all necessary SAM procedures and can support the SAM data processes as part of one integrated approach, and deliver real ROI.



TIER 4: Complete Systems Integration

This tier includes the remaining best practices needed for full conformance, most notably the requirement for SAM to be incorporated into existing governance processes. Achieving this tier means SAM is fully comprehensive and fully backed by the business, enabling its use as a strategic tool for business transformation.

A further strength of SAM Advantage is each tier represents a tangible, documented recognition of SAM achievement so you know exactly where you are compared with the standard, and the framework is designed to be flexible enough so that SAM partners are able to deliver the content to each particular organization.

BSA SAM ADVANTAGE TIER	ATTAINING THIS MEANS...	SAM ADVANTAGE MAKES IT EASIER FOR YOU TO...
Tier 1: Trustworthy Data	Knowing what you've got when needed	<ul style="list-style-type: none"> • Get started easily • Access valuable information • Set a foundation for best practices
Tier 2: Control Environment	Making SAM managed	<ul style="list-style-type: none"> • Make the business case for continued SAM • Set SMART objectives to achieve SAM goals • Win plan approval
Tier 3: Key Operational Processes	Integrating SAM so it's instinctive	<ul style="list-style-type: none"> • Deliver year-on-year value • Justify continued investment • Demonstrate continued progress
Tier 4: Complete Systems Integration	Full ISO Conformance, Lasting benefits	<ul style="list-style-type: none"> • Seek & retain board approval • Sustain ongoing SAM benefits • Show best practice through full certification



VENDORS' SUPPORT IS CRITICAL TO SUCCESS HOW YOU CAN SUPPORT THE BSA SAM ADVANTAGE

In order to achieve its ambitious objective, this initiative requires the full support of the software industry. While BSA provides the much-needed independence in order to build a trusted framework, software publishers have a crucial role in encouraging take-up of BSA SAM Advantage—not just within their own businesses but also across partners and clients.

By demonstrating commitment to BSA SAM Advantage, software publishers can convince SAM providers, channel partners, third-party consultants and SAM-adopting organizations that it will be worth investing the necessary resources to align their services or processes accordingly.

SUMMARY

BSA SAM Advantage is designed to develop and grow the SAM ecosystem. Not only will it drive uptake of SAM within organizations, it could also dramatically reduce software piracy and the abuse of software publishers' intellectual property. This will mean better revenues and profits for all software vendors. So please do show your support—by officially endorsing BSA SAM Advantage, you can ensure that partners and practitioners are successfully enrolled in offering their customers SAM Advantage.

USEFUL LINKS

www.bsa.org

www.bsa.org/samadvantage

www.iso.org

www.19770.org



ROBERT HOLLEYMAN, President and CEO, BSA:

“BSA SAM Advantage aims to help those who make, sell and use software worldwide to make license compliance a long-term, strategic process for organizations featuring different levels of adoption for different end-user needs. It will provide organizations with a clear route toward license compliance supported by an open, independent and not-for-profit body.”

DAVID BICKET, Convener of the ISO’s Working Group for 19770-1:

“Research we conducted in 2008 revealed that businesses are looking for a staged approach to conformance with the SAM standard. In delivering this, and in providing a clear route towards the standard, I believe the BSA SAM Advantage program is firmly focussed on ensuring meeting the real SAM needs of business.”

MICHAEL BEARE, Director, License Compliance, Microsoft:

“Current SAM training structures don’t take into account the sheer diversity of SAM needs and expectations among businesses. BSA SAM Advantage provides the breadth of resource and the flexibility in their implementation, enabling us to deliver high-value support and standards to steer our customers towards achieving software asset management optimization.”

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