

HOW TO BUILD EFFECTIVE IT ASSET MANAGEMENT

Your Guide to
Developing your
ITAM action plan





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PART II: DEVELOPING YOUR ITAM ACTION PLAN

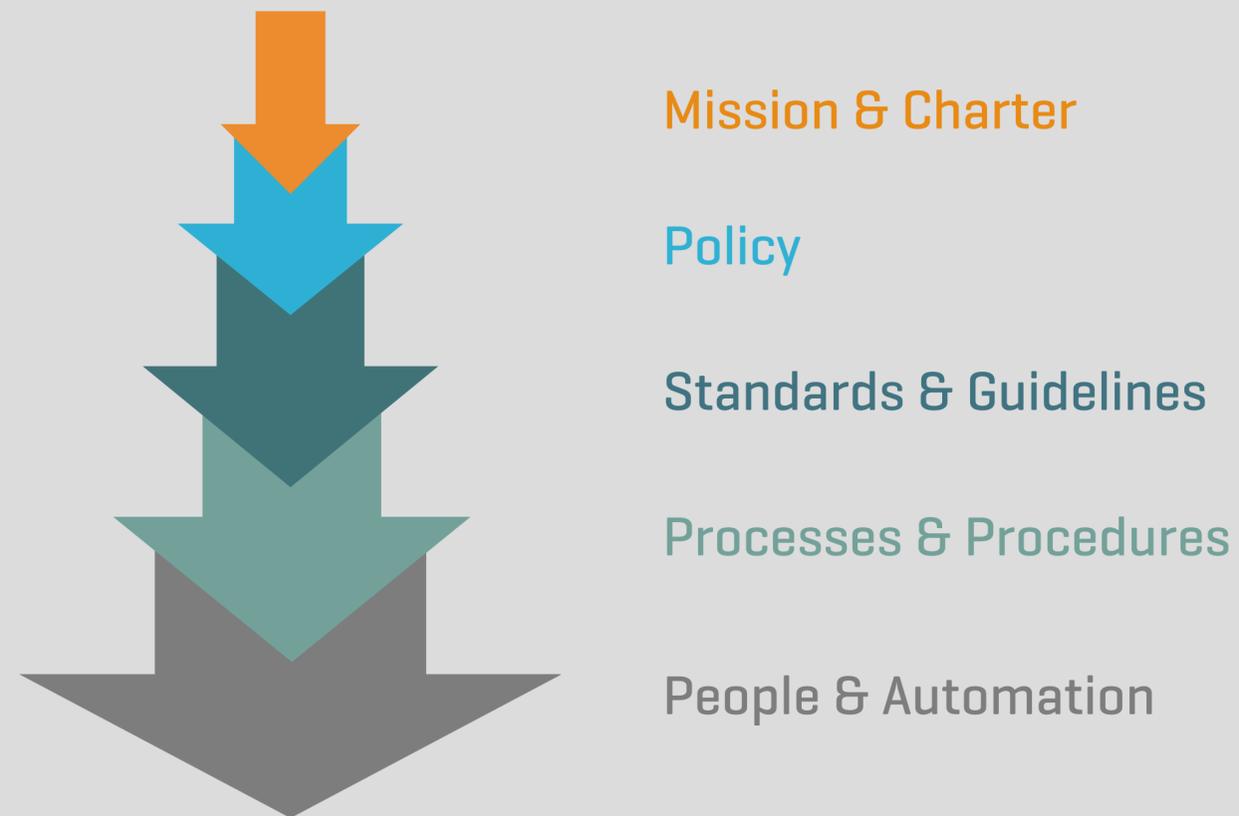
IT Asset Managers often talk about standards and best practices. But the single most important thing to remember about standards and best practices is that they are just guidelines. As such, they are not designed to dictate exactly what an individual organization should be doing and how they should be doing it. Rather than treating such guidelines as prescriptive, IT asset managers should use them as a starting point and take from them the things that will help their organization achieve its desired goals.

Read our practical guide to creating an ITAM action plan, that makes the most of best practice but still flexes to the needs of the individual organization.



GETTING STARTED

Figure 1: Taking a top down approach to ITAM governance



Source: Snow Software June 2018

ESTABLISHING YOUR GOALS

Effective ITAM starts with two things: a mission statement and a charter. These documents don't have to be hugely long and detailed, but they will form the basis of how you put your ITAM capability together. Your goals should reflect your organization's mission statement and objectives, and your charter needs to put in place the details of the stakeholders and the governance methodology that you're going to use.

There are many different ways of doing this. Larger organizations might establish a dedicated ITAM steering group or audit committee to report into, while smaller organizations might report to the CFO or CIO, a head of governance or an IT director. The important thing is to have a process in place to show what progress is being made, what actions have been taken and what issues there have been, together with documentation that describes how and when these reports will be made.



PUT A POLICY IN PLACE

By putting a policy in place, you are providing ITAM with its remit.

Above all, this policy must be accessible.

Every organization is dependent on digital technology. Everybody within an organization uses digital technology in some way, shape, or form. As a result, the ITAM policy has implications for all of them and they need to be able to understand it.

Ideally an ITAM policy document should be short, concise and written in very plain, accessible language that is meaningful to all your stakeholders. For international organizations, that means ensuring the document is translated into local languages. This helps ensure there is total clarity about what the rules are around the use of your IT assets.

Putting a policy in place can seem daunting, but it should be straightforward, and there are only two rules you need to follow:

- **Keep it brief** – The ideal length for a policy is two to three pages.
- **Keep it relevant** – Remember that the purpose of the policy statement is to help end users understand how they can and can't use the IT assets at their disposal. Any content that isn't relevant to them should be eliminated.

If you feel unsure of where to start, seek the advice of your security and risk management teams. They are often experts in governance structure and will have templates you can use to get started. In some cases, they may even be able to share advice from professional advisors around policy building and communication.



CREATING STANDARDS AND GUIDELINES

Once you have drafted your policy statement, you can move on to the standards and guidelines that will help IT administer the organization's assets and manage them on a day to day basis. Here are some useful tips to get you started:

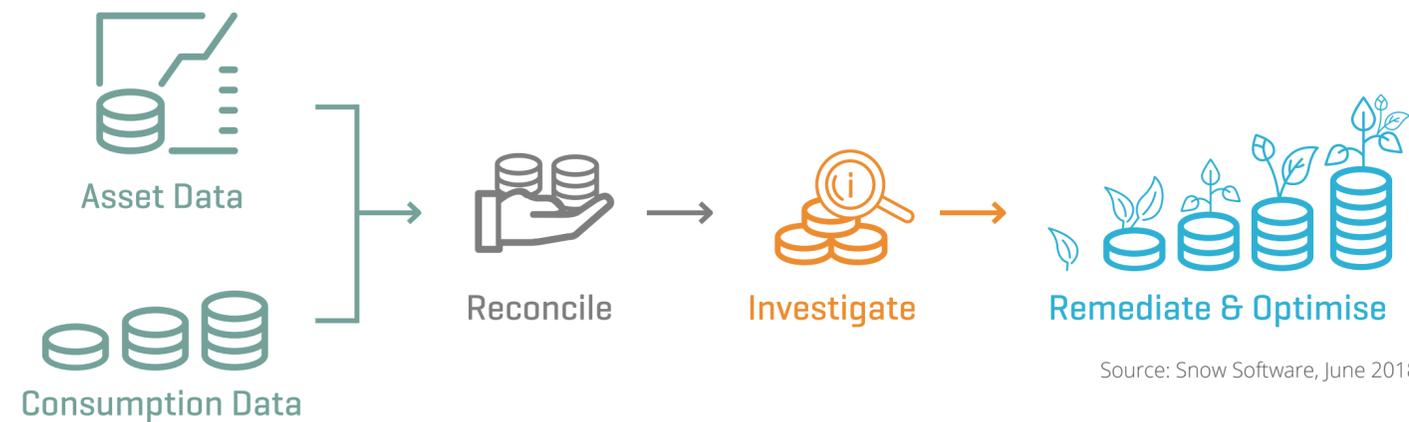
- Make a clear distinction between standards, which are mandatory, and guidelines, which are optional.
- Make sure your guidelines address all the stakeholders responsible for the daily care of IT assets, from system administrators to end user support teams.
- Align your guidelines with the scope of your IT function to ensure everyone involved in managing assets has the information they need to do their job. This could include:
 - Architectural standards
 - ISO standards
 - Related security policies
 - Acceptable use policies



DRAFTING PROCESSES AND PROCEDURES

With your standards and guidelines in place, you can move on to the more detailed ITAM processes and procedures. Processes are high-level, generic descriptions of ITAM activity. Typically, they will have long-term application and will not need to be updated very often, although they should be reviewed annually. Individual procedures will be more detailed and will vary according to circumstances. For example, within the support and maintenance renewals process there will be detailed procedures for dealing with vendor specific renewals.

Figure 2 - Core IT Asset Management Processes



Source: Snow Software, June 2018

PEOPLE, TOOLS AND TECHNOLOGIES

Once your policy, processes and procedures are in place, they are ready to be supported by the right people, tools and technologies. The volumes of data that we have to deal with in ITAM are significant, so automation is key to success.

DEALING WITH DATA

One of the reasons automation is so important within the context of ITAM is that many core processes revolve around data. In essence, ITAM is about comparing two sets of data: entitlement data and consumption data (see Figure 2). It's worth noting that consumption is not the same as usage. Consumption can be based on things that are as simple as having bought an asset or having deployed it somewhere.

So, what do these two types of data involve? If we take software as an example, **entitlement** for any specific product may be made up of multiple documents: master contracts, work orders, purchase orders, invoices, end user license agreements, online terms and conditions. To measure **consumption** against this entitlement, the ITAM team may have to gather multiple metrics or multiple pieces of information about a piece of software to be able to work out how it is being consumed. They will also need to think about factors such as geography, legal entity, the environment in which the software is running, the types of end points that are connecting to it, the amount and type of data that is being processed, and the employment status of the end user.

DEALING WITH DATA CONTINUED...

Once the data has been collected, it must be normalized to ensure that like is being compared with like. Many products will have a number of different identifiers, or be identified in a different way depending on how the information about them has been collected. As a result, it can be very difficult to match entitlements against deployed or accessed software. The normalization process makes it possible to establish common identifiers.

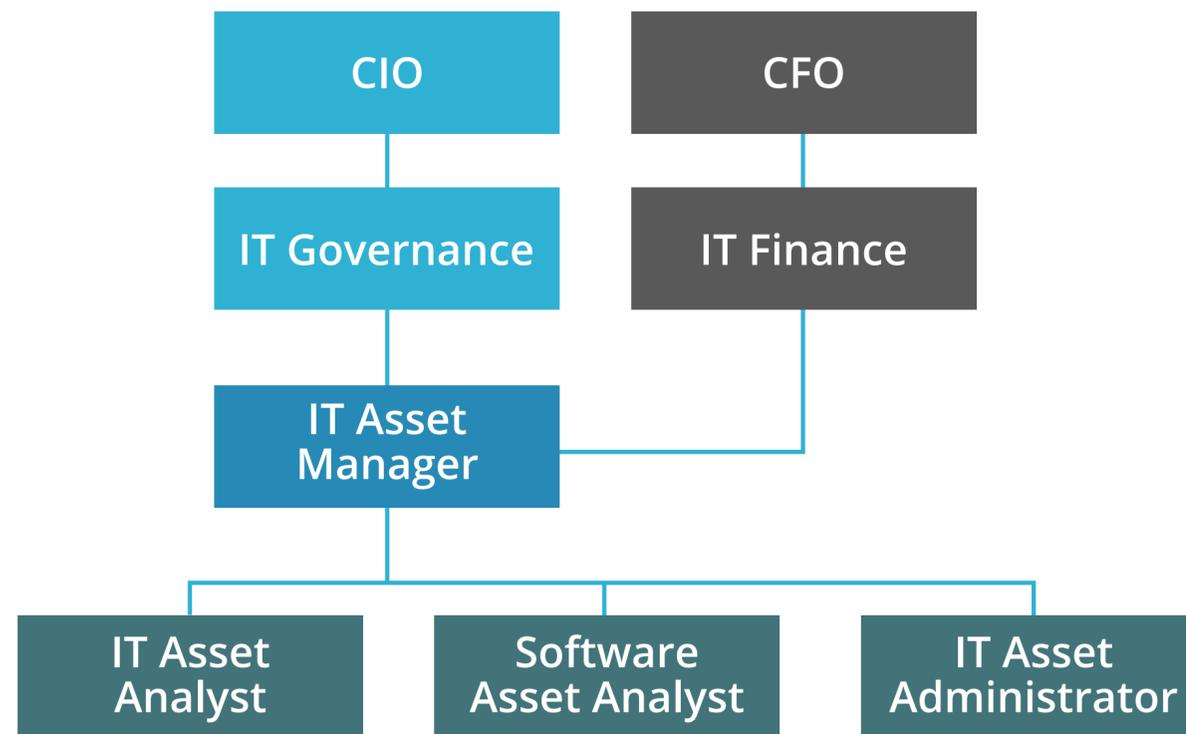
Normalized data can be reconciled to provide a clear overview of entitlement and consumption, as well as some exception reports. It's important not to just assume that the exception reports are correct and instead to investigate them. For example, if the report suggests that the organization doesn't have the right number of licenses, the first step is to check that the data is correct. Is there more data somewhere? Has the data been inputted correctly? Are you collecting the right thing? Does everybody understand what it is you've asked them? Asking these questions makes it easier to work out why those exceptions are there and what the options are for dealing with them.



STRUCTURING YOUR ITAM TEAM

There are three or four distinct roles within ITAM – but that doesn't mean that every organization needs three or four people in their ITAM team. Some may need more – others will need fewer. In some organizations, all these roles or functions will form part of one IT asset manager's job. Some organizations may not even have a dedicated IT asset manager. So, while below we will treat these roles separately, it is important to remember that they are not job titles. Whatever the scope of the organization and its ITAM function, the key is to make sure that all of the activities carried out as part of these roles are fulfilled in some way.

Figure 3 – Sample ITAM Organization Structure



Source: Snow Software June 2018



STRUCTURING YOUR ITAM TEAM CONTINUED...

The IT Asset Manager delivers an enabling service to the rest of the organization and has overall responsibility for the running of the ITAM function. They may have specialist skills in this area and they may be supported by a team of other specialists. This team might include professionals with general ITAM experience who work as IT Asset Analysts to identify issues, conduct root cause analysis, come up with solutions and ensure technology owners can optimize their assets. There might also be Software Asset Management Analysts or even Licensing Analysts with specialist knowledge about specific software vendors, niche vendors that are relevant to the organization's industry, the vendors with whom the organization spends the most money or the vendors with whom they've had the biggest problems in the past.

There is a huge amount of administration involved in ITAM, much of which revolves around the purchase documentation and entitlement documentation. Although a lot of asset administration is done by the individuals who work with the assets on a day to day basis and are responsible for ensuring that they're kept up to date, the **IT Asset Administrator** will still have to do a lot of work when it comes to assessing the quality of information provided. The role also includes ensuring that any assets that have been missed are added to the systems. Early on in the ITAM journey, this will also include inputting legacy data.

THE STAKEHOLDER EXPLOSION

There are many stakeholders who are dependent on ITAM information in order to make decisions. Most of these stakeholders sit within IT functions, and include enterprise architecture, infrastructure and operations, applications management and the CTO. ITAM information is important to stakeholders outside the IT team, too, including procurement, vendor management, risk management and legal teams.

Finally, there is an increasing demand from business units to have data about the technology that they are using and – more and more frequently – procuring. Industry estimates the proportion of technology being sourced and paid for outside of IT vary from around 40-50% today increasing to 60-80% in the next couple of years. Although the figures vary, there is clear consensus that this is happening and is going to continue to do so. Business units are going out and buying technology and technology services and they need accurate ITAM data to help them make the right decisions.

IT Asset Managers need to think carefully about their relationships with all of these stakeholders and work on engaging with them, sharing information with them in a timely, relevant and consumable way, and supporting them in the decisions they make.

Ultimately, ITAM as a function is about delivering governance in an integrated way. IT Asset Managers do have oversight of assets and the asset lifecycle, but they also educate and engage stakeholders, helping them gain insights from meaningful information, rather than looking at raw data. They provide reporting and resources to support effective management and administration of technology assets.



MAKING IT PERSONAL: DESIGNING A PROCESS THAT WORKS FOR YOU

Establishing – or even refreshing – your ITAM capability can seem like an impossible task. The sheer volume of data involved can seem overwhelming. With so much to deal with, it can be tempting to stick to the bare minimum, relying on templates and best practice to keep things compliant and keep the business ticking over.

Whatever your organization's reasons for implementing ITAM, the underlying motivation is the same: empowering the business to fulfil its mission. That mission is individual to your business – and the way you manage your assets should be too. The top down approach we have outlined in this eBook empowers you to turn the challenging process of developing an ITAM function that works for you into a series of manageable chunks.

As you look at the drivers for ITAM within the organization, as you categorize them and build your business case, and as you start to define your objectives, that mission should be your guiding principle. Keeping that mission at the forefront of your mind is especially important when thinking about the three key ITAM drivers of risk, cost, and growth and innovation. Innovation will help your business grow, so now is the time to initiate conversations with key stakeholders to understand how to support their efforts in this space. That doesn't mean abandoning risk and cost management completely; they are very important. But license compliance, cost management and cost optimization are a by-product of good ITAM. And good ITAM is about maximizing the value you get from those assets and supporting organizations as they grow and evolve – so if you are practicing good ITAM, even if your focus is on innovation, then risk management and cost management will be part and parcel of that.

All that's left for you to do is to create your action plan. Build your objectives, establish your governance structure and build the business case that will support your organization's goals.

[Download part one of this guide for best practice on developing your ITAM function](#)
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Note on terminology – while the term Entitlement data is generally used to refer to documentation that demonstrates the rights, responsibilities and restrictions around software usage, in this research it is used more broadly to cover the same for XaaS, cloud services and hardware (whether hosted, leased or owned). Likewise, Consumption is a term usually used to describe the way software and services are consumed against their contracts and licence terms, but is also applied to hardware whether hosted, leased or owned.