An Introduction to Software Asset Management

Introduction

One of the main aspects of IT Asset Management, also known as ITAM is Software Asset Management (SAM), has seen a large increase in demand and interest in its services in recent years, and SAM professionals are now considered a niche, with established, specialist professionals in high demand from a variety of organisations across a number of different sectors.

There are a number of ways in which SAM can help an organisation, but it takes a lot of time, effort and support from senior management. So what exactly is SAM? And how can we tie this back to senior management values to generate the required support?

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Part 1:
What is SAM?

Definitions

There are a number of different definitions from different governing bodies and organisations for software asset management (SAM):

- **ITIL**
  'Software Asset Management (SAM) is all of the infrastructure and processes necessary for the effective management, control, and protection of the software assets within an organisation throughout all stages of their lifecycle'

- **Microsoft**
  'Software Asset Management (SAM) is a best practice incorporating a set of proven processes and procedures for managing and optimizing your organization's IT assets. Implementing SAM protects your software investments and helps you recognize what you have, where it's running, and if your organization is using your assets efficiently'

- **IAITAM**
  'The practice of integrating people, processes, and technology to allow software licenses and usage to be systematically tracked, evaluated and managed. The goal of Software Asset Management is to reduce IT expenditures, human resource overhead, and compliance risks that are inherent in owning and managing software assets'

- **SAM Charter**
  ' Software Asset Management is the right blend of people, systems and processes required to effectively manage your software and software related assets throughout their lifecycle to an agreed scope'

- **BCS (The Chartered Institute for IT)**
  'SAM is the effective management, control and protection of software assets within an organisation and the effective management, control and protection of information about related assets which are needed in order to manage software assets'

Whilst the definitions may vary slightly, the basis of what software asset management remains the same. It relates to the processes, procedures and people that are responsible for the management of software assets, throughout their lifecycle. It is important to understand the various definitions of SAM in case the organisation wishes to follow a certain standard, such as ITIL.

What would 'day-to-day SAM' look like?

The day-to-day responsibilities of SAM vary dependant on the organisation. However, the basic daily functions of SAM are fundamentally the same. The management of the processes and policies around software and its use needs to be enforced on a daily basis by the SAM team, as does the communication and education aspect of SAM. They need to ensure that end users are kept up-to-date with what current projects the SAM team are involved in, and any changes that may be occurring to the license metrics of the software end users have installed.

One of the main daily roles that the SAM team needs to review is the management of any SAM Tool that may be implemented within the organisation. New software licenses need to be added, and the usage of existing applications needs to be monitored to ensure they are being used effectively. The SAM tool is the key component to any SAM project, and should be considered an

asset in its own right. This is the hub for everything software and license related, so it needs users who have expert knowledge of the tool to ensure the organisation gets the most out of it.

Another daily task is to deal with any software requests, whether they are requests for new software, or requests for software to be removed, moved or changed in any way. Any request that has an impact on software needs to go through the SAM team to ensure that license compliance is maintained and that the software can still be accurately managed. This part of SAM and the processes around requests works in nicely with IT Service Management. The most common method for managing software requests is via a ITSM tool that allows users to track their request, and also allows the SAM team to fully identify what the request is about, and then have a record of it for future reference.

Being a point of contact for queries is another big aspect of a SAM team's daily job. Queries can range from 'do we have any licenses' to 'where is the boxed copy of Software A kept?'. It is up to the SAM team to ensure that they are known as being the point of contact for anything related to software or software licensing.

SAM responsibilities

As mentioned in the definitions stage, the overall responsibilities of software asset management are to ensure the correct management of software assets (including software licenses) throughout their lifecycle. SAM is responsible for software from the minute it is requested, through procurement, deployment, recycling and finally retirement. Along with the software itself, SAM is also responsible for the license that comes with it, ensuring all users are using the software within the product use rights and also ensuring that the organisation maintains compliancy.

Furthermore, SAM is also responsible for the continual updating of any software related processes, procedures and policies. The three P's need to be updated on a regular basis to ensure that a company's licence position remains relevant and to keep up with changes in licensing terms, or even changes in technology. It is up to the SAM personnel in conjunction with senior management's approval to review, evaluate and then change any or all of the processes, procedures or software policies.

SAM personnel

There are a number of positions within the SAM discipline, and a mature organisation may have a variety of SAM positions within their organisation.

Job Title	Responsibilities
Software Asset Administrator (Permanent or contracted role)	■ Adding software assets into a database or SAM tool ■ First point of contact for software asset requests ■ Daily management of SAM tool ■ Management of any physical licenses ■ Management of any physical software boxes ■ Producing Standard SAM reports

Job Title	Responsibilities
Software Asset Management Analyst (Permanent or contracted role)	▪ Analyses license usage ▪ Analyses software assets deployed throughout the organisation ▪ Conducts internal reviews (audits) on selected software vendors to ensure they are 'audit ready' ▪ Researches new license types and trends that may impact the organisation ▪ Analyses multiple data sets
Software Asset Manager (Permanent role)	▪ Manages the SAM team ▪ Monitors compliancy ▪ Overall responsibility of the management of SAM tool ▪ Dependant on structure, can deal with license agreements or this is left to senior staff members ▪ Dictates which vendors should be reviewed internally ▪ Point of contact for any SAM or licensing related questions
Software Asset Management Consultant (Usually a contracted role)	▪ May be employed in place of a SAM Manager ▪ Can either be placed in the SAM team, or as the link between senior management at the SAM team ▪ Usually a SAM or Tier 1 software licensing expert ▪ Vast experience in software asset management
Software Asset Management Specialist (Usually a contracted or service role)	▪ Expert in SAM ▪ Can be a specialist in certain SAM or software licensing areas ▪ Role tailored based on organisations needs and requirements
Director of Software Asset Management (Or ITAM. Role can also have the phrase 'Services' at the end)	▪ Board representative ▪ Provides overall strategy and goals for the SAM team ▪ Point of contact for any further issues ▪ Along with SAM Manager, dictates what SAM education and communication they will provide end users ▪ Deals with license agreements ▪ Oversees alignment of SAM to business and IT requirements

The above roles can either be permanent or contracted roles. The overall responsibility of SAM remains with senior management. Even if there are a number of dedicated SAM professionals employed at an organisation, liability for contract adherence and licence compliance remains with those at the top of the tree. As mentioned, the roles and responsibilities may change per organisation. The above table is to help give an idea of what should be expected from each role.

It is worth noting that when creating new software asset management roles each organisation needs to identify how long-term they want the role to be. SAM and software licensing can be a very sensitive and confidential subject. Another factor to address when considering which roles are FTE (Full Time Employee) and others are contract-based, is the desired level of SAM Maturity.

SAM Standards

There are three ISO SAM standards that an organisation needs to be aware of. They are:

- ISO 19770-1
- ISO 19770-2
- ISO 19770-3

ISO 19770-1 is a framework of processes relating to the organisation performing software asset management to an adequate standard. This standard provides organisations with a tool to clearly display and present the fact that they are managing their software assets in accordance with governance standards. This also helps an organisation to show the positive impact that software asset management is having on the IT Service Management (ITSM) function (if appropriately aligned to Service Management goals). There are many within the software asset management industry that believes ISO 19770-1 is out-dated and no longer relevant.

ISO 19770-2 is all about the software identification tags. Identification tags help establish what instances of software are installed. Software identification tags, also known as software ID tags (SWID) provide identifying information not only for installed software, but also for another form of licensable application. Software vendors use ISO 19770-2 to enable their software to be easily, quickly and accurately identified. This helps SAM personnel manage their install base more effectively and generally helps with a number of SAM processes.

ISO 19770-3 relates to software entitlement tagging. Software entitlement tags are files that help identify the applications software licensing rights. As with ISO 19770-2 this helps with the day-to-day management of a SAM project as it helps SAM tools automatically identify the license metrics for certain applications that have entitlement tags built into them.

Part 2:
The importance of SAM in modern day business

SAM is becoming more important to organisations, and is a vital aspect towards organisations successes. Any member of the organisation that uses a computer, device or piece of software is a customer of SAM. They are using a product or device that falls under the management of the SAM discipline, so organisations have a duty to have clear, defined and dynamic SAM processes.

Being pro-active with your SAM program is the best way to be. Obviously there may be challenges or situations that arise that require you to be reactive, but even then the SAM team will be better prepared for such events. The idea of being pro-active is that you are completely on top of your SAM estate, and you are prepared for any eventuality. This includes the creation of mature SAM processes, having the right tool in place for your organisation, and having clear roles and responsibilities for SAM and SAM staff.

Bottom line impact

One of the main reasons for organisations to invest in SAM is the understanding that having a successful program can have on an organisations bottom line. There are a number of key financial impacts that SAM have on an organisation. The amount of money that can be saved on software and hardware by implementing SAM processes can be huge and make a real difference to how an organisation views software and hardware.

When initially implementing a SAM project within an organisation the impact on the bottom line will be dramatic and may give a false indication as to how much money can be saved year-on-year with SAM. The first few years are going to be extremely fruitful to those organisations just starting off with SAM as they will make savings on their monthly software spend, there may be savings made on hardware and also savings made through the renegotiation process with software agreements (including support and maintenance on software). Whilst this is all a good advert for SAM, it isn't realistic to think that any organisation will save millions each year.

Once the initial savings are made, and compliancy is starting to be addressed then the focus shifts to maintaining compliancy, standardising software and also reducing or stabilising the software and hardware budgets. The SAM team may not be able to present huge savings to the board each quarter, but they will be able to show their worth in other areas, such as streamlined processes, quicker service desk response for software related issues and a reduction in new software requests. They can also present any 'license pools' they may have generated through internal audits or reviews. Once a SAM team has achieved something approaching a "steady state", it can then start to focus on ensuring that more strategic business ambitions are realised.

Audit threat

A key phrase within software asset management is 'being audit ready'. Audits are the buzzword at the moment and all organisations should be aware of the implications from a bad audit. Being audit ready and ensuring you are managing your compliancy levels are a huge factor towards the success of a SAM project. Having a bad audit experience cannot only result in huge cost implications, but also in a damaged reputation, which may have long-term ramifications for the adoption of SAM in your company.

There have been a number of high-visibility audits in recent times, with court cases making claims for nine-figure damages.. Auditing is a serious business, and rightly so. Organisations wouldn't dare steal a laptop or tablet for use within their organisation, so why should they use software that they don't have a license for?

Software asset management will help soften the blow to an organisation, should they be audited, both from a financial standpoint but also from a resource point of view. It will also help organisations be prepared for the audit processes, and have some idea of any discrepancies they may have. If there are any instances of non-compliance then SAM processes will help the organisation make the required changes to become compliant.

SAM is becoming a core business function

SAM is quickly becoming a core business function that is a must for all organisations to have. It has gone from being something that is 'nice to have' and 'something an organization should do' to a discipline that impacts all areas of the organisation and has a big say in major organisational decisions. Software asset management not only assists the successes of other IT functions, such as service management, but it also helps with other functions such as procurement, finance and overall strategic planning.

Due to the importance of SAM it should be considered when making any key business decisions. There needs to be a SAM representative on the board so that they are kept up to date and have a say in any major decisions or strategies that the organisation makes. This way the SAM team can prepare for any changes and update anything related to SAM processes or licensing.

Part 3:
Core SAM Processes

There are a number of processes that must be implemented in order to have a successful SAM structure within an organisation. The core processes are of course the most important. The core SAM processes that makes up the DNA of a successful SAM structure is:

Process / Policy	What does it do?
Software use	Highlights what users are permitted to do with any software installed on their machine. Any mis-use could result in disciplinary action.
Software procurement	The correct process for purchasing new software instances.
Software authorization and deployment	The process for new software requests and the correct approval/ deployment process.
Starters, movers and leavers	What should happen with software when a new starter starts, if someone moves department or office and also what happens to the software asset when someone leaves.
Disaster recovery	In the result of a disaster, mission critical IT services are maintained until such time as the disaster is deemed over.
Software recycling	Ensures the right methods are followed when re-distributing or recycling a software license following someone leaving or an internal software license review.
License Compliance	Ensures license compliancy is met, and that any non-compliance issues are addressed quickly and efficiently.

There are a number of other processes that you can implement to ensure the success of a SAM project, but the six processes above are the core group that a SAM project needs to be built around. It is important to get processes created, approved and implemented as soon as the agreement for a SAM project has been given. The success of any SAM estate is primarily down to the successful implementation of said processes, and having the correct personnel in place to ensure that the processes are followed and abided by.

The core SAM processes need to be implemented at the first stage of a SAM project, with communication and direction coming from senior management. It's never easy implementing new processes within an organisation, and it may take users time to understand and start following these modified/new ways of working. However, if education and constant communication is provided then eventually the core SAM processes will become business as usual. The core SAM processes need to be updated regularly to take into account changes with technology or internal changes with IT and procurement. Ensure that the processes are evaluated and updated every six to nine months.

It's also important to note that implementing the core SAM processes can help save a large amount of money when it comes to software agreements. Having processes in place will allow you to have full control over the contract negotiations and have the ability to understand current and future requirements to ensure there isn't any over spend on software. This is looked at further in the 'building a business justification' section.

For a more in-depth look and explanation of the core SAM processes, and more advanced processes for your SAM estate, check out the SAM Process Kit from the ITAM Review.

Part 4:
Implementing SAM within your organisation

There are a number of elements that need to fall into place for an organisation to implement SAM.

Senior Management support

One of, if not the most important factor when implementing software asset management, is gaining senior management support. Without having the buy-in from senior management and support from a high level the project wont take off or become a success. The backing and support of senior management is also a sign to other staff members and departments that software asset management is to be taken seriously and that the organisation is committed and dedicated to the support of a SAM project.

Senior management can also help with the overall implementation of SAM. They can work with the SAM team to provide support and direction from the top, so that the SAM project can work towards and align with the overall strategy and goals of the organisation. Whilst the day-to-day running of the SAM project will be down to the SAM professionals, the overall responsibility of the project and of the software assets and compliancy rests with senior management, so it is in their interests to have an interest in the SAM project and also strive to ensure it is a success.

Communication and Education

Another key factor to consider when implementing software asset management is to communicate and educate all users within the organisation about SAM and what the overall goal of the project is. This also helps our next step in creating the right environment for a SAM project to thrive in. What needs to be remembered is that SAM is a programme, not a project - something that needs to be considered a living thing, so it needs to be managed daily.

Providing communication to end users about the SAM project will go a long way to achieving general buy-in. End users don't need to know everything about the SAM project, but communicating regular briefs on the SAM projects progress will help users see the benefits of SAM and also the progress being made. The SAM team could also communicate licensing changes with IT staff and heads of department. This could be information regarding changes to the license metrics, compliancy changes, terms of use changes or even information regarding Enterprise or Global agreements that the organisation has entered into.

Furthermore, it's also good to host a number of SAM and licensing WebEx sessions or workshops. These workshops and virtual sessions can educate users on the basics of SAM and software licensing, or even advanced deep dive sessions that going into more specifics or more complex aspects of software licensing. What has worked well in the past for global organisations is to host two of the same sessions at different times, one in the morning and one in the evening for users in different time zones. Consider the workshops as the chance for the SAM team to sell SAM and its benefits to the users, but also as an outlet for highlighting the benefits of SAM and what implementing SAM will achieve.

Creating the right environment

It is also important to create a SAM ethos within the organisations environment. Users need to have the correct SAM mentality when it comes to software, software requests and software usage. Creating the right environment can naturally happen with the right education and communication methods. This helps with the day-to-day interaction between the SAM team and the end users. Having the right environment and mentality can mean a dramatic difference in response in certain situations:

Situation A (No SAM ethos or education)

USER

"I need this new media editing software urgently as our team would like to edit a few videos and pictures"

SAE TEAM

"I'm afraid that software is too expensive and not on our list of approved software. We do have an alternative that is half the price, has been approved by senior management and the SAM team, and can do the same job"

USER

"No, that's not what I asked for. I want the software I asked for. It looks good and is more expensive so must be better"

SAE TEAM

"That's not the case I'm afraid. We cannot authorise the procurement or installation of this software as there is not a strong enough business justification"

USER

"I'm going to my manager about this"

Situation B (SAM ethos and education provided)

USER

"I need this new media editing software urgently as our team would like to edit videos and pictures. Is this part of our approved software list?"

SAE TEAM

"Unfortunately that software is not part of our approved list. However, we do have an alternative that has the same features and is half the price"

USER

"Ok, thank you. Do I need to follow the correct procurement processes to have this software, or can you just install it?"

SAE TEAM

"Please follow the correct process. Once it has been approved by your manager, and we check our license pool we should be able to install it for you"

USER

"Ok thank you"

End users are far more understanding and receptive to what the SAM team are saying if they are aware of the on-going project and what software asset management actually is. Instead of being defensive about not receiving the software they want, or having software removed they have a better understanding about how it is for positive reasons.

Finding the right solution

There are a number of SAM tools currently on the market to assist with a SAM project. Finding the right solution for the organisation is a project in itself, and takes time and careful consideration. Firstly, the organisation must ask themselves a number of questions:

- Compatibility with other systems/solutions/tools within your environment.

- Will you get support from the tool vendor? You'll certainly need it!

- What impact will implementation have on users?

- How easy it is to deploy an inventory agent within your particular environment?
  (presuming the SAM tool needs an inventory agent to gather inventory data)

- Do you have the resources to manage the tool on a daily basis?

- Do you have the server infrastructure to host such a powerful tool?

- Licensing models are changing. Does the tool manage cloud software (both public and private cloud) or web-based software?

- How often does the tool vendor release patches or new features? Will not updating impact on your existing solutions performance?

- How is the data gathered? Is there 'down time' whilst the data is being updated? Will this impact on certain users? (Time-zone based issue).

It is important to consider a variety of SAM solution providers. Ask them to come into your place of work and demo their product, and also check online for reviews and customer feedback. Most importantly don't be blinded by the promises of the salesman!

Part 5:
Building the business justification for SAM

Like with all projects or new initiatives, there needs to be a business justification and a general case for implementing new processes, procedures and disciplines. There are a number of routes that an organisation can follow to build up a business justification for SAM, dependant on what the end goal is.

The idea of building a business justification for SAM can be a process that can happen at any point during a SAM project. You may be asked to present the benefits of SAM at the initial 'buy-in' stage, or it may be a process that senior management wishes to go through on a yearly basis so they can see the organisation are still reaping the benefits of having a SAM structure in place.

Dependant on the maturity stage of your SAM project, the business justification can either be a huge document highlighting where SAM will impact (and benefit) the organisation, or it could simply be an update on what benefits SAM has had over the past year. Either way, it is important for the SAM team to keep in regular contact with senior management so they know and understand how the SAM team impact the organisation in a positive manner.

Highlighting the cost savings

One of the biggest justifications for software asset management is the savings that can be made on software spend.

Initial cost savings

The initial cost savings of SAM have the potential to be huge. Obviously this is dependant on what the organisation's software estate looks like before implementing SAM. Either way, there will be large savings on both hardware and software during the initial months and years of a SAM project. The major savings, and an attractive justification for senior management are:

■ Savings made by utilizing existing software licenses (removing unused applications, removing the wrong versions installed, recycling licenses, creating 'license pools')

■ Savings made on software agreements

■ Savings made on maintenance and support agreements

■ Reduced software spend

■ Reduced hardware spend (successful SAM can impact on hardware savings!)

To successful make those initial savings, the SAM team need the support from senior management to enforce the processes and procedures required to actively make said savings. Senior management need to be seen as the ones orchestrating the changes and dictating to other employees at the organisation that they must comply with helping the SAM team by allowing them to remove any unused or in appropriate software.

Away from savings made, the initial SAM project can also get rid of software the organisation has deemed to be on the 'blacklist' such as games, gambling software, trial licenses or legacy software that is no longer supported. It also allows the organisation to standardise the software that they want to use and support moving forward.

Realistic cost savings

After the first few years of implementing a SAM structure and having all of the software and licensing processes in place, the cost savings will not be as great as they were at the start of the project. The main financial aim and justification of SAM is the reduction in software and hardware spend or budgets, and a number of examples in which the SAM team have saved money through recycling a license or providing a cheaper alternative.

It is at this stage in which senior management that are driven by money and cost savings start to question the need for SAM. The SAM team need to highlight the reduction in software budgets since the introduction of SAM, the improved compliancy figures since the introduction of SAM and also the ease in which software is now requested, procured, managed and then retired thanks to SAM processes. If senior management can see that SAM processes save a lot of time and money, even with the practice being established within the organisation, then there is no reason for support to waiver.

As a SAM framework starts to mature, Senior Management should also start to view software in the role for which it was designed – that of a business enabler. So whilst talk may not be of costs avoided, the conversation can quickly swing towards "what can the software do for us?" At this point, SAM (in whatever guise) can take a seat at the board as a strategic qualifier.

Effective license management

Hand-in-hand with cost savings is the fact that software licenses are more likely to be utilized and optimized with a SAM structure in place. 'License Pools' can be created to ensure that money isn't spent unnecessarily on software licenses, and that a 'pool' of licenses can be used should a request come in for that piece of software. 'License Pools' reduce the amount of waiting time a user has to endure when requesting a new piece of software, and can also improve the speed in which some projects start or finish.

Furthermore, effective license management can help the organisation to streamline and standardise the software that they make available to end-users. As mentioned previously this is also a cost saving method. Knowing exactly what software is required and having all of the licenses being used and utilized, the organisation is in a great negotiating position with vendors for renewals or new license agreements.

Effective license management also helps with out next point, being audit ready. Knowing exactly what licenses is needed, and what may be required in the future helps organisations establish their ELP (effective license position). Knowing your ELP and presenting a compliancy report to senior management is another strong reason to implement SAM. Highlighting any discrepancies with licenses before the implementation of SAM, and then regular compliancy reports (every 6 months or so) once SAM has been implemented will further enhance the justification for SAM.

Being audit ready

Finally, a key justification that will make senior management sit up and take notice is the fact that implementing a successful SAM project will help the organisation be 'audit ready'. No organisation wants to be audited and certainly no organisation wants to come out of an audit with non-compliances being found and a public report being published. Not only will the organisation end up with large fines, but they'll also end up with a damaged reputation and having their 'card marked' by other auditors.

It is common for auditors to talk, so if Microsoft audit a company and end up charging huge fines and coming away with a 'financial win', then they are likely to communicate this with their counterparts at another vendor. This results in a vicious cycle of audits for the company and a lot of public humiliation. It will also result in a large number of fines and licenses that will need to be purchased to rectify any non-compliance. There is a lot of upheaval during an audit with employees unable to do their jobs. Without SAM the organisation will have a reactive attitude, which basically means 'drop everything and respond to the audit'.

The majority of the hassle and fear around an audit can be banished with the successful implementation of software asset management. With the right people and processes in place the 'dreaded audit letter' will be dealt with swiftly, appropriately and with as minimal amount of fuss as possible. It will also allow an organisation to know their ELP (effective license position) so they will have a firm understanding of where they may be under complaint. Being audit ready is a massive selling point of SAM, so be sure to highlight examples of a bad audit that been made public to really emphasise how important SAM really is.

Part 6:
SAM and software licensing

SAM and software licensing are two different disciplines, but they intertwine with each other in so many different ways that software licensing is often considered identical to SAM.

Software licensing

A software license is a legal agreement between the software vendor (copyright holder) and the end user that defines the rights to what they can and cannot do with the application. There are a number of different licensing metrics. They include (but are not exclusive to):

License Metric	Description
Academic	License specifically for Academic institutes. License must be used in accordance with the terms and conditions specified for academic use.
Annual License	Yearly license agreement. Contractual agreement between vendor and customer.
Capacity Based License	License is based on the capacity of the CPU/Hard Drive or other hardware configuration elements.
Click Through License	Usually related to software that is downloaded from the internet. Also related to the click-through agreement when installing software. Before installation the user must click through the license agreement to agree to comply.
Client Access License (CAL)	Allows users to connect to server software to use the software's features/functions
Cloud Credits	Cloud credits are the unit of measurement required to perform certain tasks or rights to run certain applications provided by the vendor. Hosted in the cloud.

License Metric	Description
Concurrent License	Multiple users are allowed to access the software at the same time. Can also be referred to as a 'Network License'
Enterprise License	Enterprise (all company owned sites/departments) is defined in a license agreement.
Font License	Font specific license. Specific to types.
Freeware	License requires no purchase but the copyrights are still held by the developer. Developer can sell the software in the future and does not distribute the source code.
General Public License (GPL)	License and software available for free. Allows users to use, share, copy and modify the software.
Machine based license	Also known as a 'device license'. License is locked to the machine.
Named user license	License is assigned to a named user who must be identified to ensure the license agreement is validated.
Network License	License that covers machines that are on the same network infrastructure.
Open Source license	Free for use, but with restrictions. EULA and terms of use should be checked before use.
Processor Based	Also known as 'CPU based'. Relates to licensing the overall capacity of the device or the processors in the device.
Site License	Single license that covers a whole site. Sites can be defined from a whole country to a single floor or department.
Subscription License	License only available during time of subscription. No rights to use it pre or post agreement dates (unless agreement renewed).
Trial License	Can also be known as 'Shareware License'. The software may be tried for a set period of time before purchase or removal.
Upgrade License	Upgrade from older version to a newer version of an application. Incentives are provided by the vendor to try and push the upgrade.
Volume license	A number of licenses are purchased during a single transaction.

There are other license types, but they are not as common as those listed above. Licensing can be extremely complicated and if not completely understood it can leave the company in a financial mess. If licenses are not managed correctly, and if there are any instances of non-compliancy (where there is an install or user without a license) then the potential fallout from an audit could be hugely damaging, both financially and towards the companies reputation.

How do they work together?

Part of SAM is the management of software licensing, as SAM relates to software assets and a software license dictates what rights an organisation has with their software assets. A typical organisation does not have the luxury of having both a SAM and Software Licensing department so they assign the responsibility of license management to the SAM team. This makes sense, as the SAM team are responsible for the overall management of the software asset, so they should also be responsible for the license and ensuring that the terms and conditions of the license are not broken.

Having the license management aspect incorporated into the SAM team obviously means that more work and pressure is added to the SAM personnel, but that option is far better for the organisation than having individual departments or users managing their own licenses. Another way in which SAM and software licensing can work together is if an organisation assigns a certain 'super user' of the software to be the software's spokesperson for the organisation. The overall responsibility for the license and its compliancy still remains with the SAM team, but the software spokesperson will be the first point of contact for any queries relating to the software.

This in turn reduces some of the pressure and workload on the SAM team. They can then focus on their daily SAM tasks, and the overall management of software licenses, rather than being a software 'helpdesk' and expected to know what all of the software installed on their estate does and what features it has.

The niche factor

Software licensing and SAM are considered niche areas, with established practitioner level professionals considered a rarity. Organisations are now looking for specialist SAM and software licensing professionals, due to the complexities around both disciplines. An expert in SAM may not be an expert in software licensing, as they may be more focused towards the processes behind SAM and the integration with other business units. There are some SAM experts that are also licensing experts, but they are not mutually exclusive.

Due to the complexities of software licensing there are a number of organisations and software licensing professionals that only focus on the license metrics of one particular vendor. 'Tier 1' vendors are known to be expensive, hard to manage and complex, so some organisations have been built purely around helping other organisations manage and understand those licenses correctly. Licensing professionals have built successful careers around complex licensing structures, and have to be on the ball with any changes that the vendors make to their licensing terms and conditions. Software asset management and software licensing is still a niche, but it may only a matter of time before the market becomes saturated with SAM and Licensing professionals due to the increased demand in the profession.

Conclusion

An organisation cannot function correctly with having SAM in place. Every employee is ultimately a customer of SAM, if they use a piece of software or an application. That software asset needs to be managed correctly throughout its lifecycle, and that's where SAM comes in. An organisation could not function without software. It doesn't matter what sector or industry the organisation is in, it will need some form of software and software license, even if that's just for emails or a word processor application.

It has now got to the stage where software asset management needs to be considered as a core competency for any organisation. With the increase in software license audits, now is the time to ensure that your estate has the processes in place to maintain compliancy and be audit ready.