The Foundation of a Successful ITAM Program - In 5 Not So Easy Steps

If anyone ever tells you “It’s easy to establish a successful IT Asset Management (ITAM) program”, they are mistaken. It’s easy to establish an ineffective ITAM program, but what good is that? Let’s face it, establishing a successful ITAM program takes time, resources, money, and strategy with a solid foundation that your executives will support, and there’s nothing easy about all of that! Merriam-Webster states that “foundation” is the basis upon which something stands or is supported. Building a successful ITAM program starts with a solid foundation. You wouldn’t try to build a bridge without first knowing its purpose (is it for trains or automobiles?), where to build it, how tall it has to be, and how wide it should be. So why build an ITAM Program without first establishing a solid foundation with a strategy and plan that sets you up for success?

Is your ITAM Program operating in chaos mode? Are there not enough hours in the day to get everything done? Or maybe it has been around for years but provides little value to your organization because what you report is unreliable and untrusted. A successful ITAM program provides operational efficiency and financial management of IT hardware and software assets throughout the asset lifecycle. Furthermore, a successful ITAM program delivers visibility and control of IT assets while reducing costs and minimizing risk. For an ITAM Program to be successful it must be built for success.

On an annual basis executives typically devise plans unique to their business and these strategies become priorities and a benchmark for guiding the company forward. Connecting your ITAM program to the IT and business strategy is critical to demonstrate to executives

Figure 1: Phased ITAM Program Implementation Plan
how ITAM supports the organization’s goals. Once aligned, ITAM can be a means to turning information into knowledge, an enabler for decision making, and help departments collectively work towards reaching business priorities and goals. When the ITAM Program strategy shows key stakeholders and executives how it will help meet business and IT goals, chances of approval and support are far higher. Strategic alignment is the heart of the ITAM Program foundation.

It takes time to develop and implement a successful ITAM program, but time-to-value is imperative. In order to achieve this value your implementation needs to start with a strong foundation that sets the stage for success and allows subsequent phases to thrive. There are 5 key steps to building a solid ITAM foundation:

**STEP 1: Define Corporate Controls and Policy**

**STEP 2: Process Integration**

**STEP 3: Data Management**

**STEP 4: Define Metrics & Key Performance Indicators**

**STEP 5: Create a Communications Plan**

The foundation is the cornerstone of the Program on which the remaining phases are built. Once you have defined and fully grasped the details of these 5 steps, you will be positioned to develop and present the ITAM program implementation plan to executives and obtain buy-in.

**STEP 1: Define Corporate Controls and Policy**

Understanding the controls needed to govern the ITAM Program is the starting point. In order to implement a successful ITAM Program, a foundation built on approved controls supported by leadership is required and will set the stage for success. Without controls, governance, policy and the right team in place, the implementation is destined for failure.

The primary controls for the ITAM Program should include:

- Establishment of a steering committee
- Implementation of ITAM governance
- Development and acceptance of a corporate ITAM Policy
- Establishment of a quality ITAM organization
- Definition of scope

The plan may ultimately be implemented with resources across multiple workgroups, departments, divisions, and possibly international locations. To ensure all associated resources are aligned with the ITAM Program goals and objectives an effective ITAM governance model with executive support is required. A top down approach with IT objectives driving the goals and activities of ITAM will guide the production of the information that IT stakeholders need to manage IT operations, and the information executives need to make strategic decisions and manage objectives. An organization needs a formal IT Asset Management governance program that supports the creation and execution of processes which manage all IT assets, both hardware and software, and mitigates the financial risks of audits or inefficient acquisition of IT assets. Furthermore, a clear definition of scope for your ITAM Program, supported by your ITAM Policy, will allow you to focus on the efforts that matter the most.

**STEP 2: Process Integration**

Effective IT Asset Management is underpinned by a comprehensive set of processes as well as the execution and management of such. Before the ITAM Program can be implemented, an organization must understand which processes are required to support the program strategy. The ITAM team must see if there are gaps between current process design and execution compared to process goals, so the program can deliver the desired results. Once a process assessment is complete the organization will be in a position to develop a plan to close the discovered gaps so a quality program can be established. Like any set of processes, a periodic review is needed to ensure continuous improvement.

The ITAM program will not stand alone, that is, it must be integrated with other functional areas of the organization. These areas will provide input (data) and receive output (reports) from the ITAM program. For example, integration with Purchasing/Procurement is required to gather hardware and software purchase data to control IT asset costs and mitigate software license compliance risk. Likewise, integration with Finance is required to support internal cost allocations and chargebacks, and most importantly to tie into the Fixed Asset Register for proper depreciation of assets.

The key process integration activities include:

- ITAM process assessment and gap analysis
- Implementation of target state processes based on the gap analysis and closure
- Finance process integration
- Procurement process integration
- Operations/Infrastructure process integration
- Continuous process improvements

**STEP 3: Data Management**

It’s not about how much data one can obtain, it’s about the quality of data. Simply put, bad data means process breakdown which results in the proverbial “Garbage in – Garbage out”. A successful ITAM Program requires quality data from multiple sources across the organization and the integration of the data into the ITAM toolset. During the development of the ITAM Program implementation plan, the architecture and integration points to support the data requirements must be clearly understood.
During the ITAM architecture design phase, duplicate data sources may be discovered. If this occurs, the rationalization of toolsets and a focus on a single source of truth that supports the program with quality data are required. This includes both business data sources, such as procurement, HR and ERP systems, as well as device discovery and hardware/software inventory tools.

The key Data Management undertakings include:

- Understand ITAM data requirements
- Define the ITAM architecture & integration points
- Implement data quality improvements
- Rationalize ITAM tools
- Ensure comprehensive device discovery and inventory solutions are in place
- Ensure accurate procurement and contract information is available

The purpose of ITAM tool(s) is to drive automation and support your key metrics and KPI’s. The ITAM tool(s) must provide comprehensive hardware asset management, software asset management, license compliance and software license optimization. Furthermore, the tool(s) must enable the organization to reduce ongoing software licensing costs and maintain continuous license compliance.

STEP 4: Metrics & Key Performance Indicators
We’ve all heard the statement, “If you can’t measure it you can’t improve it”. The fact is, you can’t know if you are successful unless success is defined, tracked and measured. With a clearly established metric for success, progress can be quantified and the plan can be adjusted to produce the desired outcome. Without clear measurable objectives, a constant state of assuming and guessing remains.

There are many ITAM related key performance indicators (KPIs) to measure progress, such as Number of Assets Tracked as compared to total number of assets, number of Software Audits that require a true-up payment, etc. However, it is easy to become overwhelmed when trying to measure everything, so first determine how to simply measure program success. A successful ITAM Program is defined by its strategy as explained at the beginning of this paper. If the program is aligned to your Business and IT strategy, then define the metrics needed to measure and demonstrate the success of your strategy.

The key metrics activities fall into these two categories:

- Implement initial set of metrics to track and report on the success of the program, for example: Percent of Software Titles in compliance, Percent of Assets managed in the ITAM Program
- Establish foundational metrics that support continuous improvements, for example: Percent of Assets in Active Service, Percent of Software Titles in Use (optimization/reclamation)

STEP 5: Communications Plan
A communications plan outlines how you will communicate with your stakeholders. The communications plan summarizes who the stakeholders are, the purpose of the communications, what will be communicated, by whom and how often. However, communications shouldn’t be restricted to only those defined in the plan. Don’t neglect less accessible stakeholders who require regular communications but who may otherwise be ‘out of the loop’. Communications should also be bi-directional – it is as important to meet the needs of your stakeholders as it is to encourage them to meet yours.

The communications plan should be designed to provide proactive updates to the enterprise and focus on the following:

- Insight into the ITAM Program target state accomplishments (KPI’s and metrics reporting–aligned to the strategy)
- Status of ITAM governance including coverage and interference
- Impacts and requirements on the enterprise

ITAM Program Roadmap
The ITAM Program is just that, a “program”. A program doesn’t have an end date like a project does, it remains active as long as it provides value to the organization and receives the required investment and support. Embarking on the ITAM Program journey will require a defined roadmap that outlines the timeline to get to a steady state where the organization is in a run and maintain mode. Organizations must understand that each of the 5 ITAM implementation plan steps are not intended to be developed in a sequential order but as a comprehensive set of activities that run in parallel. Once initially established, each of the steps requires ongoing measurement using the defined metrics and a process for continuous improvement.

Most ITAM programs set a strategy that includes the management and optimization of software licenses with an objective to save the organization money (this is generally where your return on investment (ROI) comes from). To do this in a manual fashion would be painful at best, prone to errors and require additional resources with advanced licensing knowledge across the software publisher install base. As you progress through the implementation, the automation of software compliance reporting and license optimization will become a critical aspect of your ITAM program. This automation will provide the operational efficiency needed to enable the team to deliver the results that support your strategy and meet business objectives. No two organizations are the same and therefore no two organizations can establish the steps of the program in the same timeframe. Each ITAM program implementation plan will need to define the estimated timeline for each of the steps accordingly to meet the objectives with the available resources (see the example timeline on next page).
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Too often, ITAM Programs are cancelled due to challenges such as resource reallocations to support mission critical IT projects like mergers and acquisitions, the organization’s reluctance to change, or its inability to understand the IT landscape. Executives need to understand why ITAM Programs fail and the importance of their continuous support and sponsorship. While the goal is to establish an ITAM program that shows long term value, one must also consider how to deliver short term success. Consider where short term ROI can be obtained or where IT pain points exist, and if the ITAM program can provide assistance in these areas during the development of your plan. Delivering short term success will not only highlight the value of ITAM but will aid in keeping executive and key stakeholders support.

Conclusion
Implementing a successful ITAM program is not an easy task. You will need resources, tools, and money to support the program and obtaining these is not always easy. However, if you secure executive sponsorship through a strategy that is aligned to the goals of the business and IT you’ve won half the battle. Establishing solid Controls, defining the Process Integrations, driving Data Management, developing Metrics, and a solid Communications Plan provide the foundation required to deliver the value the organization needs from its ITAM Program. Finally, a well-planned ITAM program roadmap will allow work streams to run in parallel which will speed up the time to value.

It takes time to develop and implement a successful ITAM program, but time-to-value is imperative. Building your plan for success should allow you to deliver the activities and desired outcomes in the defined timeframe.

### About the Author
Adam Galbreath is a Senior Consultant at Flexera Software, LLC. Since joining Flexera in early 2013 he has focused on assisting customer’s development and implementation of Global IT Asset Management Programs. Adam’s expertise includes IT Asset Management, Software License Management, Process Development, Vendor Relationship Management, IT Sourcing/Procurement, and Budget Management. Prior to his role at Flexera Software, Adam spent several years in the manufacturing and financial services industries where he developed and managed ITAM Programs, Strategic IT Sourcing initiatives, IT Contract Negotiations, IT Category Management services, and focused on cost savings and spend management. Adam has obtained a Certified Software Asset Manager (CSAM) certification from IAITAM.

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### ITAM Implementation Roadmap Calendar

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<td><strong>Corporate Key Controls and Policy</strong>&lt;br&gt;• Establish Steering Committee&lt;br&gt;• Implementation of corporate ITAM policy&lt;br&gt;• Implementation of ITAM Governance Process&lt;br&gt;• Asset Definition&lt;br&gt;• ITAM Organization Review &amp; Establishment</td>
<td><strong>Process Integration</strong>&lt;br&gt;• ITAM Process Assessment&lt;br&gt;• Implementation of Target state processes&lt;br&gt;• Finance process integration&lt;br&gt;• Procurement process integration&lt;br&gt;• Operation/Infrastructure process integration&lt;br&gt;• Continuous Improvements</td>
<td><strong>Data Management</strong>&lt;br&gt;• Define ITAM Architecture &amp; Integration Points&lt;br&gt;• Establish Global ITAM data requirements&lt;br&gt;• Data Quality Improvements&lt;br&gt;• ITAM Tool implementation for automation and continuous software compliance</td>
<td><strong>Metrics</strong>&lt;br&gt;• Implement initial set&lt;br&gt;• Establish foundational metrics</td>
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