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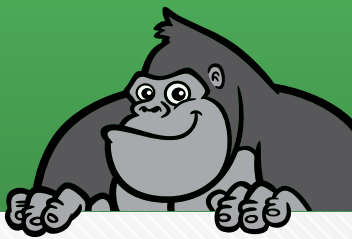
The Gorilla Guide to...®

Express Edition



Elevating ITAM with Workflow

Lawrence Miller

Inside the Guide

- How To Connect Teams Across the Business
- How ITAM Automation Saves You Time and Money
- How ITAM Becomes Strategic at Your Company

THE GORILLA GUIDE TO...

Elevating ITAM with Workflow

Express Edition

By Lawrence Miller

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TABLE OF CONTENTS

Introduction: Get ITAM Working for You 8

Chapter 1: Ready, Set, Elevate 9

- Recalling ITAM Benefits 10
- Using ServiceNow SAM to Rationalize Assets and Costs 11
- The Managed ITAM Process 11
- Meeting Current Needs, Planning for Growth and Change 12

Chapter 2: Benefits of Sharing ITAM Data 14

- Assets Have Multiple Roles and Identities 14
- Introducing the CMDB 21
- SAM Data Helps Drive Operations and Planning 21

Chapter 3: What ITAM Does for the Business 23

- The IT Asset Lifecycle Mirrors the Whole Business 23
- Understanding the IT Lifecycle 25
- Compounding Cost Savings 29
- Simplifying ITSM 31
- Minimizing Risk 32
- Introducing Business Innovation 32

Chapter 4: Making the Most of Automated ITAM.....36

Automation's Basic Benefits.....36

Automating HR Workflows with ITAM.....37

Automating ITBM processes with ITAM.....39

Chapter 5: Process-Driven Management for Change and Growth.....40

Process-Driven Management Basics.....40

Integrating ITAM into Change Management.....42

Configuration Items vs. Assets.....44

Connect Your Organization with Strategic ITAM.....46

CALLOUTS USED IN THIS BOOK

The Gorilla is the professorial sort that enjoys helping people learn. In the School House callout, you'll gain insight into topics that may be outside the main subject but are still important.

This is a special place where you can learn a bit more about ancillary topics presented in the book.

When we have a great thought, we express them through a series of grunts in the Bright Idea section.

Takes you into the deep, dark depths of a particular topic.

Discusses items of strategic interest to business leaders.

ICONS USED IN THIS BOOK

DEFINITION

Defines a word, phrase, or concept.

KNOWLEDGE CHECK

Tests your knowledge of what you've read.

PAY ATTENTION

We want to make sure you see this!

GPS

We'll help you navigate your knowledge to the right place.

WATCH OUT!

Make sure you read this so you don't make a critical error!

Get ITAM Working for You

Welcome to this Gorilla Guide To...® Elevating ITAM With Workflow! IT Asset Management (ITAM) is all about knowing—*really* knowing—what hardware and software is on your network, and making sure that it's a) in license compliance, and b) not costing you extra money and efficiency.

ITAM is a wonderful tool, but it's important to understand how it integrates with your existing operations. That's where this book comes in. It shows you how ITAM operates in the real world, and how to get the most out of it.

Whether you're already using some form of ITAM, or are exploring it because your spreadsheet is too difficult to keep updated by hand, this book has something for you. ITAM should work for *you*, and not the other way around. The way you do that is contained within these pages. Read on to find out how.

CHAPTER 1

Ready, Set, Elevate

As mentioned previously, ITAM brings all of an organization's IT assets—including software and services, hardware and infrastructure, spares and replacement parts, and so forth—together under a single umbrella. In addition, ITAM records and monitors those assets to make them accessible, visible, and subject to various other functions, controls, policies, processes and workflows across the organization.

ITAM consists of a set of business practices built around recordkeeping and maintenance. ITAM helps to create a current and accurate database of IT assets within an organization by assembling, combining, and correlating the following three bodies of related data:

- **Contractual.** ITAM seeks to accommodate and represent all the various contracts for licenses, hardware maintenance, leases, and services that an organization might undertake, in a coherent and consistent way.
- **Discovery and inventory.** ITAM sniffs out, discovers, and compiles as complete a list as possible of what IT assets it sees in use on an organization's networks

(as well as IT assets that are not on the network and are not assigned to a user—such as new and spare equipment), along with who's using them, for what purpose, for how long, and so forth.

- **Financial.** ITAM tracks all the financial activities associated with an organization's IT assets, including their costs of acquisition, licensing, upgrades, maintenance, disposal, and more.

Recalling ITAM Benefits

ITAM helps an organization make the most of the IT assets under its purview. ITAM provides the tools to help the organization optimize its spending and support lifecycle management—from requirements analysis and evaluation, through procurement and deployment, to ongoing upkeep and maintenance, to eventual retirement and disposal or destruction.

ITAM enables valuable insights to support the organization's strategic decision-making process. As options are evaluated, selections made, and deployments undertaken, ITAM provides the best data to help an organization make the right technology choices and maximize its return on investments over time.

Using ServiceNow SAM to Rationalize Assets and Costs

Software Asset Management (SAM) is the software component of an ITAM platform. SAM starts with normalizing and reconciling two key inputs:

- Purchase and entitlement records
- Discovered software usage

After matching usage to purchases and entitlements, you can determine where license shortages may exist, as well as if there are any entitlements that are not being used, which could be more appropriately reallocated. Once those situations are identified, SAM can define actionable workflows to correct any discrepancies that might exist.

The Managed ITAM Process

The ITAM process helps deliver value across the full IT asset lifecycle by enabling self-service requests, simplifying and streamlining purchasing, automating and orchestrating deployments, detecting current usage, reconciling usage against licenses and entitlements, proactively managing service issues, and efficiently retiring end-of-life assets.

***Automation* generally refers to eliminating a manual process in a single task**, such as creating a new user account, whereas *orchestration* refers to optimally arranging a series of automated tasks in a workflow, such as a new hire workflow. That workflow begins with an HR notification of a new hire that automatically triggers requests for a new user account and equipment, automatically creates the account and procures the equipment (after appropriate approvals), and automatically deploys the appropriate software on the new equipment.

Creating effective governance—including appropriate policies, procedures, and frameworks—helps ensure that ITAM is approached as a structured process rather than an ad hoc activity to reactively address specific use cases, such as semi-annual fixed asset disposal reviews, software audits, and one-off requests.

Meeting Current Needs, Planning for Growth and Change

In addition to effective ITAM processes, you need an ITAM platform that addresses both the current

and future needs of your organization: you need a future-proof platform. While there are many options available and no technology is perfectly "future-proof," a cloud-delivered software-as-a-service (SaaS)-based platform is your best bet. The SaaS model provides many future-proof, or at least future-ready, advantages, including:

- **Rapid scalability.** The public cloud scales up or down dynamically and quickly to address the needs of your business.
- **Consumption-based pricing.** Teams who manage on-premises software, SaaS, and public cloud usage will all start to merge and need to address hybrid use cases from a central source of truth, a CMDB.
- **Broad ecosystem of out-of-the-box front-end and back-end integrations.** Open application programming interfaces (APIs) and a broad ecosystem of vendors and partners enables rapid discovery and consumption of new asset data from specific vendors and enables ITAM data to be shared across different business units, departments, workflows, and systems within an organization. Open APIs also make it easier to build any new and custom integrations that may not be available out of the box.

CHAPTER 2

Benefits of Sharing ITAM Data

ITAM, done properly, can be a rich source of valuable data for multiple purposes across any organization. Let's explore some different use cases for ITAM data across organizations.

Assets Have Multiple Roles and Identities

You probably wear a lot of hats in your organization—that is, you have multiple roles. Likewise, you have many identities; at work you might be a peer, a subordinate, or a manager. You might also be both a user and an IT administrator, with two separate network accounts to identify your different roles and identities. Sharing ITAM data across your organization enables assets to be viewed through different lenses for different purposes, such as security, compliance, IT support, and much more.

IT asset management is a critical part of every major cybersecurity framework, including the NIST Cybersecurity Framework, International Organization for Standardization (ISO) 27001, Cloud Security Alliance (CSA) Cloud Controls Matrix (CCM), IT Governance Institute (ITGI), ISACA (formerly, Information Systems Audit and Control Association), and Control Objectives for Information and Related Technology (COBIT), among others.

Managing Security Threats and Vulnerabilities

Asset management is a category unto itself under the Identify function of the National Institute of Standards and Technologies (NIST) *Cybersecurity Framework for Critical Infrastructure*. This focus on asset management stresses its importance in managing security threats and vulnerabilities in your organization. The bottom line is this: ***You have to know what you are protecting.***

IT asset management helps an organization not only know what it is protecting, but also where its assets are located, the business priority or criticality of its

assets, who the business owner or custodian of specific assets is, and what specific vulnerabilities may exist within an asset (for example, a SQL vulnerability that affects a specific version of Microsoft SQL Server in the organization's data center).

If you don't know how ITAM helps you ensure software licensing compliance, we recommend reading the The Gorilla Guide To...® Getting Started with ITAM and The Gorilla Guide To...® Optimizing ITAM for Success.

Compliance Goes Beyond Licensing

As you know, ITAM helps you ensure software licensing compliance throughout your organization. But there's much more to compliance than just software licensing. There are all sorts of security and privacy regulations that organizations must comply with today such as the European Union (EU) General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), U.S. Sarbanes-Oxley (SOX) Act, U.S. Health Insurance Portability and Accountability Act (HIPAA), and Payment Card Industry (PCI) Data Security Standards (DSS).

You may be wondering how ITAM can help you with your regulatory compliance challenges. Let's start with software. PCI DSS specifically requires businesses to run anti-virus software on systems that process, transmit, and/or store payment card information. SAM helps you prove to auditors that you have anti-virus software running on all in-scope systems.

Many data protection regulations and standards also require you to ensure that your employees aren't using unlicensed (or pirated) software on their laptops and PCs, as well as jailbroken or rooted mobile devices. SAM helps you identify all the software your users are running, so you can quickly identify unauthorized software.

On the hardware side, ITAM can help your compliance efforts by identifying systems that may be storing sensitive data subject to regulatory controls, such as protected health information (PHI) subject to HIPAA, or personally identifiable information (PII) subject to GDPR, CCPA, and other regulations.

With ITAM, you can also identify personal data and create an information asset that gets tracked similar to other assets. Once you have an information asset, you can identify every place it exists, where it moves, get reports about information assets, and easily remove

a specific asset when necessary. You can then embed compliance controls, such as GDPR, into your processes and identify dependencies across programs and services.

Humans Use Assets, Too

Not only do humans use assets, they tend to use them wherever they need them. This means that a laptop or mobile device, for example, may need to be tracked across different locations and users in much the same way that dynamic application workloads need to be tracked across different IP addresses, data centers, and cloud environments.

ITAM helps ensure the right assets are available and assigned to the right humans at the right time. For example, your organization may have certain assets, such as laptops or portable projectors, available for checkout in a pool.

ITAM helps ensure that when the big marketing convention is over, your marketing team returns all the portable projectors to the pool. This means the projectors will then be available for your sales team to take onsite to prospective customers and close deals with all those leads that were generated at the convention.

Making the Help/Service/Support Desk Connection

ITAM data improves your help desk's ability to assist your end users. When ITAM is integrated with your service management (or ticketing) system, IT support technicians get a complete snapshot of a user's environment.

Armed with this information, your technicians can avoid having to ask an often already frustrated caller a bunch of questions that he or she probably doesn't know the answers to anyway: "What model of laptop do you have?", "When was the last time you updated your computer?", "What version of Adobe Flash are you running?", and so on.

When a user calls or creates a ticket in your service management system, your support technicians can quickly and easily pull up all the important information they need about any assigned assets the user may have, such as hardware make and model, installed software (and versions), latest operating system and software updates, recent configuration changes, warranty information, and service and support history.

Thus, ITAM empowers your help desk with access to important information, improves your first-call

resolution rate, and repositions your help desk as the first line of service (and solutions) for your end users.

The Software Catalog

ITAM data also enriches your software catalog to enable a truly self-service end-user experience. Without ITAM data, your software catalog might simply present a list of all the software applications that your enterprise has available, but not every user (or even most users) can necessarily have.

ITAM data lets you create a more personalized software catalog that matches a user's role and assets with the software options that are supported and authorized for that user and their devices. This customized experience helps your users find what they need more easily and without the frustration of repeatedly being told they can't have software they aren't authorized to request.

Sharing ITAM and CMDB data enables organizations to create a more complete "single version of the truth" for all its IT assets, from servers and networking equipment to software and end-user devices.

Introducing the CMDB

The configuration management database (CMDB) is an important source of information about an organization's systems, and it supports critical IT service management functions such as problem management and change management. The CMDB helps IT resolve issues more effectively by answering the proverbial first question in troubleshooting: "What was the last thing you changed?"

SAM Data Helps Drive Operations and Planning

In 2011, the *Wall Street Journal* published Hewlett-Packard board member Marc Andreesen's article, "Why Software Is Eating the World," declaring that every company is a software company. Essentially, software is the cash cow of the modern digital enterprise. This helps to explain why software audits and "true-ups" have become the bane of every CIO's reality today.

For many organizations, these audits and true-ups are a matter of running a software vendor-supplied tool to discover all the installed instances of their software, then handing them a blank check to cover the difference between what you purchased and what you have.

With ITAM, CIOs can be proactive in their operations and planning when it comes to software audits (and more). ITAM—specifically, the SAM component of ITAM—enables IT operations to match actual usage to licensing and then re-allocate software entitlements where they are needed to ensure the most efficient use of available software licenses within the organization. In this way, CIOs have more leverage to accurately report what software licenses they have and need, negotiate more favorable licensing agreements, and plan and budget accordingly.

CHAPTER 3

What ITAM Does for the Business

By now, you should have a good understanding of what ITAM can do for IT. So let's look at what ITAM can do for the business.

The IT Asset Lifecycle Mirrors the Whole Business

The IT asset lifecycle consists of six distinct stages: request, purchase, deploy, reconcile, service, and retire. These stages are enabled by different systems, such as IT service management (ITSM), IT operations management (ITOM), IT business management, and of course ITAM, as well as different teams such as HR, IT legal, SecOps, and others—all underpinned by SAM and CMDB providing a single version of the truth (see **Figure 1**).

However, in many organizations today, these processes, systems, and disciplines function more often as siloed, manual, error-prone, and time-consuming activities.

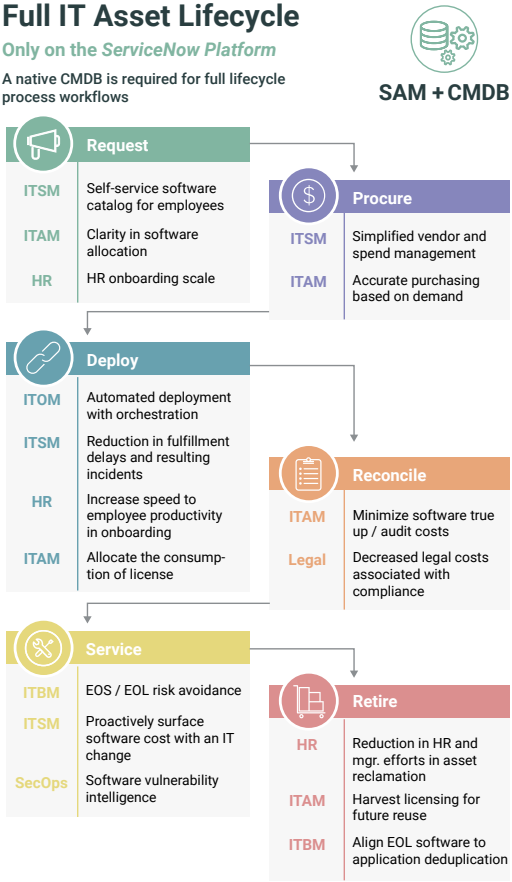

Figure 1: The full IT asset lifecycle integrates different systems, teams, and disciplines across all stages

Understanding the IT Lifecycle

To better understand how the IT asset management lifecycle aligns with the business, let's map it to a business process that exists in every organization: the employee lifecycle.

Request

Hiring a new employee generates a flurry of activity within an organization. HR might typically send different requests to multiple departments. For example:

- Set up payroll
- Assign an office and furniture
- Purchase IT equipment, software, and office supplies
- Create user accounts
- Schedule orientation and training

A native ITAM solution can help automate the entire onboarding process. For example, HR might simply create the new employee in the HR system. HR on a platform with ITAM would automatically generate the payroll setup, send a request to facilities management, procure the appropriate IT equipment and software (either purchase new or re-allocate existing assets), create the necessary user accounts with the correct

access rights and permissions, and schedule training and orientation.

Procure

The cycle continues with the purchase of IT equipment and software for the new employee. Processes that workflow with ITAM ensure that the right equipment and software is purchased (or provisioned) for the new employee based on the new employee's role. If existing hardware assets and/or software licenses are already available, ITAM helps the organization avoid additional costs due to unnecessary spending.

Deploy

ITOM automates the deployment of IT equipment and software (properly allocated through ITAM) with orchestration. Integration with ITSM helps to ensure everything actually gets to the new employee and reduces fulfillment delays (and associated incidents).

The combination of ITOM and ITSM helps you avoid the embarrassing situation that might otherwise occur on a new employee's first day, when there's no computer on their desk or it doesn't have the correct software installed. All of this helps HR make the employee productive on day one.

Reconcile

As the new employee onboarding cycle repeats itself, ITAM helps the organization be proactive in managing software audits and true-up costs, while reducing potential legal costs associated with licensing noncompliance.

On the hardware side, ITAM helps the organization integrate its hardware asset management process with stockroom, procurement, and field service activities to effectively utilize available hardware inventory and avoid unnecessary purchasing. ITAM also helps the organization maximize maintenance and leasing contract benefits.

Service

ITAM helps you manage any regular or preventive maintenance that may be required on hardware. Also, IT Business Management (ITBM) helps you avoid the costs and risks associated with trying to keep IT hardware or software running way past its end-of-life (EOL) or end-of-service (EOS) date. Similarly, ITSM helps you proactively project any associated costs with change requests.

Finally, SecOps can use ITAM information to help ensure security vulnerabilities are quickly and correctly

addressed and notify the team when an EOL or EOS version of software puts the organization at risk because the vendor is no longer providing security patches and updates.

Many organizations are increasingly leasing hardware assets such as desktops and laptops, mobile devices, copiers and printers, and servers. This approach can help organizations stay current with the latest technology (for example, enabling a desktop/laptop hardware refresh every three years instead of tying upgrades to a five-year depreciation schedule), avoid the cost of extended maintenance and support contracts, and increase productivity by giving employees access to the latest technology while avoiding the need for IT to constantly re-image and re-deploy legacy hardware assets. ITAM can help the organization manage these types of issues and processes more effectively to help maximize the value of leasing contracts.

Retire

When an employee leaves the company or is terminated, any IT assets assigned to the employee need to be returned to the company. Integrated ITAM, ITBM, and HR workflows and processes help to ensure IT assets are properly accounted for and returned. Hardware and software can then be appropriately disposed of or reclaimed and reallocated, and user accounts can be disabled or removed.

Compounding Cost Savings

ITAM can help organizations trim excess, unused, or unneeded assets from their asset inventory and thus avoid waste and overspending. ITAM also helps:

- Maximize the useful life of individual IT hardware assets by helping to identify when preventive maintenance is needed, and keep records of completed preventive and corrective maintenance.
- Track service and support contracts to ensure they don't expire for critical hardware assets.
- Monitor EOL and EOS dates to help organizations plan and budget for hardware replacement.
- Identify unused hardware such as new inventory, parts and spares, pooled equipment, and unallocated

resources that may be available for allocation or deployment.

- Ascertain total cost of ownership (TCO) for hardware assets to provide a more complete cost analysis when it's time to retire and replace equipment.

Similarly, SAM (remember, SAM is a subset of ITAM) helps organizations effectively manage their software licenses and entitlements. Potential cost benefits of SAM include:

- Discovering unused or underutilized software licenses that can be reallocated where needed.
- Identifiying siloed, one-off, or "shadow IT" purchases to centralize procurement and potentially take advantage of volume discounts from software publishers and/or vendors.
- Consolidating different applications with similar functionality used throughout the organization (for example, Asana, Mavenlink, Microsoft Project, and SmartSheet may all be used for project management in different departments or business units) to improve productivity, collaboration, and interoperability while reducing costs associated with one-off purchases, training, and support.

- Enabling proactive licensing audit responses and stronger negotiating positions for software renewals.

Early 2019 Gartner predictions indicated that billions of dollars would be overspent on cloud computing alone that year; see this Business2Community article[1] for related analysis that predicted $14.1B of cloud spend waste for 2019. Another Gartner press release estimates that 30% of software spend can be eliminated by implementing various best practices, including right-sizing license outlays.

[1] https://www.business2community.com/cloud-computing/14-1-billion-in-cloud-spending-to-be-wasted-in-2019-02156967

Simplifying ITSM

The onboarding example earlier in this chapter is just one way that ITAM automates and simplifies ITSM. ITAM can help IT deliver a superior service management experience for your users when they need it most.

By automatically pre-populating the ITSM portal or service desk dashboard with asset and user information,

users and support staff can focus on describing and resolving the actual incident or problem. Anything you can do to make it easier to create a service desk ticket and get to a resolution quicker will help your users stay productive and reduce frustration.

Minimizing Risk

ITAM helps organizations minimize risk in a variety of ways. Software licensing compliance is perhaps one of the more obvious areas where ITAM can help organizations manage risk. Closely related is managing financial risk specifically due to non-compliance penalties, hold-up buying ("true-up" or else—list price, no discounts), and overspending (unused entitlements).

Organizations can also use ITAM to proactively address operations risk by ensuring that adequate replacement or spare assets are available and helping to assess the impact of change requests on new and existing assets. Finally, security risk can be mitigated by helping SecOps teams identify which assets have what software installed and any associated vulnerabilities that need to be remediated.

Introducing Business Innovation

It's about more than just reducing risk, though: advanced ServiceNow ITAM capabilities, discussed in the

following sections, can help drive innovation in several areas throughout the business.

Rules-Based License Management

Software licensing is expensive, but the most expensive license is a wasted license. Rule-based license management helps an organization identify unused or underused software licenses, based on pre-defined business rules. You can identify meaningful usage of both your installed and SaaS-delivered applications and reclaim wasted costs from stale licenses.

Proactively managing your software licenses and entitlements with deep usage analysis will help you rightsize your next renewal. For example, your marketing department may only use its Adobe Creative Cloud software when it's preparing for an annual marketing convention, and your networking team may only need to use Visio when it's updating network documentation.

Software Spend Detection

Software spend detection helps you identify wasteful "shadow IT" purchases ("Why is marketing paying more for the same project management software that operations uses?") and uncover overlapping software capabilities in different applications ("Why do we use

five different file sharing apps and three different project management apps?'").

In addition to the direct costs that can be recovered by eliminating and consolidating shadow IT purchases for better buying leverage, there are also indirect cost savings, such as increasing interoperability and productivity across teams, workgroups, departments, and business units by using the same applications for the same purposes.

Finally, you can identify when users or groups are buying on credit cards or outside normal purchasing and procurement processes, thereby reducing the risk (and cost) of having unknown licenses in your organization.

Discovery and Normalization

Discovery and normalization are important capabilities in ITAM. Most ITAM tools provide manual data entry capabilities and some level of discovery, such as scanning network IP addresses for hardware and computer hard drives for installed software. Beyond these tools, ITAM needs to provide a file-based (or agent-based) discovery tool that is lightweight, nonintrusive, and vendor-agnostic.

For example, many hardware devices don't necessarily have a network IP address (or the IP address changes

dynamically), may be used remotely (not on an enterprise network), or consist of specialized equipment (such as medical devices or point-of-sale systems) that don't have a common operating system (such as Windows or macOS).

Additionally, ITAM needs to provide the ability to normalize asset information automatically (for example, through vendor updates).

Vendor Management and Publisher Packs

ITAM also helps organizations more easily identify their top vendors. This information can be particularly useful when negotiating costs or contracts with a vendor. Also, if the organization has specific vendor management requirements, for example, prohibiting or limiting sole sourcing, ITAM can help the organization identify potential problems.

Publisher packs help you manage specific software licensing requirements (such as per processor, per core, named device, named user, and concurrent) and identify your top software publishers (which typically represent 80% of your spend—and your highest audit probability) and your long-tail publishers (the other 20% of your software spend that may consist of hundreds of different vendor applications).

CHAPTER 4

Making the Most of Automated ITAM

Now let's explore how you can take ITAM to the next level with automation. We'll start with the benefits of automation and then look at specific use cases.

Automation's Basic Benefits

As with many things today, the more you can automate, the better. Automation eliminates the need for—and cost of—human labor. While that's certainly true, it's not really about eliminating jobs. It's more about letting machines do the boring, mundane, and repetitive work and allowing humans to focus on more challenging and value-added initiatives for the business.

Automation also helps increase productivity by helping humans get to work, or back to work, more quickly. Automating hardware deployments and software installs, for example, helps to ensure your users aren't waiting for an available IT support person to pay them a visit.

Finally, automation helps to eliminate potentially costly and risky mistakes. When humans get bored or tired, they have a greater propensity to make mistakes. Such mistakes could result in higher costs (for example, purchasing the wrong hardware or installing unneeded software), more rework, and greater risk (software vulnerabilities may go unpatched, or improperly configured hardware may expose new vulnerabilities). Machines, on the other hand, don't suffer from boredom or exhaustion, and are therefore less prone to make mistakes.

Automating HR Workflows with ITAM

You can simplify and automate the onboarding process with ITAM and sync your HR processes with SAM. For example, auto-provisioning capabilities in SAM can be used to provide your new employees with the software they need quickly and easily during the onboarding process. SAM auto-provisioning can be particularly powerful in organizations that may employ interns and a large temporary workforce, or organizations that need to provide software for partner contractors.

Similarly, SAM helps HR manage department and country transfers. Some software publishers require country- or region-specific licensing. For example,

you might not be able to use a U.S. license in the United Kingdom, or an Australian license in Brazil. Reallocating licenses appropriately and automatically, based on geography and cost center, thus becomes a critical capability.

For U.S. federal government agencies, the Making Electronic Government Accountable By Yielding Tangible Efficiencies Act of 2016 (known as the MEGABYTE Act of 2016) requires comprehensive license management, software inventory, usage analysis, and application rationalization for all software within an agency. The Application Rationalization Playbook,[2] published in June 2019, provides prescriptive guidance for agencies to comply with the MEGABYTE Act and other relevant federal directives. Automating ITBM processes with ITAM (specifically SAM) can help federal agencies perform these functions and achieve the goals and directives set forth in these mandates.

[2] https://www.cio.gov/assets/files/Application-Rationalization-Playbook.pdf

Automating ITBM processes with ITAM

ITAM records can be populated with information to automate ITBM (also known as application portfolio management) processes. For example, application lifecycle dates—such as general availability (GA), EOL, and EOS—can be tracked and provide notifications to appropriate team members so that application teams can better plan and rationalize their application portfolios, and proactively determine and budget for costs associated with change requests.

CHAPTER 5

Process-Driven Management for Change and Growth

ITAM, like all digital transformation initiatives, is not a "one-and-done" deal. It's a journey, in which organizations continue to realize benefits through ongoing improvements as they mature their ITAM practice.

Process-Driven Management Basics

Knowing your organization's ITAM "maturity level" can help you plan the next steps on your journey. Consider the following maturity model and characteristics when evaluating your organization's ITAM maturity level:

- **Level 1: Crawl.** When getting started with ITAM, many organizations make the mistake of trying to take on too much at once. This can be an impossible task with potentially hundreds (if not thousands) of different software titles and versions. Instead, use a more manageable approach by following the "80-20 rule" (also known as the Pareto principle): 80% of your software costs are likely to come from just 20 percent

of your software (these are your "Tier 1" publishers). Typically it's the software used by most of your users (such as Adobe Creative Cloud and Microsoft Office 365). If you've recently been audited by any of your software publishers or have an upcoming licensing review or renewal, you should also account for those software titles in this phase. Use SAM to help identify any compliance exposure (not enough licenses to match current usage/entitlements) and cost savings opportunities (such as unused licenses that can be eliminated) in these software titles. These same principles also apply to ITAM more broadly, to include hardware, devices, and other IT assets.

- **Level 2: Walk.** Next, you need to start working through the other 80% of your IT assets ("Tier 2") that account for the remaining 20% of your spend. Tier 2 is typically comprised of medium size spend software publishers (such as Citrix, Tableau, Dropbox, and so on) that may not be as widely used across your organization. After the quick wins identified during Level 1 (Crawl), your cost savings may not be as readily apparent, but there are still savings and efficiencies to be found. Your goal in this phase is to identify opportunities to improve (or implement) formal processes and workflows such as requisitioning, sourcing, deployment, and retirement of assets. For example, you might optimize your

service catalog to streamline the ordering process for your users and reclaim unused or underused software entitlements and re-allocate them to other users.

- **Level 3: Run.** Finally, best-in-class organizations elevate ITAM by expanding SAM to include most of their software publishers (though diminishing returns will occur at a point), including one-off software and custom applications. Automation and orchestration of key business processes and workflows is implemented throughout the ITAM lifecycle and extends to other business functions, such as security, application portfolio management teams, human resources, finance, and others. Organizations that achieve Level 3 maturity have successfully elevated ITAM to the highest level.

Integrating ITAM into Change Management

Change management processes are often tightly integrated with an organization's CMDB. The CMDB is an excellent tool for tracking changes, but it does so at a very granular level that may not always be easily consumed by humans. A CMDB tracks changes to individual configuration items (CIs), which may include servers, physical memory, processes, dynamic link libraries (DLLs), and so on.

Obviously, this level of detail isn't always helpful when trying to explain the potential impact of a proposed change to an executive or system owner. Instead, you just want to be able to tell the CFO that the ERP server is being upgraded. By integrating ITAM, SAM, and CMDB in your change management processes, you can provide the right information, at the right level, to the right people.

Figure 2: ServiceNow provides comprehensive ITAM and SAM capabilities across your enterprise

ServiceNow's *Now Platform*, as shown in **Figure 2**, is a comprehensive ITAM solution that does all this and more.

Configuration Items vs. Assets

Configuration items and *assets* are similar in some ways, but also distinct. ITAM focuses on the financial and contractual aspect of an asset throughout its entire lifecycle, from planning to disposal.

Configuration management focuses only on operational usage while a configuration item (CI) is live (or being serviced) and their logical relationships. So if a virtual machine has a service dependency and has configurable attributes, it should be modeled as a virtual CI. The software licenses for the virtual machine are considered *assets*, because they pertain to the financial and contractual attributes managed throughout the full IT lifecycle.

Here's an easy way to distinguish the two concepts:

It's an asset if:

- You care about tracking the item's purchase, cost, depreciation, and so on
- Documenting the service status, end-of-life and/or destruction is required

- There are associated contracts, like maintenance, warranty, licenses, and so on
- Inventory tracking is expected

It's a configuration item if:

- You monitor and track technical specifications
- It may be associated with an Incident, Problem, or Change record
- You need to know the item's relationship to other items in production

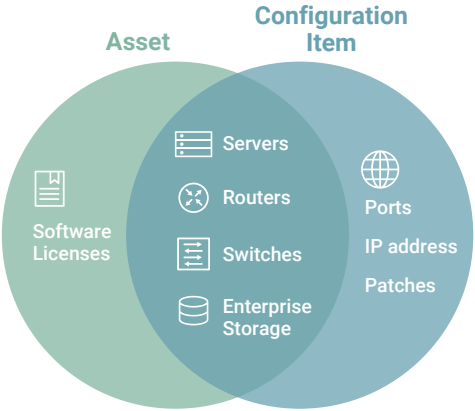

Figure 3: The differences and similarities between configuration items and assets—all tracked in a CMDB

Figure 3 provides a Venn diagram–style graphic to further illustrate how they differ, and where they overlap.

Understanding how these two ideas overlap and differ is an important part of getting ITAM right.

Connect Your Organization with Strategic ITAM

Elevating ITAM is about leveraging the data available in a CMDB as your organization's single source of truth to feed key business processes and workflows across the company. Innovative uses of ITAM extend well beyond IT to other core business areas including finance, legal and compliance, human resources, procurement, and more.

As you've learned throughout this Gorilla Guide, ITAM is more than just "nice to have" for your IT operations—they're essential technologies that keep you up to date, in compliance, and will make IT more efficient and cost effective. And ServiceNow has expertise in ITAM that can help your success. The company's website[3] is the best place to learn more about its ITAM solution, and schedule a demo[4] to see why ServiceNow is the smarter way to workflow.

[3] https://www.servicenow.com/products/it-asset-management.html

[4] https://www.servicenow.com/lpdem/demonow-it-asset-management.html

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ServiceNow makes the world of work, work better for people. Its cloud based platform and solutions deliver digital workflows that create great experiences and unlock productivity for employees and the enterprise. For more information, visit: servicenow.com/ITAM.

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