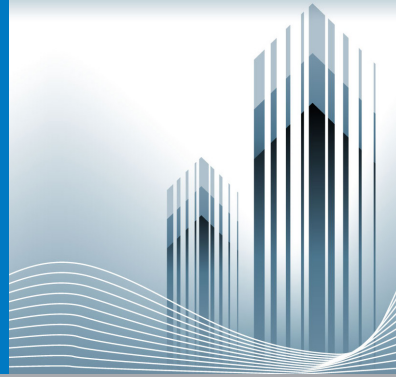


Crowdsourcing Offers Innovative Approach to Reducing IT Costs

Enterprise App Stores Empower Users with Self-Service and Cost Cutting Opportunities



Crowdsourcing Offers Innovative Approach to Reducing IT Costs

Executive Summary

It's generally accepted industry knowledge that software represents 30 percent or more of total enterprises IT spend. Consequently, ensuring the most efficient use of software licenses has a significant impact on IT costs. That is a major driver of the emerging discipline of Software License Optimization and vendors have responded with Software License Optimization solutions.

Software license optimization has much in common with natural resource conservation programs. It is the goal of both to maximize the utilization of resources while also minimizing waste. In addition, both are significantly enhanced by the active participation of resource users.

Traditional software asset management (SAM) tools do not provide comprehensive software license optimization functionality. What's more, they have not provided users with the information and tools they need to participate in the software license optimization process, nor have they motivated users to get involved. For this and other reasons, traditional SAM efforts have not realized the full potential of reducing spending on software.

Integrating the capabilities of a software license optimization solution with those of an enterprise app store

provides users one place to go to get software and gives them the opportunity, via self-service, to help manage the usage of valuable software resources. It provides a mechanism with which IT can harness the power of business users to help eliminate waste in software licensing. The result is an environment that not only enables business users to quickly and easily access the applications they need but also empowers and motivates users to actively participate in software license optimization. In this environment, users can manage their own application usage and understand the costs associated with the applications they use.

The benefits are significant and include:

- Reduced spending on new software
- Reduction in time and resources to support, deliver and maintain applications
- Reduced risk of non-compliance with corporate policy and license agreements
- Tighter alignment of IT with the business and a closer relationships with users
- Greater operational efficiency and higher employee productivity from giving users self-service access to the applications they need, when they need them.

Business Users, Important but Neglected Partners

Because software licenses costs represent a substantial portion of the budget, it's imperative that they are treated as valuable resources and used in the most efficient way. End users are often unaware of the total cost of the software installed on their machines. For example, a user may be surprised to learn that his or her \$2,000 laptop may be carrying \$3,000 worth of software. Ignorance precludes any opportunity to help control spend and presents a challenge to enterprise IT organizations and the thousands of end users that depend on those applications every day.

To achieve a balanced application portfolio, like any conservation effort, IT needs to minimize waste in license resource consumption by leveraging what the enterprise already has to the maximum extent possible. Understanding the current license position before purchasing any new licenses is critical to reducing software costs.



**Maintain License Compliance and
Reduce Ongoing Software Costs –
Save 5 to 25% of your annual software spend**

To date, most IT efforts in software asset management have been top-down in nature, from IT down to users through the imposition of written policies and manual processes. For example, IT may prohibit the use of unauthorized software and uninstall it whenever it is discovered.

However, little has been done to solicit the contributions of users. Yet gaining their active participation can have a major positive impact on spending. Consider the impact active consumer participation has had on natural resource conservation efforts.

Enterprises need to give business users a role in managing their applications because they best know their own needs. The principle of crowdsourcing is that more heads are better than one. By involving a large crowd of people, the enterprise user community, to participate, the value derived from software license optimization will be superior. This requires providing the user community with the right data and tools, and encouraging them to participate. It's a natural progression for many users who are already managing apps on their personal mobile devices.

The IT staff must enable users to get the applications they need, quickly and conveniently, whenever and wherever they need them. And there may be thousands of users and applications. However, it is also critical that IT does not compromise control in the quest for faster user access to applications. Maintaining software license compliance is essential. Non-compliance has serious business

consequences such as unbudgeted software audit true-up fees and penalties.

The key is to maintain the optimum quantity and types of licenses to satisfy the ongoing needs of business users. An undersupply can result in either the inability to deliver the applications users need in a timely fashion because of lack of available licenses, or non-compliance through license overuse. On the other hand, an oversupply is wasteful and drives up costs unnecessarily.

Engaging Users through the Enterprise App Store

Many IT organizations are implementing enterprise app stores. The app store enables users to serve themselves and obtain the software they need quickly and hassle-free. The benefits include higher user productivity, lower IT costs and increased user satisfaction.

While giving users convenient and fast access to software through the app store, IT must retain control of software procurement and delivery to ensure compliance with internal policies and vendor license agreements. In addition, IT has to keep costs in check by maximizing the utilization of the software licenses already owned by the enterprise. This combination of requirements presents quite a challenge.

Many products that are touted as enterprise app stores are incomplete solutions. To enable IT to meet the challenge, an app store must provide a number of minimal capabilities that include:

- Consumer-like shopping experience
- Robust approval process for requests that require approval
- Fast and reliable delivery of applications and operating systems

In addition, the solution should provide strict control of software delivery and optimum utilization of software assets by:

- Ensuring that a license is available and allocated prior to installation
- Providing an automated way to reclaim the license after it is no longer used
- Triggering the purchase of additional licenses when needed
- Creating an audit trail of all pertinent activities

And that's not all. Beyond providing a place where users can request software, the app store also provides an ideal place in which to connect with users and engage them in a software license optimization partnership. This requires three additional capabilities:

- A user view of all applications installed on the device with pertinent information about cost and usage
- An issue notification and response mechanism that enables IT to interact with users
- Feedback to users on their level of participation in and adherence to software policy

According to Gartner , “By 2017, 25 percent of enterprises will have an enterprise app store for managing corporate-sanctioned apps on PCs and mobile devices.”

These additional three capabilities give both IT and business users the information and tools they need to work together as partners in reducing unnecessary spending on software.

User View of Installed Apps

In most enterprise app store solutions available today, users can request applications and track the status of their requests. But they have no convenient way of determining what applications are currently installed on their devices, let alone the status of those applications.

To participate in software license optimization, users need a consolidated view of all the applications they currently have installed on their devices, including those they obtained outside the enterprise app store. This view must include pertinent information on each app such as license entitlements, license cost and usage. The view should only display applications that are relevant to the user and business so as not to clutter the display with supporting software such as patches, drivers, and the .NET framework.

With this view, users can quickly see if they have applications that need attention, such as unauthorized or unlicensed applications, apps that are licensed but not being used, or multiple applications that serve the same purpose.

A comprehensive view enables users to determine at a glance how closely their installed applications comply with the organization's software policy. As a result, users can help IT optimize the procurement and use of software licenses.

Issue Notification and Response Mechanism

Traditionally IT has had a limited ability to proactively monitor and know of software policy infringements, such as authorized software that is not being used. At best, they send emails when they uncover an issue. But it's inconvenient and cumbersome for users to respond by email even if they are motivated, which typically they are not. As a result, many users may not respond. What's more, it's difficult if not impossible for IT to follow up on emailed notifications, of which there may be thousands. So the email notification process is open-ended. As a result, IT does not get closure on many issues.

The enterprise app store offers a convenient and effective vehicle for IT to interact with users with respect to notifications. That requires an app store that provides a closed-loop notification/response mechanism for this interaction. Through this mechanism, IT can issue notifications to users right in the app store. And users can

easily respond to notifications from the app store, closing the loop. Through this mechanism, IT can collaborate with users to ensure maximum software utilization.

Feedback to Users

In addition to empowering users with the tools they need to collaborate with IT to reduce spending on software, it's important to motivate them to participate and become good corporate citizens. This requires a feedback mechanism in the app store that keeps users informed of their compliance with corporate software policy.

Conclusion

The enterprise app store is transforming the way business users obtain software. By extending the capabilities of the enterprise app store to empower and motivate business users to participate in the management of the software assets they use, the enterprise can do much more with the store and gain significant additional benefits. By crowdsourcing hundreds, perhaps thousands of users to actively participate in the elimination of waste through more efficient utilization of existing software assets, the enterprise can drive down IT spend significantly.

What's more, in engaging users, the enterprise app store creates a communication channel that will help align IT more closely with the needs of the business. The possibilities are exciting and limitless.

About Flexera Software

Flexera Software is the leading provider of strategic solutions for Application Usage Management; solutions delivering continuous license compliance, optimized usage and maximized value to application producers and enterprises. Flexera Software is trusted by more than 80,000 customers that depend on our comprehensive solutions- from installation and licensing, entitlement and compliance management to application readiness and software license optimization - to strategically manage application usage and achieve breakthrough results realized only through the systems-level approach we provide. For more information, please go to: www.flexerasoftware.com

About Flexera Software App Portal

App Portal includes a new capability, called My Apps, that empowers users with the information, tools, and motivation they need to actively participate in software license optimization and track their adherence to corporate software policies. My Apps adds three innovative and unique features to App Portal:

- Comprehensive user view
- Software Policy Score™
- Alert/response mechanism

Comprehensive User View

The My Apps view provides users with a wealth of information about their business applications.

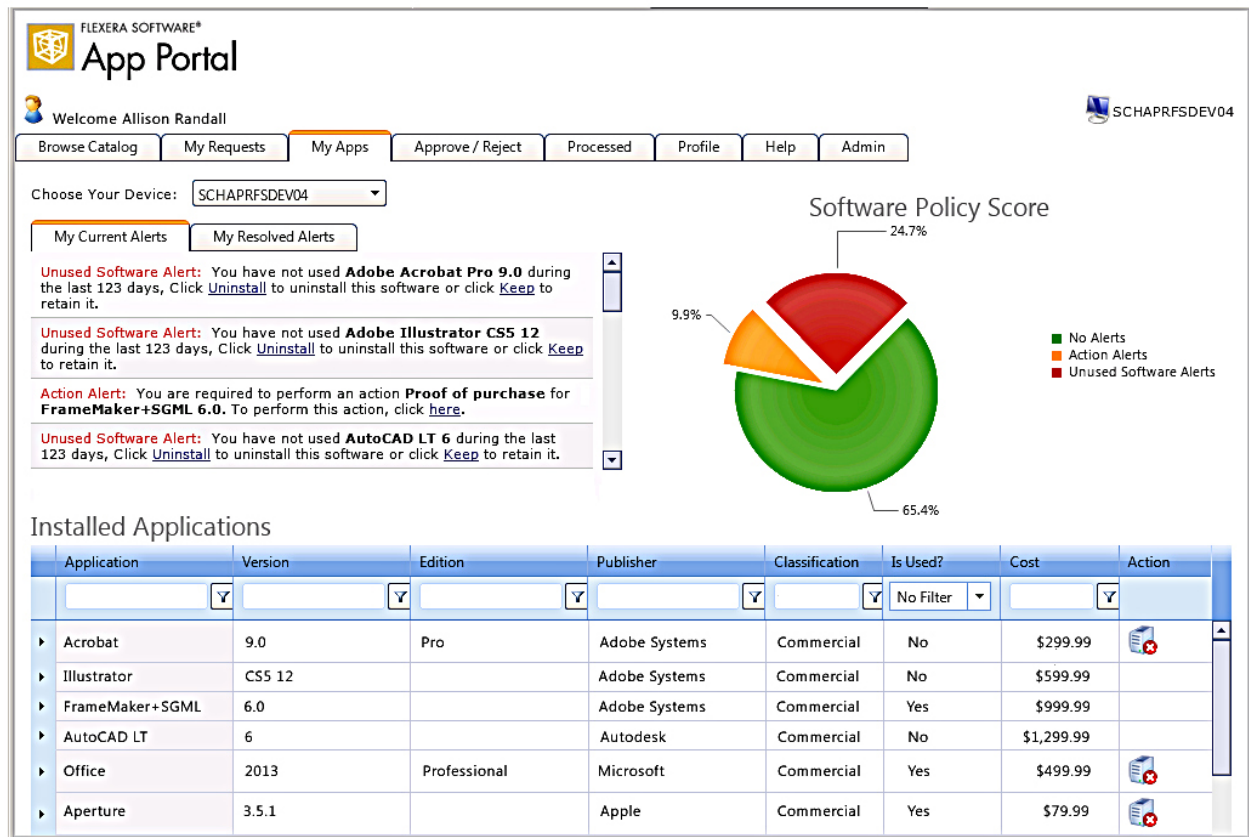


Figure 1- The My Apps user view shows information for each application installed such as version, cost and usage. The Software Policy Score™ is displayed as a pie chart showing unused applications and action alerts.

Software Policy Score™

The upper portion of the view displays all currently active alerts and the user's Software Policy Score™. The Software Policy Score for each user's device is based on the user's level of participation in responding to alerts and successful resolution of issues. The Software Policy Score is displayed as a pie chart showing unused applications and action alerts. The Software Policy Score can be used to motivate users to "go green", which they can do by responding to all action alerts listed under "My Current Alerts".

Alert/response Framework

The My Apps alert/response mechanism is far superior to email notification. Users can see, in one place, all active alerts, so they don't have to rummage through multiple emails. In addition, like the problem alerts that illuminate on the instrument panels of today's automobiles, the IT alerts remain active until the user takes action to address them. This requires users to close the loop on every alert.

An example use of alert/response is in the reclamation of licenses for applications that are no longer being used. Here, an alert notifies the user of an unused application. The user responds by indicating whether he or she wishes

to keep or relinquish the application. If the user decides to relinquish the application, it's uninstalled and its associated license is reclaimed back into the available license pool. If the user opts to keep the application, My Apps presents a series of questions that elicit the reasons for keeping the software. The answers to the questions can then be evaluated to determine if there is sufficient business reason to keep the software installed.

Another use of alerts is to notify users of software that has not been allocated by IT and for which there is no license entitlement on record. This may include, for example, software obtained from outside the enterprise app store, perhaps acquired directly by the user. The user is then presented with questions that elicit his or her desired course of action to address the license entitlement issue. Certain responses may require the submission of additional information such as proof of purchase documentation.

For more information on how enterprise app stores can increase the ROI of the app portfolio and additional insights into the value of Software License Optimization watch the webinar [How to Use an Enterprise App Store to Enhance the Value of Software License Optimization](#).



Flexera Software LLC
(Global Headquarters):
+1 800-809-5659

United Kingdom (Europe,
Middle East Headquarters):
+44 870-871-1111
+44 870-873-6300

Australia (Asia,
Pacific Headquarters):
+61 3-9895-2000

Beijing, China:
+86 10-6510-1566

For more office locations visit:
www.flexerasoftware.com