

# DXC Red Rock Australian Software Asset Management Study 2018

 Telsyte



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## Org-wide and multi-vendor SAM strategies lead to better software outcomes for Australian businesses



Organisations saving with SAM

**AVG 17%**

On software licenses with SAM, up 2% on 2016



Maturity on the rise, yet

**<20%**

have optimised practices



More are covering the breadth of their software assets

**2 in 3**

Organisations conduct SAM on all or almost all their software



45% of SAM users are using it for Cloud apps up from 22% in 2016

**more than half**

Claim SaaS and cloud has made managing software assets difficult



Oracle license audits on the rise:

**2 in 3**

Have had a vendor audit in the past 5 years



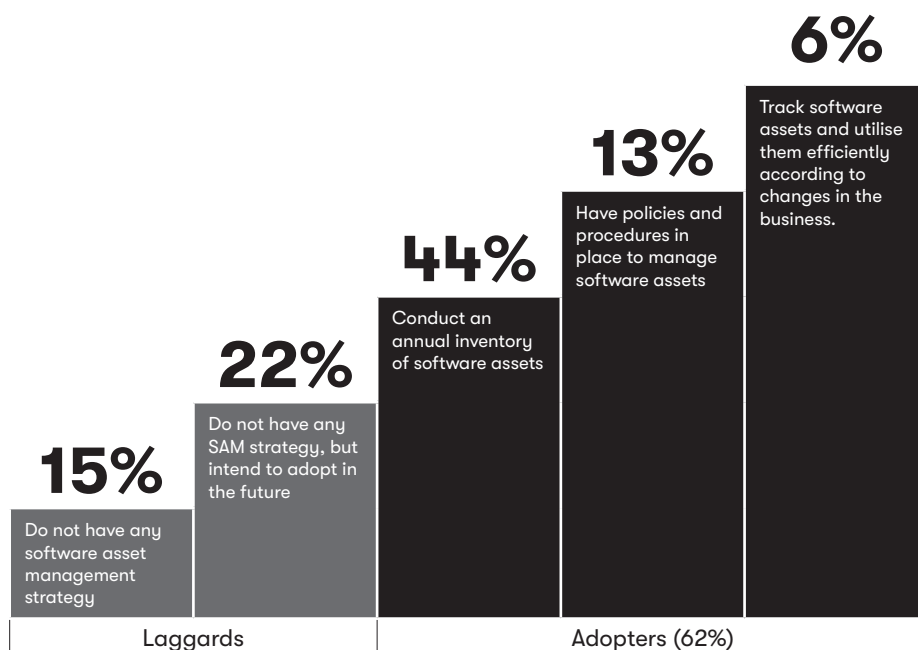
SAM is becoming a strategic imperative

**78%**

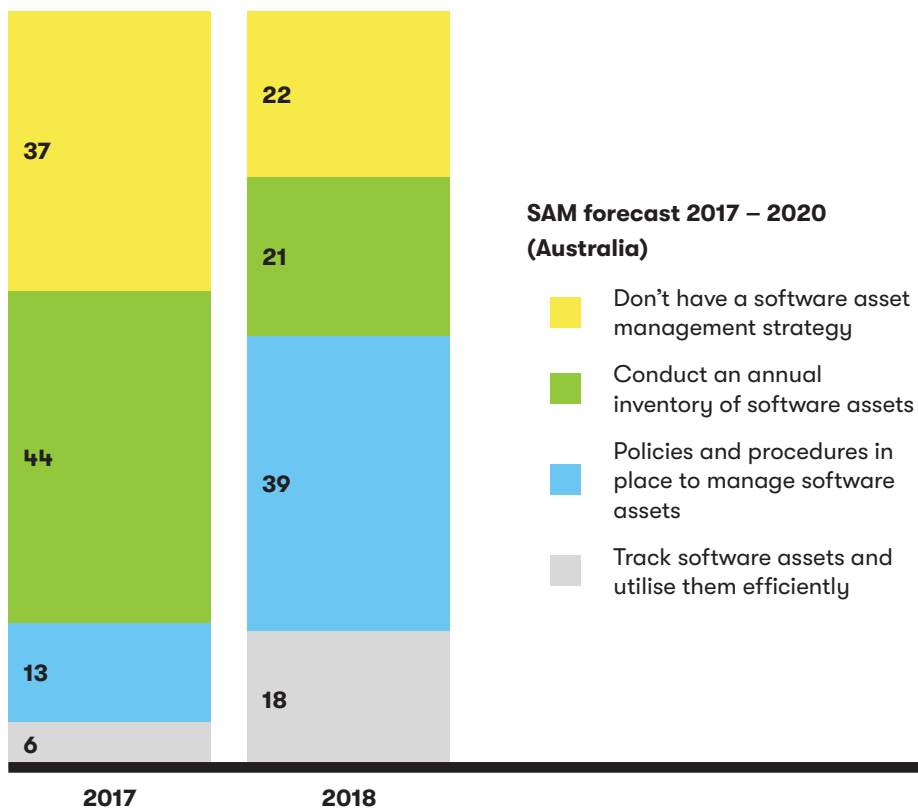
Have support from c-level executives to plan for software purchases

## 1 in 3 Australian organisations yet to adopt SAM, however, less than 20 percent have optimised practices

Q. Thinking about your organisation's software assets, which of the following best describes your organisation's software asset management (SAM) strategy?



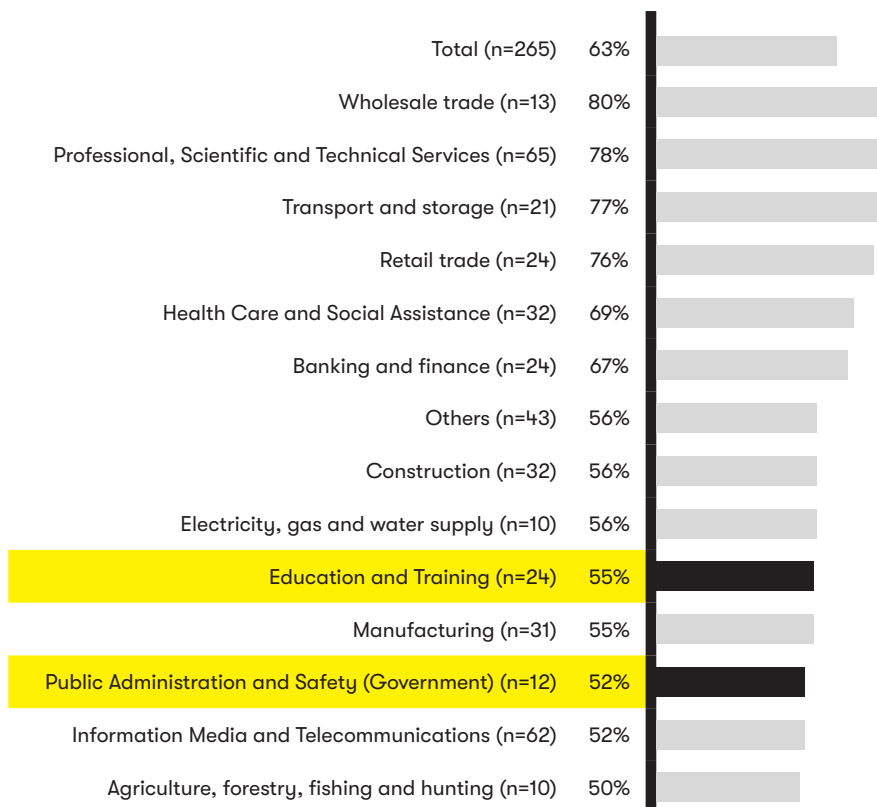
### More than half of Australian businesses expected to have a SAM strategy by 2021



Assumption	Probability
Cost savings becoming drivers for re-investment	90%
Data Normalisation from SAM processes will be used by many IT streams (Service Desk, InfoSec etc)	85%
Increased audit pressures (e.g. Many Vendors using non-compliance to migrate customers to cloud)	85%
Greater focus on transparency for business software investments	85%
Increased adoption of cloud and subscription software models	80%
Increases in virtualization software and reduction in hardware footprint	75%
Increasing skillsets and more SAM practitioners	70%
Increased focus on cybersecurity to reduce internal user risk	65%
Adoption of IoT, and emerging technologies and new areas of software license risk and control	50%

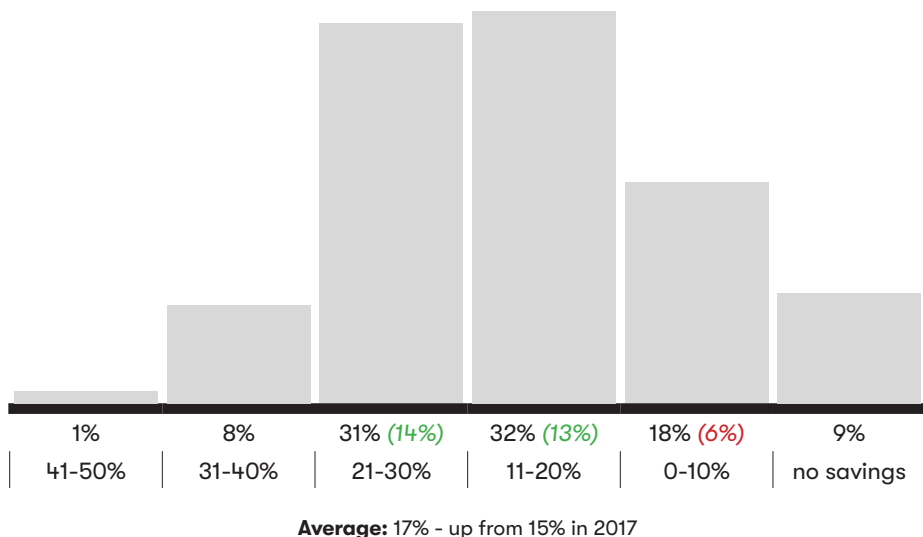
### Many orgs in government, and education yet to adopt SAM despite the savings potential

Organisations with a software asset management (SAM) strategy (Australia, %)



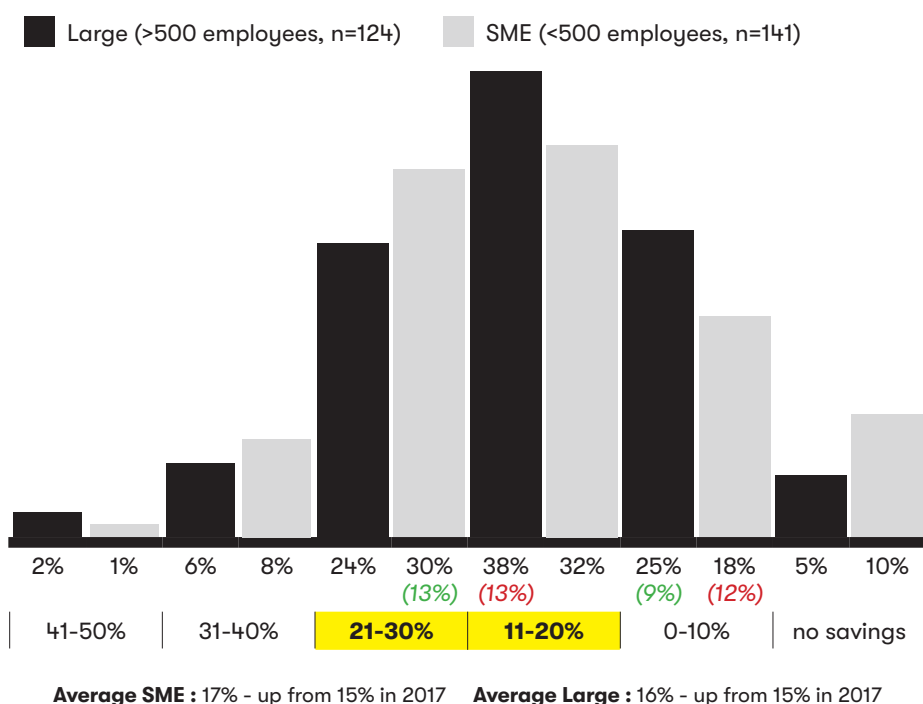
### On average, Australian orgs. are saving 17% on software licenses when using SAM

Q. Thinking about your software asset management (SAM) activities, how much has your organisation saved on software licenses by having a SAM strategy?



### SMEs seeing larger costs savings in 2017 as many adopted practices more recently

Q. Thinking about your software asset management (SAM) activities, how much has your organisation saved on software licenses by having a SAM strategy?



**Large companies adopting more comprehensive approach to SAM in 2017; aligning to org. wide digital strategy**

Q. Does your organisation use SAM strategies across all your software assets or just across one of your suppliers (e.g. oracle)?

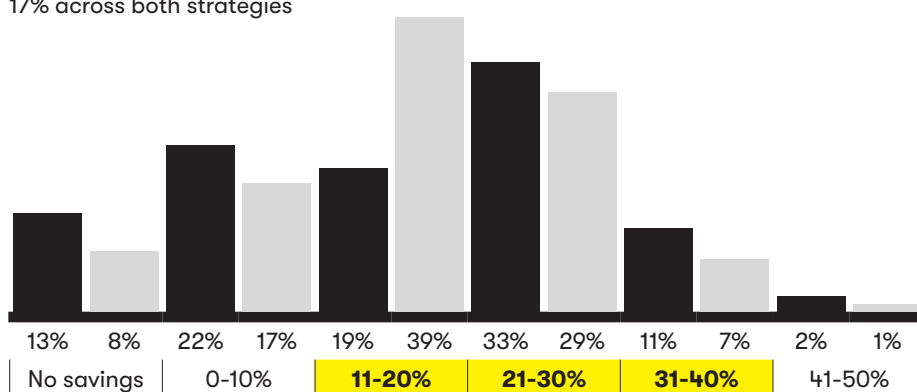
%		All or most of our software assets	Only some vendors
Total (n=265)		67	33
SME (<500 employees)(n=141)		66 (11)	34 (10)
Large (>500 employees)(n=124)		77 (20)	23 (22)
Digital Strategy (%)	Organisation wide	76	24
	Varies across business units	79	21
	None, but investigating	32	68
	None and no plans	52	48

**Comprehensive SAM strategies yield similar savings to a selective approach - despite potential for decline with maturity**

Q. Thinking about your software asset management (SAM) activities, how much has your organisation saved on software licenses by having a SAM strategy?

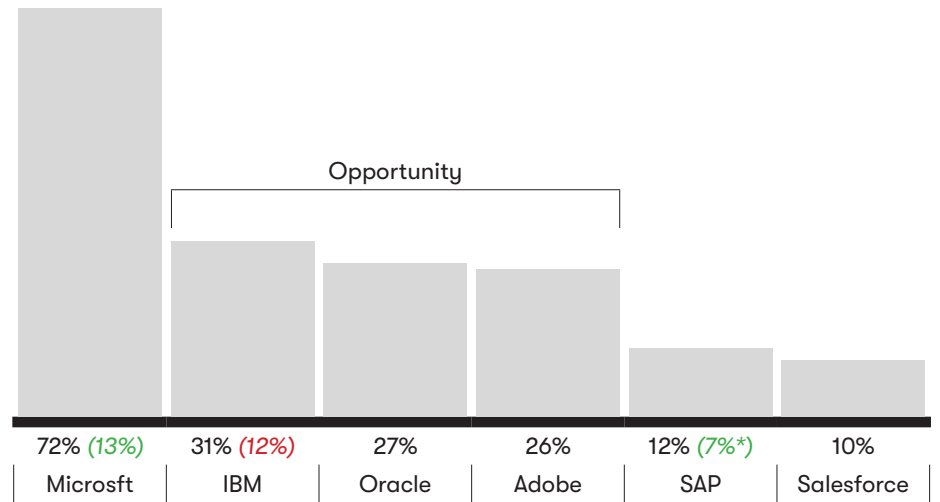
- SAM strategy with only some vendors (n=85)
- SAM strategy with all or most software assets (n=180)

**Average savings:**  
17% across both strategies



**Increased auditing from SAP drives adoption of SAM solutions to mitigate the risk of audits and MSFT true-ups**

Q. Which of the following vendors do you have a SAM approach/solution?  
(multiple choice)

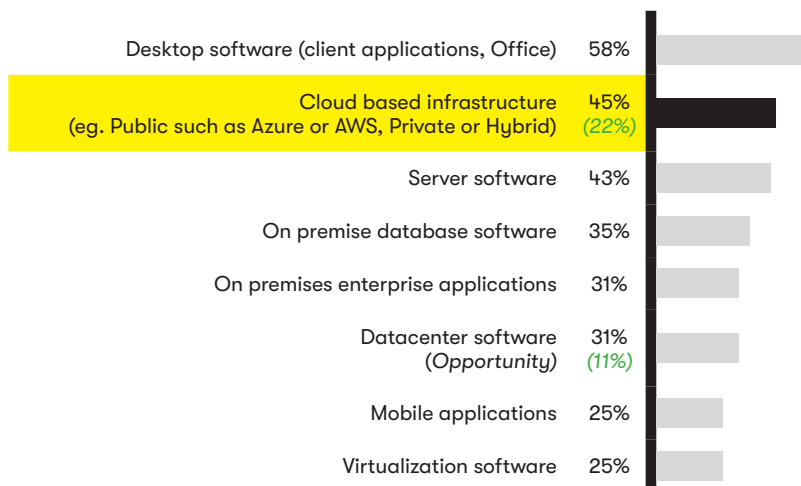


\* For large organisations (>500 employees, n=90)



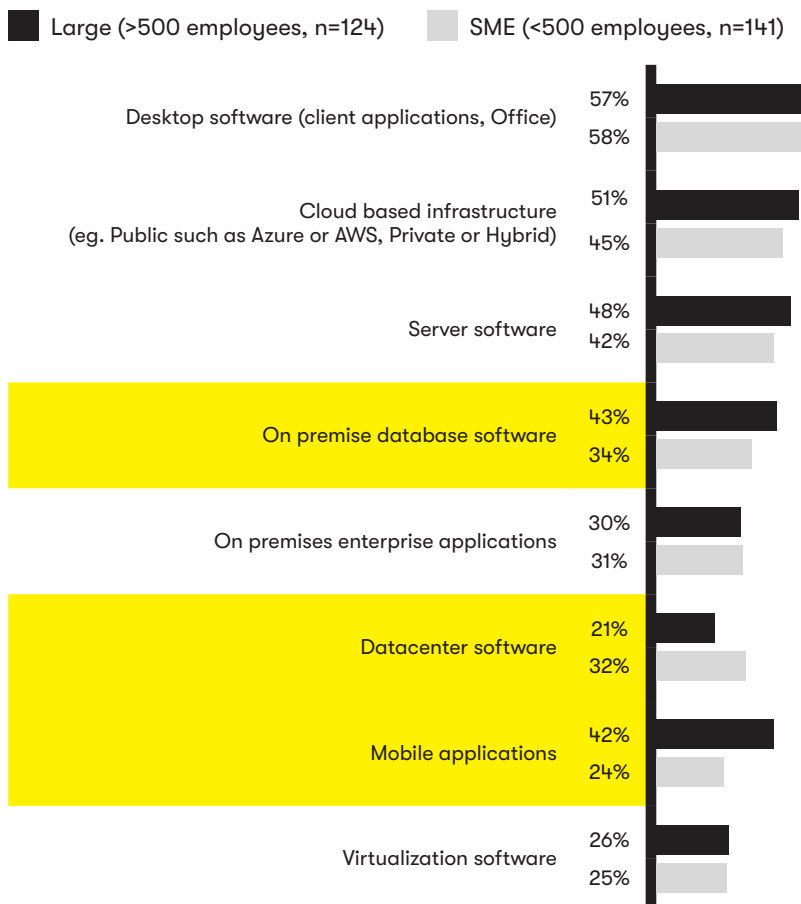
### Cloud based infrastructure rises in priority for SAM coverage while desktop software remains a staple

Q. Which of the following areas of your enterprise software does your organisation's SAM strategy cover? (multiple choice)



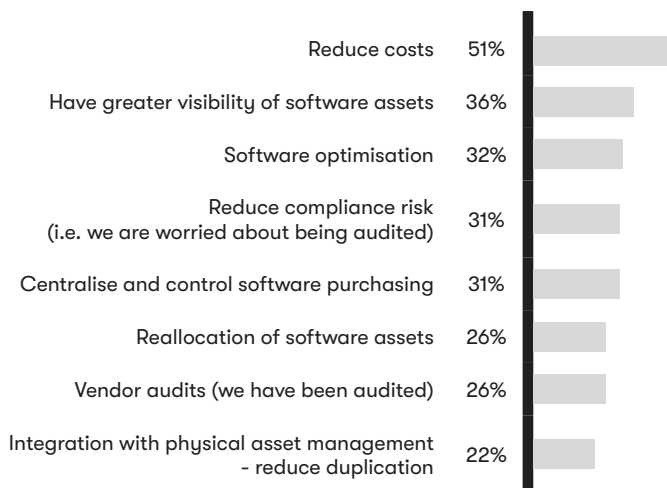
### Large orgs. and SME differ in focus on database, data centre and mobile software SAM

Q. Which of the following areas of your enterprise software does your organisation's SAM strategy cover? (multiple choice)



### Reduced cost and greater visibility of software assets remain the key drivers for SAM

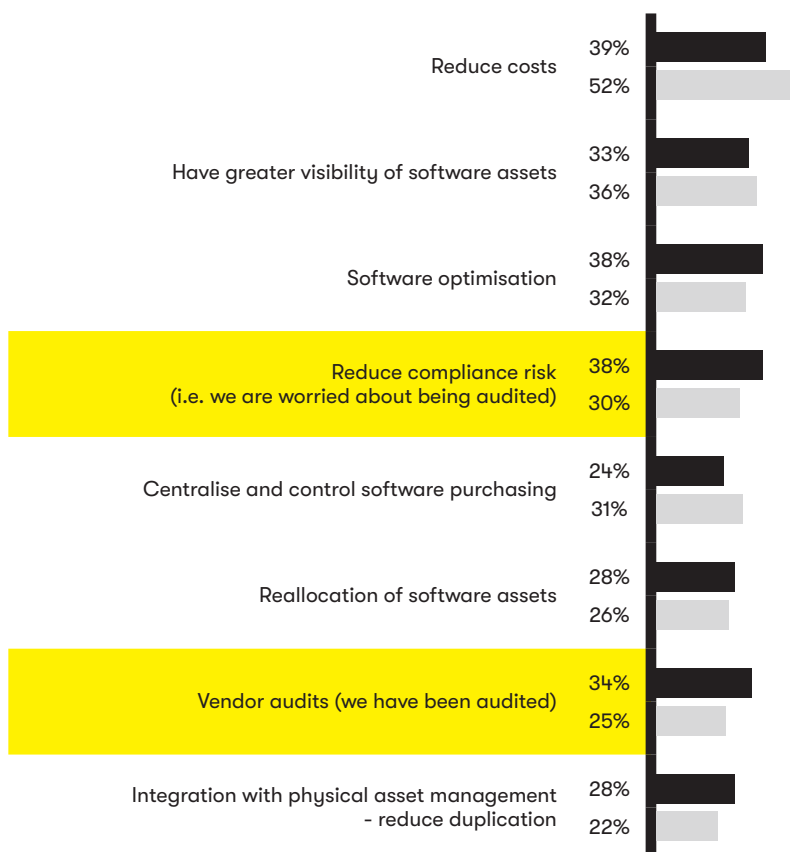
Q. What are the main reasons you use SAM strategies in your organisation? (multiple)



### Vendor audits and reducing compliance risk are key drivers for SAM in large orgs. other than reduced costs

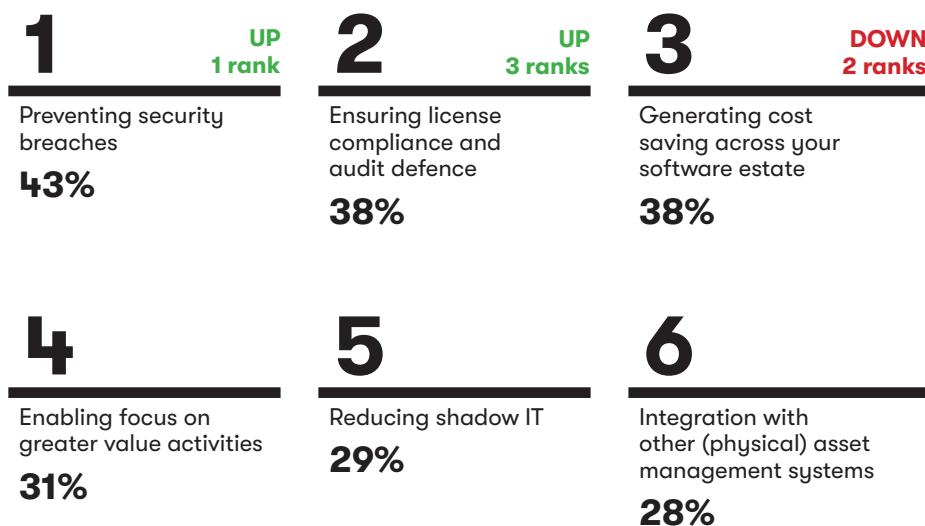
Q. What are the main reasons you use SAM strategies in your organisation? (multiple)

■ Large (>500 employees, n=124)    ■ SME (<500 employees, n=141)



### Cost saving no longer the key benefit of SAM as concern for security and audit defence rise in ranking

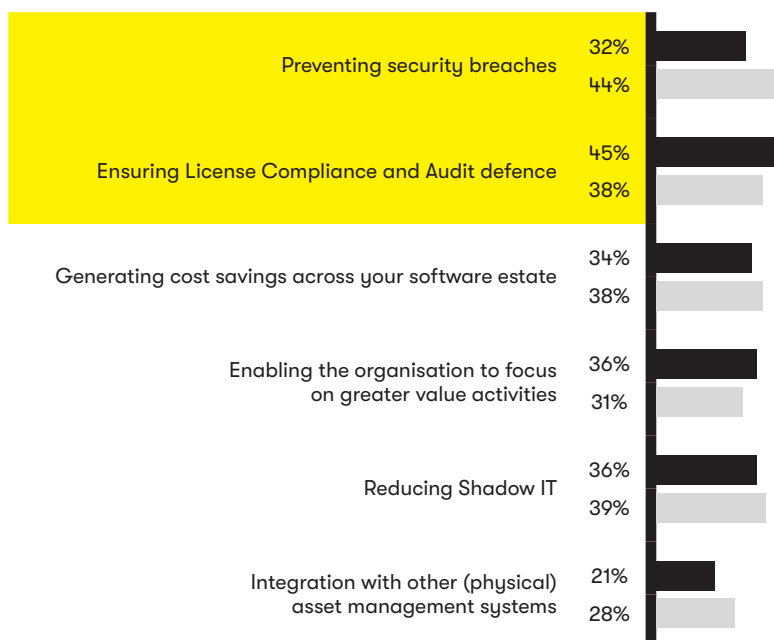
Q. What do you see as the main benefits of using SAM? (multiple choice)



### SMEs seek security while large organisations prioritise license compliance and audit defence

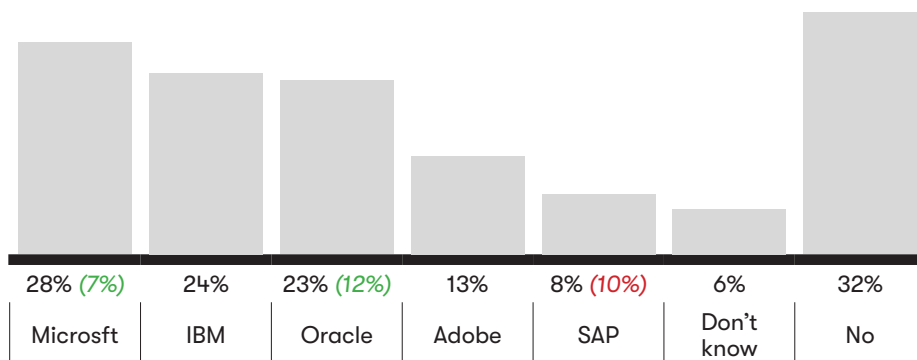
Q. What do you see as the main benefits of using SAM? (multiple choice)

■ Large (>500 employees, n=124)    ■ SME (<500 employees, n=141)



### Increased auditing from SAP drives adoption of SAM solutions to mitigate the risk of audits and MSFT true-ups

Q. Which of the following vendors do you have a SAM approach/solution?  
(multiple choice)



Telsyte Australian Software Asset Management Study 2018, n=403

70% of large organisations (>500 employees) have been audited in the last 5 years

### More than 1 in 2 find cloud and SaaS services hard to manage while executive support of planned software purchases grows

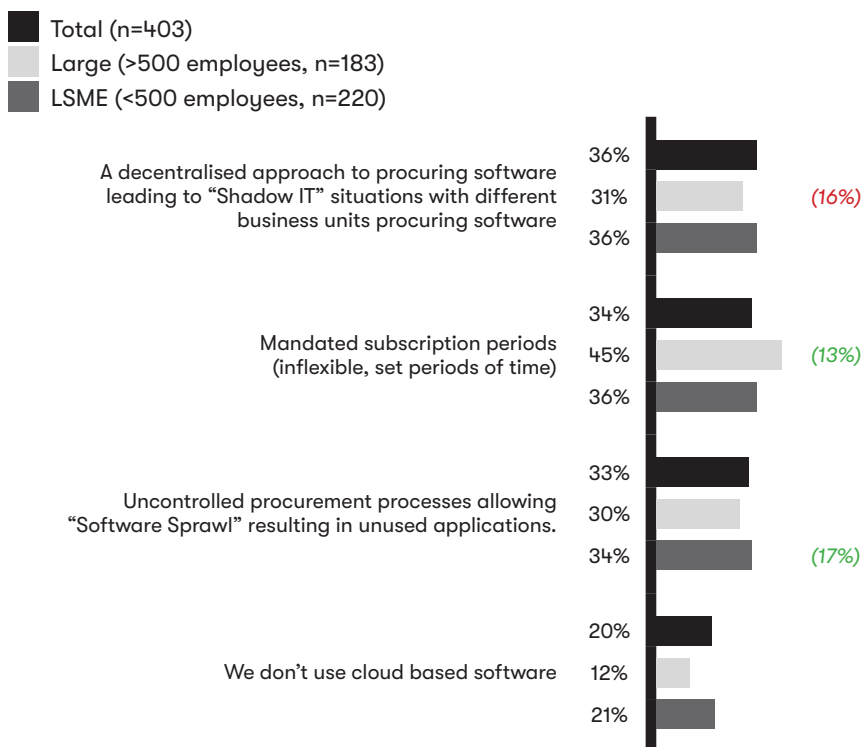
Q. Do you agree or disagree with the following statements?

Statement	Agree (%)	Neutral (%)	Disagree (%)
My organisation already knows what software licenses it has when buying new software	74%	22%	3%
My organisation has the right controls and change management processes in place to manage software deployment	64%	34%	2%
My organisation has an understanding of our license position at any given point of time	68%	31%	2%
My organisation's licensing agreements allow us to redirect or reallocate unused licenses	74% (11%)	24% (11%)	3%
The adoption of on-demand, cloud and SaaS made it more difficult to manage software	55% (7%)	37%	8%
In my organisation we have support of the C-level executives to plan for software purchases	78% (20%)	21% (17%)	3%

Telsyte Australian Software Asset Management Study 2018, n=403, base: opinions based on a scale from 0-10, agree = 7+, neutral = 4-6, disagree = 0-3

### Shadow IT remains a problem for orgs while large orgs struggle with inflexible subscription periods

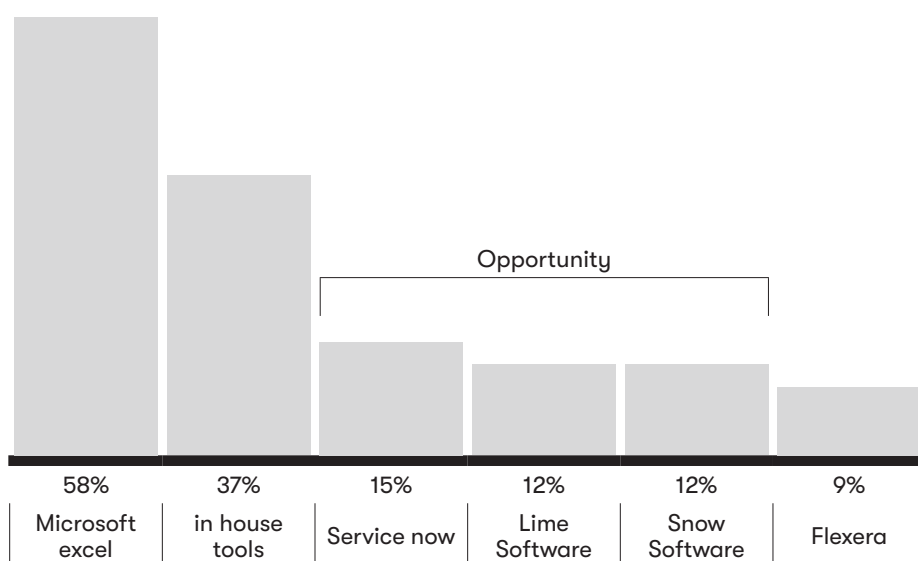
Q. Please indicate any of the following problems your organisation has faced when managing cloud-based software?



Telsyte Australian Software Asset Management Study 2018, n=403

### Manual approaches to SAM dominate – are orgs missing out?

Q. What software asset management tools do you use in your organisation?



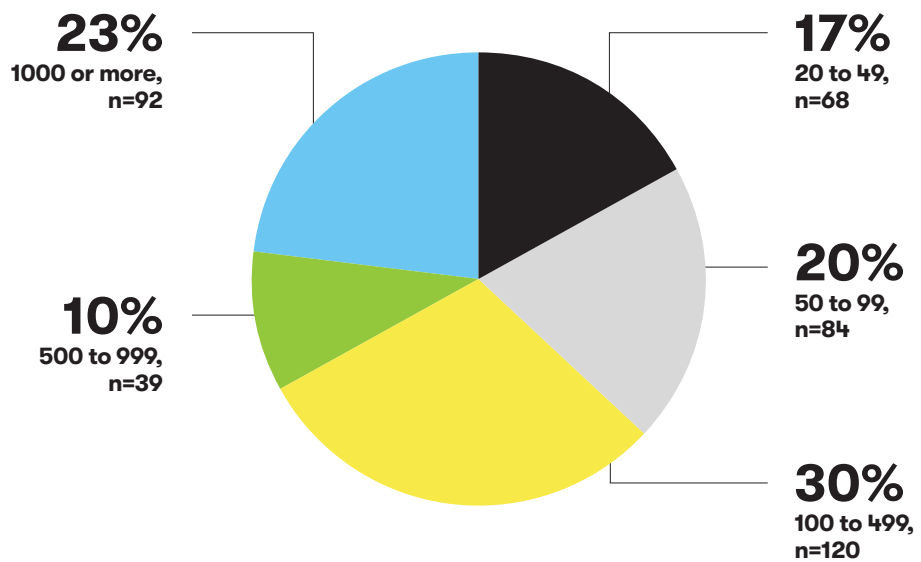
\* For large organisations (>500 employees, n=90)

Telsyte Australian Software Asset Management Study 2018, n=341, base: those that use SAM unweighted

Respondent profile

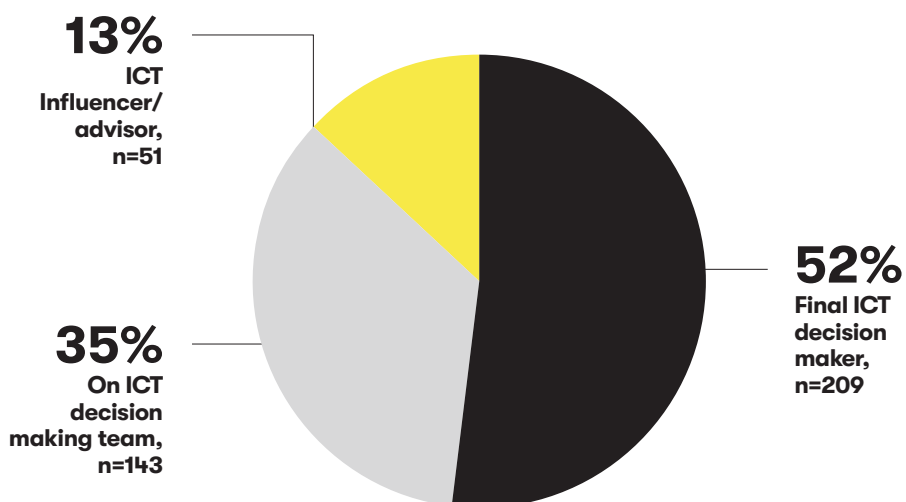
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Organisation size



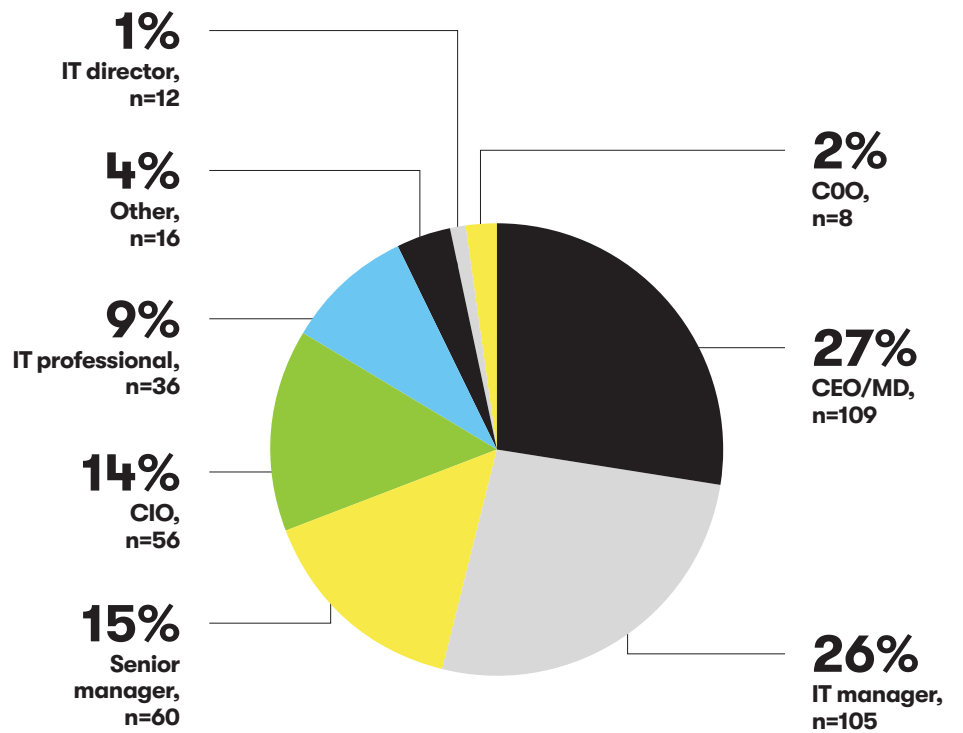
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ICT decision makers

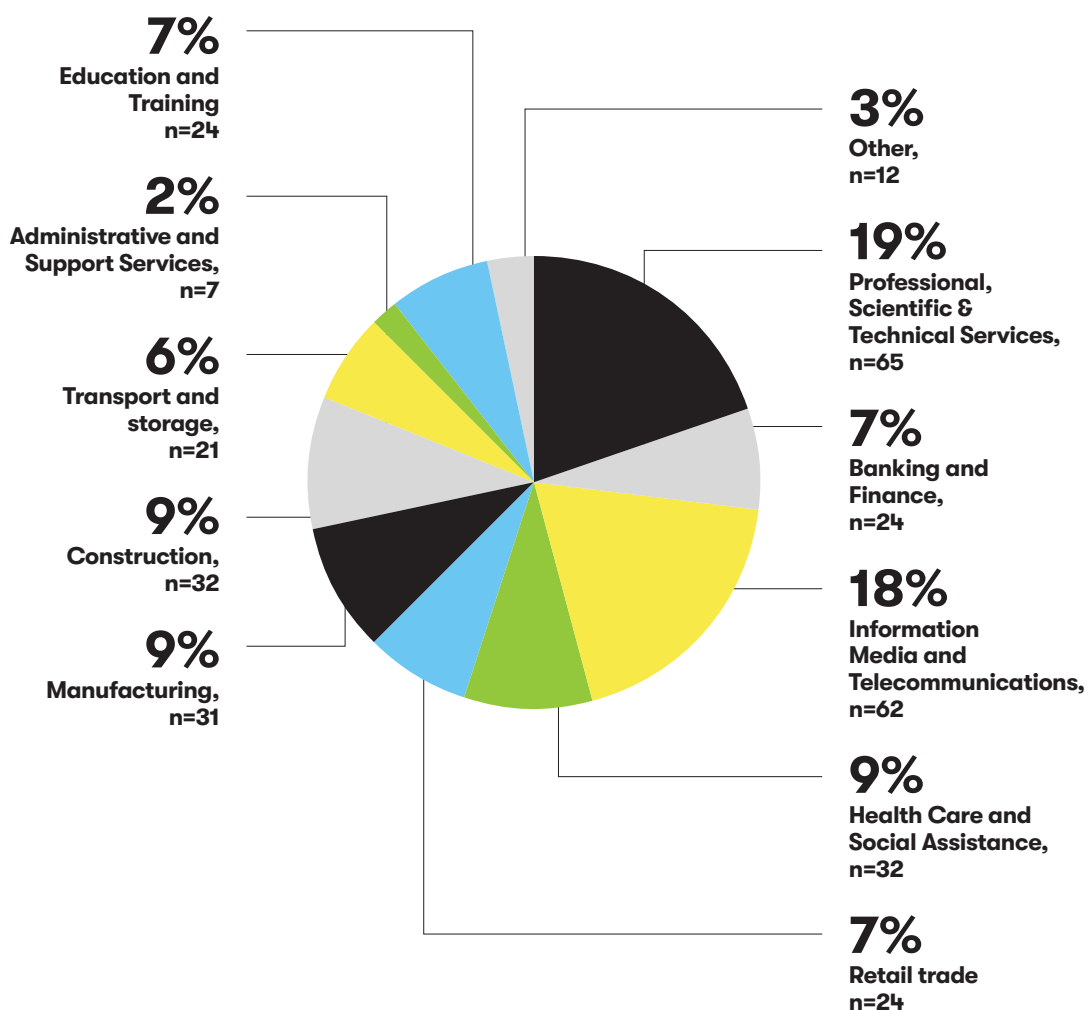


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**Position of respondents**



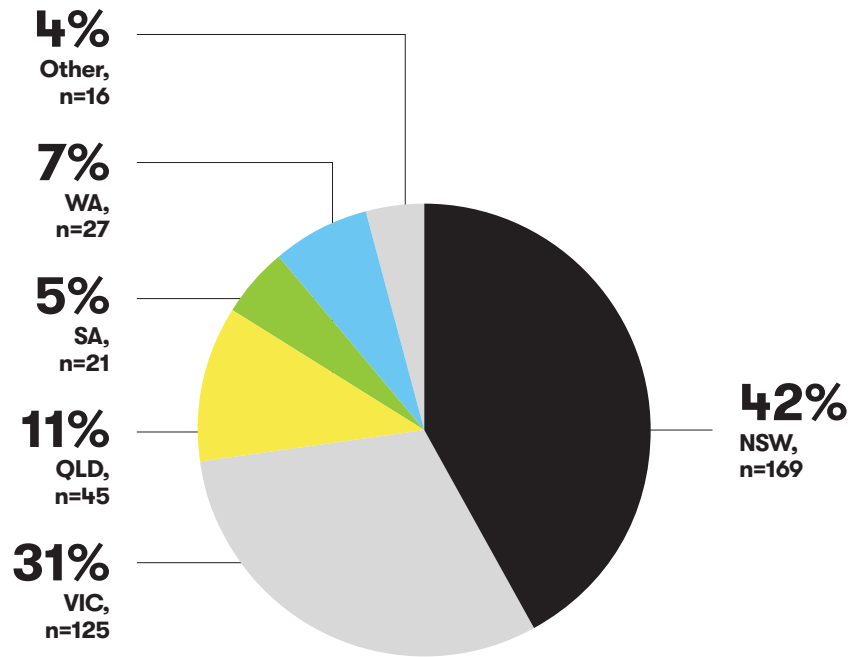
**Organisation type**





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**Organisation location**



### Methodology

- This study was produced by Telsyte using primary and secondary research. Telsyte analysts also draw upon years of experience monitoring emerging technology markets and forecasting consumer and business technology trends.
- In preparing this report Telsyte used an online survey of 403 Australian ICT decision makers, in organisations with greater than 20 employees
- The respondent was required to be closely familiar with the IT issues and systems used by their organisation. This includes IT suppliers and budgets, IT policies, telephony, software, hardware and cloud services.
- Interviews were conducted via an online survey. Telsyte acknowledges and is comfortable with online surveys.
- In addition, Telsyte analysts conduct ongoing desk and media secondary research to monitor developments across vendors and geographies.