



How Effective SAM Can Get You to the Cloud

Simplify Cloud Licensing Complexity By Implementing SAM Services

There's a reason why global spend on cloud services is predicted to reach \$79.1bn by 2018⁽¹⁾, and put simply - it's because it works - but only if used correctly. Whilst cloud can look like the best place for your IT infrastructure and services, actually getting there can be fraught with complexities that blur your thinking and slow down your business. Cloud is often positioned as a destination, but for CIOs and business leaders it's a journey that has a direct impact on your entire organisation, and if not adequately prepared, the journey can be a rocky one.

As the rise in cloud services continues unabated, in part due to the rapid increase in flexible working and BYOD, more and more organisations are rushing to reap the rewards that such services have been proven to offer. However, as these companies plan their own migration to the cloud, it is of vital importance that they go in with their eyes open, weighing up the risks, and adequately planning for any challenges they may face.

"At least 72% of businesses have adopted the cloud for traditional business applications. Within 3 years, that number is expected to reach 91%".⁽²⁾

Of those who have already adopted some form of cloud infrastructure, 66% do so to house their email applications, in order to benefit from per-user operating costs. File storage is also a popular reason to migrate to the cloud, with over half of all enterprises using their cloud infrastructure for this purpose. Other traditional uses include hosting databases (39%) and running day-to-day office software (34%).⁽³⁾

So cloud has all but convinced the market of its potential to

offer organisations dramatic operational efficiency and cost savings, but as a few scare stories will testify, manage the process ineffectively and the results can be disastrous. This past year has seen a huge upturn in businesses embarking on their first foray into the cloud, from experimenting with some form of Software as a Service (SaaS), or even considering full cloud migration, and the majority of these organisations are seeing the need to solicit expert advice and consultation to help along the way. CIOs and business managers alike need a sound plan when making such an integral change to their operations, one devised with a deep understanding of both the end goal for the business as a whole along with and the existing start position of the enterprise.

"Half of enterprises say they intend to move exclusively to BYOD for smartphones in 2017."⁽⁴⁾

With that in mind, it is important to remember that migrating IT operations to the cloud doesn't have to be difficult, as long as it is approached with a detailed understanding of what's involved and executed after thorough consultation and a step-by-step assessment to fully determine which parts of your IT estate belong in the cloud and which, perhaps, do not. In this whitepaper, we outline ways in which having strong Software Asset Management (SAM) practices in place will help navigate your journey to the Cloud with both technical and financial clarity.

Getting your house in order

First things first, you need to know what you've already got before you even begin to plan and budget for what you're going to need. With existing IT licensing assets that can't simply be "switched off" how do you create a clear path to the cloud, and reduce risk, when the business expects change to happen at lightning speed?

One of the key principals of SAM is identifying every publisher title that you are entitled to use, and determining whether it is currently in use. While this sounds straightforward, the results of publisher audits show, there are still large amounts of enterprises today who are in the dark when it comes to using what they've paid for, and in turn, paying for what they use. The rule here is simple - don't be one of those businesses.

"IT head count comprises 5% to 7% of the total employee population in the typical enterprise."⁽⁵⁾

A strong recommendation here is to look to appoint an expert SAM Partner. Understanding the discovery data generated by most audit tools and evaluating it against the complex publisher licensing agreements is a specialist task and it is most definitely not advisable to undertake it alone. It is important to keep in mind that mistakes made here can and will have a material cost, not to mention the potential compliance impacts later on.



Here's how understanding your on premise IT estate can help you when it comes to Cloud:

Deciding what to move

If you know what's being used, how and by whom, you can then decide which apps need to stay, which are simply costing you money and which might be suitable to place in a cloud environment. Whilst provisioning in the cloud can be quick and convenient, it is not a 'one-stop-shop'. Migrating too much or moving too quickly can lead to complete loss of control by the IT function, not to mention spiralling costs. In addition, without thorough planning, it can become difficult to monitor your SLAs as applications rapidly shift between physical, virtual and cloud environments.

"Global data centre traffic will triple from 2.6 zettabytes in 2012 to 7.7 zettabytes annually in 2017."⁽⁶⁾

It is easy for organisations to become overwhelmed when they realise the full scope of cloud technology, and this can lead to IT departments falsely believing they must move their entire function to the cloud overnight. This is where choosing the right

SAM partner comes in, one who has the capacity to work across your organisation and with extensive expertise to understand and advise, what applications should be migrated, and when.

Building a timeline

If you know when your renewals are due, you can begin to build out a timeline that helps you to plan precisely for when you need to move your chosen applications or services. The most important factor to consider during this process is your overall business requirement, with regard to cloud services. Some IT systems that make sense when they exist as they do now, will function differently when in the cloud, so it's important that you effectively manage the process of migration on an ongoing basis throughout the transition. The last thing you want to do is migrate certain IT functions to the cloud, only to have an immediate disaster because the service is not a good fit, or you moved too much too soon.

By working with a trusted SAM partner to establish your own personal enterprise timeline for transitioning to the cloud, you can ensure you move the quickest services first, whilst allowing for a gradual transition for other applications, at a pace that best suits you and your organisation.

Setting a budget

A lot goes into a cloud migration strategy and of course, IT budget planning has to be part of that. First and foremost – you don't want to pay twice – so understand precisely how much your current estate costs you today, and will cost you at renewal. This will give you a comparison point for on-premise vs cloud, and help you to set budget aspirations with your board or management team.

While the cloud can offer huge cost savings, remember cloud migration can throw up challenges along the way. Without a well-considered cloud migration strategy, IT budget planning often ignores the current needs of the business. In order to ensure that IT budgets are in line with reality, you need to make sure that those setting the budgets fully understand what the organisation plans to place in the cloud, and how long the transition will take. This is where your timeline comes in, as concrete details and timescales are essential when budgeting for your cloud migration.

"On average, companies spend approximately 4% of gross revenue on IT."⁽⁵⁾

Eliminating gaps in your licensing knowledge

Using a tool or service such as our 'audit simulator' will help to identify any gaps in your licensing knowledge. This puts you in full control of your estate and, most importantly, can save you the surprise of an unexpected audit – not to mention a potential bill – from a publisher.

Choosing an SAM partner with extensive licensing expertise can help to remove the headache from this process. Working with your chosen partner to ensure you fully understand all licensing implication and metrics – essentially, how technology choices affect licensing and equally how licensing can affect your technology choices. Licensing decisions are not simply one off transactions, they can have long lasting implications.

The Cloud you didn't know you had...

If you have an annuity agreement for your desktop estate, it's highly likely that you already have some kind of cloud entitlement. Most publishers build in usage rights to their Enterprise Agreements in order to encourage customers to adopt their own cloud offerings.

Undertaking a software licensing exploration with your trusted SAM partner can reveal to you areas in which you can try cloud services under your existing agreements. This is an ideal way to determine who in the business could become your super-users when it comes to Cloud, and give you the opportunity to try services within the cost of your current agreement, "try before you buy", or buy again so to speak.

This assessment will of course differ greatly from business to business, which is why it is advised that enterprises seek expert consultation when undertaking it. You must fully understand the long term connotations of licensing when planning migration to cloud based services, rather than taking a piece-meal approach, as many do, with no clear strategy or end goal.

Work out what services could move today, and what needs to wait

You wouldn't send your entire business on an expedition without sending out an initial team to understand the route, risks and rewards would you? The same goes for the cloud. Undertaking a 'Cloud Maturity' exercise is a smart way to shape your thinking on which parts of your business are ready to go, and how to set the right timings commercially and technically for the rest of the business to follow.

"If given the choice of only being able to move one application to the cloud, 25% of respondents would choose storage."⁽⁷⁾

The key to this process is to identify the 'quick-wins' and go from there. For most, commodity infrastructure and applications such as email and file storage, are often the most straight forward to migrate. It is important to remember in the initial stages of migration that cloud services should complement your desktop estate from the get-go, rather than moving applications and viewing the cloud version as an instant like-for-like replacement.

Negotiate!

Many publishers have made investments worth many billions of dollars in creating cloud-based infrastructures and they want their paying customers to use them. If you have the deep knowledge at hand that comes from solid Software Asset Management practices, it puts you in an exceptionally strong position to negotiate. Use this knowledge to seek out financial, technical and practical assistance to help your business make the journey. This could include:

- a. Practical assistance and financial concessions in transitioning parts of your estate.
- b. Use of deployment days to train staff and activate entitlements
- c. Agreeing to co-terminate agreements that currently run separately – making any cloud transition simpler and more cost effective

"82% of companies reportedly saved money by moving to the cloud."⁽⁸⁾

Armed with this knowledge you are in a position to proactively speak with your software provider/s to get the best deal possible for your organisation. Why not conduct a run-through of the conversation that you wish to have beforehand with your SAM partner to fine tune and agree the best approach using their skills and expertise to give you the best chance of success. Be sure to draw data from across the business, and don't be afraid to put together a list of questions that you need to ask.

You do not have to wait until your renewal is due, in fact this is probably the worst tactic to deploy! Start having this

conversation early, the earlier you begin the process, the better your opportunity for negotiation. Remember, software publishers want their customers to move to the cloud and are likely to be exceptionally helpful when getting you there.



Summary

The cloud is no longer a 'new technology', it is here, and more importantly, it is here to stay. Businesses that have already adopted the cloud have been reaping the rewards of increased flexibility and scalability, on top of greater savings for some time now. This success story shows no signs of slowing, and in fact all indicators seem to point to a more efficient and cost effective technological future with cloud computing at its heart.

"545 cloud services are in use by an organization on average."⁽⁹⁾

Though of course, as we have discussed, getting there is not without its challenges, however with the power of an expert SAM Services Provider to navigate your business to a successful cloud-based future – your journey needn't be a bumpy one.

Partnering with an SAM expert is one of the most efficient, and cost-effective ways to embrace cloud technology within your organisation. Establishing good software asset management procedures can be complex, and is not without serious financial and legal consequences if mismanaged, which is why finding an expert SAM partner you can trust is of paramount importance. Your SAM partner should help you control costs as you transition, giving you greater negotiating power with vendors; it should help your organisation maintain control throughout the process and ensure you transition with a clear roadmap and end-goal for your business in mind.

After a comprehensive analysis of your business needs, you can work with your SAM partner to identify the best way forward to achieve your desired results. At Crayon, we are the software experts and the Global No1 SAM services provider and are already trusted advisors to many of the world's leading organisations.

Our SAM-centric philosophy will ensure that the optimisation and licensing advice we provide for you is solidly grounded in a comprehensive understanding of your specific IT estate – tailored specifically to you and the goals of your organization. Plus our deep skills and experience and genuinely unique team will ensure your journey and deployment to the cloud is expertly and painlessly managed.

So what are you waiting for? Don't be daunted by the minefield that can be cloud migration, find a partner you can trust and take the time to establish what you want to achieve, and how you can best achieve it. After all, all journeys are short, if you've got the time.

For more information about Crayon and how we can help your business optimise its IT estate and the opportunity of the Cloud visit us at www.crayon.com/uk or call 01628 760290 today.

References and Additional Resources

1. [Silicon Angle](#)
2. [Syntax](#)
3. [Eurostat](#)
4. [Gartner - Bring Your Own Device: The Results and the Future](#)
5. [Gartner Report - IT Spending How do You Stack Up](#)
6. [Cisco Projects Data](#)
7. [Cisco Networking Survey](#)
8. [NSkinC.com](#)
9. [Yahoo Finance](#)

Additional Resources

1. [Enterprise Agreements](#)

Microsoft Partner
2013 Partner of the Year Winner
Software Asset Management



Crayon are the global leader in Software Asset Management (SAM) & Volume Licensing Services. Trusted advisors to the world's leading organisations we help our clients truly optimise their licensing estate.

We take a consultative approach to understanding our customer's requirements by simplifying the management of software assets and identifying opportunities for cost savings, whilst maintaining a compliant state.

Optimising your technology solutions can offer increased benefits by ensuring that you only deploy what you need, when you need it. Deploying technology often means complex licence requirements and this is where effective SAM processes can really help.

Crayon can offer your organisation a broad range of SAM Services which enable organisations to mitigate their risk by establishing effective licence management and therefore realise an ROI within weeks of the initial engagement.