Do you know SAM?

SAM stands for Software Asset Management, or, in other words: managing all software programs that are present within your company.

Why would you try to make an inventory and manage all software you've got? The reason is the same as for having an inventory from your company cars, computers and printers, as well as your employees: these are all assets that you need to build your products or services. All assets hold a purchase value, are in your books and replaced every now and then, which implies that you budget for these assets.

So far, nothing new for the average entrepreneur, but as soon as we talk about software, nobody seems to know what software the company's got, if they acquired enough licenses and what the software costs on a yearly basis, or per employee. That's strange, especially if you take into account that no company can do without computers and software, regardless of the business you're in.

In general, most employees have internet access and enough access rights to download and install whatever they like. Not exactly an ideal situation that might badly surprise you. While you only know about your two engineers running an original license of Solid Edge®, there may well be another three employees who run a non-original copy "to view files, to plot files or make small adjustments" and besides, it's handy when the two engineers are out of the office. You think that not all employees have a need for software like Solid Edge® and you don't know that the employee who has been promoted to IT manager because he knows all about computers, built an image including all software titles, making his life easier when configuring new computers.

"Yes, it is installed, but we don't run Solid Edge® on this computer" is not a valid argument. If BSA, the Business Software Alliance that groups all known software vendors as member, Siemens Industry Software included, pays your company a spontaneous visit to audit your computers and compares the installed software with the licenses you bought, then you better don't bring up this argument. Even the Solid Edge® that is hardly used or that is used for testing or viewing purposes, counts and should be covered by a license. Not the use, but the possession of software counts, whether it's installed on a computer or server, but also software on a DVD or USB.

"Yes, but the End User License Agreements differ from vendor to vendor and I simply cannot know what is and what is not authorized" is not a valid argument either. If the Agreements sound complicated to you, then stick to this base rule: make sure every single software installation on a server, desktop or laptop is covered by a license and you're safe. Ask yourself the question if you do have a need for software to create and adjust files, or if a viewer to open, view, print and close documents will do. Most viewers are (nearly) free of charge and can be downloaded from the editor's website. Pay attention to the fact that often, a distinction is made between free use at home and paid use in the office. Needless to mention that student and academic licenses should not run on company computers, not even in case you often employ student trainees.

How do you go from here? You can always outsource your IT management, for example because you and your employees simply haven't got the knowledge. Normally, an external IT company offers a helpdesk for telephone support and on-site support in case of an emergency. Outsourcing may be the best solution for your company, but at the end of the day, you're still responsible and liable for the software you paid for and the software you didn't pay for.

An in-house IT manager makes everybody's life easier, but when the guy's out or ill, then somebody else needs to be able to log into the server, so it's handy to have the administrator password at hand. The more employees got administrator access rights, the less your IT manager can be responsible for his work!

Whatever the direction you take, you preferably start with a manual inventory: check out every computer and write down all software installed, whether it is or isn't used. Is the number of computers to audit too high, then use inventory software tools as suggested at www.bsa.org.

You'll end up with a full inventory that needs to be compared with all the software licenses you once acquired. Proof of purchase are invoices, DVD, registration cards and license agreements. Did you find more installations than software licenses, then you're overusing and non-compliant. You better decide if you have a real need for this software and if you do: purchase the missing licenses as soon as possible. If you don't, uninstall those software products as soon as possible.

In case you own more licenses than installations, then you're overlicensed and maybe in a good position to save money by adjusting existing volume and / or Maintenance contracts.

From this point in time on, repeat this audit at least once a year to conclude that you're still compliant. Besides, make sure that installing software can only be executed with administrator rights and adjust your labor contracts: the unauthorized downloading and installation of software may be a reason to lay off employees.

Of course you better have a software policy, just like your company has a policy for lease cars and for HR. Employees don't take care of the software they need individually; this is centralized. Every year, you budget for the purchase of new computers, for your web manager, for new software, updates and Maintenance. Software is even included in the costs per employee: you'll be surprised to learn that software is only 2% from the costs per average employee.

Another advantage: if ever BSA or one of its members pays you a visit, then your software assets are inventorized and available. From now on, you can sleep well and you can be sure that you saved a lot of money for your company: did you know that in Europe, a software copyright infringer owes a software copyright holder a 200% compensation based on the retail value of the illegal software (the so called "double damages" principle)? If you're only missing one or two CAD licenses, this non-compliance may cost you a fortune.

Don't you think BSA will never find out! The Business Software Alliance and its members are doing more and more enforcement actions to fight illegal software. They simply cannot deny an average piracy rate of 42% throughout the world. BSA may send you a friendly letter recommending you to audit your computers, but may also do a sequestration and sue your company. Legal counsels specialized in Intellectual Property Rights easily charge $ 400 per hour. You better invest this money in original software, don't you agree?

Convinced and looking to manage and maintain your software inventory? Simply enroll and start using the Verafirm registry, a software compliance offering from BSA | The Software Alliance: www.verafirm.org.

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Siemens PLM Software