

SAM Standards

Software and IT Asset Management Standards: Benefits for Organizations and Individuals

The subject of standards can arouse passions in a few people, but for others it is mind-numbingly boring. Nonetheless, our lives are dominated by standards – even currencies are really standards, alternatives to the gold standard. If we did not have such standards, the business world as we know it would not exist, and our social and personal worlds would also be turned upside down. The development of the business world tends to be accompanied by the development of standards, to allow people and organizations to work together more effectively and efficiently.

SAM or ITAM?

There is sometimes debate about whether one should talk primarily about Software Asset Management ('SAM') or IT Asset Management ('ITAM'). In reality this is largely an academic argument. In the Asset Management area, the same job has to be done regardless of what you call it. Neither term is 100% accurate or comprehensive for everything you need to do unless you push the literal definitions: what needs to be managed includes not only traditional asset classes but also things like organization, people, knowledge, and capital. SAM is overwhelmingly the more common term in use on the internet (as can be verified e.g. with Google). However, ITAM is intrinsically the more inclusive term.

Benefits of SAM/ITAM Standards

The area of SAM and ITAM standards is young, but it is already having an impact on the IT industry. This impact is likely to grow exponentially for at least a decade, and indeed may come to be seen as one of the areas of standardization with greatest impact in the software industry. We can identify three broad categories of impact and benefit for end-user organizations and asset management professionals:

1. **Organizational benefits from process-focused standards** (e.g. for SAM processes) for which some benefits will come from more commonality of approach by the entire industry, but for which the main benefits require active pursuit by end-user organizations;
2. **Organizational benefits from product-focused standards** (e.g. for identification and management of installed software, and for software entitlements) for which the benefits will just 'happen', as products utilizing the new standards reach the market; and

3. **Personal and organizational benefits from participation in the standards-creation process.**

Process-Focused Standards

There is a saying that asset management (and almost any other type of management) is 10% technology, and 90% process. There has been considerable focus on the technology, and there are literally hundreds of tools on the market to help with SAM and ITAM. But the problems persist, with software and licensing particularly difficult and costly to control. A major objective of WG21 has been to produce a standard for Software Asset Management processes. This has been achieved, but there is continuing development work in this area. There is also discussion about formally redefining the remit of WG21 to cover all of ITAM. Further discussion is needed regarding how such a redefinition would impact on existing and planned SAM process standards.

The benefits of process-focused standards include the following:

- The creation of common frameworks for the work of consultants and of tool providers. This makes it easier to compare between alternatives, and also easier to pick the best-of-breed from different sources and still have confidence that they will align and work together. For example, there will be more common expectations between organizations and consultants about the types of documents to be produced and the terminology to be used.
- More straightforward assessments against a common baseline, and for comparison between different organizations. This makes it easier to assess where you are in terms that are meaningful for executive management, and facilitating prioritization of improvements.
- The ability to demonstrate to executive management, and potentially to external parties using independent certification, that control has been achieved over a highly complex technical area. This makes it easier for organizations to show they have effective and useful processes in place to manage software assets effectively.
- Commercial advantage, e.g. as an outsourcer being able to demonstrate improved service capability through certification, or as an end-user organization being in a

stronger position to negotiate better commercial terms and conditions with suppliers.

WG21 has two areas of process-focused work, one already completed, and one in development.

Software Asset Management Processes (ISO/IEC 19770-1:2006).

This is the only ISO/IEC SAM standard which has thus far been officially issued (in May 2006). It is intended to be aligned to ISO/IEC 20000 for Service Management. (ISO/IEC 19770-1 was developed within the ISO/IEC structures, whereas ISO/IEC 20000 was fast-tracked from a British Standard without significant changes.) To quote from its Introduction¹:

The following diagram gives an overview of ISO/IEC 19770-1:2006:

This part of ISO/IEC 19770 has been developed to enable an organization to prove that it is performing Software Asset Management (SAM) to a standard sufficient to satisfy corporate governance requirements and ensure effective support for IT service management overall. This part of ISO/IEC 19770 is intended to align closely to, and to support, ISO/IEC 20000. Good practice in SAM should result in the following types of benefits, and certifiable good practice should allow management and other organizations to place reliance on the adequacy of these processes, and the expected benefits should be achieved with a high degree of confidence:

- Risk management [...]
- Cost control [...]
- Competitive advantage [...]



Incremental Conformance to SAM Processes (Proposed ISO/IEC 19770-4).

Market feedback on the ISO/IEC 19770-1 standard has been positive. However, many organizations want to target something more ‘digestible’ than immediate conformance with the full standard (which is aligned with full Service Management and highly comprehensive).

As a result, WG21 has authorized the trialing by industry of incremental approaches to SAM conformance, with the aim of progressing one to a full international standard. The Business Software Alliance has proposed such an approach, based on the principle of four tiers of processes which together cover all of ISO/IEC 19770-1. WG21 has authorized this approach for trialing, and encourages organizations to participate in these trials.

Further information about these trials may be found on the WG21 website www.19770.org.

Product-focused standards

IT assets have proven difficult to manage, with software assets – including licenses – recognized as being particularly difficult. The complexity of control in this area is a major factor in high IT costs, and in exposures such as to security and operational problems and licensing non-compliance. As IT technology continues to evolve, for example with virtualization and software as a service, an area which was already difficult to control is becoming more so. Although it is possible to talk about the generic benefits of product-focused standards, the specific standards on which WG21 is working are arguably in a class by themselves because they do not primarily standardize something which already exists. Instead, they create a new class of electronic information specifically for the identification and management of IT assets in a way which is non-proprietary and can be used by anyone. The benefits of these standards, across the organization and for all vendors, will be the following:

- The ability to identify and manage assets at the appropriate level, in particular for software products but also potentially for hardware, e.g. for deployment, upgrading, and licensing.
- The ability to reflect the requirements of all stakeholders in an asset, e.g. creators, licensors, packagers, release managers, and users.
- There are three separate product-focused standards under active development or consideration by WG21:

Software Identification Tag (Proposed ISO/IEC 19770-2)

Although originally partially developed under a mandate outside of the ISO/IEC structures, responsibility for this was given to a WG21 subcommittee² (called an ‘Other Working Group’) in December 2007. While this is still formally a draft, in many respects it may be considered a de facto

standard, as major software manufacturers are already starting to provide software identification tags, and Vista already has APIs which can be used for it. Developing this type of product-focused standard was one of the earliest objectives stated by WG21, and in the process of developing it the needs for the other two proposed product standards was recognized.

To quote from the Introduction³:

This part of ISO/IEC 19770 provides a standard for software identification tags. The software identification tag is an XML file containing identification and management information about a software product, which is installed onto a computing device together with the software product. The tag may be created as part of the installation process, or added later for software already installed without tags. However, it is expected more commonly that the tag will be created when the software product is originally developed, and then be distributed and installed together with the software product. Having the tag available from the beginning allows for the more effective management of distribution and repackaging external to the end-user organization, and then of release management within the end-user organization.

Software Entitlement Tag (Proposed ISO/IEC 19770-3)

Start-up development of the Software Entitlement Tag was authorized by WG21 in May 2008. A subcommittee⁴ (called an ‘Other Working Group’) has been formed to develop this standard, including many of the same individuals who worked on 19770-2. To quote from the preliminary document⁵:

This part of ISO/IEC 19770 provides a software asset management (SAM) data standard for software licensing entitlements. Entitlements tags provide authoritative licensing information for software configuration items specified in ISO/IEC 19770-2 (paragraph 3.2). This document is intended to be sufficiently supported and implemented by software manufacturers, modifiers and users alike to ensure the viability of conformance.

Standardization of software licensing entitlements provides uniform, measurable data for the license compliance processes of SAM practice, making it possible to optimize reconciliation of installed software with licensing entitlements. Standardization will benefit all parties involved in software asset management.

Hardware Tag

This is under consideration, with more investigation work to be done. There does appear to be a need for better identification of hardware devices. The rapid growth of internet connectivity may also demand something like this – Intel predicts that there will be 15 billion internet-connected devices by 2015⁶. Providing hardware tag information allows

for a consistent collection, management and reconciliation of hardware, software and entitlement data in future SAM tools and processes.

Participation in the Standards-Creation Process

The third type of benefit available to every SAM and ITAM professional is the sense of professional pride in contributing to the development of the profession. The international standards world is an idiosyncratic and ultimately altruistic world, where people are expected to have some self-interest, but too much self-interest makes it impossible for people to work together. The international standards world is not an area for making much money directly. The benefits come rather from having a common playing field for everyone, which makes it easier to do business. Ultimately, much of the standards world is driven by individuals who are passionate about their professionalism, and who never get properly rewarded monetarily for their huge personal investment. If you are a passionate professional with a strong sense of social responsibility, then you can find fulfillment in the world of standards. You can make a difference. Furthermore, you have much to gain in the process. There is a productive exchange between people with varied skills, knowledge and experience, and valuable learning is on offer for all involved.

Call to Action

There are two calls-to-action, one for the benefits which process-focused standards can give to an organization, and the second for active participation in the standards-making process if you have the passion to contribute to the profession in this way.

Assess Against ISO/IEC 19770-1

An organization can achieve specific benefits from conducting an assessment against ISO/IEC 19770-1 in its entirety, or by participating in the WG21-authorized trials of a tiered approach which breaks it up into more ‘digestible’ chunks.

Organizations and individuals may also wish to consider using the self-assessment tool sold by ISO (“ISO/IEC 19770-1 Software Asset Management: Are You Ready?”). Gartner recommends this tool also for its learning value.

Become Involved in the International Standards-Making Process for SAM and ITAM

There are several ways in which interested individuals and organizations can become involved personally in the international standards-making process for SAM and ITAM:

1. Review publicly-available drafts of standards when they are available. In particular, Working Drafts of the proposed ISO/IEC 19770-3 Software Entitlement Tag will be made available for public review, and you can help by providing feedback on these.
2. Join the sub-committees (Other Working Groups, or

- OWGs) developing the new standards.
3. Join WG21 itself through one of its Liaison Organizations.
4. Join WG21 itself through one of the National Bodies. This will take work, but it does mean that you may be able to influence the vote of your National Body. Each National Body has its own rules about how individuals and organizations join.

See the WG21 web site for more information. (www.19770.org).

ISO/IEC standards for SAM and ITAM will provide major benefits for all of industry, without most organizations and individuals having to do anything actively. However, there are even more significant benefits available, and more quickly, to organizations and individuals who proactively exploit the opportunities available.

¹ISO/IEC 19770-1:2006 Software Asset Management Processes ©ISO/IEC 2006. WG21 gave the responsibility to Investors in Software for developing an initial draft which was aligned to BS 15000, the British Standard for Service Management which was subsequently fast-tracked to become ISO/IEC 20000.

²Steve Klos is convener of the 19770-2 OWG. Björn Westerlund was originally the editor for this standard; Krzysztof (Chris) Baczkiwicz has now taken over this responsibility.

³Updated Final Working Draft ISO/IEC 19770-2 Software Identification Tag, ISO/IEC JTC1 SC7 WG21, 25 August 2008 ©ISO/IEC 2008.

⁴John Tomeny is convener of the OWG. Krzysztof (Chris) Baczkiwicz will be the formal editor of this standard.

⁵ISO/IEC JTC1/SC7 N4086, 13 July 2008, ©ISO/IEC 2008

⁶Vnunet.com, 20 August 2008.

⁷“We believe the self-assessment tool will be a good way to review and enhance your SAM skills. Increasing the visibility and professionalism of SAM as a management discipline is long overdue.” 23 Aug 2007 G00150121.

David Bicket
*Convener, ISO/IEC
 JTC1/SC7 WG21
 Deloitte & Touch, LLP*