Ambitious goals demand new approaches

The rate of innovation is faster than it’s ever been, and organizations are continuously transforming aspects of their business and operations: modernization, cloud, intelligent automation, real-time context-sensitive customer support and so much more.

But without a technology value optimization (TVO) approach, you’ll get an incomplete picture of your operational state and miss out on opportunities for innovation, differentiation and growth.

The value of digital transformation and speed of innovation cannot be overstated. According to McKinsey & Company, agile organizations that redirect people, priorities and IT toward value-creating opportunities see 20 to 30 percent improved financial performance, 30 to 50 percent improved operational performance and significant improvements with employee engagement and customer satisfaction. Yet 88 percent of senior IT decision makers cannot deliver on their organization’s need for business agility, which is built on cost transparency (Coeus Consulting). This results in ongoing pressure to cut IT operations budgets and a lack of funding for projects not directly tied to business functionality.

Quality data to unified value

How Flexera’s focus on data optimizes ITSM and ITFM

IT asset management
IT service management
IT financial management

Technology value optimization
A "better together" approach

Flexera’s position in the IT service management (ITSM) and IT financial management (ITFM) segments is a “better together” approach, meaning it’s essential to improve the IT ecosystem with consistent, trustworthy and actionable data between all providers toward joint business initiatives and outcomes.

Why? Because Flexera is closer to the actual consumption of the service and provides data others don’t have.

<table>
<thead>
<tr>
<th>DESKTOP</th>
<th>DATA CENTER/BYOL</th>
<th>SAAS</th>
<th>CONTAINER</th>
<th>CLOUD</th>
</tr>
</thead>
</table>

Stakeholders throughout the organization must understand the complexities across their IT estate

Understanding your IT estate

For every IT asset, stakeholders need to know answers to key questions, including understanding what IT assets the organization has, how they’re being used, controlled and secured, and whether their full potential is being realized.

Flexera’s TVO focus is on helping our customers quantify and optimize how they create and realize value. Value is created when an organization can achieve its desired outcomes while spending less than it earns. It sounds simple, provided the organization understands how these pieces fit together. A focus on value confers a competitive advantage.

One of the business outcomes of TVO is maximizing the return of your technology investments. To meet that need, our Flexera One solution delivers a comprehensive approach built on a foundational layer that provides visibility and can be accessed by other apps. Two of the most interesting areas where this is possible—where Flexera One brings excellent value to the customer—are ITSM and ITFM.

Understanding your IT estate
Technology value optimization between vendors

The breadth and depth Flexera delivers to organizations cannot be overstated. Customers often ask us, “Why do we have all these tools, where do they intersect and why it is okay that they intersect?”

One of our many satisfied customers said: “[ITFM] doesn’t give us a full picture without Flexera. For me, Flexera in and of itself does great things. Flexera + ITFM + ITSM is the magic triad because together they give a picture that no one of them can give. With the direction that technology is going, we need the total view to optimize technology value. I’ve gotten off of the ‘run IT like a business’ soapbox to run IT with the business. This chart puts IT with the business, which is where we need to be.”

Flexera has the best discovery in the industry and aggregates your software, hardware, contracts, entitlements and end-of-life and support (EOL and EOS) data; enriches this data; and improves the outcomes for ITSM and ITFM tools. Bringing ITAM, ITSM and ITFM together utilizing the core capabilities of Flexera One creates technology value optimization and unified value.

Flexera One is the unified platform. It provides operational excellence for desired business outcomes: mitigates risk, reduces costs, maximizes investments. This gives IT asset management, service management and financial management teams the bandwidth to control the estate and deliver ongoing savings.
<table>
<thead>
<tr>
<th>ITFM tells you:</th>
<th>Flexera One tells you:</th>
<th>Unified value</th>
</tr>
</thead>
<tbody>
<tr>
<td>You spend $400 million a year on software</td>
<td>$50 million of that is spent on databases, and you’re paying eight different database vendors</td>
<td>Gain confidence knowing:</td>
</tr>
<tr>
<td></td>
<td>Your Oracle databases are twice as expensive as Microsoft databases</td>
<td>• You’ve made well-informed decisions about cloud adoption and infrastructure, both public and private solutions</td>
</tr>
<tr>
<td></td>
<td>You can reduce spending by $12 million because of underused licenses (shelfware)</td>
<td>• You have a common source of data that serves as the single source of truth across the organization</td>
</tr>
<tr>
<td></td>
<td>You have $36 million in duplicative technology</td>
<td>• You’ve moved critical elements of your technology to a modern architecture</td>
</tr>
<tr>
<td></td>
<td>Your unit costs at the consumption level (e.g., Oracle database XYZ costs $74,000)</td>
<td>• You have sufficient cybersecurity to mitigate current risks and threats</td>
</tr>
<tr>
<td>You spend $10 million a year with Microsoft</td>
<td>40% of that $10 million is for underutilized licenses</td>
<td>• Tech resources are allocated via a clearly defined process that prioritizes the most strategically important efforts</td>
</tr>
<tr>
<td></td>
<td>You’re out of compliance by $2 million due to the over-installation of SQL Server</td>
<td>• You promptly fill key technology roles with high-quality individuals</td>
</tr>
<tr>
<td></td>
<td>You’re paying $1 million for extended support for SQL Server instances that are at EOL</td>
<td>• There’s organization-wide clarity on the types of technology talent and leadership roles that are needed</td>
</tr>
<tr>
<td></td>
<td>You have $380,000 of O365 that can be downgraded to E3</td>
<td>• You maximize return on investments, increase negotiating leverage with vendors, and reduce information security, financial and regulatory risk</td>
</tr>
<tr>
<td>You spend $85 million a year with software resellers</td>
<td>Exactly where that $85 million goes (e.g., $5 million for Microsoft Windows Server, $2 million for Adobe Creative Cloud, etc.)</td>
<td>• You’ve limited your tech debt</td>
</tr>
<tr>
<td></td>
<td>$8 million is spent on duplicative technology that could be rationalized</td>
<td>• IT moves from defense to offense</td>
</tr>
<tr>
<td></td>
<td>26 percent of the software has vulnerabilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Unused licenses are available so you can avoid buying new software with every request</td>
<td></td>
</tr>
<tr>
<td>You spend $1.2 million a year on Oracle ATG maintenance and spend/actuals = budget, so everything looks fine</td>
<td>Oracle ATG is at EOS, so you’re getting no value from the $1.2 million—<em>it’s wasted spend</em></td>
<td></td>
</tr>
<tr>
<td></td>
<td>You should modernize or retire the Oracle product to save the $1.2 million</td>
<td></td>
</tr>
</tbody>
</table>

**Bottom line**

*Your ITFM platform will deliver better insights and fuel smarter decisions with the data provided by Flexera One.*

Accurate asset data is critical for sound financial management. Flexera One enables finance to see a complete picture of hardware and software assets for correct depreciation and tax reporting, and to support chargeback initiatives. Effective ITAM is essential for the achievement of an organization’s goals.

Finance also benefits through a lower risk of unplanned spend due to vendor audits. ITAM can be challenging to get right, and the risks of getting it wrong—including software audits, hardware and data theft—are significant.

For asset-intensive organizations, ITAM results in improved organizational performance and increased confidence in ITAM investments that bring better returns to the business.
**What's the difference between ITSM and Flexera One?**

**ITSM shows you what assets you have; Flexera One shows you if you have the right assets**

<table>
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<th>ITSM tells you:</th>
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</table>
| An employee has triggered a software request workflow for a new application (example: Camtasia or Evernote) | • You’ll be out of compliance if this request is fulfilled  
• You have available licenses for a different edition of this application  
• You have extra licenses for a comparable product that can be used to fill this request | • Reclaim unused software and ensure it’s uninstalled from an end user’s device  
• Receive alerts of potential issues before they occur  
• Remediate non-compliance  
• Eliminate the uncertainty of software audits, gain visibility into software use and contractual rights to minimize license risk |
| The number of incidents you have had for application (example: MS Office 2016) | • This application is at EOL  
• You’re paying $200,000 in extended support for this application  
• There are duplicative applications that can be deployed to avoid service tickets  
• This application has 14 vulnerabilities | |
| ITSM is:  
• A traditional CMDB with un-curated IT asset data  
• Able to show only on-premises assets in base solution  
• Operational; designed to respond to incidents, problems, change, knowledge and request management | Flexera One is:  
• Powered by curated, enriched, current and normalized data to make ITSM platforms work better  
• Able to deliver visibility across your entire IT infrastructure  
• Strategic; designed to avoid incidents  
• Capable of managing migrations, modernizations, and end of life/end of support  
• Designed to deliver efficient and automated workflows  
• A long-term solution for optimizing technology investments | |
| Challenges with CMDB:  
• Inconsistent data  
• Duplicate or conflicting data  
• Irrelevant data  
• Incomplete data  
• Outdated data | Clean data issues Flexera addresses:  
• Consistency  
• Authoritative  
• Complete  
• Up to date  
• IT data sources  
• Multiple sources  
• Lack of standardization  
• Vendor-induced complexity | |

**Bottom line**

The differences between Flexera and ITSM platforms:

- Flexera is focused on cost optimization of your technology investments and mitigating financial and legal risks, including overall risk management and compliance.
- ITSM is focused on delivering IT and/or business services to internal and/or external customers and mitigates service disruptions.
- Each platform consumes foundational asset configuration, but software asset management (SAM) needs detailed information beyond what ITSM requires.
- ITSM inventory discovery doesn’t have detailed information SAM needs to perform its core activities. The ITSM discovery itself does not normalize data.
- Additionally, top ITSM vendors provide an agentless discovery solution; it will not capture the usage data needed for software reclamation.
- If you’re using ITSM-provided discovery and have the data ingested into a Flexera solution, you would have to supplement that with a Flexera agent or another inventory source to capture the usage data.
- If you have Oracle and IBM, we require the Flexera agent to be installed since we have verified discovery from both those publishers. Without the agents, it will be difficult if not impossible to have a complete license position for IBM and Oracle.
- ITSM is not a cost optimization platform and there's no independent review of the data to ensure quality and accuracy to perform cost savings and avoidance; it would be like the CFO auditing his own financial statements.
- ITSM-provided SAM management today is more like managing licenses (similar to an XL file) with visually appealing analytics reporting on top. Beneath the hood of the pretty user interface data quality can be messy and confusing.
- Unlike hardware asset management (HAM), SAM does not have standards. Software signature files from the same publishers are inconsistent, depending on who created or compiled the software.
- HAM has had DTMF standard for over three decades, so it’s easy to consistently discover for hardware configuration. HAM is more about the lifecycle processes than technical; technology is easy in the HAM space.
- SAM is about processes, especially around the central procurement, but managing software entitlements and usage is quite different. It’s more technology to give you quicker time to value for cost savings and avoidance.

Your ITSM platform requires the enriched and current data Flexera One provides to perform as expected:

- Proactive problem management
- Business impact
- Allocation of capacity and resources
- Request management
Looking ahead

As corporations emerge from conditions created by the pandemic and build infrastructures to accelerate the adoption of new technologies and new ways of working, those that can respond to changing priorities with superior technology, financial management and decision-making systems and processes will gain competitive advantages.

During such pivotal times, the TVO delivered by Flexera One is a prime resource for empowering business decisions that use data models capitalizing on analytical insights provided by ITAM, ITSM and ITFM. Adding Flexera One insight synergizes data into a more responsive and comprehensive decision driver in your digital transformation.

Now is the time for companies to make bold investments in technology and capabilities which will equip them to outperform others while leveraging a better-together approach with ITAM, ITSM and ITFM via Flexera One. You’ll gain clear visibility into the IT landscape with consistent, trustworthy and actionable data between all providers toward joint business initiatives and outcomes.

ABOUT FLEXERA

Flexera delivers SaaS-based IT management solutions that enable enterprises to accelerate and multiply the return on their technology investments. We help organizations inform their IT with total visibility into their complex hybrid ecosystems, providing the IT insights that fuel better-informed decisions. And we help them transform their IT with tools that allow IT leaders to rightsize across all platforms, reallocate spend, reduce risk and chart the most effective path to the cloud.

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