**SAM Risk Assessment and ROI Calculator – Discussion Document**

*This document is to solicit feedback for a new SAM Risk Assessment and ROI calculator for the ITAM Review. The objective is to help readers build the business case justification for SAM.*

**Introduction**

Our 12 Box Maturity assessment has been very popular in 2017. It’s an automated questionnaire that assesses an organisation’s maturity against the 12 competencies of the 12 Box Model and provides a PDF report with a heat map of which areas are strong, ok, weak etc. If you haven’t already, you can take the assessment for your organisation here:

<https://www.itassetmanagement.net/12-box-maturity-assessment/>

ITAM Review are now aiming to build a similar model for assessing risk and forecasting potential ROI from SAM. Based on an organisation’s responses, the calculator will assess their degree of risk from poor software management and forecast potential returns from implementing a SAM practice.

For example, if an organization says “No” to all the questions, the report will show they’re at a high degree of risk from poor management of their software portfolio. This means they will be highly likely to see huge benefits from implementing a SAM practice, both in terms of reducing risk and saving money. On the flip side, for organisations who say “Yes” to many of the questions, it can help to highlight the remaining pieces of the puzzle.

**Key risks areas include:**

* Software waste (Perpetual, subscription, cloud, maintenance)
* Software audit risk (Particularly for SAP, IBM, Oracle, Microsoft)
* Hardware waste / virtual zombies
* Poor data to support decision making / transformation

**Output**

The final output will highlight the benefits of addressing each of the areas, and also forecast savings based on:

* Reduced waste
* Re-negotiation
* Reduced audit fines
* Smarter ongoing decision making

based on a low forecast of 10% of spend to an optimistic 40% of spend.

**How to use the Output**

The output from the calculator would be a crude estimate. SAM practitioners, consultants and partners can use the output to:

* Spark discussion and drill down into specific requirements, ideas and strategies
* Solidify the “ball park” ROI suggested in the document into something more structured, aligned with upcoming renewals, projects and key vendors etc.

**Draft Questions as follows:**

|  |  |  |
| --- | --- | --- |
|  | Question | Risk\*  |
| 1 | Does your organization have visibility of new requests for software and hardware? New starters joining the organization and requests made via shopping carts or self-service portals?  | Software waste, audit risk  |
| 2 | Does your organization have visibility of new projects being developed by project or development teams?  | Indirect access SAP risk, SQL, Oracle, etc.  |
| 3 | Does your organization have visibility of configuration changes being made in the datacenter or cloud environments?  | No change control – risk with Oracle, IBM and Microsoft in particular  |
| 4 | Does your organization proactively manage user profiles, right size user roles and remove unused user profiles?  | Microsoft, SAP and SaaS risk  |
| 5 | Does your organization have good visibility and control of virtual environments?  | Microsoft, IBM, Oracle  |
| 6 | Does your organization maintain accurate inventory and full discovery of assets?  | Audit risk, poor decision making, waste |
| 7 | Does your organization proactively manage its software portfolio to prevent too much diversity in applications and feature overlap?  | Software waste, inefficient management  |
| 8 | Does your organization proactively reclaim unused software applications, virtual instances and cloud subscriptions?  | Software waste  |
| 9 | Does your organization proactively reclaim and reuse unused hardware devices?  | Hardware waste  |
| 10 | Does your organization procure all assets centrally, aligned to architectural standards and business needs?  | Inefficient spend, audit risk, economies of scale  |

**Sample Output**

* Your organization is at risk in the following areas…
* These are examples of how organizations have fallen foul of these risks…
* Here are some projects to consider for improving your situation….
* Here is an indication of your potential savings based on your current annual software spend….
* Here is your software audit risk and time saved by avoiding audits….
* Here is the money you could save by having a better view of your hardware assets…..
* And so on.

Thanks in advance for any feedback you can provide – either on the forum or via email to martin.thompson@itassetmanagement.net

Thanks, Martin

December 2017