GET STARTED WITH ITAM: IT ASSET MANAGEMENT EXPLAINED

Which tech-enabled tools do you use to get your work done daily? Weekly? Monthly? It's probably not a short list. Sometimes, you realize a forgotten tool is way better for a task than the tool you've been using. It happens to all of us.

From a company perspective, tools that are underutilized are a waste—and a risk. These tools could present security risks or compliance issues, cost more than their value to the business, and slow productivity.

But keeping up with these countless tools—assets—is no small task. This is where IT asset management (ITAM) comes in. Let's take a look at:

- ITAM
- IT assets
- Benefits
- Who, what, when, how
- Tools
- And more!

What is IT asset management?

IT asset management is an IT practice with the goal of keeping tabs on all IT assets, in order to assess when to make changes and identify which changes to make. IT asset management helps you gain visibility of your assets in order to see the value delivered by each piece. We can sum up the

two main activities in ITAM as:

1. Tracking the financial value of each asset—that is, how much value the asset is providing to the company.
2. Determining when to upgrade/retire/expire assets due to depreciation or end-of-lifing.

The tricky part is that neither of these are particularly easy. That's why companies often struggle with or altogether fail at ITAM efforts.

Luckily, it doesn't have to be that way. The best ITAM practices can reduce risk, increase ROI, and even promote collaboration across teams when necessary, rolling out only the most useful tools for practices like DevOps, ChatOps, and more.

Types of IT assets

So, what exactly are the IT assets you'll be managing? It's a big category, which is why the ITAM practice can be unwieldy.

> *An asset is defined as anything that is useful or valuable within a product or service. This value is generally determined financially: how much an asset costs versus how much it saves.*

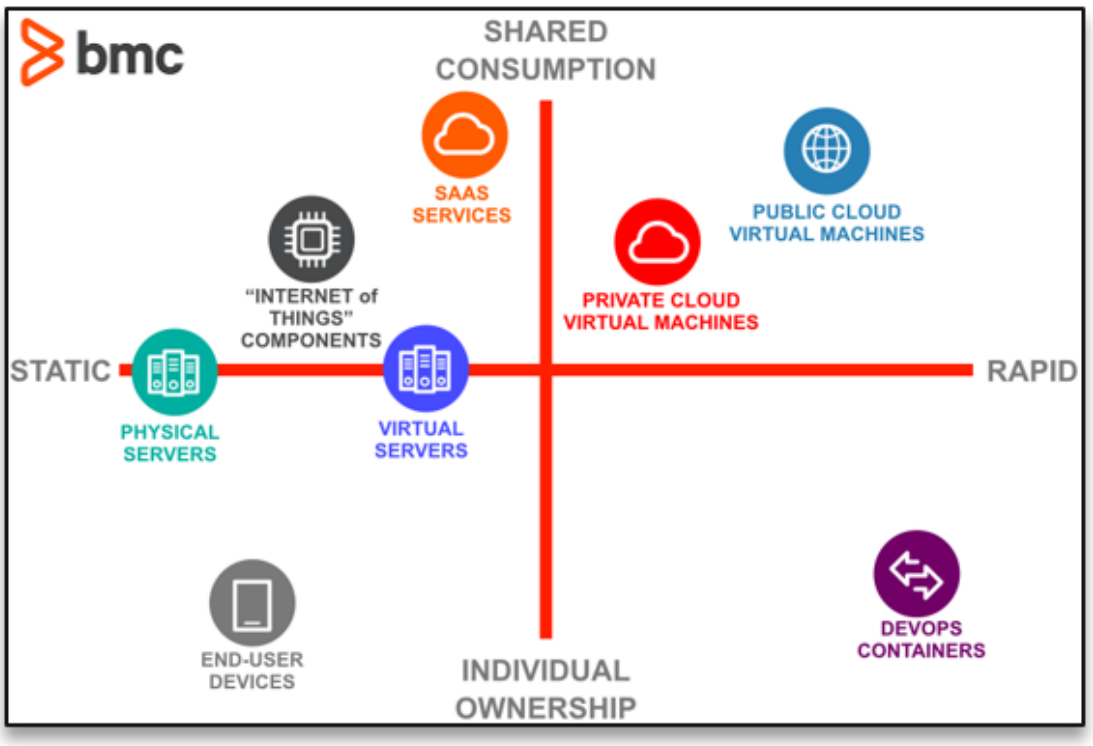
If this definition feels all-encompassing, you're not wrong. As Joseph Mathenge explains, "an asset could be your company's capital, or the knowledge inside one developer's head." Generally speaking, IT assets can include:

- Hardware
- Network infrastructure components
- On-prem software
- Services and solutions that you subscribe to (SaaS, IaaS, PaaS, etc.)
- Intangibles (knowledge, patents, etc.)

Obviously, some of these are easier to manage than others: it's fairly easy to track hardware components, but how do you track the knowledge a person or team may hold? And, with the explosive growth of cloud-based software, you can imagine how difficult tracking all the various options could be.

That's why you'll categorize assets based on a few factors, such as:

- **Speed: static vs rapid.** A low speed asset, like a physical server rack, will likely stay in its data center for years. A high-speed asset, such as a cloud server instance, can exist for just a few minutes or hours How does speed effect procurement, provisioning, retirement, etc.?
- **Consumption: individual vs shared.** An individual asset—laptop, cell phone—is usually used by a very small group of people, but the devices support countless functions and services. By contrast, a server is used by many people indirectly, but it likely underpins just one service.



Common IT assets in asset categories

Related names and practices for ITAM

Because of its direct interactions with your hardware and software inventory, ITAM is also sometimes known as **IT inventory management**.

You might also hear asset management correlated with **configuration management**, particularly in the ITIL® 4 practice. The main difference between asset and configuration management is that configuration management tracks the relationships between components that deliver services, whereas asset management addresses all the assets. The ITAM process is much more encompassing.

Software asset management (SAM) is a subset of the ITAM practice. Experts compare software asset management to peeling an onion: The first couple layers get your eyes watering, but the deeper you go, you'll soon start crying!

(Learn more about software asset management, including mistakes and best practices.)

Benefits of ITAM

The practice of IT asset management (ITAM) is no small feat. But, when executed properly, ITAM can result in massive returns on investment. Skillful IT asset management means your company can:

- Reduce security risks, loopholes, and vulnerabilities
- Cut down on shadow IT
- Enforce compliance with industry requirements via organizational security policies
- Increase efficiency and improve productivity—employees can get work done when and how they need
- Minimize overall costs, especially with licensing, renewals, and support
- Enhance customer service thanks to streamlined data access

- Reallocate underutilized resources
- Offer transparency into budgeting and decision making
- Take advantage of cutting-edge technology without losing sight of the big picture

ITAM: The who, what, when & how

In this section, we're breaking down the who, what, when, and how of IT asset management.

Who is the IT asset manager?

IT asset managers are the owners of the ITAM practice. They are responsible for:

- Finding IT problems
- Determining and implementing optimal solutions to those problems

Activities the IT asset manager might perform include:

- Using an asset register to label and track the locations and states of assets
- Managing software licenses to ensure compliance and value
- Tracking costs of cloud components and services
- Auditing for finances worth and security compliance
- Managing or creating policies for endpoints and mobile devices to ensure security and compliance
- Handling decommissioned assets according to financial and data security policies

Think of the role of ITAM as a person—the IT asset management—who is responsible for determining the what, when, and how of IT inventory maintenance. IT asset managers should constantly seek to answer the following questions:

What do we have? What do we need?

The what of ITAM is about two key functions:

- Keeping a tally of the hardware and software your company currently has.
- Tracking the state of those assets, including how well they are being utilized.

Having a list of every desktop PC owned by the company doesn't provide much if any valuable information without knowing:

- The state of repair
- How many are in use
- How well they aid in achieving business goals

Without detailed information on how you're using the individual assets, you can't understand whether, or how well, your IT investments are paying off.

This idea isn't limited to hardware. ITAM applies to any software licenses or services your company has access to. Discovering utilization data and keeping detailed records of IT asset conditions and performance provides invaluable information for making decisions on what is working and what needs to be worked on. If the company is paying for software that is currently not being used much, if at all, then that's a clear sign that something needs to be done.

IT asset management situations can be this clear cut, but they are typically more subtle. For example, many people within the organization might use some hardware or software, but there might be competing options available on the market that could provide more utility or cost less.

Of course, utility and cost are only part of the context for decision making. Implementing new hardware or software comes with its own expenses and complications, like training costs or compatibility issues.

Now that you've got a handle on the state of your assets, it's time to ask about timing.

When should we make change?

The reality of technology is that everything will eventually be outdated. Hardware degrades, software support wanes, and new advancements continuously make formerly cutting-edge technology look like an ancient abacus.

Success often comes from anticipating need and preparing for it ahead of time. The technology sector is quite fond of keeping its customers abreast of new advancements that are coming down the pipeline. This makes the timing aspect of IT asset management somewhat predictable.

Look at the current hardware and software that your organization uses. Then, analyze the kinds of gains you could reap by upgrading is an essential part of ITAM. Consider, for example:

- **Making a big hardware upgrade just before a product update comes out** could result in your company spending significant money on machines that are almost immediately obsolete.
- On the other hand, **the newest piece of technology might not be worth the price bump** if older models would serve the company just as well.

There are times when technology, poised for a baby step, takes a surprise leap forward. These cases might call for a reevaluation of upgrade timing. But planning for known factors will better equip you

to deal with the unknown. To do this, any good asset manager will keep an eye on the IT hardware and software market in order to:

- Predict price drops
- Plan the timing of repair jobs, purchases, or updates

This touches on the final question for IT asset managers…

How should we address this situation?

So, you've decided what needs a change and when—but how will you do it? Consider whether a purchasing a new product the moment it hits the market will:

- Provide a competitive edge, or
- Result in your company paying to be beta testers for bug-ridden platforms.

That example illustrates just how critical "the how" is.

Waiting for a new product to roll out so you can buy the older but still capable models at steep discounts might be the best option at the time. Better yet, maybe you could upgrade existing hardware with a couple of new components or refurbish some of the hardware sitting around in storage instead.

Determining the best course of action for responding to IT asset issues is a difficult but imperative task that can lead to heavy returns on the organization's IT investments.

The what, when, and how of IT asset management plays an enormous role in the success of the entire organization. Making these decisions in an intelligent and informed manner requires detailed data and analysis of all the company's assets and how those assets are performing for your unique organization's needs.

Asset management tools

ITAM experts typically identify two types of tools that are critical to successful asset management:

- **Discovery and inventory tools.** Discovery tools are meant to provide visibility into your assets. These tools crawl your IT environment and pick up many or most of your assets. Newer versions are cloud-native, and some types even offer dependency mapping across hardware, software, and multi-cloud.
- **ITAM database.** You may have a dedicated ITAM database, or it may overlap with your Configuration Management Database (CMDB) or CMS tools. If your ITAM database is separate, establish a process and policy for sharing this data.

We argue that another tool in your ITAM toolbelt should be automation and orchestration. Tools backed up by powerful automation can provide IT asset managers with all the data they need to answer the what, when, and how of hardware and software management.

Yes, your discovery tools might have automation. Yes, your database likely incorporates some automation. Beyond this, what else can you automate?

Whatever you are manually or repeatedly doing today, ask yourself "Can this process be automated?" Odds are the answer is yes! Look at opportunities to set up and forget:

- Patching
- Application deployment
- Reporting

When it comes to tooling, though, we caution: no single tool will solve your ITAM problems. That's why your ITAM strategy must be phased—you can't get everything right in one fell swoop.

BMC for ITAM success

BMC is a leader in enterprise technology. When it comes to IT asset management, look no further than BMC for leading solutions:

- BMC Helix Discovery is a cloud-native discovery and dynamic dependency mapping solution that provides visibility into hardware, software, and service dependencies across multi-cloud environments.
- BMC Helix CMDB enriches ecosystem workflow with a business aware, single source of reference for your assets and services.

BMC expert consultants are available to work with you to bring their knowledge and expertise to your organization. BMC provides custom-tailored Implementation Services for your organization to tackle the unique challenges you face.

Additional resources

For more on asset management and related topics, explore these articles:

- BMC Service Management Blog
- IT Asset Management Strategies in the Digital Enterprise
- How To Build an Asset Management Program: 7 Keys to Success
- IT Asset Management Best Practices
- Business Process Modeling Notation (BPMN): Getting Started with Visualization
- Managing IT as a Product—Not a Project