



zSeries

Key SAM best practices for the mainframe

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(the 'ca' stands for Canada,
in case you were wondering)

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zSeries



Agenda

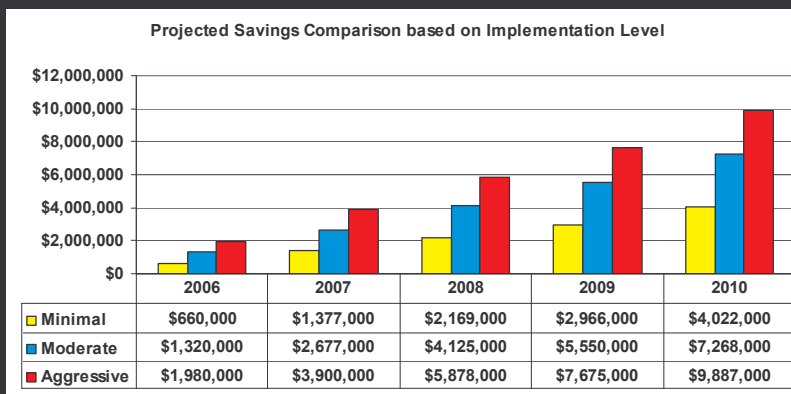
- Financial justification
- Team building (people)
- The software life cycle (process)
- Resources

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One Definition of SAM

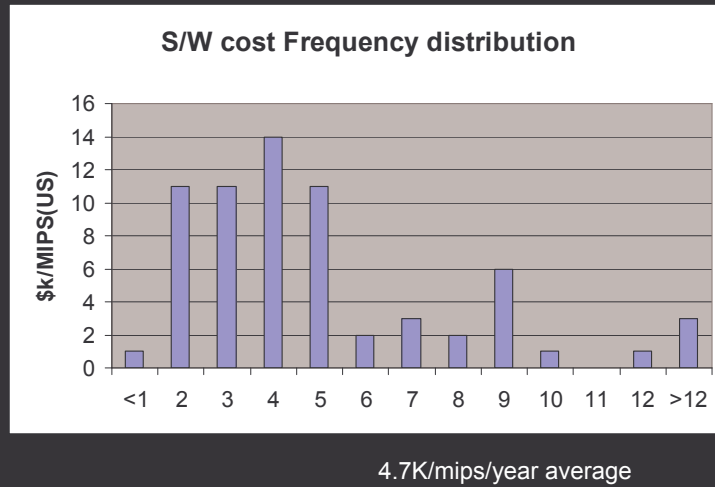
People, policies, practices and tools to get the maximum benefit at an acceptable cost and risk, from a portfolio of software assets and licenses. (credit: TAM-Inc, with modifications)

Interested now?



Assumptions: 2000 mips, 25% CGR, \$9.4M s/w now, 50% disc for add'l mips
Credit: Frank DeSalvo, Used with permission

Total Software Costs



Source: IBM client survey, 2005

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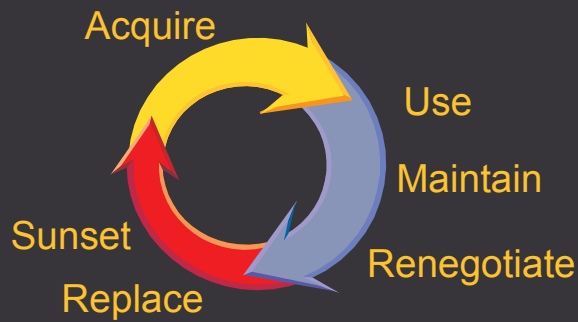
Organizing a SAM team



- Usually a Cross-functional team
- Executive sponsorship

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The SAM Process



What is the current state of affairs?

Inventory

- Have vs Use
- Licensed vs Installed
- Where are they?
- Who uses them?
- Acquire, refine, update

Discovery tools

Repository tools

Contracts review

Objective

- Price, metrics, special Ts&Cs
- Group by current vendor

Where do you want to go?

Business plan

What is happening in your industry? Company?

Capacity plan

Duration

Contingencies

Configuration options

Product plan

What products are likely to go Remain/Go/Install

Create migration/standardization project

Identify widely used products Vs niche use products

Be clear on product naming

Other things to get good at

Price analysis

List/standard

Growth - BAU & new workloads

Invoice reconciliation

Competitive product analysis

Negotiation

Contracting

Terms and Conditions -key focus area

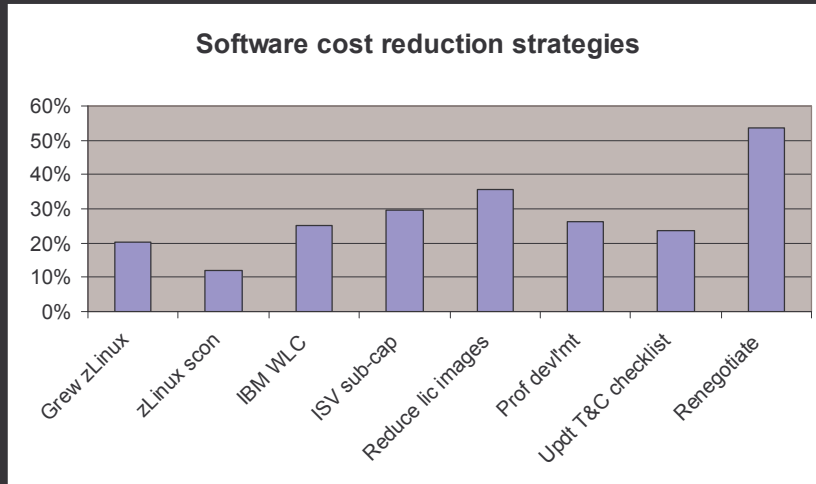
GAAP revenue accounting rules for software

Invoice Approval process

Compliance monitoring

Contract Management and renewals

What are other folks doing?



Source: IBM client survey, 2005

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Resources

- www.ibm.com/software/isvcosts
 - Setting up a SAM team
 - T&C checklist
 - Consultant contacts
 - Peer discussion group sign up
- www.ibm.com/servers/eserver/zseries/swprice
 - Everything you wanted to know about IBM zSeries software pricing and probably more.
- Industry Analysts
 - Gartner – Frank Desalvo, Bill Snyder (formerly Meta)
- Conferences and User Groups
 - SHARE/GSE www.saminshare.org sam.gse.org.uk
 - SWAMI www.gartner.com/events
- Reading suggestions
 - Getting to Yes -and- Getting Past No
 - Negotiating for Dummies
 - Software Agreements Line By Line
- Last, and perhaps least ☺, John Anderson 905-315-1202 anderson@ca.ibm.com

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Summary

- Develop the business justification for a SAM team
- Find an executive sponsor
- Locate the required skills
- Pick an initial project in the life cycle – don't try to boil the ocean!
- Get organized
- Understand your current state of affairs
- Ask some questions about the future
- Get help on the things you're not good at
- Publicize successes
- Rinse and repeat!
- Remember – SAM is a journey, not a destination

Thank you!