



# 5 Simple Ways to Reduce Your SAP<sup>®</sup> License Spending

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# Usage Data is Key

While many consider the current SAP licensing model difficult to understand or calculate, one similarity remains the same: usage data is key to any license optimization. Many will argue that SAP calculates licenses based on authorizations assigned. They are correct. However, many corporations tend to assign more authorizations to their users than needed, whether it's due to the lack of knowledge or inadequate methods of assigning authorizations. If companies had visibility into the usage of each employee, they would be able to optimize authorizations, thus optimizing their licenses. When you're able to view how each employee is using the systems, you can assign licenses based on the actual employee usage instead of a theoretical calculation method.

While plenty of companies spend millions of dollars on SAP, many don't know which licenses are being consumed, nor do they know which licenses are required for each user. SAP is one of the most expensive software systems in the market, yet many organizations still treat their SAP licensing like a black box; they see it in terms of input and output without any knowledge of how it works. It's shocking that so many corporations feel their SAP licensing is an invincible force that they are powerless against.

For this reason, many SAP customers have misconceptions about how to optimize their SAP investment. If you've made these statements in the past or currently feel this way, you're not alone:

"Who are we to argue with the numbers?"

"It's useless. We are small beans compared to the Goliath."

"We don't have enough resources to really explore the contract."

Many SAP customers would rather just pay the invoice or negotiate over the bottom line than to question if their SAP licensing fits their needs. It doesn't occur to them to think there may be ways of reducing license consumption.

**Before you purchase additional SAP licenses, you should follow these five key actions to determine if new licenses are needed and to deliver significant savings.**

## Don't Pay Double

A common mistake many organizations make without realizing it, is assigning multiple licenses to the same user. Ivanti recommends employing a universal method for naming users to avoid duplicates. Most times, a single license is required to access multiple SAP applications. By combining the same user across multiple applications, this frees up licenses that can be allocated to other users for greater cost savings.

### Combine Users Between SAP Systems

Many companies aren't aware that SAP licensing is based on "employees" and not "users." Combining usernames

with employees between different systems can optimize licensing costs. Don't use email as your only source for combining user names. Companies that take the extra step in using more sophisticated methods yield better results. In other words, you should invest some time inspecting the results after you've combined user names. For example, look for similar names to confirm there wasn't an error when creating the user. Errors often occur due to a misspelling of a name or transposing a couple of letters, which can mean thousands of dollars in licensing cost.

## How Ivanti Optimizer for SAP Helps

Ivanti Optimizer for SAP identifies duplicate accounts across your all your SAP systems automatically. By consolidating user names and removing duplicates, you free up licenses that can be reassigned to another user, or added to the pool of licenses you can grant to new users. Before you purchase additional SAP licenses, confirm there are no misallocated licenses that you can reassign to another user.

## Instant Savings

By removing inactive and dormant users, you'll be able to reallocate these licenses to new users immediately, providing instant savings. As employees come and go, it's important to properly manage their licenses to ensure you're not paying for license use for employees no longer there.

## Remove Inactive or Dormant Users

Some users only access the system a few times a year and yet they are assigned Professional or Limited Professional license types. Since many corporations do not have visibility into the actual usage data, identifying inactive users is challenging.

Reviewing the last time an employee logged into the system isn't a recommended method either as many users simply log in and out to show activity.

You need to be able to verify user activity and remove anyone not using the SAP systems. This can be done by setting a threshold, monitoring users against the threshold, and receiving notifications if the user isn't meeting the threshold. Closing these accounts will free up a license for someone who actually needs it.

## How Ivanti Optimizer for SAP Helps

Ivanti Optimizer for SAP tracks actual usage of all users across all SAP systems to identify inactive users. We recommend removing users who have no actual usage within the last 90 days; of course, you can set your own perimeters. These licenses can be added to your pool of unused licenses to be reassigned to new users in the future.

In addition, you can connect Ivanti Optimizer for SAP to your HR system to identify any employees who are no longer with the organization and free up their licenses automatically.

## Proper Classification Can Cut Costs

Ivanti Optimizer for SAP can save organizations thousands of dollars in new-license purchases by properly classifying all users based on actual usage.

- 50% - 90% for each re-classified license
- 100% on dormant accounts
- 100% on multiple username accounts
- 50% on license management resources
- Over 15% on total maintenance fees

## Classify All Users

Companies are responsible for classifying all users, and any unclassified users require a Professional license, the most expensive license option. A Professional license type costs about 25 times more than an Employee Self Service license type.

Also, costly mistakes can be made when using theoretical methods of classification. Some methods use the structure of the organization, which can prove to be ineffective. Other methods use titles or positions that may not be helpful at all since different employees with the same position use the systems differently. While most companies use authorizations assigned, in actuality most SAP users tend to use only a small fraction of their granted authorizations. The best method is to account for actual usage, ensuring you won't ever be under- or over-licensed.

## How Ivanti Optimizer for SAP Helps

Since Ivanti Optimizer for SAP tracks the actual usage behavior of each SAP user, we make it possible to assign licenses based on the utilization of SAP systems. Gain a bird's eye view of all these classification types to determine which methods best optimize your licensing. You can now reclassify users by:

- Amount of activity – The most suitable license type will be assigned based on how much the user is using SAP as a whole. (Counting dialog steps)
- Type of Usage – The most suitable license type will be assigned based on how much the user has utilized. (Counting the number of transactions used)
- Activity Groups – The most suitable license type will be assigned based on how or according to which ways the user employed the SAP systems. (Separate all transactions into groups)
- Custom Definitions – Any combination of all of the above or any unique format requested by the customer.

## Receive Immediate Alerts

Stay on top of indirect access usage by receiving immediate notifications of any possible or suspicious indirect usage from third-party applications through automation with Ivanti Optimizer for SAP.

The solution allows companies to properly manage indirect access as they occur, preventing surprises and unwanted costs during their yearly SAP audit.

## Identify Indirect Access Before It's Too Late

Although indirect access sounds like a complex or vague topic, it poses great financial risk if not dealt with immediately. Companies can owe millions of dollars to SAP for not licensing indirect usage properly. Companies need to either reduce or restrict indirect access as much as possible. At times, indirect access to the SAP systems are needed in order to perform various business functions. If needed, determine the exact access type: read only or modify. Read-only access doesn't require any additional licenses while modify access does require some type of license. Companies should monitor for indirect usage, receive notifications when indirect usage has been detected, and respond appropriately and quickly.

## How Ivanti Optimizer for SAP Helps

Ivanti Optimizer for SAP provides a platform to identify and map different types of indirect access to SAP systems automatically. You can identify suspicious user accounts from third-party applications. Our solution classifies and

estimates the risk for each case of identified indirect access.

Ivanti Optimizer for SAP provides a view of the exact access type (read or modify) of each indirect access in order to model them correctly, using our unique monitoring technology. Management receives immediate notification when new suspicious access is identified, enabling immediate reaction.

## Properly Manage Software Engines

By leveraging Ivanti Optimizer for SAP, you have a clear understanding of which engines are really needed and can identify the required usage threshold for each engine. This enables better negotiations with clear and precise documentation, saving valuable resources and time.

Many organizations assume that engine-related costs are a fixed expense. In reality, SAP engines price can be optimized by employing usage data.

## Avoid Hidden Costs of Software Engines

Many people tend to forget that SAP licensing isn't based only on license-per-user, but on software engines as well. The SAP engine licensing model applies various methods for measuring engine usage, which are based on the actual data created in the SAP system. This way SAP can charge for objects consumed by users—operating the system indirectly—such as pay slips and Internet sales.

Avoid the hidden costs and pay for only what is being used. On a regular basis, track and measure which engines are being used and how often to prevent surprises or additional costs when it comes time to submit your SLAW.

## How Ivanti Optimizer for SAP Helps

Ivanti Optimizer for SAP provides a visual usage presentation of each engine and engine group to identify trends in engine usage and licensing. The solution can define each active engine, its purpose, and consumption. Receive warnings before an engine consumption is complete to adjust your licensing model accordingly.

By leveraging Ivanti Optimizer for SAP, you'll be better prepared for your yearly SAP licensing audit. You'll gain a

complete understanding of which engines are being used and be able to identify the required usage threshold per engine, possessing the documentation for more effective negotiation. Through automation, you'll be able to reduce the amount of manual work required to maintain software engine compliance.

## Benefits of Ivanti Optimizer for SAP

- Provides clear view of current licensing and available licenses
- Compares methods of user classification
- Identifies dormant, underused, misclassified, and duplicate accounts
- Tracks changes in licensing inventory
- Generates detailed reports
- Automatic analysis of usage compared to license agreement to ensure compliance
- Detailed audit reports for each user with current and optimized license classification
- Detailed Log of Changes

## Take Control Today

In today's complex SAP environment, organizations are compelled to find ways to secure their SAP investment and manage SAP licenses effectively. Ivanti Optimizer for SAP provides control over SAP licensing costs and is a fully automated solution for optimization. It enables you to employ your licenses efficiently, understanding which licenses are really needed, which ones best suit user activities, and which accounts are underused, misclassified, or dormant. Ivanti Optimizer for SAP is especially beneficial before negotiating annual license fees or ordering new SAP licenses, as it can save 50% to 90% per each classified license.

Take Ivanti Optimizer for SAP for a test drive today and schedule a demo or speak with one of our experts.

### Learn More



[ivanti.com](https://www.ivanti.com)



1 800 982 2130



[sales@ivanti.com](mailto:sales@ivanti.com)