

# IAITAM ACE

**KICKIN'** ASSETS  
SINCE 2002

**Session Title:** If an IT asset is created by your discovery tools, your process needs a tune-up

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**NASHVILLE, TN  
MAY 9TH - 11TH**



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# Agenda

- Introductions
- Central thesis
- Definitions
- Hardware asset life cycle
- Software asset life cycle
- The Silver Bullet
- What we see in the field every day
- ServiceNow licensing 101 & renewals
  - ServiceNow entitlements supporting the life cycles
- Wrap up
- Q&A





# Introductions

- Dave Walstad, presenter
- Contributing Authors
  - David “Scotty” McNally – ServiceNow Technical Architect
  - David Stember – ServiceNow Solutions Architect
- SHI International
  - \$14 billion international technology reseller, privately held, woman owned
  - Elite ServiceNow Partner
  - ServiceNow’s 3<sup>rd</sup> largest license reseller in 2022
  - 200 ServiceNow license customers, 60+ renewals each year
  - SHI uses ServiceNow internally to deliver IT workflows
  - ITAM business unit at SHI



# Central Thesis

- If you purchased an Asset, why are you “discovering” it with scanning tools?
- It should enter your Asset Management systems at the time of purchase, not when it is deployed in the field.
- If this is happening, make process adjustments in how you work with your suppliers, options include:
  - Ingest advanced shipment notice (ASN) information into your Asset Management system
    - *An electronic data interchange (EDI) message sent from the shipper to the receiver prior to the departure of the shipment*
  - Integrate your ServiceNow instance to your supplier(s)
    - *Use application programming interface (APIs) to pull the information into ServiceNow from your supplier(s)*



# Definitions

Term	Web Search	Level	In Practice
<b>Life cycle</b> (noun)	A series of successive stages through which something (such as a manufactured product) passes during its lifetime. (Merriam-Webster)	Highest	We view Hardware and Software asset management as having the same 5 successive stages.
<b>Process</b>	A process refers to all of the elements necessary to accomplish a larger organizational goal. The general consensus is that processes refer to more comprehensive outcomes than workflows.	More granular, but conceptual	Processes exist in every case, but may be manual, undocumented or require human interaction with multiple tools to achieve the outcome.
<b>Workflow</b>	Workflows are the series of repeatable activities that are necessary to complete a task. Each step in a workflow has a specific step before it and a specific step after it, with the exception of the first and last steps. Workflows account for granular details that build up to small-scale objectives.	Most granular, tactical  (who, when, what conditions)	Workflows are most effectively delivered with Enterprise software products. [e.g., ServiceNow]  Multiple workflows, when combined, deliver a Process.





# Asset vs Configuration

Why is it important to know the difference?

- Asset Management and Configuration Management are two distinct areas.
- Distinguishing between the information each area relies on, ensures the respective roles that manage and support these processes can function appropriately.



# Definitions

## Asset Management

- You care about tracking the item's financial aspects including:
  - Purchase cost or lease information
  - Depreciation (value at any point in time)
  - Software license management
  - Contract terms and expirations
  - Maintenance / warranty information
- The service status, end-of-life and/or destruction if required
- Compliance & Risk
- Inventory tracking

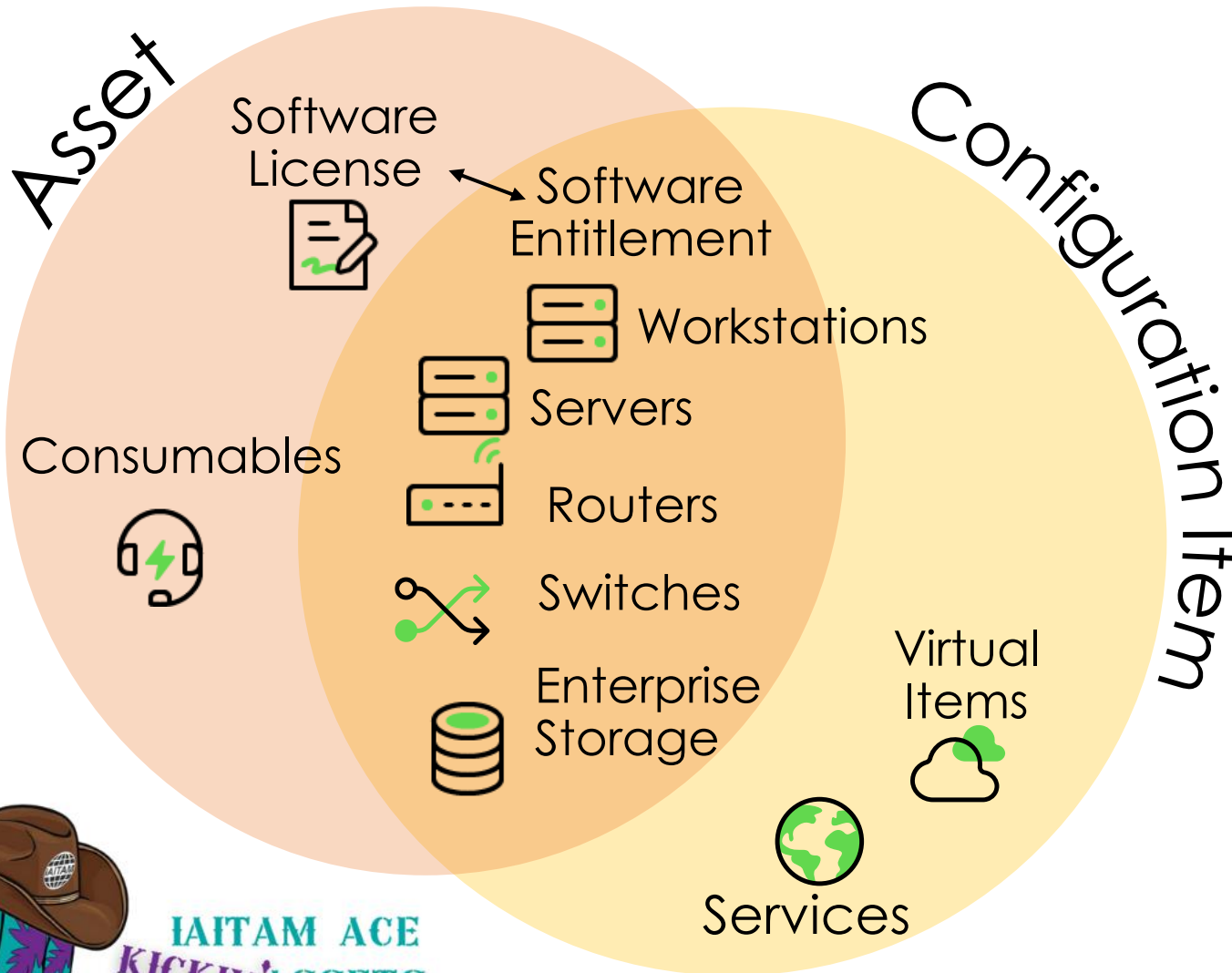
## Configuration Management

- You monitor and track technical specifications of each Configuration Item (CI) in the Configuration Management Database (CMDB)
- The CI may be associated with an Incident, Problem or Change record
- You need to understand the logical relationships between CIs that comprise your multiple business services
  - Allows you to map services and determine how a proposed change may affect one or more business services
  - Allows you to trouble shoot effectively during Incident or Major Incident events





# Asset vs. Configuration Item (CI)



- An Asset has financial value along with depreciation associated to it
- A CI may or may not have financial values assigned to it; however, it does not have any depreciation linked to it

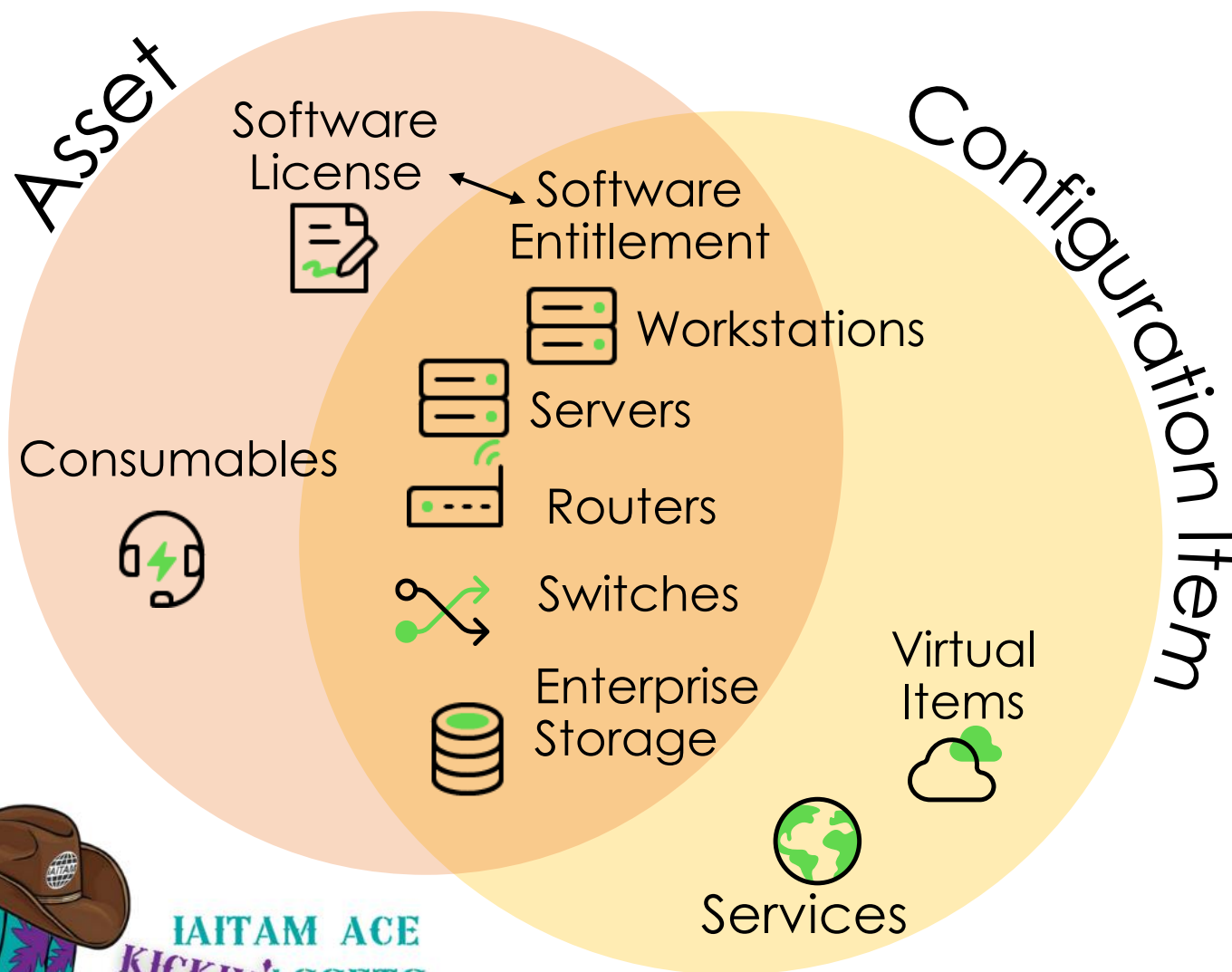
## What Assets are CIs and vice-versa?

This differs throughout various organizations; however, the basic catalog usually is:

- Servers
- Workstations / Desktops
- Enterprise network HW / appliances
- SAN Enterprise & local storage
- Software entitlements



# Best Practice – Asset vs. CMDB



- Keep non-asset CIs out of Asset Management
  - Virtual Servers, VLANs
  - Services
  - Ports
  - IP addresses
  - Circuits
- Asset and CI records should stay in sync
  - E.g., Assigned To, Location, etc.
- Make sure any supportable asset is a CI
  - Need to create Incidents off the CI
- The Asset data should support operations
  - Repair under warranty, leveraging support and maintenance contracts





# In ServiceNow – Where the data lives

## **HAM (2v) or SAM (3v)**

Ownership

Location

Assigned To

State / Sub-State

Contracts such as:

- Maintenance
- Lease
- Warranties

Financial data

- Purchase Order (PO) & price
- Contracts
- Warranty

Model details – linked to

- Manufacturer / Name / Specifications

## **CMDB (1v)**

Operational Data

Location

Assigned To

CI Installed Status

Operational Status

Configuration of the devices such as:

- Operating System
- CPU
- Installed Software
- IP Address

Support data

- Support Group
- Service Level Agreement (SLA)

Model details – linked to

- Manufacturer / Name / Specifications



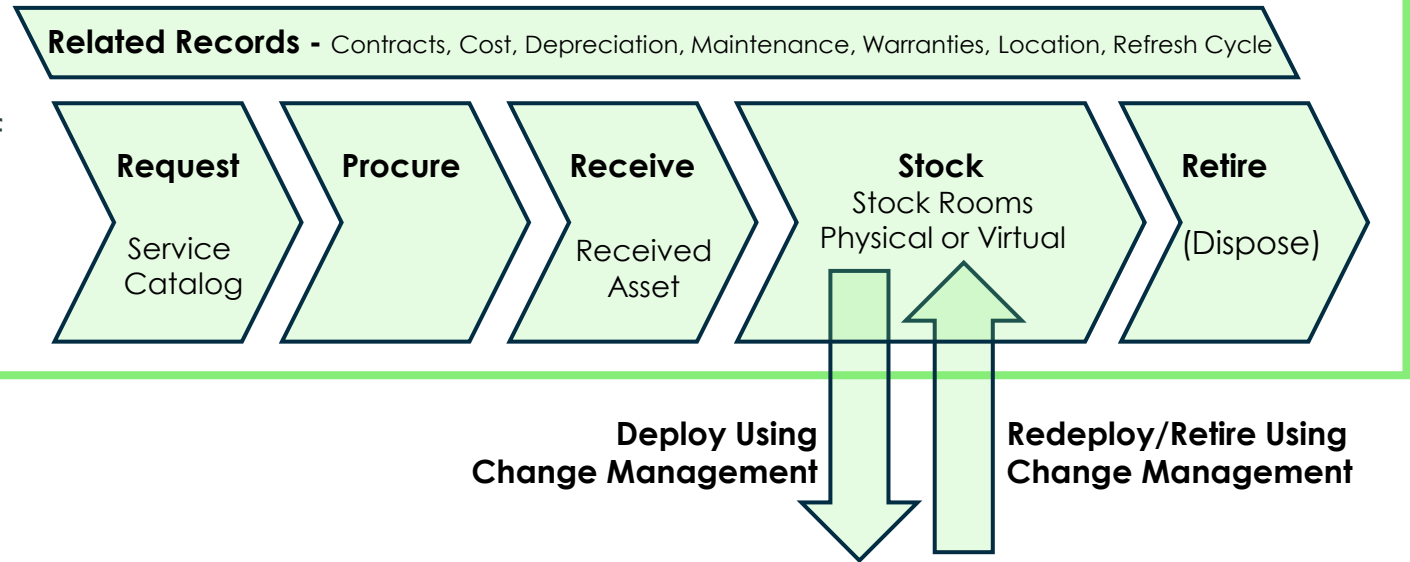
Synchronization



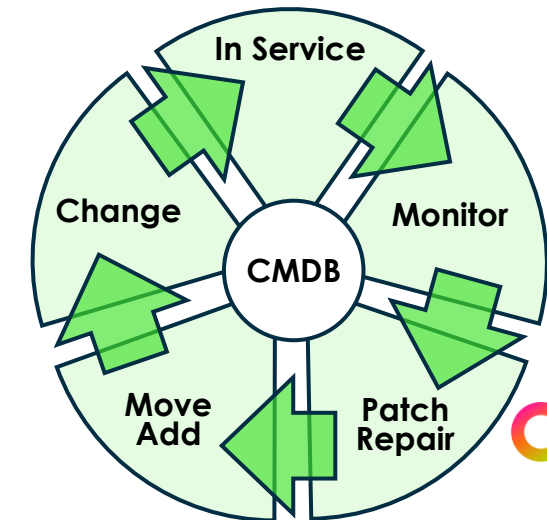
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# The life cycle: Hardware Asset vs. Configuration Item

Hardware Asset Management focuses on the financial & contractual aspect of a physical IT component throughout its entire life cycle.



Configuration Management focuses on operational usage, technical aspects and logical relationships

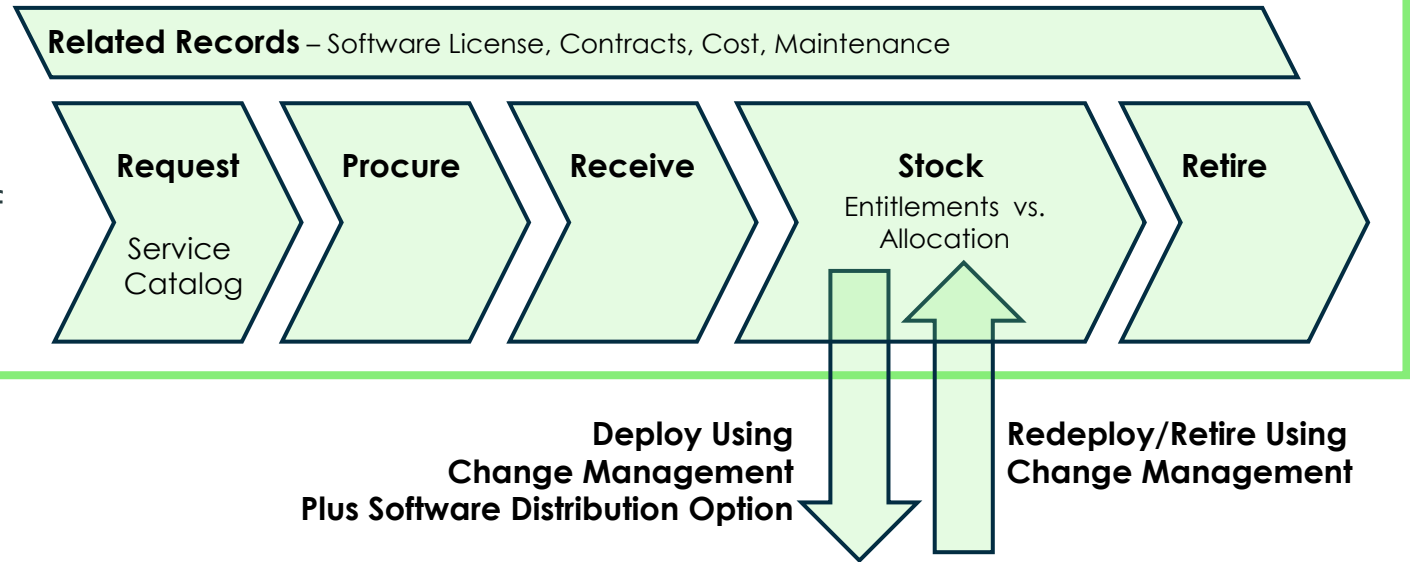




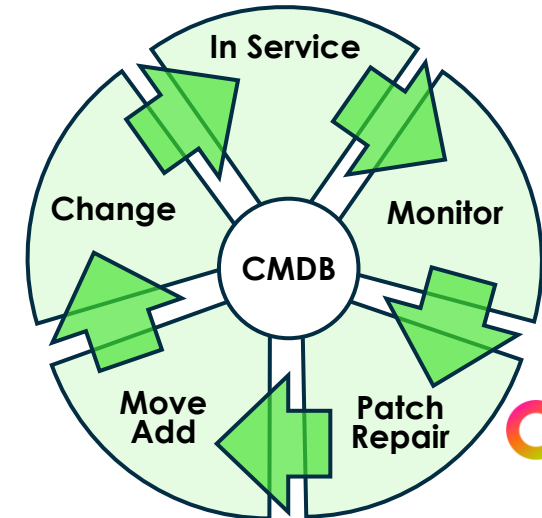
# The life cycle: Software Asset vs. Configuration Item

## Software Asset Management

The practice in managing and optimizing the purchase, deployment, maintenance, utilization, and disposal of software applications



Configuration Management  
focuses on operational usage, technical aspects and logical relationships



# The Path to Asset Management

## A tool-centric solution

**A**

Chaos  
No Inventory



We know we have stuff!!

**B**

CMDB  
Electronic Discovery



We know what the active stuff is and  
how it is configured!

**C**

Inventory  
Operational Items



We know what the active stuff is  
and know it is "In Use"

**D**

Asset  
Management  
Operational



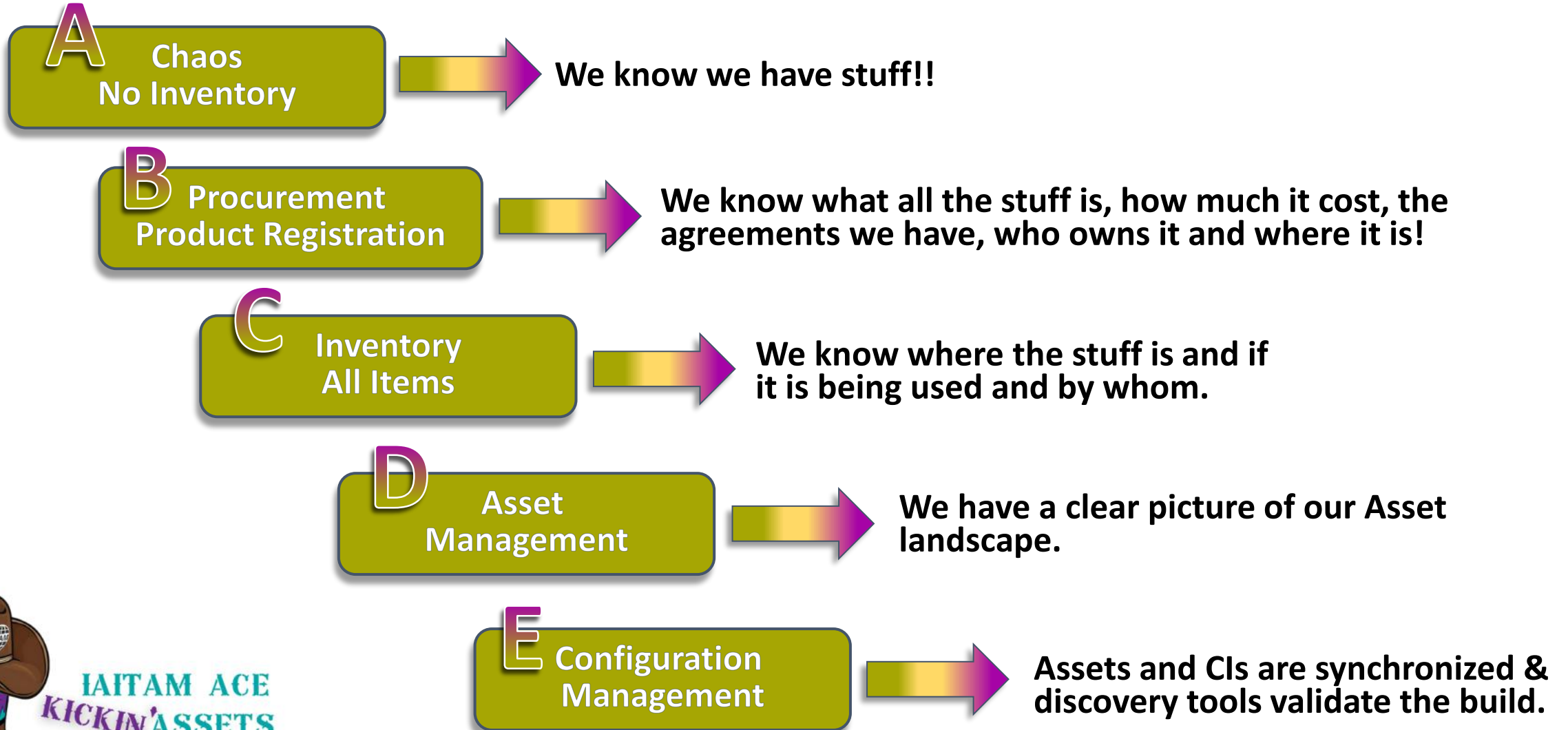
Who owns this stuff and  
how much did it cost? Is it  
under warranty? End of  
Life? Where is it?





# The Path to Asset Management

## A process solution



# The "Silver Bullet"

## Configuration Management Silver Bullet

- Scheduled validation of operational environment
- Detection of anomalies

Incident  
Problem  
Change  
Knowledge  
Service Mapping  
Service Catalog  
Patch & Risk

## Asset Management Silver Bullet

- Primary source of asset data
- Feeds Configuration where applicable

Inventory  
Ownership  
Cost  
Contracts  
Agreements  
Configuration  
Use State





# What we see in the field every day

1. With hardware, even in a mature ITSM implementation, many times it is a mystery of where the IT assets are.
  - Even with electronic discovery, if it is turned off, it “disappears” from view
2. With software, electronic discovery can tell if software is installed, but it can't tell if it is compliant with the license allocation.
  - Allocation should be less than or equal to the entitlement
3. Manual creation of CIs that shouldn't be in the CMDB.
  - Don't create CIs that are not valuable. They can be in Asset, but not the CMDB



# Case Study

- Who:** International manufacturing organization
- What:** They purchased ServiceNow Discovery for the specific purpose of establishing Asset Management
- Strategy:** To determine the cost of infrastructure failures due to lack of redundancy, establish the cost of business services, provide approval and notification to business owners
- Timing:** The project took 2 years to establish an enterprise discovery process (inclusive of credentials, IP ranges, DMZs, configuration changes beyond OOTB, & customized applications)
- Result:** A CMDB was that ***to granular*** to be maintainable, an Asset repository that ***did not contain sufficient "Asset" information*** to be valuable for Asset analysis
- The Asset team realized that the approach was flawed and the relevant information for Asset was not available from the discovery tools and their approach needed to be revised



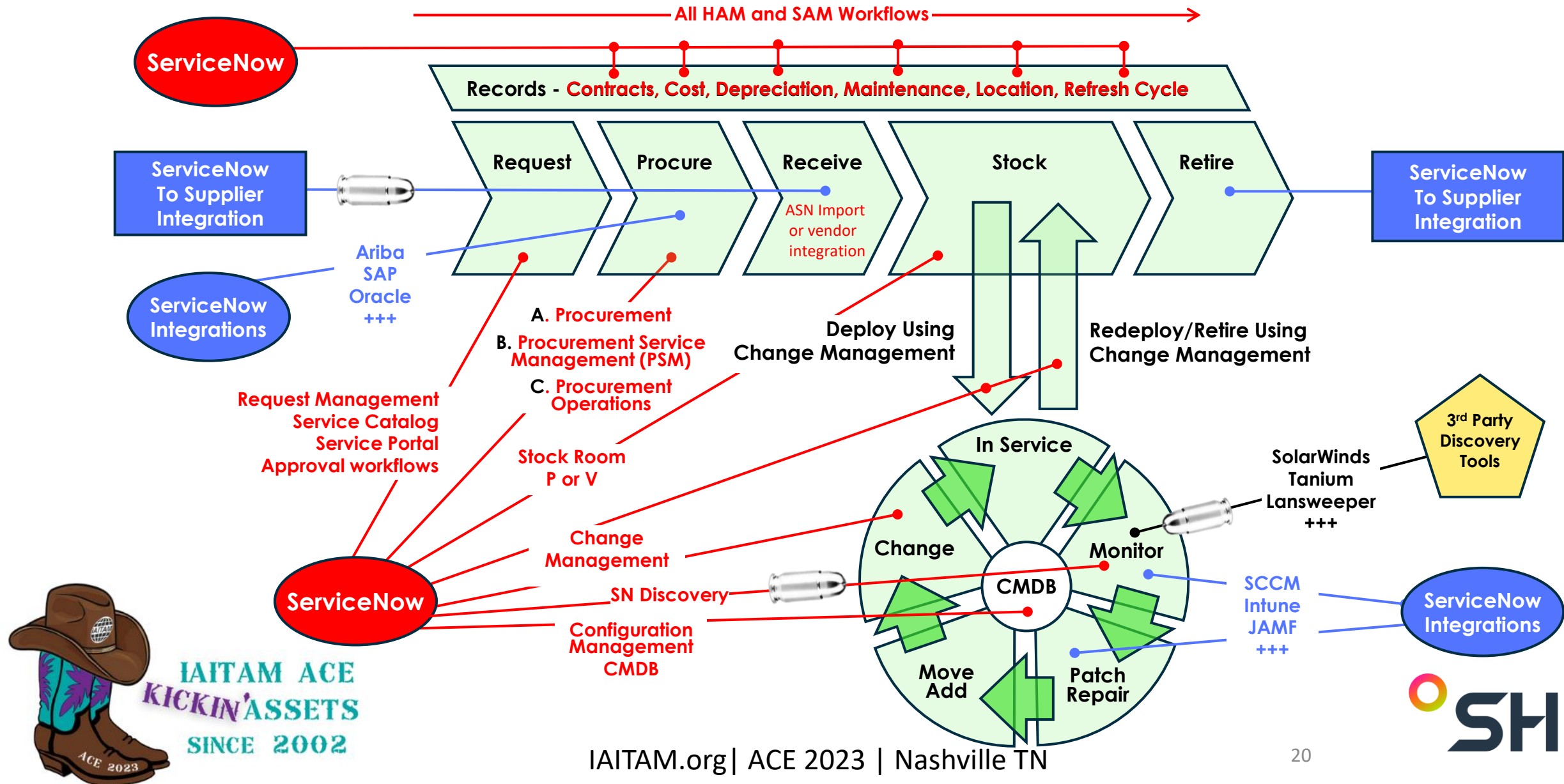
# ServiceNow

## Licensing 101





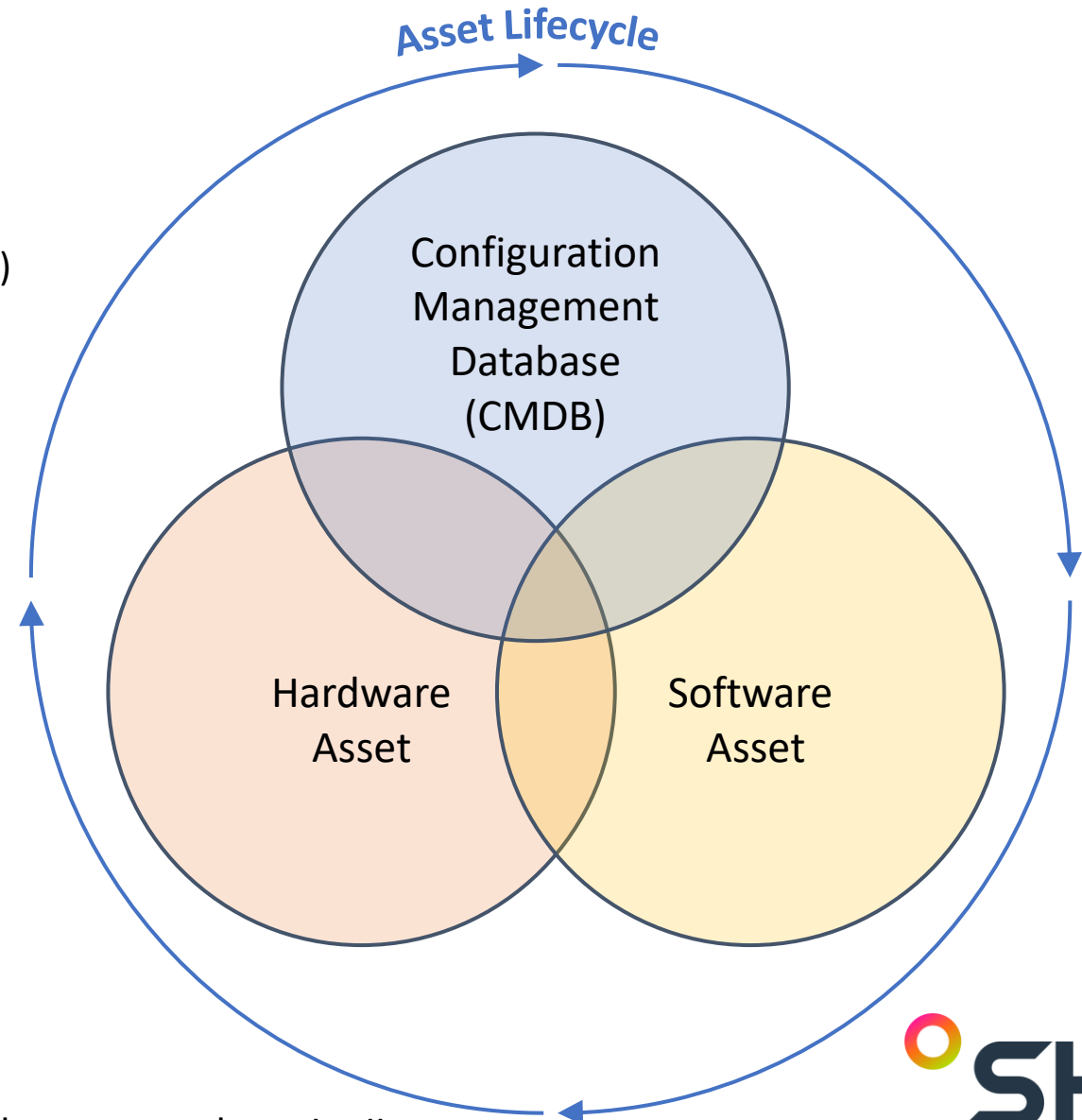
# ServiceNow entitlements that support the life cycle



# ServiceNow licensing 101 – Configuration Management

## Configuration Management is a Platform Capability

- Everyone customer is entitled to use it for “free”
- There is no Professional or Enterprise version
- The Configuration Management Database (CMDB) is the repository
- The population of the CMDB can be:
  - Manual with Excel upload
  - One-time with a tool
  - Continual with discovery tools
    - SCCM (Intune)
    - ServiceNow Discovery
    - Solarwinds
    - Tanium
    - Etc.



# ServiceNow licensing 101 - HAM

Hardware Asset Management		Foundation (aka IT Asset)	Professional
License Cost		Included with ITSM	\$4 / SU list
Manual	Asset Classes & Model Records	X	X
	Stockrooms	X	X
	Transfer Orders (and bulk updates)	X	X
	Procurement (Purchase Orders)	X	X
	Contract Management	X	X
	Mobile Asset Receiving	X	X
	Mobile My Assets	X	X
	Product Catalog	X	X
	Quick Start Tests for Asset Management	X	X
	Organization Management	X	X
Automated	Hardware Asset Dashboards		X
	Hardware Model Normalization		X
	HAM Workspace		X
	Asset Lifecycle Automation		X
	• Hardware Asset Order		X
	• Hardware Bulk Stock Order		X
	• Hardware Disposal		X
	• Asset Tasks – Deploy, Swap, Retire		X
	Refresh, Loaner, Lease Return, RMA		X
	• Advanced Shipment Notifications		X
	Mobile		X
	• Asset Inventory Audit		X
	• Asset Bundles, Bulk Transfer		X
	• Remote Asset Receiving		X
	• Asset Disposal		X
	• My Locker – Hardware Assets		X

Hardware Asset Subscription Unit Ratios		
Resource category	Subscription unit ratio	Model category
End User Computers	4:1	Computer
Servers	1:1	Any server such as the following: <ul style="list-style-type: none"> <li>AIX, ESX, HP-UX, Linux, Netware, OS/X, Solaris, Unix, Windows</li> </ul>
Network Gear	5:1	<ul style="list-style-type: none"> <li>Network gear</li> <li>IP Switch</li> <li>IP Router</li> </ul>
Mobile Device	10:1	Mobile Device

What does this stuff do anyway?

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# ServiceNow licensing 101 - SAM

Software Asset		Foundation	Professional	Enterprise
License Cost		Included with ITSM	\$8 / SU list	\$12 / SU list
Manual	Software Asset Workspace	X	X	X
	Discovery and Procurement integration	X	X	X
	Normalization Engine	X	X	X
	Software Asset Connections	X	X	X
	Asset Onboarding and Offboarding	X	X	X
	Platform Integrations <sup>1</sup>	X	X	X
	Contract and Renewal Management	X	X	X
Automated	Content Library and Lifecycle Dates		X	X
	Bring Your Own License		X	X
	Publisher Packs		X	X
	Automated Entitlements		X	X
	Remediation Options		X	X
	Restricted Software Lists		X	X
	Software Exposure Assessment		X	X
	Engineering License Manager		X	X
	SaaS License Management <sup>2</sup>		X	X
	Software Spend Detection		X	X
	Client Software Distribution		X	X
	Performance Analytics		X	X
	Asset Management Executive Dashboard <sup>3</sup>		X	X
Cloud	Predictive Intelligence		X	X
	Cloud Insights			X
	Machine Learning Normalization			X
	License and Cloud Cost Simulator			X
	ML Normalization			X

Software Asset Subscription Unit Ratios		
Resource category	Subscription unit ratio	Model category
Server	1:1	Physical or Virtual
End User Computing Device	4:1	Physical or Virtual
SaaS Subscription User	15:1	samp_sw_subscription

What does this stuff do anyway?

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# ServiceNow licensing 101 - ITOM

IT Operations Management	Discovery <sup>1</sup>	Visibility <sup>1</sup>	Operator Professional	AI Ops Enterprise
License Cost	\$8 / SU list	\$12 / SU list	\$24 / SU list	\$38 / SU list
Discovery v2	X	X	X	X
Service Mapping		X	X	X
Health (Event Management)			X	X
Performance Analytics			X	X
Predictive Intelligence			X	X
Health Log Analytics				X
ITOM Governance				X
Spokes and Protocols	X	X	X <sup>2</sup>	X <sup>2</sup>
Bundled Custom Tables			5	5

ITOM Subscription Ratios	
Managed IT Resource Type	Subscription unit ratio
Servers	1:1
PaaS Resource	1:3
Container	1:3
Unresolved Monitored Object	1:1
End User Computing Devices	1:4
IoT Devices	1:40
Networking Device	1:25
Networking Device Advanced	1:25

<sup>1</sup> **Service Graph Connectors:** Entitlement to Certified Service Graph Connectors come with ITOM Visibility and the Subscription Unit based ITOM Discovery

<sup>2</sup> **Spokes:** Jenkins; MS Active Directory; MS Azure Active Directory; MS SCCM; Kubernetes; F5

**Protocols:** Powershell; SSH

Transactions not included. Utilize IntegrationHub Starter available with 100,000 transactions

What does this stuff do anyway?

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# ServiceNow licensing 101 - Procurement

Procurement		Procurement	Procurement Service Management	Procurement Operations Management
License Cost		Included with ITSM	\$225 / Fulfiller	\$325 / Fulfiller
Basic	Create & Manage Purchase Orders	X	X	X
	Create & Manage Transfer Order	X	X	X
	Obtain Items for Catalog Request Fulfillment	X	X	X
	Track Service Catalog Requests	X	X	X
	Receive Assets to Stockroom	X	X	X
Advanced	Procurement Case Management		X	X
	ShoppingHub & ShoppingHub Mobile		X	X
	Sourcing and Purchasing Automation		X	X
	Virtual Agent & Performance Analytics		X	X
	Procurement Workspace		X	X
	Integration Hub Spokes		X <sup>1</sup>	X <sup>1</sup>
	Supplier Collaboration Portal			X
	Supplier Lifecycle Management			X

Included OOTB Integration Hub Spokes<sup>1</sup>:  
 Adobe Sign, Coupa, DocuSign, Microsoft Dynamics 365 for Finance and Operations, Oracle EBS, Oracle Financial Cloud, Oracle Peoplesoft Financials, SAP Ariba, SAP EEC Idoc, SAP EEC RFC, SAP Fieldglass, SAP S4 HANA RFC, Workday Financials





# ServiceNow renewals

- Typically, the total Annual Contract Value (ACV) will increase when moving from a 3-year to a 3-year agreement
- If you purchase additional SKUs, and the total ACV increases, your legacy SKUs can renew without an increase (flat)
- “ServiceNow Impact” will be added to your contract
  - Guided is 10% of ACV, Advanced is 20% and Total is 30%
  - Hint – there is a free version called Base



# Wrap up

- Ingest asset information when you purchase it, with electronic means
- Balance what you are maintaining between an Asset and a CI
- Consider the “free” versions of HAM and SAM before investing in the Pro version.
  - Match the license to your process maturity (you can always upgrade)
  - The tool will not make your processes mature



# Q&A





# Thank you for attending 😊

## Contact Information

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