
Optimizing your Microsoft True-Up



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Six ingredients for Microsoft True-Up success



Microsoft suggests that you should start planning to deliver your annual True-Up as much as six months in advance of your enrollment anniversary. If your True-Up or renewal is already closer than that, you have no time to lose.

Process and preparation are vital. Follow these six steps as defined by Livingstone's Software Asset Management (SAM) experts:

01 | Create an Inventory

02 | Capture & Analyze Entitlements

03 | Understand Complex Products

04 | Identify Opportunities for Optimization

05 | Factor in the Cloud

06 | Negotiate from Strength

1 | Create an inventory

You need a clear and consolidated view of all your Microsoft products across the IT estate. To achieve that, you will need to pull in the data from one or more inventory sources to provide an accurate report of deployment, configuration, licensing and usage. Beware that many inventory and SAM tools provide a lot of raw data that will need to be cleansed and normalized to be useful.

Key considerations for building an effective Microsoft inventory:



Coverage - do you have full coverage across all your Microsoft assets? Does it include all assets that are on-premise, in Azure/ AWS and Office365?



Recognition – Can you properly recognize all Microsoft products to the correct version and edition (this can be especially challenging for SQL and Visual Studio)?

2 | Capture & analyze entitlements

Having captured what software is in use, you now need to compare this to what you are entitled to use and establish whether this is in line with previous True-Ups or needs to be submitted as new consumption. You also need to understand your usage rights depending on whether you're licensed for an enterprise product, online service or additional product type and whether the product is licensed by user or device.

Key considerations for understanding your entitlements:



Do you fully understand what you are entitled to and what agreements those products are on? For example, some agreements like SCE and EA do not allow you to use legacy licensing.



Do you have Software Assurance? Do you understand where and how you can apply it?

3 | Understand Complex Products

While some Microsoft products are very easy to manage, others are much more complicated than simply counting installations. Making a mistake on titles such as SQL or Microsoft 365, or mis-managing your MSDN subscription or virtualization rights, can create significant overspend.

Key considerations for SQL, MSDN, Microsoft 365 licensing and virtualization:

SQL

- Do you understand mobility rights with SQL?
- Are you able to thoroughly analyze active passive and free secondary replicas with high availability features?
- Do you know the SQL servers that you don't need to pay for?
- Are you counting SQL that you are using in the cloud through BYOL?

Microsoft 365

- If you are on Microsoft 365, are you counting from the portal properly?
- If you have on-premise rights, are you tracking Office usage as well as usage of a collaboration tool such as SharePoint, Skype for Business, Microsoft Teams?
- Are you including all the users not in the portal? This is an enterprise commitment and every user needs to be covered.

3 | Focus on complex products

MSDN

- Are you tracking user connections to your non-production boxes?
- Can you differentiate between developers and UAT users?
- Are you de-duplicating Visual Studio products as not to double count?
- Are you counting MSDN users on boxes that are already licensed in a virtual environment?

Virtualization

- Do you capture server mobility in the last 90 days?
- Is SQL being licensed at the guest of the host?
- Do you use Windows DataCenter or Standard stacking?
- Are you counting SCCM even in your non-production environment?

4 | Identify opportunities for optimization

The True-Up shouldn't be seen simply as a reporting exercise, but as an opportunity to optimize your Microsoft licensing consumption and spend. There may actually be opportunities to take advantage of newer product versions, more cost-effective licensing and subscription options.

Key areas to look for optimization opportunities:

- Look for under-utilized servers and check for consolidation opportunities (for example, you can decommission unused databases and reduce the number of servers they are running on).
- Consider smarter ways to license SQL. SQL Server is available in five editions and the price you pay varies significantly depending on the edition you're using. If you have Enterprise but are only using the features of Standard, you can make significant savings by downgrading.
- Are your Microsoft 365 profiles optimized based on actual usage? Ensure users have the right subscription level and provision only those applications which are needed.

5 | Factor in the Cloud

For those in the cloud, there are further opportunities to optimize. If you are about to make a transition to the cloud, this is a great moment to leverage and drive a good deal from Microsoft. Any Azure or Microsoft 365 commitments will dramatically improve your overall deal beyond the benefits cloud computing already brings.

Key considerations for Microsoft in the cloud:



Do you know what assets are ready for Azure?



Do you know which assets will bring a saving on hardware?



Do you know which assets can reduce your software counts on your agreement?



Can you drive savings through Microsoft 365?

6 | Negotiate from strength



Only when you truly have a full grasp of all five of the areas we have covered are you ready to negotiate your Microsoft agreement effectively.

Key advice for the negotiation stage:

- Negotiate on the best possible software counts
- Understand the business drivers of Microsoft and its motivations
- Use the cloud as leverage to get the best possible deal
- Maximize the value in your investment





Why Livingstone?

Livingstone are the leading global provider of Software Portfolio Management and Optimization services for our clients. We provide the intelligence our clients need to govern their digital transformation journey, optimize their software portfolio to avoid unnecessary cost and risk, whilst driving value from their software and cloud investments throughout their lifecycle.

Preparing for a Microsoft renewal in the next 18 months?

You may also wish to discuss our Optimization & Negotiation services. We have a proven methodology and an experienced team of ex-vendor consultants to support and ensure you realize cost savings and improved contractual terms. We have the know-how to change the balance of power so you can negotiate from a position of strength.

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