

Software License Management: What, Why, How?

By OpenLM



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Executive Summary

The global software market is growing exponentially. While the market was probably not at all noteworthy a decade back, it has now grown remarkably big and competitive. Last year, the global software market **size reached \$997 million**. This year (2022), the market size is expected to grow by around **\$1,723 million**.

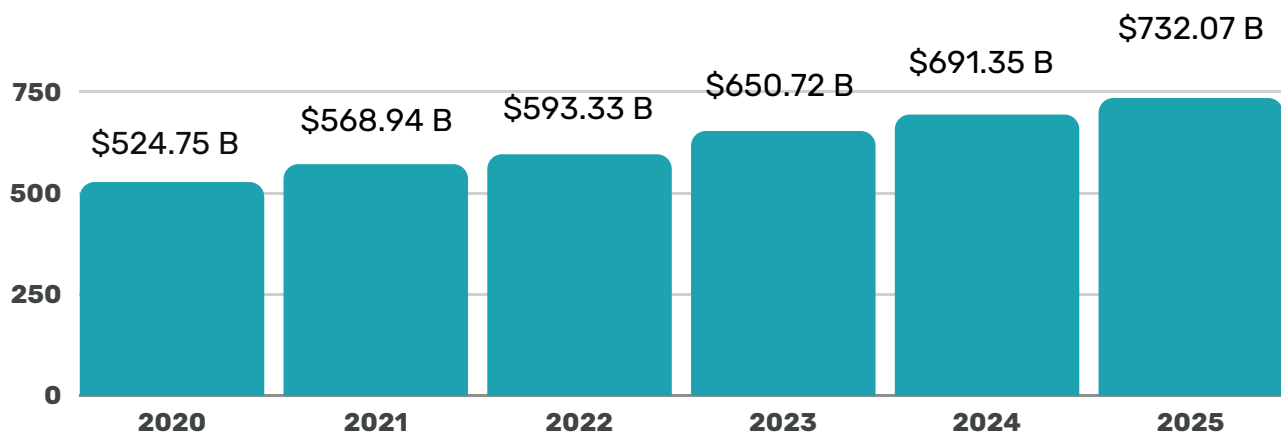
Add to this, the fast-growing IT infrastructure around is also an inevitable reason, the global software market is booming.

However, if looked closely, organizations are also ending up losing a huge chunk of their annual IT budget while deciding on their software requirement. As Gartner reports, organizations lose around 30% of their annual IT budget on software licensing and management.

With OpenLM, organizations can easily optimize and streamline their annual software expenses (**Proven by OpenLM free ROI calculator**). OpenLM provides all the essential engineering software license monitoring, tracking capabilities, reports, and more. It further helps organizations to optimize their software inventory and helps them to stretch their expensive software licenses to the maximum limit.

OpenLM handles all license models including network (floating), node-locked, GPU (Nvidia), cloud and token (including Autodesk token-flex), and hybrid variations. It enables organizations to monitor and generate reports of all the reputed software vendors/licenses, such as Sentinel, **Flexera, MathWorks, Siemens, Dassault, Ansys, Cadence, ESRI, Wibu DSLS, Reprise, Autodesk (Autocad), Bentley, PLM, CAE, and more.**

Software Market



What is Software License Management?

Every organization requires a specific set of software. While some of these software comes as an individual, others come in bundles. Also, there is free as well as paid software available. The paid software always requires software license managers to use and operate.

The process of managing all these permissions and restrictions from a single console is termed 'Software License Management (SLM)'.

In technical terms, software license management can be defined as the legal process that controls or regulates:

How to use the software?

Who can use the software?

When to use the software?

Where to use the software?



Why have a Software License Management Tool?

Back in the 1980s, software providers started offering 'floating licenses' that offered a limited number of licenses among the users. The software license managers had a central license server that allowed licenses to one user at a time upon requests. Meaning, that the second user gets to use the software only after the first user is done using the license.

The concept of floating licenses started becoming inefficient with the development of IT infrastructure since time and resource consumption was more.

Organizations now required tools that would allow multiple users to use software licenses simultaneously. This is where and how the need for centralized licensing management software started growing.

In addition to the organizations, software vendors also felt this necessity. However, they largely required a central system to monitor and track the usage of their software license managers.

Bad software license management can lead to numerous consequences. Any organization may have to face similar situations if they don't have any licensing management software. Your organization could be the next if you too are missing this. However, here are two of the most crucial consequences due to bad license management:



Dip in ROI

Organizations usually lose hefty amounts annually due to surplus software licenses. They are either unaware of these purchases or they simply fail to manage their licenses. This can slow down or cease their ROI and incur huge losses; maybe in millions, every year.



Non-compliant Issues

As mentioned above, every license comes with some legal terms, conditions, and guidelines. Purchasing a license does not permit anything with the license. At times, organizations fail to comply with these terms and conditions and tend to overpass them. This can create non-compliant issues that could also result in huge monetary obligations.

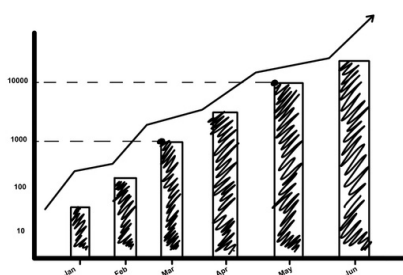
Benefits or Features of Software License Management

Software publishers release pre-defined documents during the release of their software. This document contains all the legal procedures to use the software. This document largely explains the terms and conditions, limitations (if any), types of usage, and how to distribute the software. This document is known as a 'software license'.

Having a software license management tool enables an organization to understand the ins and outs of a software license. A license management software can be an enabler for any organization. It can direct an organization on how to utilize the maximum out of all the software licenses it has purchased. The software manager also suggests which license to purchase, when to purchase, and how many numbers to purchase.

The software licensing management tool also suggests ways to stretch software licenses so that the organization can use the purchased licenses aptly. In OpenLM, we help our clients with deep software license management insights. We enable them to stretch their licenses and utilize the maximum out of them.

Besides this, there are several other reasons for an organization to opt for OpenLM's professional license management software. Listed below are some of these reasons:



Reduce costs, Increase Profits

Buying unnecessary licenses always results in unwanted and excessive expenses for any organization. These **unwanted expenses usually affect the annual ROI** of the organization. On the other hand, having license management software ensures an extremely cost-efficient process for the organization.

The license manager software can easily analyze the overall license consumption and figure out if any additional licenses are required. A software license management tool can also track unused licenses and cut down the cost further.

At OpenLM, our software licensing management tool promises **at least a 15% cost reduction** from the annual IT budget.

Benefits or Features of Software License Management

Credible Compliance and Audit Protection

Using any unauthorized licenses within an organization is a critical issue. Based on the weightage of the software, this unauthorized usage can lead to momentous results. Organizations must always use the software they have purchased. To be compliant with this, organizations must track the number of installations and distributions of software licenses among the users.

However, when it comes to maximizing software license compliance, organizations might not be able to keep track of their clients. This would eventually breach all the compliant guidelines. A software licensing management tool can help organizations gain a credible compliance score and audit protection.



Benefits or Features of Software License Management

Software License Compliance Reports

Software licenses imply several laws, guidelines, and regulations on the overall usage of the software. Any instances wherein the organization fails to abide by these guidelines would **result in compliance violations**. As a result, the organization may have to face serious compliance issues in the future.



Having a professional **license management software** like the one by OpenLM makes an organization **compliant with all these rules and guidelines**. This would help the organization to be compliant with all the clauses mentioned in the software license. Thus, the organization would gain a great software license compliance report in the future.

Benefits or Features of Software License Management



Enhanced Productivity

As mentioned in the '**floating license**' concept, waiting for licenses is a **time-consuming process**. Organizations can get rid of this waiting time by automating the process. To automate this process, organizations need professional license management software. This will surely contribute to enhanced productivity for the organization.

Better Cyber Security

Cybercrime is currently one of the hottest threats in the IT world. Using any unauthorized software always makes an organization prone to such threats. Also, since the advent of the Covid-19 situation, this threat has risen tremendously. Since people now are preferring remote work culture, phishing out critical information from systems has become common globally.

Almost all software licenses come with **strict data security measures and firewalls**. Having them rightly installed in the systems offer better and tightened security measures. Whether people prefer working from the office or remotely, **cyber security remains intact with effective software license management tools**.



Benefits or Features of Software License Management

More Business Agility

Organizations deploying legacy software often face issues with **upgrading, replacing, or managing** their existing software. This is also applicable for organizations using multiple software for each of their users or machines. This happens due to the complexities involved in replacing legacy software or organizations losing a track of the non-feasible software.

With a software licensing management tool in place, organizations can easily track their older software. Software license management tools enable organizations to decide which software to retain or which one to let go of. Thus, with a software license management tool, organizations can gain more agility when it comes to making decisions.



OpenLM Software Management Tool

Know What You Have



Our license manager reports on actual usage and helps you identify unused or rarely used software, additional features that have not been touched, and even named licenses that should be swapped out for a concurrent license or a subscription because the user only accesses them for an hour or two per week.

Our new customers find lots of savings right away, **at least 15%**. With the **high cost of engineering & specialty software licenses**, finding even a single license to discontinue cost justifies your purchase.



Know What's Happening Right Now

We have made it a mission to report as timeously as possible. Depending on the license manager being monitored, feedback is either on a per-second or per-minute basis.

The only exceptions are some license models that work on tokens or time slots and we offer a different solution for them. This near-time feedback keeps you in control.

Do the Best for Your Users



Harvest idle licenses automatically, in alignment with your internal software policy.

OpenLM monitors denials and **identifies 'true' denials**, where the user cannot access a license for a significant time, as opposed to a denial that lasts for a minute or so before the license can be accessed.

Our usage reports help you **minimize the number of licenses** you hold while providing **high availability** to your **user base**.

OpenLM Software Management Tool



A Picture is Worth a Thousand Words

We produce reports in different formats depending on the content.

Apart from traditional list reports (e.g. usage by user), we offer alternatives such as **heat maps and pie charts**, which tell the same story on a single page for management. If for some reason, you need reporting we don't provide, you can create your reports, using your **database and the Power BI enabled OpenLM Reporting Hub** (Which comes with a smart rich UI Dashboard).

Take the Heat off

OpenLM gives you the data necessary to produce internal billing for end users. **Charging back these costs has an added benefit**, the head of the department suddenly is responsible for these costs, and will make sure that his users work as economically as possible, resulting in **additional cost savings**.



License Management for the Cloud

Costs for cloud software are much higher than expected and seem difficult to control. We help you monitor **Adobe, Autodesk, ESRI, Slack, Salesforce, Postman, Workday, Office 365** & more cloud products.

We also help you monitor hybrid products with tokens and work across timelines around the globe. This helps you to protect your SaaS accounts, monitor, and optimize cloud license usage (**Obtain accurate reports, Safeguard sensitive data, Spot stale accounts**)

What Makes OpenLM's Product Stand Out Above the Competition?

Specialized

OpenLM's software is designed specifically for engineering and scientific licenses.

Multiple Vendors

We can help you monitor the products you rely on, from hundreds of vendors including **Ansys, Autodesk, Dassault, ESRI, PTC, Cadence, MathWorks, and Siemens.**

Over 60+ License Managers (LMs) Supported

Our customers are extensive users of CAD/CAM and CAE tools and we support over 60+ license managers in this space.

Customer Focused

Whether you are in construction, pharmaceuticals, healthcare, aerospace, automotive, oil, and gas, or EDA, we help customers in these industries manage their software.

Fortune 500 & SMBs

Our customer base includes Fortune and Global 500 companies across the globe, as well as some top universities, SMBs, government, and municipal bodies (OpenLM is on the GSA Schedule 70 and has U.S. Federal customers).

OpenLM Cloud

OpenLM for Cloud is the latest innovation in our product suite. It wins space from the traditional on-premise version because its hassle-free features, scalability, and resilience, require minimum infrastructure and hardware.

About OpenLM:

OpenLM is among the most trusted global vendors of engineering and specialty software license management solutions (source: Gartner). Founded in 2007, today OpenLM has more than **1000 global customers**; 10% of these customers belong to the 'Fortune 1000' club. 400 of OpenLM's customers are from the US.

Serving across **15+ industries** - Aerospace, Automotive, Engineering Services, Defense, Industrial Manufacturing, Healthcare, Semiconductors, Energy, Power & Utility, Gaming, Government, Telecommunication, Mining, Electronics, Construction, and more, OpenLM boasts of an **NPS (Net Promoter Score) of 4.6**.

OpenLM was founded in the city of Pardesia in Israel in 2007. Soon after it started its operation, it opened its branches in the USA, Moldova, Japan, and India. The company is now focussing on North America, Europe, Australia, Malaysia, China, Thailand, LATAM, and others.

