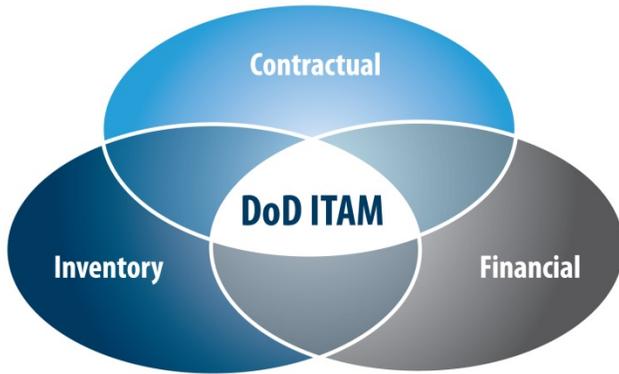




Overview

Information Technology (IT) Asset Management (ITAM) is a framework that joins contractual, financial, inventory, and IT governance functions to support life-cycle management and strategic decision-making to optimize the value of IT assets. ITAM is about tangible assets such as computers, routers, and telecommunication devices, as well as intellectual property such as software that you own, lease or license. It is linked with the methods and resources for planning acquisition, funding, procuring, monitoring usage, securing, disposing of, and tracking IT assets.



DoD CIO seeks to implement an enterprise ITAM framework to improve visibility into investments in IT assets, promote common ITAM approaches based on best practices, secure IT assets and DoD information, and leverage ITAM data to improve IT investment and operational decisions.

ITAM as a Best Practice

ITAM is recognized as a best practice as evidenced by the IT Infrastructure Library (ITIL) inclusion of Service Asset Configuration Management (SACM) as a process area since ITIL Version 3.0.

In addition, international standards for software asset management (SAM), a sub-discipline of ITAM, are evolving through the International Standards Organization / International Electrotechnical Commission (ISO/IEC) 19770 family of standards.

Asset management is also foundational in the National Institute of Standards and Technology (NIST) Federal Information Security Continuous Monitoring (ISCM) framework [NIST Special Publications 800-53, 800-137].

Federal IT Management Reform

Recently enacted legislation such as the Federal IT Acquisition Reform Act (FITARA) and provisions in Section 935 of the Fiscal Year 2014 National Defense Authorization Act (FY14 NDAA) require solutions to reduce the total cost of ownership for commercial IT for Federal Agencies, in part, by improving ITAM and software license management (SLM) processes. The Office of Management and Budget (OMB) has issued a series of IT “category management” policies to drive implementation of FITARA.

Federal IT category management efforts initially target improving the acquisition and management of commonly purchased desktop and laptop computers, commercial software licenses, and mobile communications devices and services. Category management aligns with the ITAM life-cycle to leverage visibility into demand and asset inventories to optimize asset utilization and improve acquisition outcomes to lower the total cost of ownership for commercial IT.

OMB Category Management Policy 16-1 includes provisions for Federal agencies to improve acquisition and management of commercial software licensing by:

- Moving towards centralized license management
- Reducing contract duplication by using “best-in-class” government-wide purchasing vehicles
- Leveraging government purchasing power to improve license terms and conditions
- Aggregating orders to maximize volume purchase discounts

OMB issued category management policies 15-1 and 16-3 for end-user computers and mobile devices and services, respectively, which put forth similar approaches for improving demand management and optimizing procurement for these common IT assets.

The General Accountability Office (GAO) also spotlighted the need for Federal agencies to improve software license management in a 2014 study [GAO 14-413]. This study compared the license management practices of Federal Agencies, including DoD, with SLM best practices and found that improvements were needed in the agencies’ policies, processes, and tools to establish centralized software license inventories and management processes with the goals of improving management decisions and acquisition outcomes.

IT Category Management Solutions

Efforts are underway in DoD and across the Federal government to build on existing IT strategic sourcing activities to implement category management solutions and improve ITAM. DoD CIO and the DoD Enterprise Software Initiative (DoD ESI) are active in the Federal Category Management Leadership Council (CMLC) initiatives where government-wide solutions are being formulated – in many cases, based on existing DoD processes.

DoD ESI has implemented and maintained strategic sourcing solutions for many commercial software providers since the early 2000's. DoD ESI collects purchase data and uses this asset data to establish and improve enterprise purchasing vehicles and Enterprise License Agreements (ELAs).

Large-scale hardware buying processes managed by the DoD Services provide DoD-wide commodity IT hardware purchasing solutions. These processes provide procurement visibility for commodity IT hardware assets. DoD and other Federal Agencies are beginning to share IT purchasing data through the new GSA "Prices Paid" portal and the GSA Federal IT Acquisition Gateway to provide facts to improve contract terms and pricing for commercial IT procurements.

DoD Enterprise IT Asset Visibility

While DoD ESI and Component hardware buying processes provide visibility into a significant portion of DoD commercial IT spend, DoD CIO seeks to improve visibility into commercial software and hardware assets across the asset life-cycle.

DoD CIO prepared a plan for an approach for reporting the inventory of DoD's most costly commercial software licenses to address the requirements of the FY14 NDAA Section 935. The plan outlines how DoD will use ongoing efforts for Financial Improvement and Audit Readiness (FIAR) and Cybersecurity Information Security Continuous Monitoring (ISCM) as the foundation for ITAM.

Process and system improvements planned under FIAR will improve visibility into software license purchases. Improvements in ISCM will provide additional details about the computers and software in use across the Department.

By using ITAM and SLM processes, tools, and industry data standards to link information about the assets owned and purchased with the assets in use, DoD IT Asset Managers will be able to identify opportunities to improve procurement and utilization of assets and better manage demand.

DoD ITAM Collaboration

DoD CIO aligns enterprise ITAM efforts with DoD ESI to link IT asset reporting with IT category management, strategic sourcing, and vendor management activities. Use of IT asset data within DoD ESI aids in prioritizing acquisition resources and equips DoD ESI team members with demand data to continually improve contract terms, software licenses, and pricing.

DoD ESI leads Department-wide ITAM activities through a DoD ITAM Integrated Product Team (IPT) that includes representatives from the CIO organizations of the Military Services and Other Defense Agencies.

The DoD ITAM IPT serves as the primary forum for communicating department-wide objectives and strategies, and for collaborating to adopt common ITAM approaches and data standards across DoD. Representatives from all DoD Components are welcome to participate.

Knowledge is Power

By establishing a more data-driven ITAM framework, DoD ESI expects to provide better and faster information on IT demand and usage to better support enterprise decisions.

With knowledge comes the power to significantly enhance DoD's ability to establish and promote use of DoD-wide enterprise agreements that not only add significant value, but also provide the best terms and conditions for all DoD commercial IT buyers.

Additional Information

Industry associations and other nonprofit organizations that foster and promote best practices and standards for ITAM include:

- Business Software Alliance (BSA)
- Distributed Management Task Force (DMTF)
- Information Systems Audit and Control Association (ISACA)
- International Association of IT Asset Managers (IAITAM)
- International Business Software Management Association (IBSMA)
- TagVault.org

Additional information about DoD ESI and ITAM is available at www.esi.mil. The DoD CIO lead for ITAM is Mr. Ed Zick (edward.c.zick.civ@mail.mil).