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# Does your technology environment inform decisions or complicate them?

In a modern organisation, almost every action involves technology. Without digital infrastructure, many businesses would not have a product or even a working business model. However, whether it's simple customer interactions or managing an international distribution chain, technology is less centralised, and less visible than ever – even to IT teams! Increasingly, efficiency and growth are found through data-driven insights and shrewd investment in the emerging technologies that align best with your business.

As we navigate remote workforces, rising cyberthreats and pressure to save costs, you need to answer four important questions:

- 1. How can I get a complete, clear view of my fragmented technology landscape?
- 2. Can I rely on my data to be accurate and available at a moment's notice?
- 3. What technology choices will deliver the best value, and how do I budget accordingly?
- 4. How do I support a secure digital environment?

This eBook presents three key steps that will help you to gain clarity about the technology you own, and how it is used. Following this process will ensure your organisation has trustworthy data to inform future decisions, and establish governance to help protect your information, your staff and your customers.

## Step 1: Visibility

In the traditional, on-premises IT environment, technology purchases were almost solely handled by the IT department. IT leaders had a clear view of all the hardware and software the organisation owned. Through the emergence of cloud, combined with a more tech-savvy workforce, the situation has changed significantly. Gartner now predict that business unit IT purchases will increase to 50% of all enterprise IT spending<sup>1</sup>.

Remote and mobile working has also been increasing steadily for many years, with a monumental spike through the impacts of COVID-19. IT departments accustomed to facilitating remote working for a few users were suddenly faced with an exodus of workers from a visible and controlled environment. Gartner foresees that 48% of employees will continue to work remotely, at least part of the time<sup>2</sup>. IT Teams need a long-term strategy to achieve and maintain visibility in an anywhere workplace.

### The challenge of wasted software spend

While cloud was a blessing for those tasked with quickly establishing work from home capabilities, it also escalated an existing challenge: how to manage software licensing, when anyone with a credit card and an internet connection can purchase additional licenses?

The problem is too expensive to ignore. Data#3 research found that 99% of organisations miscalculate the size of their IT environment, on average under or overestimating by 21%. Of these companies, 54% were overspending on hardware and licensing, while the remaining 46% were under-licensed, facing potential software compliance risks<sup>3</sup>. The cost of software non-compliance can range from tens of thousands to millions of dollars. Adding to the problem is the fact that, as employees come and go, old license renewals may be paid automatically.

Overall, 30% of software deployed is not used<sup>1</sup>; companies are paying for more licenses than required. When acquired separately by individuals or business units other than IT, the advantage of enterprise buying power may be missed, and many organisations find themselves with duplicate solutions to the same problem.

### Could you cope with an audit, right now?

Designed to help organisations understand their technology consumption and investments, Data#3's **Technology Visibility Service** uses the Technology Intelligence platform to present a single view of users and devices, the data centre and the cloud. Through Technology Visibility, you can gain a clear view of all the hardware and software used by your organisation, your business groups, or individual users. This view equips IT teams to plan and manage technology more effectively, reducing cost, gaining efficiency, and reducing risk. The ability to produce accurate reports in moments means you are always audit-ready, and compliance is not left to chance.

"The physical assets didn't match what we could see on the network. We knew we needed to have better visibility of our SQL and Windows servers...

Over three years, we could never confirm the count. Now we can."

Manager of Technology and Innovation, Fiji National Provident Fund

## Step 2: Optimisation

Visibility of your technology usage provides an essential layer of awareness, but the answers obtained from combining data sources and creating a single source of truth are just the beginning.

To understand the logical, cultural, and historic reasoning behind your technology landscape, and determine the right IT decisions for the future, expertise is needed.

#### The expanding role of CIOs

In modern organisations, managing IT extends far beyond the IT department. 84% of CIOs are now responsible for areas outside of traditional IT, such as growth and innovation<sup>1</sup>. For both the CIO and CFO, greater scrutiny is placed on IT spend and ensuring the absolute best value for the business on every dollar spent.

"Our latest data set shows that revenue and especially earnings growth are largely negative for companies that neglect, fail, or refuse to embrace digital innovation."

Harvard Business Review

As the IT leadership role expands, the need for dependable intelligence grows. Knowing where to direct technology spend is by no means easy. While digital transformation drives innovation and can significantly heighten an organisation's competitive edge, just 16% of respondents in a McKinsey survey said that digital transformation efforts had led to long-term performance improvements for their business<sup>2</sup>. Clearly, not all spend is hitting the mark.

The analysis required to transform raw software and hardware asset data, as well as cloud consumption data, into meaningful business insights is a specialist skill – unlikely to be conducted by a single expert. A security specialist will undoubtedly approach a situation with a different perspective than someone whose primary focus is operational efficiency. Although there is overlap, optimisation inevitably involves the input of a diverse team with a number of specialisations.

### **Bridging the Technology Optimisation gap**

Few organisations have the breadth of experts in-house to cover off technology optimisation in every area. Hiring separate consultants and piecing together the resulting recommendations becomes expensive and complex. Given the time and cost pressures on in-house IT teams, contracting, briefing, and collaborating with many consultants – each with their own focus – is not realistic.

Data#3's Technology Optimisation Service builds a comprehensive optimisation layer on top of its Technology Visibility Service foundation. This provides the complete overview of your technology deployment and consumption, along with an accurate record of your current costs. Our Technology Optimisation experts interpret the business logic behind buying decisions, and apply it to the data collected through the Technology Intelligence Platform. Expert recommendations for optimisation, including software waste, SaaS waste and zombie virtual machines is all part of the service. Our customers, in turn, can identify and address risks, and more confidently budget for their needs, without monopolising the time of valuable in-house staff.

## **Digital Transformation**by the Numbers

43%

of your **SaaS stack** changes every two years<sup>3</sup>

56%

of CEOs say digital improvements have increased profits

80%

of organisations **overshoot laaS budgets** due to lack of cost optimisation approaches<sup>4</sup>

Of the

\$1.3 trillion

spent on digital transformation in 2018, an estimated **\$900 billion** was wasted when initiatives didn't meet their goals<sup>6</sup>



Two-thirds of Australian organisations say they are 'transforming' in some way. Based on discussions with clients, however, we estimate that the number of organisations that are really transforming their business model - a necessary step in digital disruption — is closer to 10 per cent. The vast majority of digital business initiatives optimise existing business models.

Jenny Beresford, former Senior Director Analyst, Gartner



## **Step 3: Governance**

### Secure your digital environment

The progressively digital workplace presents new security and data protection challenges. Previously, the workforce stayed safely behind a firewall. The boundaries of today's organisations are much more blurred. The pandemic has accelerated an already significant trend of remote working, causing fast, unplanned technology deployments. The resulting technology sprawl, lack of information governance and security implications has caught many organisations on the back foot - and just as the number and sophistication of attacks has exponentially increased. The FBI estimates that cyberattacks have risen 300% since March 2020¹, yet IT teams were already under the pump trying to manage an average 5000 alerts a day².

Do you have too many alerts, too many systems and not enough time?

Complexity is the enemy to cybersecurity.

Organisations who implemented rapid rollouts will need to review and secure many of their decisions.

Assessments from a third party, such as Data#3, are often the support your team needs to get back on the front foot.

### Security and the IoT

Complicating matters further, businesses use a far broader range of connected devices than ever before. By 2025, Statista predicts that 21.5 billion active devices will be in circulation<sup>4</sup>, ranging from smartphones and printers, to security cameras and climate control sensors. In some cases, updates and security patches are automatically applied, while in others manual intervention is required. We've seen many businesses bear the brunt of cyberattacks that zeroed in on these vulnerabilities, in otherwise well-protected environments. Technology Intelligence Solutions can help you uncover these blind spots.

## Cloud complications and the data protection landscape

Shadow IT and the easy availability of cloud applications can also introduce new threats, with 93% of organisations dealing with rogue cloud app usage<sup>4</sup>. For organisations, it can be hard to know what data resides on these applications, how it is stored and protected and whether it can be shared.

Data breaches are costly, and when customer data is involved, both fines and brand damage can be severe. In Australia, reporting notifiable data breaches is now mandatory, and organisations that deal with individuals or businesses in the European Union are also required to comply with that jurisdiction's General Data Protection Regulation (GDPR) legislation.

The cost of non-compliance is 2.71 times higher than the cost of compliance<sup>5</sup>, but effective governance is a highly specialised area.

To ensure information assurance and fully capitalise on your IT investments it's critical to have a view of where data resides, who has access to it and what data contains personally identifiable information. Only then is it possible to implement robust policies and processes for ongoing management.

## Step 3: Governance (continued)

### The governance layer

Added to the Visibility and Optimisation tiers,

Data#3's Technology Governance Service
delivers dynamic security and data protection
information. It includes powerful dashboards
and insights into your organisation's security
posture, offering ongoing proactive monitoring and
assessment of your environment's vulnerabilities
and risks. The Technology Governance Service
cross-references information gathered from the
furthest reaches of your digital estate with the US
National Vulnerability Database – a continually
updated record of more than 9 million known
software vulnerabilities.

Above and beyond dashboards and insights, customers receive comprehensive quarterly reports and business reviews from Data#3 covering all applications and devices within their organisation, both on-premises and in the cloud. Clear recommendations are made to address issues to tighten protection and ensure you have your best defence enabled.

**Download Sample Report** 



## Technology Intelligence versus Status Quo

Compare the pair: let's take a look at two companies who manufacture and sell medical supplies.

## **Company A**

Company A needs clarity about its software licensing position. so it embarks on a technology intelligence journey.

Company A discovers a number of 'zombie licenses' that are no longer used but have been renewing themselves via an auto debit; the person who originally purchased the subscription no longer works for the company.

With expert assistance Company A consolidate their SaaS contracts, creating a net saving of \$90k.

Company A is audited. No problem – logs are automatically combined from numerous sources. Within 10 minutes, they have run the reports the auditors need.

Company A needed to quickly transition to remote work. They had all the data at their fingertips to ensure their deployments were cost-effective and secure.

They also receive quarterly reports to help maintain optimal efficiency and their best security defence.

Cyberattacks increased by 300% at the end of 2020<sup>2</sup>, putting the reinforced defences of Company A to the test. Even when a staff member went off network, the visibility remained, keeping track of the security posture of their device and software.

Working more efficiently means that IT had more time for strategic projects and Company A was able to get its new product launched weeks ahead of schedule. 2020 has been tough, but the business is bouncing back strongly.

## **Company B**



Company B faces the same challenge, but there are other priorities.



Company B renews all its licenses, but without visibility of SaaS purchases, there is some doubling up: one of their business units has purchased Cisco Webex when the company was already licensed with Microsoft Teams. No one notices; they are over-provisioned for yet another year.



Company B is audited. Without visibility, it is a highly disruptive process. An IT resource and a colleague from finance spend a stressful week gathering information – but is it complete? Is it accurate? They can't confidently say, but they do their best.



The auditors find the company overlooked some productivity software bought without the IT team's knowledge, and they are fined almost \$500,000.



Company B's staff transitioned to remote working during the pandemic - 70% enjoy the new work practice1, so it looks like remote working is here to stay.



However, IT aren't sure when they'll get the chance to optimise and secure the new video conferencing system they rolled out.



Without visibility, the IT team didn't know that a patch wasn't applied... but hackers found the vulnerability and exploited it. The intrusion wasn't detected for four months, and by then, customer information was available on the dark web.



Due to the extent of the breach, Company B had to notify customers and the Office of the Australian Information Commissioner (OAIC), they may face fines and reputation damage.



New product... what new product? Company B's uncertain future led to a product development talent exodus.

2020 has been full of hard lessons, but fortunately it isn't too late to revisit the technology intelligence idea and plan a recovery.

## Why Technology Intelligence Matters

## The IT Landscape

Digital-first companies are





Executives say the top benefits of digital transformation are:



Improved operational efficiency (40%)



Faster time to market (36%)



Ability to meet customer expectations (35%)

but just 16% said that digital transformation efforts led to long-term performance improvements for their business<sup>3</sup>.

## **Post-COVID**

Since lockdown, 41% of SMEs have bought or installed software to enable their teams to work remote. An additional 22% plan to purchase in the near future<sup>4</sup>.

1/4



of businesses have decreased or cancelled capital expenditure since the 2020 lockdowns<sup>5</sup>.

48%



of large businesses, relative to 38% of small businesses, changed their model of delivery in response to the pandemic<sup>6</sup>.

## **Security and Governance**

\$2.13m



the average cost of an Australian data breach<sup>7</sup>

93%



of organisations are dealing with rogue cloud app usage<sup>8</sup>

69%



of companies receive more than 5,000 threats every day<sup>9</sup>.

# Real Businesses, Real Results

Fiji National Provident Fund (FNPF) Gains Visibility of Devices and Software Licenses.

The FNPF needed a new Microsoft licensing agreement, but in spite of the best efforts of the IT team, it was unclear how many user devices were active. The number of physical and virtual servers was also unclear. For Manager of Technology and Innovation, Uraia Goneyali, the situation was frustrating.

"There was a big mismatch between the numbers on the ground captured, the record of computer assets maintained by Finance, and the number of desktop installations seen by Active Directory. When we compared the three, we couldn't know what we had or where we were."

The FNPF team followed Data#3's recommendation for a visibility solution that harnessed Snow; a powerful tool that gives a unified view of software across the physical and cloud environment.

The advantages of increased visibility were quickly felt. Having invested many hours in their efforts to track assets, suddenly Goneyali's team could finally get a complete picture.



Before, our six-monthly audit would take a whole week, followed by a month to compile reports. We would conduct a daily check in, taking one to two hours. The new solution has changed our workday.

For the first time, there is visibility across our entire network, of all servers and clients. We weren't sure when users were in the office without manually looking, but now we have increased visibility to know what is there as well as whether they're in the office or not.

explained Goneyali.



**Read Case Study** 



#### **About Snow Software**

Data#3's Technology Visibility Service leverages Gartner Magic Quadrant leader Snow Software to compile information about your complete technology landscape, both on-premises and in the cloud. The tool is unobtrusive, working in the background to gather a wealth of data to translate into easily understood and actionable intelligence.

#### **Technology Intelligence with Data#3**

From gathering intelligence, analysing information, and making detailed recommendations, Data#3 puts your business outcomes at the centre of its **Technology Intelligence solutions**. As a Platinum Snow partner, Data#3 offers you industry-leading technologies at a fraction of the cost. The platform has been built with a strong focus on data protection and security, with an established Information Security Management System aligned to ISO 27001.

With over 40 years of experience designing and implementing technology solutions for Australian companies, Data\*3's national team of specialists can deliver visibility of your entire on-premises and cloud ecosystem.

## **Next Steps**

## Make your business an intelligent one today.

To learn more about Data#3's Technology Intelligence Solutions, please click here or:

Request a demo of our Technology Intelligence Solutions.

Read how Fiji National Provident Fund gained visibility of their devices and software licenses

**Download a quarterly sample report** for Technology Governance

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