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SmartSpend™ Bulletin

Rethinking Software Asset Management:
How a Hybrid Approach Improves Outcomes

Hybrid SAM combines your internal team with an external managed service to run the tools, maintain data quality, and apply deep publisher expertise on an ongoing basis.

Software has changed. The way most organizations manage it hasn't. The side effect is companies are wasting millions of dollars each year despite best internal efforts, leading to heightened risk across the IT ecosystem. It's time to reexamine how large enterprises approach software asset management (SAM), how a hybrid model enables a more effective strategy.

For many enterprises, SAM still looks like a set of tools, periodic clean up exercises, and heroic internal effort just to keep up. Licenses are reconciled just before deadlines, data is assembled reactively, and reports are outdated almost as soon as they're produced.

That approach may have worked when software portfolios were smaller and licensing models were simpler. Today, it creates blind spots, increases risk, and drives unnecessary spend. Effective SAM now requires something different. It is no longer a point-in-time activity managed by a small team, but an operating discipline that demands sustained expertise, consistent processes, and clear ownership.

WHY TOOLS ALONE DON'T DELIVER SAM OUTCOMES

Most large enterprises already own SAM platforms. Flexera, ServiceNow SAM Pro, Zylo, and similar tools are powerful. They promise visibility, compliance insights, and reporting at scale. Yet many organizations still struggle to answer basic questions with confidence:

- What are we actually entitled to use today?

- Where are we overspending and why?

- Which renewals represent the biggest financial and audit risk?

- How defensible is our data if a vendor challenges it?

The issue is rarely lack of technology. SAM tools do not run themselves, resolve ambiguity, or adapt to constant change. They rely on accurate data, continuous configuration, and publisher-specific expertise. Those inputs are often inconsistent rendering the system ineffective. They also rarely produce insights that are immediately actionable beyond SAM stakeholders. Outputs often require multiple layers of interpretation before they can inform savings initiatives, compliance decisions, or executive decision-making.

THE REALITY INSIDE MOST ORGANIZATIONS

Inside most organizations, SAM ownership is fragmented across teams that were never designed to manage it end to end. IT focuses on operations, procurement is engaged around renewals, finance seeks predictability, and security has its own priorities. Each group sees only part of the picture and operates under real constraints:

- Limited bandwidth to continuously manage entitlements, integrations, and data quality
- Rapid licensing changes that require deep, publisher specific knowledge
- Siloed ownership that makes it difficult to connect usage, spend, and contract terms
- Reactive timelines driven by renewals and audits rather than proactive planning

Other challenges? The critical shortage of skilled SAM professionals with an estimated 1.7 million positions unfilled globally. And the speed of change across software vendors has outgrown traditional internal models. Licensing metrics shift, bundles change, and audits tactics have become more aggressive.

In this environment, SAM remains largely tactical. Insights surface too late to influence negotiations, and optimization and risk mitigation opportunities go unrealized.

Keeping up requires more than general SAM knowledge. It requires specialists who live inside these models, understand how vendors interpret their own rules, and know where assumptions commonly break down. For most enterprises, maintaining that depth of expertise internally across *multiple strategic publishers* is unrealistic.

THE IMPACT OF TREATING SAM AS AN ONGOING CAPABILITY

Reactive SAM is resolved by treating it as an ongoing operating discipline, reinforced by a managed service layer that closes resource and knowledge gaps. When treated as an ongoing managed capability, its role changes fundamentally. It becomes the foundation for:

- Confident renewals, built on validated usage and defensible demand
- Reduced audit exposure, addressed proactively instead of reactively
- Cost control, driven by continuous optimization rather than one time events
- Better decisions, grounded in a trusted view of the software estate

This shift does not happen automatically. It requires consistent operational ownership, cross functional alignment, and the ability to translate complex data into practical actions that teams can execute.

The future of enterprise-scale SAM is a layered architecture that includes dedicated internal tools and headcount with added external support provided by independent expert specialists.

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Organizations that bring in expert-backed SAM will finally **break out of firefighting mode and turn SAM into a proactive advantage**.

WHY A HYBRID MANAGED SERVICE MODEL MAKES SENSE

While some organizations are willing to fully outsource SAM, many are opting for a hybrid approach. In a hybrid SAM model, internal teams retain ownership and context while an external managed service provides ongoing tooling support, data integrity, and deep licensing expertise.

In practice, this means:

- Continuous entitlement management and validation
- Ongoing health checks of tools, integrations, and data sources
- Publisher-specific interpretation of usage and licensing metrics
- Alignment between IT, procurement, and finance around a shared view of risk and opportunity
- Proactive planning tied to renewal and audit timelines

This level of rigor is difficult to sustain with internal only models that depend on spare capacity or periodic attention. It requires dedicated focus.

The future of enterprise-scale SAM is a layered architecture that includes dedicated internal tools and headcount with added external support provided by independent expert specialists. These specialists manage SAM tools, ensure continuous data and configuration accuracy, and bring insider licensing knowledge to every juncture of the SAM process.

A DIFFERENT WAY TO THINK ABOUT SAM

Similar to accounting or legal, SAM's significance has evolved to require an internal/external approach that's designed for continuous, layered optimization. As software estates grow more complex and vendor behavior more aggressive, the need for sustained, expert-supported SAM will only increase. The organizations that recognize this early and embrace a hybrid approach are the ones that will move from reactive clean up to proactive control.

If you want to learn more about the benefits of a hybrid managed service approach to SAM, **contact NPI** today.

ABOUT NPI

NPI is the premier provider of data, services and tools to help large enterprises identify and eliminate overspending on IT purchases. NPI delivers transaction-level price benchmark analysis, license and service optimization analysis, and vendor-specific negotiation intel that enables IT buying teams to drive material savings and measurable ROI. NPI analyzes billions of dollars in spend each year for clients spanning all industries that invest heavily in technology. NPI also offers software audit, audit defense, and asset management services. For more information, visit npifinancial.com.

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