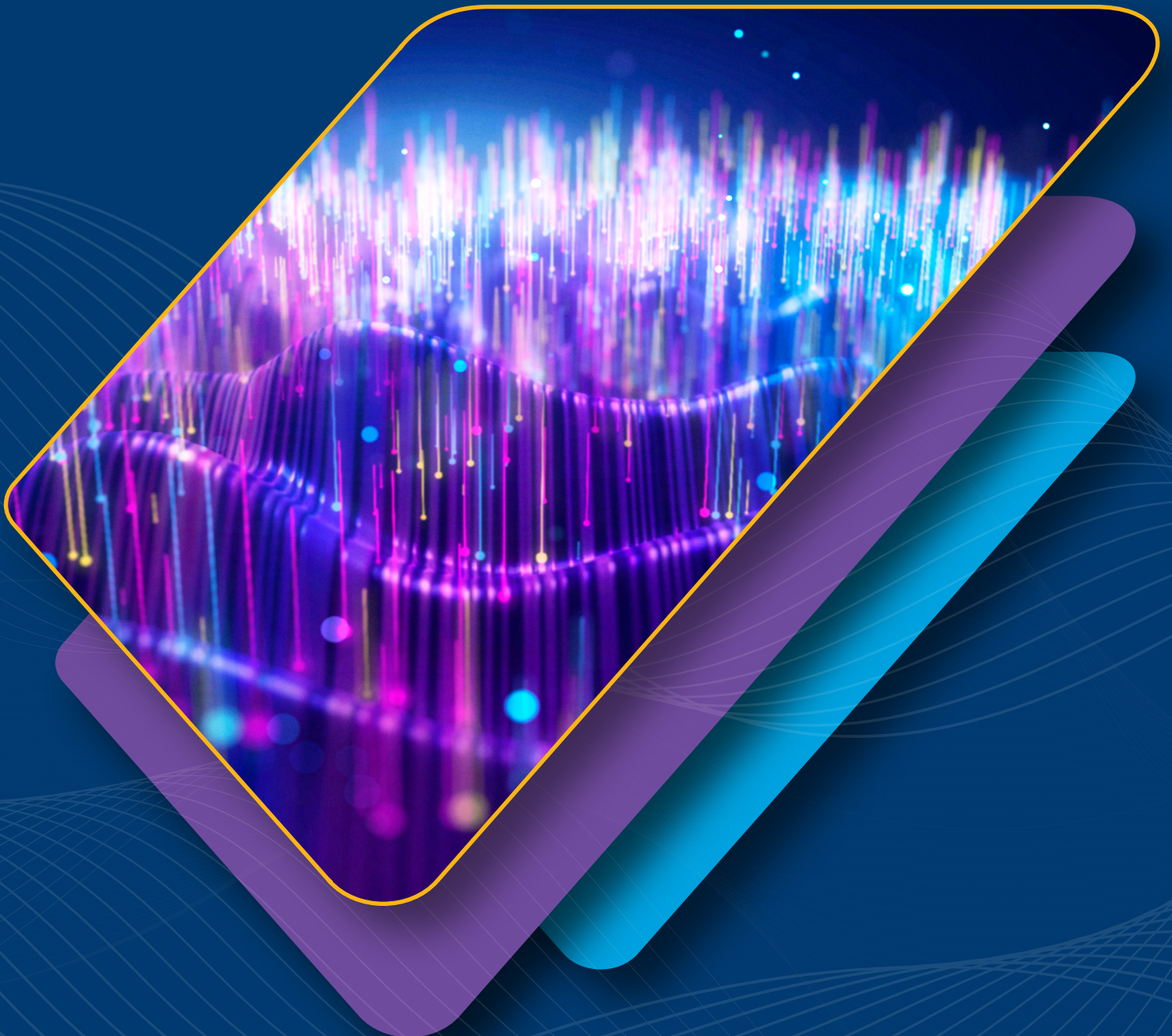# flexera™

2024 | State of ITAM Report

ITAM influence grows with expertise in managing IT asset data

Audit costs continue to increase while the importance of managing security and financial concerns grows

» Table of contents

❯❯ Table of contents

Proper IT asset management is foundational to managing your hybrid IT estate, but it comes with its own set of unique challenges. It's an essential process that enables organizations to optimize their IT assets by improving performance, mitigating security risks and reducing costs. However, ITAM tools and processes are evolving quickly as the IT landscape becomes more complex across hybrid on-premises, SaaS and the cloud.

Organizations are dealing with a noticeable increase in the cost of software audits. At the same time, a wide range of stakeholders use data from ITAM platforms, including security, procurement, FinOps and finance. As in previous years, the highest-functioning enterprises rely on advanced ITAM tools and practitioners. The *Flexera 2024 State of ITAM Report* provides insight into the makeup and focus of ITAM teams at enterprise-level organizations and offers perspective and advice on current trends. The report takes a high-level view of IT investments across public, hybrid and SaaS technologies.

Report highlights

Here's a sample of key findings from this year's report, which represent trends in ITAM, based on a worldwide survey of 503 IT professionals.

What's your estimated wasted spend across your IT estate?

Desktop software
Beginner	Intermediate	Advanced
32%	20%	30%

Data center software
Beginner	Intermediate	Advanced
29%	18%	22%

SaaS
Beginner	Intermediate	Advanced
31%	21%	20%

IaaS/PaaS
Beginner	Intermediate	Advanced
30%	20%	21%

■ Beginner
- Primarily audit response
- Just starting to develop SAM practices/processes

■ Intermediate
- Ongoing tracking of software licenses beyond just audits

■ Advanced
- Ongoing tracking plus optimization of software licenses beyond just audits
- Tracking SaaS and cloud usage

N=503
Source: Flexera 2024 State of ITAM (Figure 18)

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How much do you estimate your organization has paid in software vendor audits over the past 3 years?

N=503
Source: Flexera 2024 State of ITAM (Figure 30)

flexera

How relevant are these technologies to your SAM program?

Technology	Value
Microsoft licensed software	3.97
Microsoft SaaS products	3.95
Microsoft Azure (public cloud)	3.71
AWS public cloud	3.57
Salesforce	3.23
ServiceNow	3.12
VMware	3.09
Adobe	3.05
Google Cloud Platform	3.01
Oracle	2.99
SAP licensed software	2.98
Google SaaS products (Gmail, Google Workspace, etc.)	2.90
SAP SaaS products	2.84
Specialty engineering products	2.83
Workday	2.75
IBM	2.67
Broadcom (not VMware)	2.36

Weighted average of all respondents:
Scale from 1-5

N=503
Source: Flexera 2024 State of ITAM (Figure 27)

flexera

Which of the following teams does your SAM team have significant interaction with?

Team	Percentage
Infrastructure and operations	65%
IT service management	63%
Security	50%
CIO/CTO	44%
Cloud (cloud central team, CCOE)	41%
IT finance	40%
Procurement	38%
Enterprise architecture	35%
FinOps	32%
Vendor management	31%

N=503
Source: Flexera 2024 State of ITAM (Figure 10)

flexera

In what areas have you realized actual savings in the past year due to your SAM program?

Area	Significant savings	Moderate savings
Reuse of licenses to avoid buying new ones (non-cloud)	45%	46%
Reduction of maintenance spend on unused software	36%	47%
Better negotiation of vendor contracts	37%	45%
Purchase of less expensive license option (correct SKU for application need)	34%	45%
Reuse of on-premises licenses in public cloud (BYOL)	34%	44%
Audit compliance (reduced remediation activities)	34%	44%
Reduction of effort/hours for audit preparation	31%	47%
Faster/more successful cloud migration projects	33%	42%
Reduction of unbudgeted true-ups or audit penalties	28%	42%

N=503
Source: Flexera 2024 State of ITAM (Figure 33)

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Methodology

The Flexera State of ITAM survey tapped 503 technical professionals worldwide in early 2024. The network includes professionals across industries and context areas.

Flexera sources participants from an independent panel that is rigorously maintained and is comprised of vetted respondents with detailed profiles. All numbers and percentages are rounded to the nearest whole number.

At numerous points throughout the report, we've provided our own interpretation of the data as Flexera points of view (POV).

Reuse

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Commonly used terms:

BYOL: Bring your own license

CCOE: Cloud center of excellence

CMDB: Configuration management database

ESG: Environmental, social and governance

EOL/EOS: End of life/end of service

HAM: Hardware asset management

IaaS: Infrastructure as a service

ITAD: IT asset disposition

ITAM: IT asset management

ITFM: IT financial management

ITSM: IT service management

PaaS: Platform as a service

SaaS: Software as a service

SAM: Software asset management

Demographics

This year's survey is weighted heavily toward larger companies; 91% of respondents were from organizations with more than 2,000 employees and 11% were from organizations with more than 50,000 employees.

What size is your organization?

9%
1,001 - 2,000

20%
2,001 - 5,000

30%
5,001 - 10,000

19%
10,001 - 20,000

11%
20,001 - 50,000

6%
50,001 - 100,000

5%
100,001+

N=503
Source: Flexera 2024 State of ITAM (Figure 1)

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More than half (58%) of the respondents are from North America, and one-third come from the *UK* (22%), *Germany* (7%) or *France* (4%).

Where are your headquarters located?

Legend:
- U.S. 55%
- UK 22%
- Germany 7%
- France 4%
- India 3%
- Canada 2%
- Spain 1%
- Australia 1%
- Brazil 1%
- Mexico 1%
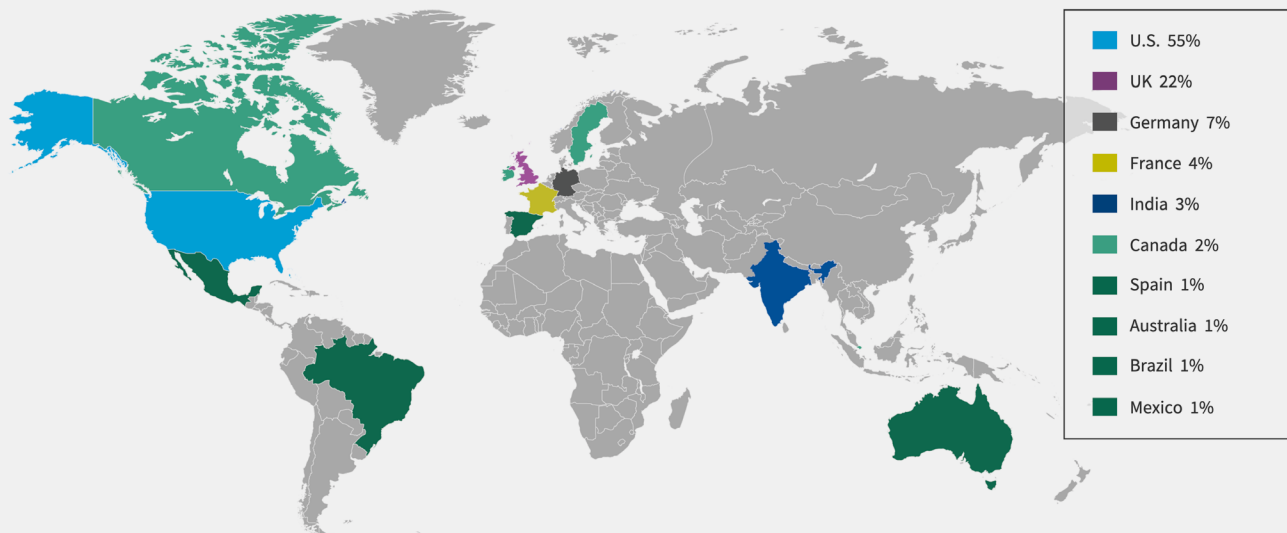
N=503
Source: Flexera 2024 State of ITAM (Figure 2)

flexera

Financial services (22%), *tech: software* (13%) and *healthcare* (11%) are the most prominent industries represented.

What's your company's industry?

22%	**13%**	**11%**
Financial services	Tech: Software	Healthcare

8%	7%	7%	6%	5%	4%	4%
Consumer products and services	Industrial products	Retail and eCommerce	Transportation and logistics	Tech: Hosting/Cloud provider/Managed services	Education	Business services
3%	3%	2%	2%	2%	1%	2%
Telecom	Tech: Hardware	Media and publishing	Tech: Other services	Travel and hospitality	Government	Other
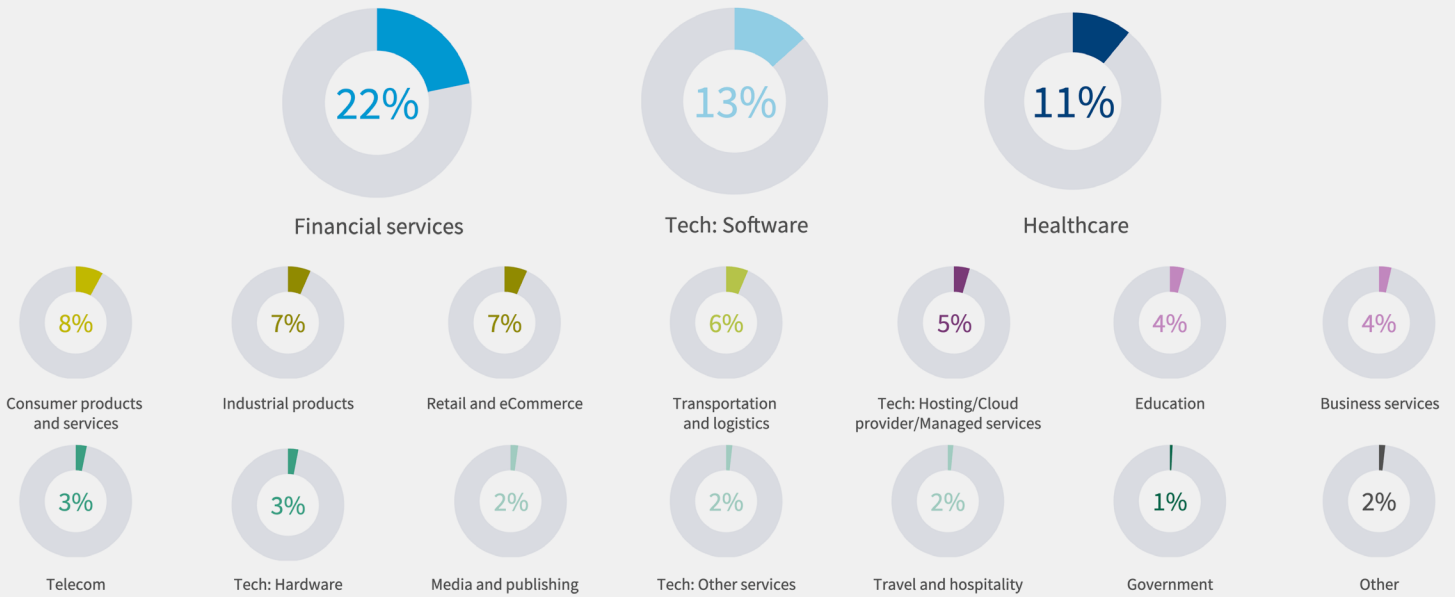
N=503
Source: Flexera 2024 State of ITAM (Figure 3)

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ITAM is a critical and strategic function in the enterprise

The ITAM function continues to broaden in response to the growth of FinOps, SaaS and the cloud. The top two respondent job functions remained the same year over year: *ITAM (ITAM, SAM, HAM, ITAD)* and *IT infrastructure/operations/cloud*. *IT infrastructure/operations/cloud* was down from 34% last year, and *IT service management* increased to 5% this year, up from 1% last year.

What best describes your function?

9% — C-level

7% — Other

40% — ITAM (ITAM, SAM, HAM, ITAD)

30% — IT infrastucture/Operations/Cloud

3% — Program and project management

5% — IT service management

5% — Security
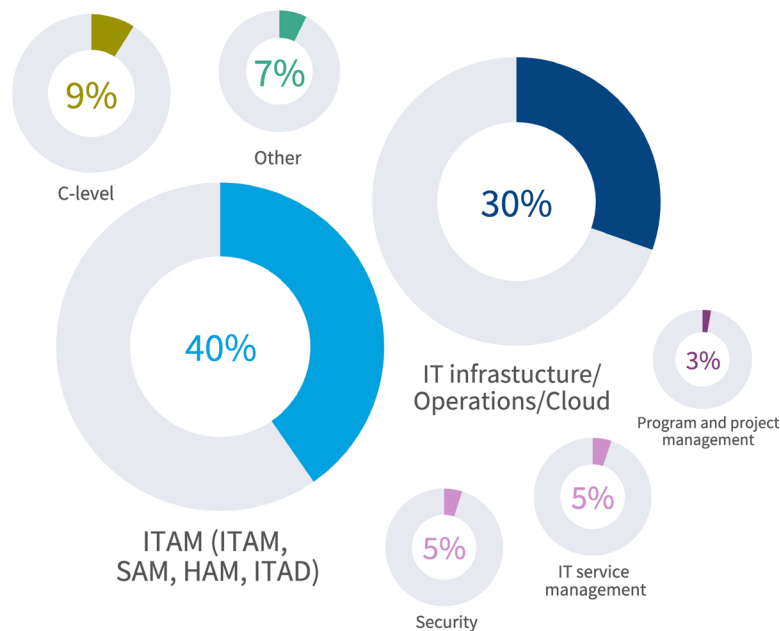
N=503
Source: Flexera 2024 State of ITAM (Figure 4)

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Nearly three-quarters of respondents describe their function as ITAM or IT infrastructure, operations or cloud

2024 STATE OF ITAM REPORT

What's your role?

27%
Manager/Senior manager

19%
Director/Senior director

14%
SAM/ITAM/HAM analyst or practitioner

9%
VP/SVP/EVP

9%
C-level

9%
Architect

8%
IT practitioner

5%
President/Managing director/General manager
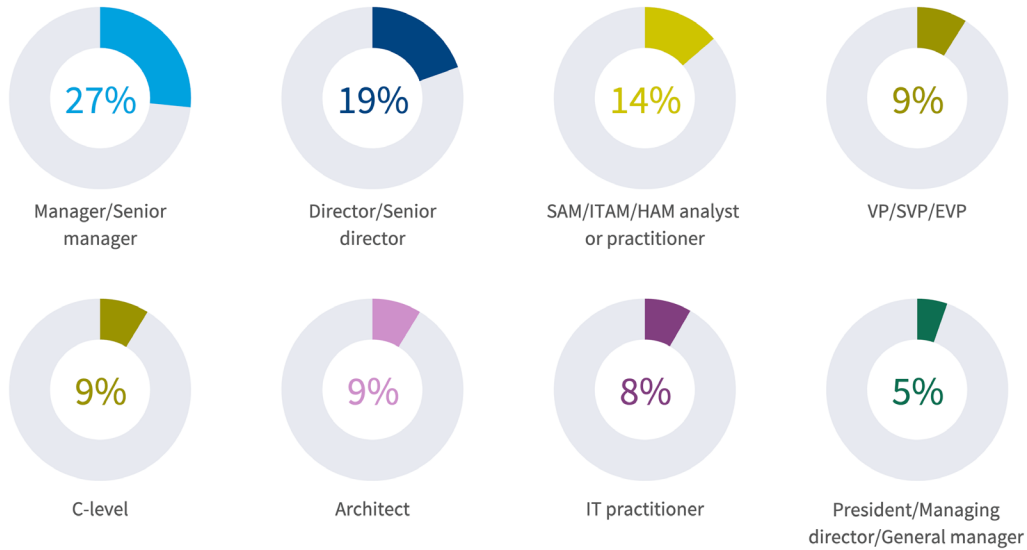
N=503
Source: Flexera 2024 State of ITAM (Figure 5)

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69%
of respondents are manager level or higher

23%
are VP level or higher

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Almost half of respondents (46%) say that their ITAM teams now report directly to the CIO or CTO, up from 40% last year and 22% in 2022.

Where does your ITAM team report?

Directly to CIO or CTO	46%
Infrastructure management	25%
Operations	14%
Service management	5%
Security operations/Cybersecurity	4%
Procurement/Sourcing	3%
Finance	2%
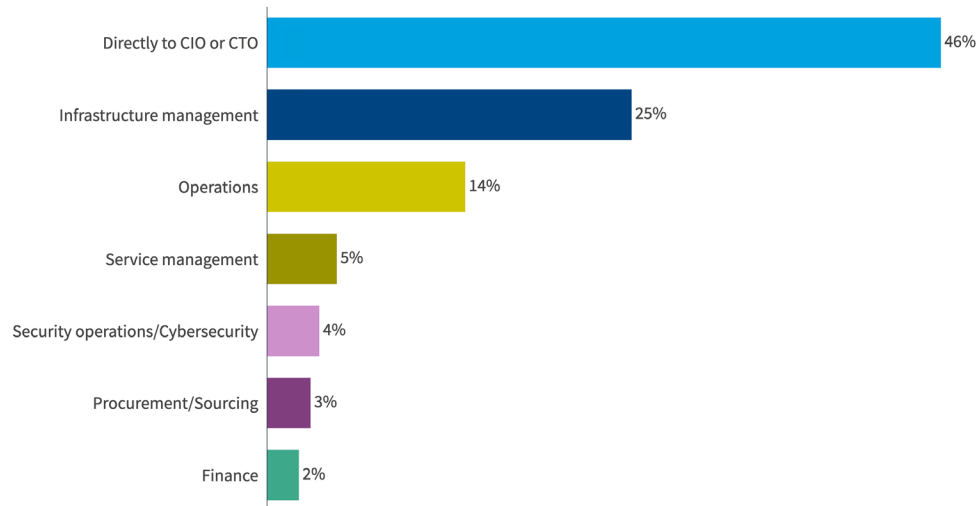
N=503
Source: Flexera 2024 State of ITAM (Figure 6)

flexera

ITAM has become more strategic. Over the past two years, the percentage of ITAM teams reporting directly to the CIO or CTO has more than doubled

CCOEs are a centralized way to manage an organization's cloud journey. Respondents indicate this remains the norm (72%), similar to last year.

Does your organization have a central cloud team such as a CCOE?

72%	27%	2%

■ Yes ■ No ■ Don't know
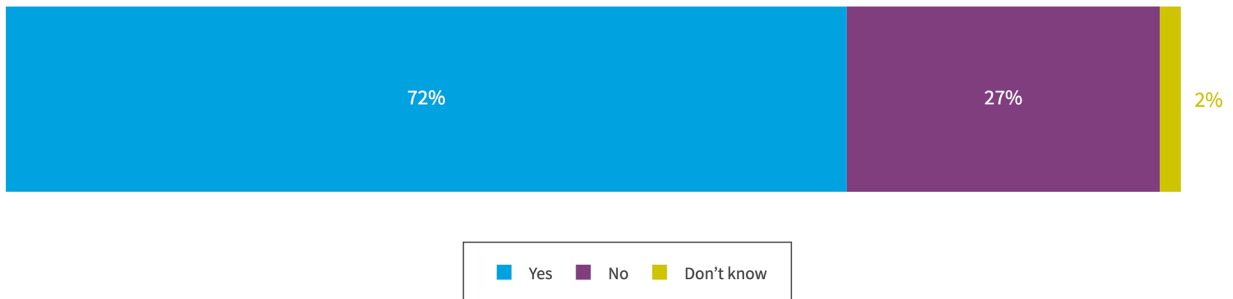
N=503
Source: Flexera 2024 State of ITAM (Figure 7)

flexera

Does a member of your ITAM/SAM team participate in, or contribute to, your organization's cloud central team/CCOE?

| 88% | 10% | 2% |

◼ Yes ◼ No ◼ Don't know
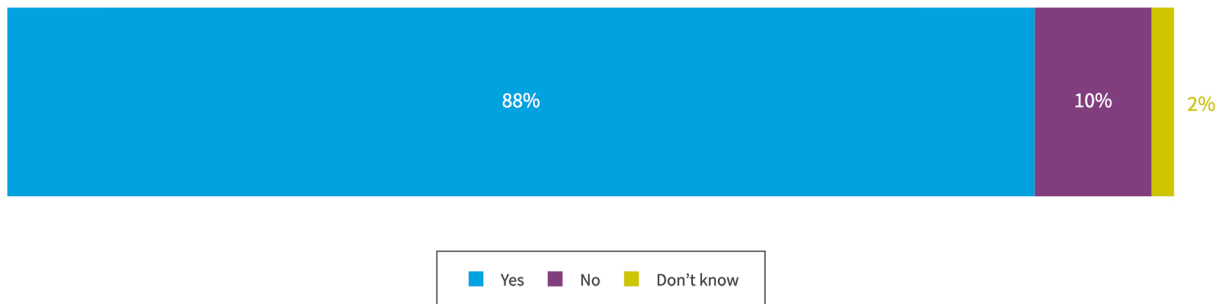
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Source: Flexera 2024 State of ITAM (Figure 8)

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88%
of CCOEs have an ITAM/SAM member on the team. The CCOE will have the most exposure and influence on an organization's cloud journey

» **FLEXERA POV**
Enterprises should include ITAM practitioners in CCOEs to ensure software licensing is incorporated into cloud-cost planning and deployment.

Does your organization have a FinOps team?

77%	21%	1%

■ Yes　■ No　■ Don't know
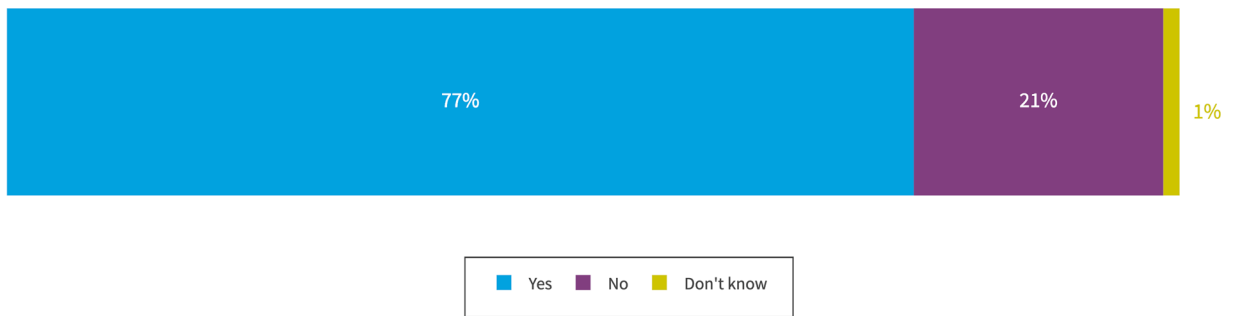
N=503
Source: Flexera 2024 State of ITAM (Figure 9)

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77%
of respondents' organizations have a FinOps team

SAM teams are an essential component of any organization, and they interact with teams across an enterprise. This year, 32% of SAM teams interacted with *FinOps* teams, up from 25% last year. Interactions with the *CIO/CTO* increased to 44% from 40% last year. Fifty percent of SAM teams interact with *security* teams, similar to last year.

Which of the following teams does your SAM team have significant interaction with?

Infrastructure and operations — 65%
IT service management — 63%
Security — 50%
CIO/CTO — 44%
Cloud (cloud central team, CCOE) — 41%
IT finance — 40%
Procurement — 38%
Enterprise architecture — 35%
FinOps — 32%
Vendor management — 31%
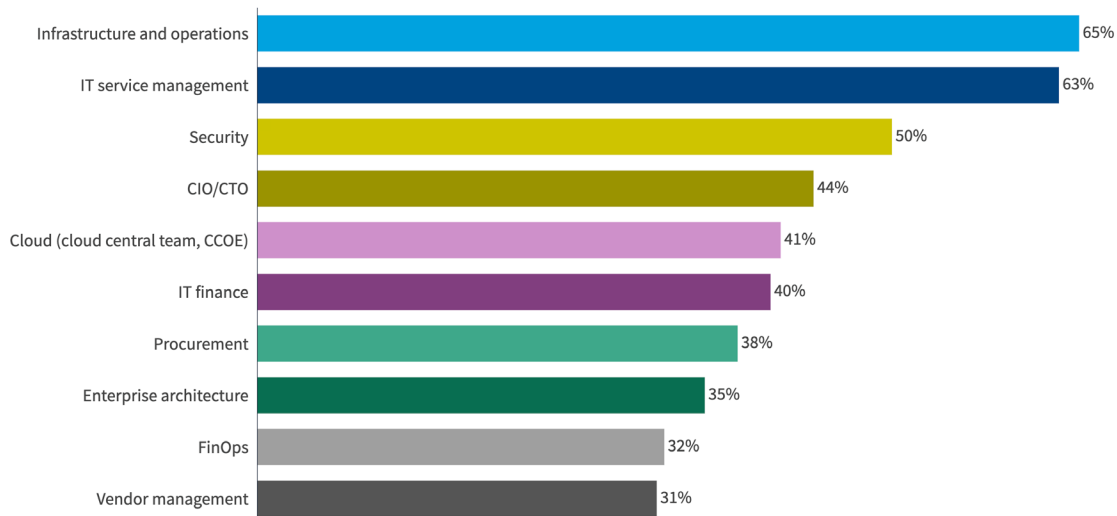
N=503
Source: Flexera 2024 State of ITAM (Figure 10)

flexera

32%
of SAM teams interact with FinOps teams, up from 25% last year

Asset management challenges

Forty-one percent of respondents report *advanced* SAM practices, including ongoing tracking plus optimization of software licenses beyond just audits as well as tracking SaaS and cloud usage.

Which statement best describes where you are in implementing SAM in your organization?

39%

Beginner
- Primarily audit response
- Just starting to develop SAM practices/processes

20%

Intermediate
- Ongoing tracking of software licenses beyond just audits

41%

Advanced
- Ongoing tracking plus optimization of software licenses beyond just audits
- Tracking SaaS and cloud usage
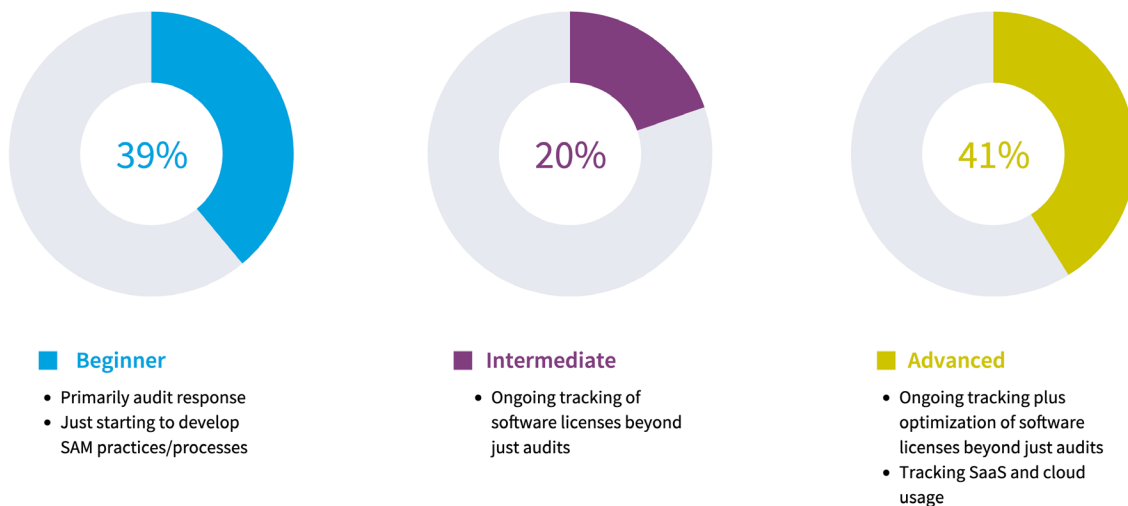
N=503
Source: Flexera 2024 State of ITAM (Figure 11)

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This year's survey had an increase in beginner respondents, up to 39% from 27% last year

» FLEXERA POV

ITAM is no longer an option as additional regulations and mandates continue to emerge, requiring better visibility and control of IT assets. As SaaS and cloud usage and costs eclipse that of on-premises software, ITAM professionals should continue increasing their collaboration with FinOps teams.

ITAM teams encompass a broad set of responsibilities. More than half of ITAM and SAM professionals claim nine different responsibilities, including *tracking usage of SaaS* (56%), *providing data/analysis to support security* (56%), *preparing for software vendor contract renewals* (58%) and *maintaining an accurate inventory of licensed software use* (72%).

Responding to audits jumped to the most common activity for ITAM teams this year (74% compared to 66% YoY). *Tracking the use of software licenses on-premises* dropped to 61% from 70% YoY. This could be tied to this year's report's increased percentage of *beginner* respondents.

What SAM-focused responsibilities does your ITAM team have?

	Currently do	Plan to do
Responding to audits (internal, regulatory, software licensing, etc.)	1st 74%	23%
Maintaining an accurate inventory of our use of licensed software	2nd 72%	24%
Discovery of software in use	3rd 65%	31%
Tracking use of software licenses on-premises	61%	31%
Preparing for software vendor contract renewals	58%	32%
Tracking usage of SaaS	56%	34%
Providing data/analysis to support security	56%	34%
Tracking use of software licenses in public cloud	55%	36%
Identifying and tracking out-of-date or at-risk software	51%	39%
Working to reclaim or reassign unused software licenses	49%	41%
Tracking/optimizing IaaS and PaaS spend and usage	46%	3rd 42%
Finding ways to optimize our use of software licenses based on our use rights	46%	2nd 43%
Identifying overlapping or redundant software	46%	1st 44%
Providing data/analysis to support planning/budgeting/regulatory requirements/ESG criteria	44%	41%
Tracking use of software licenses in containers	42%	40%

N=503
Source: Flexera 2024 State of ITAM (Figure 12)

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Responding to audits increased year over year (YoY) no matter the maturity level. Advanced users reported an increase from 74% last year to 78% this year; intermediate users rose from 67% to 75%; and beginners increased from 52% to 70%. This year, the most significant delta between beginners and advanced practitioners was *tracking the use of software licenses on-premises*: 44% of beginners named this a responsibility, compared to 74% of advanced users.

SAM responsibility by maturity

	Beginner	Intermediate	Advanced
Responding to audits (internal, regulatory, software licensing, etc.)	1st 70%	1st 75%	2nd 78%
Discovery of software in use	3rd 53%	61%	1st 80%
Maintaining an accurate inventory of our use of licensed software	2nd 67%	2nd 74%	3rd 77%
Tracking use of software licenses on-premises	44%	3rd 66%	74%
Tracking use of software licenses in public cloud	48%	52%	63%
Tracking use of software licenses in containers	40%	44%	44%
Finding ways to optimize our use of software licenses based on our use rights	45%	35%	51%
Working to reclaim or reassign unused software licenses	38%	53%	57%
Tracking usage of SaaS	44%	58%	67%
Tracking/optimizing IaaS and PaaS spend and usage	40%	52%	48%
Preparing for software vendor contract renewals	49%	61%	65%
Providing data/analysis to support planning/budgeting/regulatory requirements/ESG criteria	42%	45%	45%
Providing data/analysis to support security	49%	61%	61%
Identifying overlapping or redundant software	46%	40%	48%
Identifying and tracking out-of-date or at-risk software	40%	58%	59%

N=503
Source: Flexera 2024 State of ITAM (Figure 13)

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Almost two-thirds (63%) of advanced users track the use of licenses in the public cloud

» FLEXERA POV

The growth in audit-based responsibilities indicates that audits are becoming a higher priority, even as SAM professionals are also expected to help with processes ranging from FinOps to security.

HAM practices and processes are maturing. Thirty-nine percent of respondents are *advanced* HAM users (tracking inventory, deployment, firmware EOL/EOS, sustainability requirements), which is close to the 41% of respondents who reported advanced SAM practices or similar.

Which statement best describes where you are in implementing HAM in your organization?

■ Beginner
- Tracking inventory
- Just starting to develop HAM practices/processes

■ Intermediate
- Tracking inventory, asset ownership, deployment and firmware versions

■ Advanced
- Tracking inventory, deployment, firmware EOL/EOS, sustainability requirements
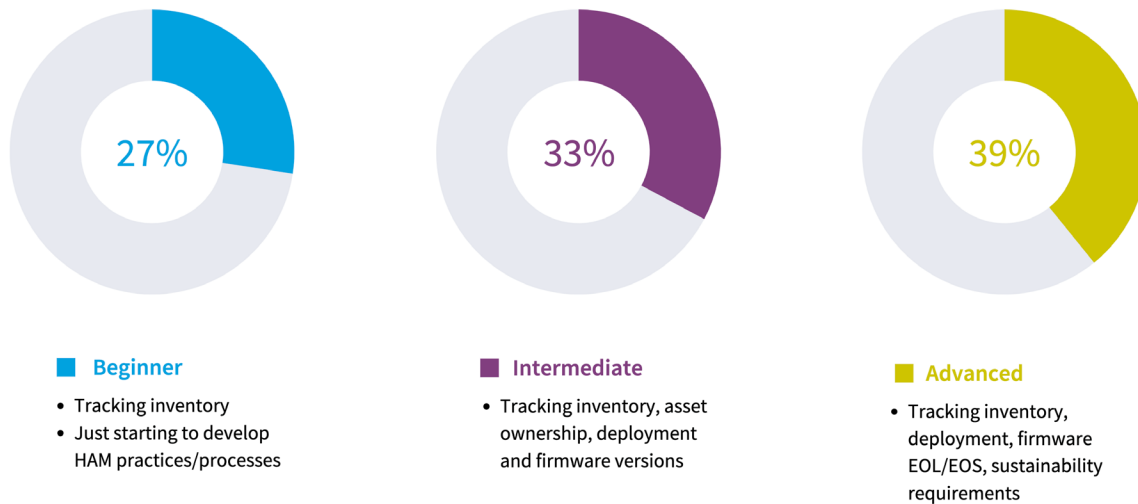
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Source: Flexera 2024 State of ITAM (Figure 14)

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» FLEXERA POV

HAM teams are maturing and catching up to historically more mature SAM counterparts.

Discovering and inventorying assets remain the top priorities for HAM practitioners. *Tracking lifecycles of hardware assets* dropped slightly YoY, as did *tracking warranty or maintenance.*

What HAM-focused responsibilities does your ITAM team have?

Currently do

Discovery of devices in use	1st 76%
Maintaining an up-to-date inventory of all server hardware	2nd 70%
Maintaining an up-to-date inventory of all client hardware	3rd 67%
Implementing/managing employee hardware request processes	59%
Maintaining an up-to-date inventory of all network devices and other IT hardware	59%
Tracking warranty or maintenance	59%
Tracking the lifecycle of hardware assets	57%
Planning for future hardware replenishments and budgets	49%

Plan to do

	22%
	23%
	30%
	3rd 33%
	32%
	3rd 33%
	2nd 36%
	1st 42%

N=503
Source: Flexera 2024 State of ITAM (Figure 15)

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As previously mentioned, the highest percentage of ITAM teams report to the CIO/CTO (46%), infrastructure management teams (25%), and operations teams (14%).

For SAM teams reporting to the CIO/CTO, cost-related activities such as *responding to audits* (67% to 71% YoY) and *tracking usage of SaaS* (52% to 57% YoY) increased.

SAM team responsibilities and where they report

	Directly to CIO or CTO	Infrastructure management	Operations	Service management	Security operations/ Cybersecurity	Procurement/ Sourcing	Finance
Responding to audits (internal, regulatory, software licensing, etc.)	71%	78%	79%	92%	56%	67%	100%
Discovery of software in use	67%	66%	57%	79%	50%	53%	82%
Maintaining an accurate inventory of our use of licensed software	72%	75%	65%	92%	50%	67%	91%
Tracking use of software licenses on-premises	59%	62%	62%	67%	56%	60%	45%
Tracking use of software licenses in public cloud	59%	56%	41%	67%	50%	33%	45%
Tracking use of software licenses in containers	41%	42%	54%	42%	39%	20%	36%
Finding ways to optimize our use of software licenses based on our use rights	47%	48%	34%	54%	28%	33%	82%
Working to reclaim or reassign unused software licenses	48%	50%	49%	46%	44%	40%	64%
Tracking usage of SaaS	57%	52%	59%	67%	67%	33%	55%
Tracking/optimizing IaaS and PaaS spend and usage	46%	47%	50%	50%	22%	40%	36%
Preparing for software vendor contract renewals	56%	62%	54%	83%	28%	47%	64%
Providing data/analysis to support planning/budgeting/regulatory requirements/ESG criteria	45%	49%	40%	46%	28%	33%	55%
Providing data/analysis to support security	52%	64%	54%	58%	56%	53%	73%
Identifying overlapping or redundant software	45%	49%	50%	50%	22%	27%	45%
Identifying and tracking out-of-date or at-risk software	45%	57%	51%	71%	50%	47%	73%

N=503
Source: Flexera 2024 State of ITAM (Figure 16)

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HAM teams reporting on the *discovery of devices in use* saw a sizeable YoY gain when reporting to the CIO/CTO (72% compared to 65% YoY) as well as when reporting to infrastructure management (82% from 66% YoY).

HAM team responsibilities and where they report

	Directly to CIO or CTO	Infrastructure management	Operations	Service management	Security operations/ Cybersecurity	Procurement/ Sourcing	Finance
Discovery of devices in use	72%	82%	76%	83%	50%	80%	100%
Maintaining an up-to-date inventory of all client hardware	66%	71%	59%	83%	50%	60%	82%
Maintaining an up-to-date inventory of all server hardware	72%	67%	68%	88%	44%	60%	91%
Maintaining an up-to-date inventory of all network devices and other IT hardware	57%	66%	56%	67%	56%	53%	27%
Tracking the lifecycle of hardware assets	60%	61%	51%	67%	33%	40%	45%
Tracking warranty or maintenance	57%	62%	60%	58%	39%	53%	73%
Planning for future hardware replenishments and budgets	48%	50%	50%	38%	50%	53%	73%
Implementing/managing employee hardware request processes	58%	56%	60%	83%	39%	60%	64%

N=503
Source: Flexera 2024 State of ITAM (Figure 17)

flexera

What's your estimated wasted spend across your IT estate?

Desktop software

Beginner	Intermediate	Advanced
32%	20%	30%

Data center software

Beginner	Intermediate	Advanced
29%	18%	22%

SaaS

Beginner	Intermediate	Advanced
31%	21%	20%

IaaS/PaaS

Beginner	Intermediate	Advanced
30%	20%	21%

■ **Beginner**
- Primarily audit response
- Just starting to develop SAM practices/processes

■ **Intermediate**
- Ongoing tracking of software licenses beyond just audits

■ **Advanced**
- Ongoing tracking plus optimization of software licenses beyond just audits
- Tracking SaaS and cloud usage

N=503
Source: Flexera 2024 State of ITAM (Figure 18)

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> ≫ **FLEXERA POV**
> Wasted IT spend is improving compared to prior years but remains a challenge. Not surprisingly, beginner teams see higher rates of wasted spend.

Forty-one percent of respondents said *wasted SaaS spend increased* from 33% last year, and 37% said *wasted IaaS/PaaS increased*, compared to 33% last year.

How do you feel wasted spend has changed in the past year?

Desktop software

38% Increased	38% Stayed the same	24% Decreased

Data center software

35% Increased	41% Stayed the same	24% Decreased

SaaS

41% Increased	36% Stayed the same	23% Decreased

IaaS/PaaS

37% Increased	44% Stayed the same	19% Decreased
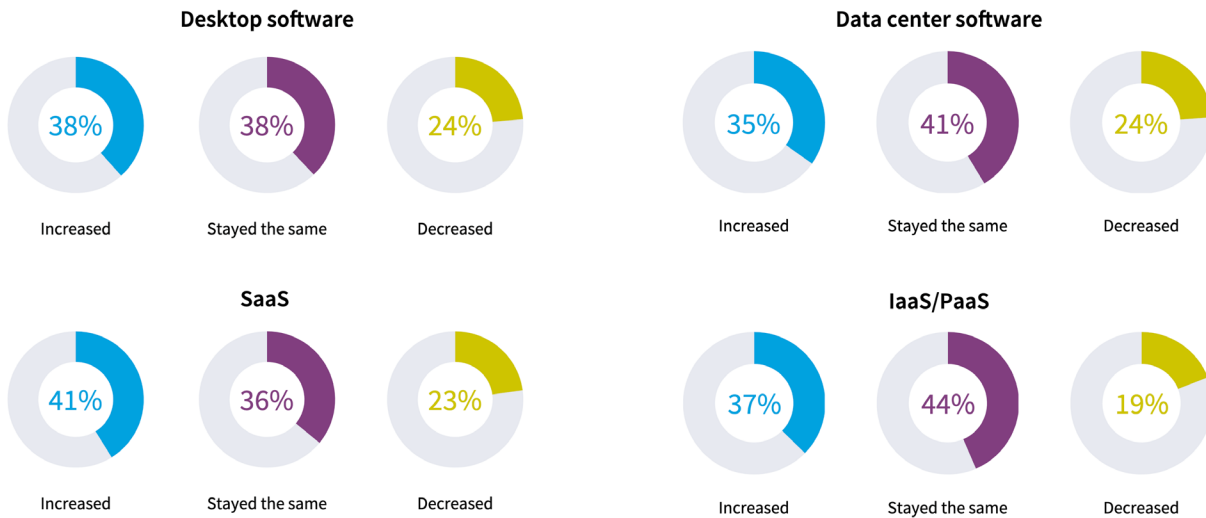
N=503
Source: Flexera 2024 State of ITAM (Figure 19)

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41%
of respondents said wasted SaaS increased over the past year

Thirty-seven percent of respondents named *finding ways to optimize software use* as a significant challenge (up from 31% YoY), whereas 36% indicated their biggest issue was *dealing with new environments* and 35% said it was the *complexity of software vendor use rights*.
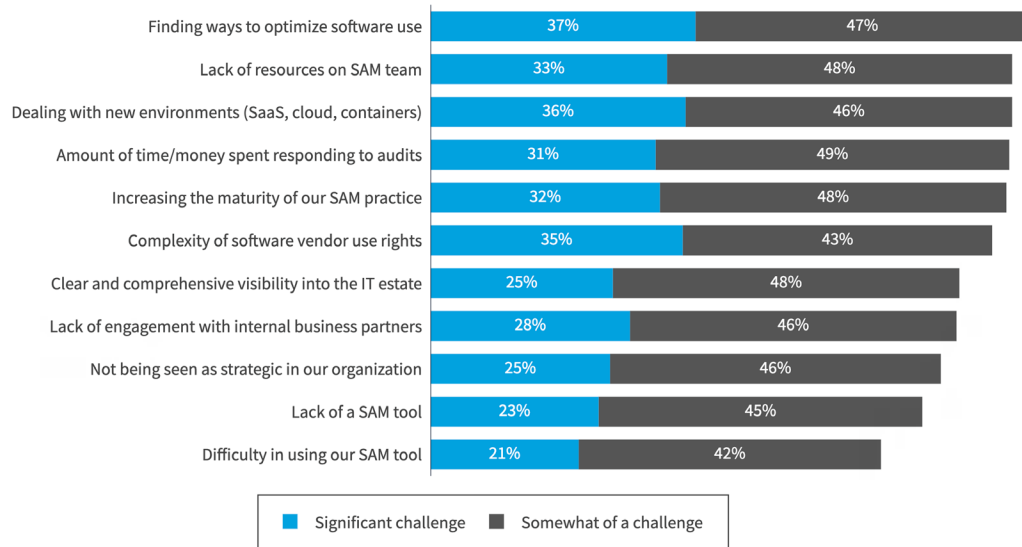
What are your challenges with SAM?

Challenge	Significant challenge	Somewhat of a challenge
Finding ways to optimize software use	37%	47%
Lack of resources on SAM team	33%	48%
Dealing with new environments (SaaS, cloud, containers)	36%	46%
Amount of time/money spent responding to audits	31%	49%
Increasing the maturity of our SAM practice	32%	48%
Complexity of software vendor use rights	35%	43%
Clear and comprehensive visibility into the IT estate	25%	48%
Lack of engagement with internal business partners	28%	46%
Not being seen as strategic in our organization	25%	46%
Lack of a SAM tool	23%	45%
Difficulty in using our SAM tool	21%	42%

■ Significant challenge   ■ Somewhat of a challenge

N=503
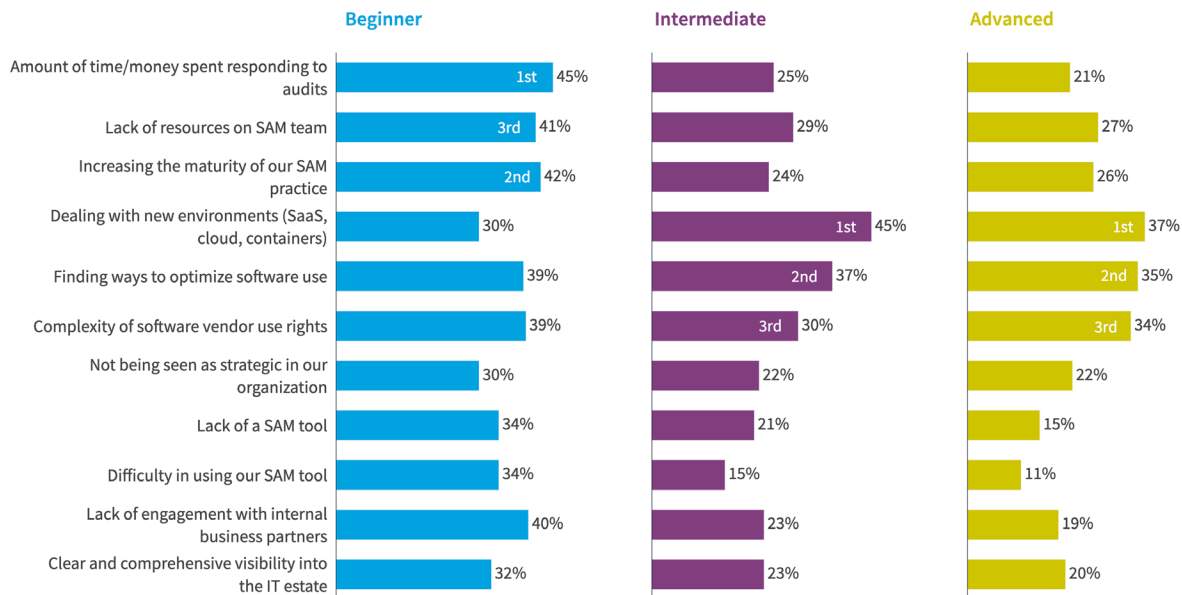Source: Flexera 2024 State of ITAM (Figure 20)

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❯❯ FLEXERA POV
Tools and processes are helping to find assets, but optimizing software costs is challenging as vendor use rights and software bundles become more complex.

The most common SAM challenge for beginners is the *amount of time/money spent responding to audits* (45%). For intermediate and advanced users, *dealing with new environments (SaaS, cloud, containers)* is the most common challenge (45% and 37%, respectively).

SAM challenges by maturity

	Beginner	Intermediate	Advanced
Amount of time/money spent responding to audits	1st 45%	25%	21%
Lack of resources on SAM team	3rd 41%	29%	27%
Increasing the maturity of our SAM practice	2nd 42%	24%	26%
Dealing with new environments (SaaS, cloud, containers)	30%	1st 45%	1st 37%
Finding ways to optimize software use	39%	2nd 37%	2nd 35%
Complexity of software vendor use rights	39%	3rd 30%	3rd 34%
Not being seen as strategic in our organization	30%	22%	22%
Lack of a SAM tool	34%	21%	15%
Difficulty in using our SAM tool	34%	15%	11%
Lack of engagement with internal business partners	40%	23%	19%
Clear and comprehensive visibility into the IT estate	32%	23%	20%

N=503
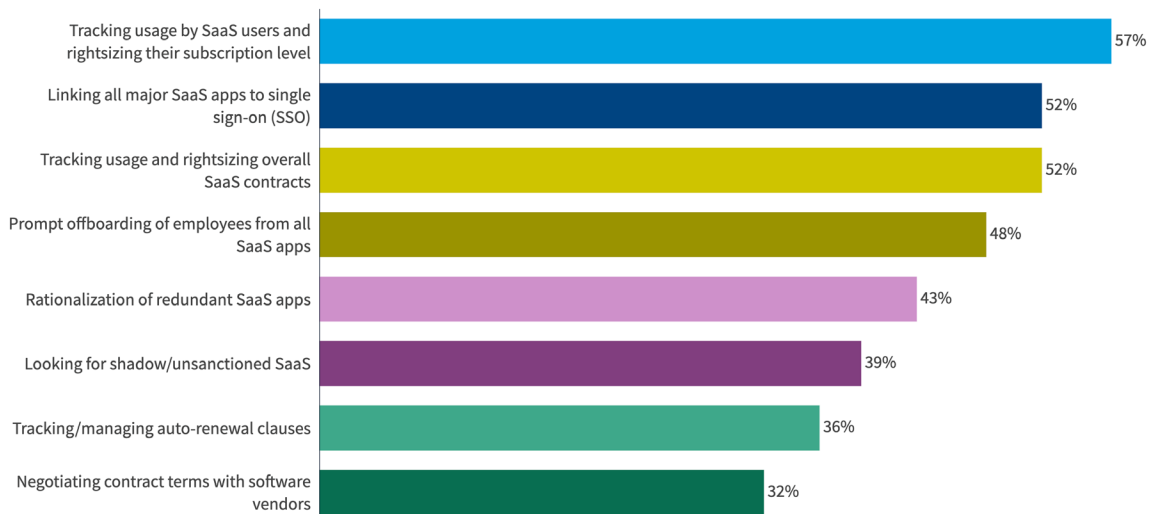Source: Flexera 2024 State of ITAM (Figure 21)

flexera

SAM tools have become more accessible and practical. Eighty-nine percent of advanced users don't find difficulty in using SAM tools

Top initiatives for SAM teams

More than half of respondents manage SaaS by *tracking usage by SaaS users and rightsizing their subscription level* (57%), *linking all major SaaS apps to single sign-on (SSO)* (52%), and *tracking usage and rightsizing overall SaaS contracts* (52%). The most significant drop this year was in *negotiating contract terms with software vendors*, which decreased significantly from 50% to 32% YoY.

What practices have you implemented for managing SaaS?

Practice	Percentage
Tracking usage by SaaS users and rightsizing their subscription level	57%
Linking all major SaaS apps to single sign-on (SSO)	52%
Tracking usage and rightsizing overall SaaS contracts	52%
Prompt offboarding of employees from all SaaS apps	48%
Rationalization of redundant SaaS apps	43%
Looking for shadow/unsanctioned SaaS	39%
Tracking/managing auto-renewal clauses	36%
Negotiating contract terms with software vendors	32%

N=503
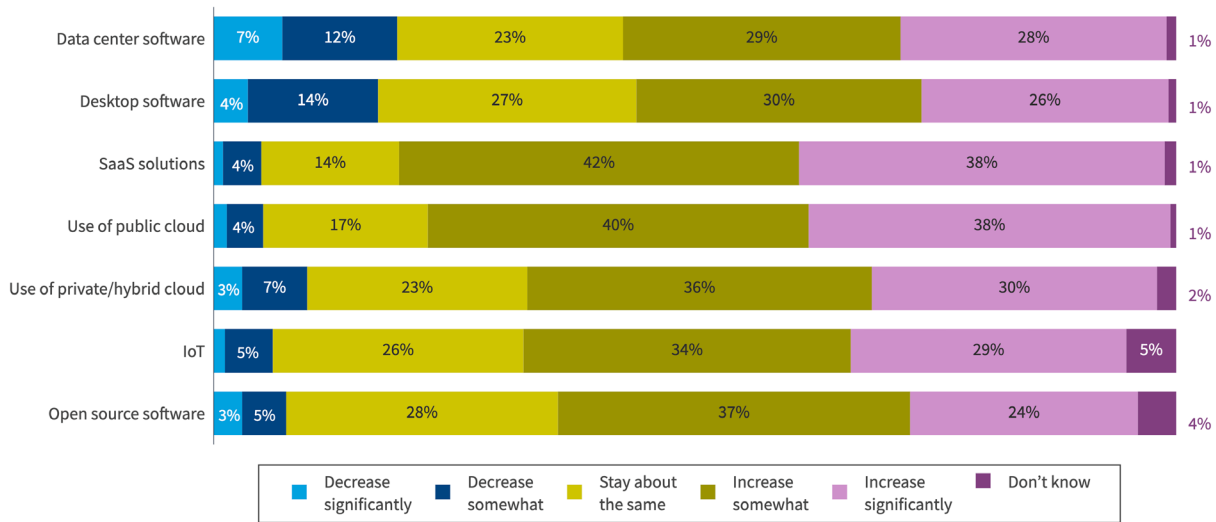Source: Flexera 2024 State of ITAM (Figure 22)

flexera

» FLEXERA POV
Processes and practices for tracking usage are increasing, but the massive YoY drop in negotiating contract terms with software vendors represents an opportunity for significant savings through negotiations.

Over the next three years, SAM professionals expect their focus to increase significantly on *SaaS solutions* (38%) and *use of the public cloud* (38%). On-premises software is declining (19% of respondents reported a decline in focus on data center software, and 18% reported a decline in focus on desktop software). SaaS solutions, use of public cloud and IoT all decreased significantly by 1%.

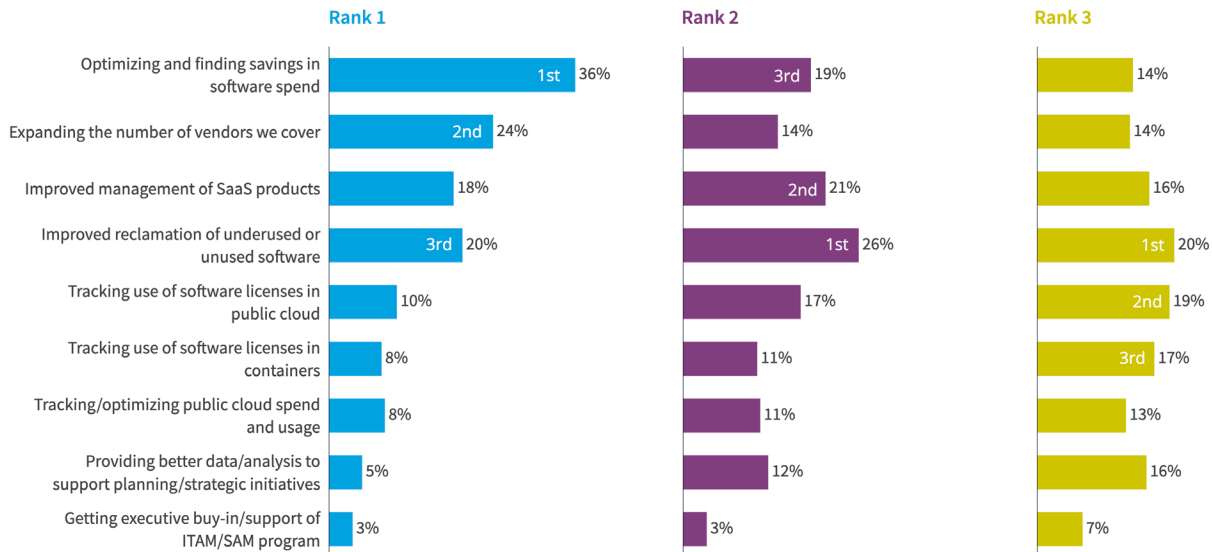## For your SAM practice, how do you expect your focus on the following areas to change in the next 3 years?

Category	Decrease significantly	Decrease somewhat	Stay about the same	Increase somewhat	Increase significantly	Don't know
Data center software	7%	12%	23%	29%	28%	1%
Desktop software	4%	14%	27%	30%	26%	1%
SaaS solutions	4%		14%	42%	38%	1%
Use of public cloud	4%		17%	40%	38%	1%
Use of private/hybrid cloud	3%	7%	23%	36%	30%	2%
IoT		5%	26%	34%	29%	5%
Open source software	3%	5%	28%	37%	24%	4%

SaaS solutions, *Use of public* cloud and *IoT* all decreased significantly by 1%

N=503
Source: Flexera 2024 State of ITAM (Figure 23)

flexera

The focus on finding savings within software spend continues to gain traction. *Optimizing and finding savings in software spend* (36%), *expanding the number of vendors we cover* (24%) and *improving reclamation of underused or unused software* (20%) are the top three initiatives that respondents want to progress on.

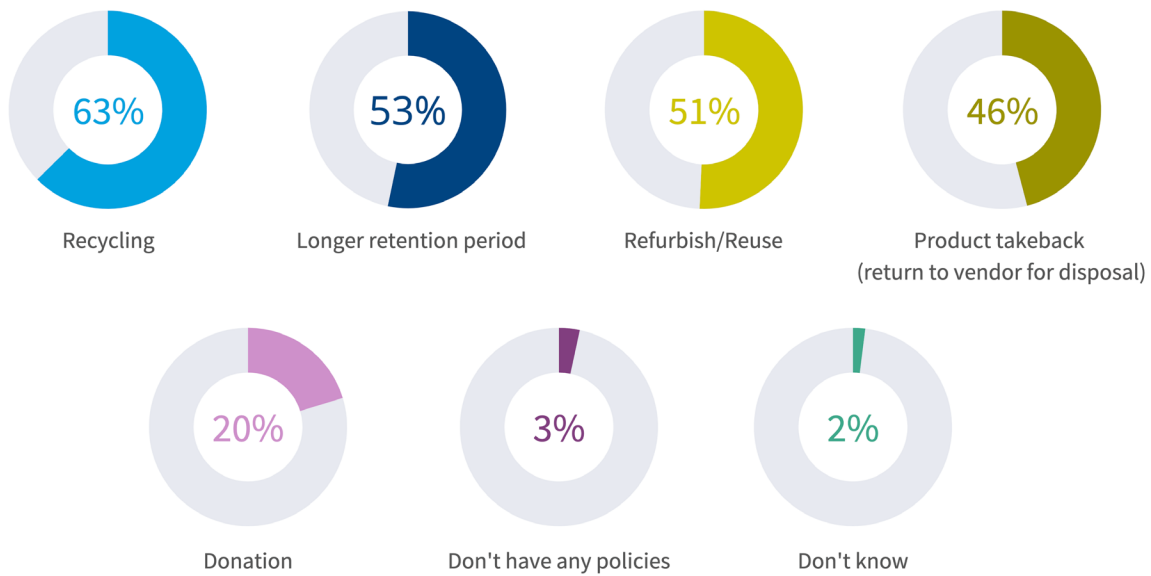## What are the top 3 SAM initiatives you want to advance in the next year?

	Rank 1	Rank 2	Rank 3
Optimizing and finding savings in software spend	1st 36%	3rd 19%	14%
Expanding the number of vendors we cover	2nd 24%	14%	14%
Improved management of SaaS products	18%	2nd 21%	16%
Improved reclamation of underused or unused software	3rd 20%	1st 26%	1st 20%
Tracking use of software licenses in public cloud	10%	17%	2nd 19%
Tracking use of software licenses in containers	8%	11%	3rd 17%
Tracking/optimizing public cloud spend and usage	8%	11%	13%
Providing better data/analysis to support planning/strategic initiatives	5%	12%	16%
Getting executive buy-in/support of ITAM/SAM program	3%	3%	7%

N=503
Source: Flexera 2024 State of ITAM (Figure 24)

flexera

SAM practices' focus on improving SaaS management in the next twelve months has increased YoY from 10% to 18%

Almost all (95%) organizations have some plan for aging hardware. Sixty-three percent plan on *recycling*, 53% plan on *longer retention periods*, 51% plan to *refurbish/reuse* hardware and 46% plan to utilize *product takebacks (return to vendor for disposal)*. (Note that respondents could select more than one option.)

What do your hardware sustainability policies include?

Recycling	Longer retention period	Refurbish/Reuse	Product takeback (return to vendor for disposal)
63%	53%	51%	46%

Donation	Don't have any policies	Don't know
20%	3%	2%

N=503
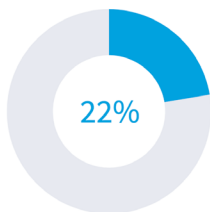Source: Flexera 2024 State of ITAM (Figure 25)

flexera

95%
of companies have defined sustainability policies for hardware assets
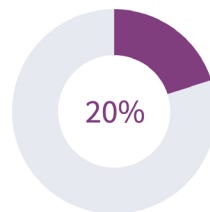
Respondents indicated the highest percentage of SAM teams' time is spent on *collaboration with non-ITAM internal stakeholders* (22%). More than half of their time (55%) is still spent on *internal, regulatory* and *publisher audit-related activities*.

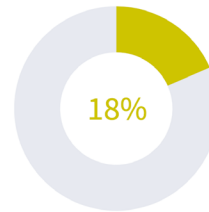## Estimate the percentage of your SAM team's time that's spent responding to audits

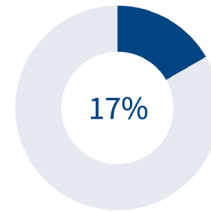| Collaboration with non-ITAM internal stakeholders	Internal audits	Publisher audits	Regulatory audits
22%	20%	18%	17%

N=503
Source: Flexera 2024 State of ITAM (Figure 26)
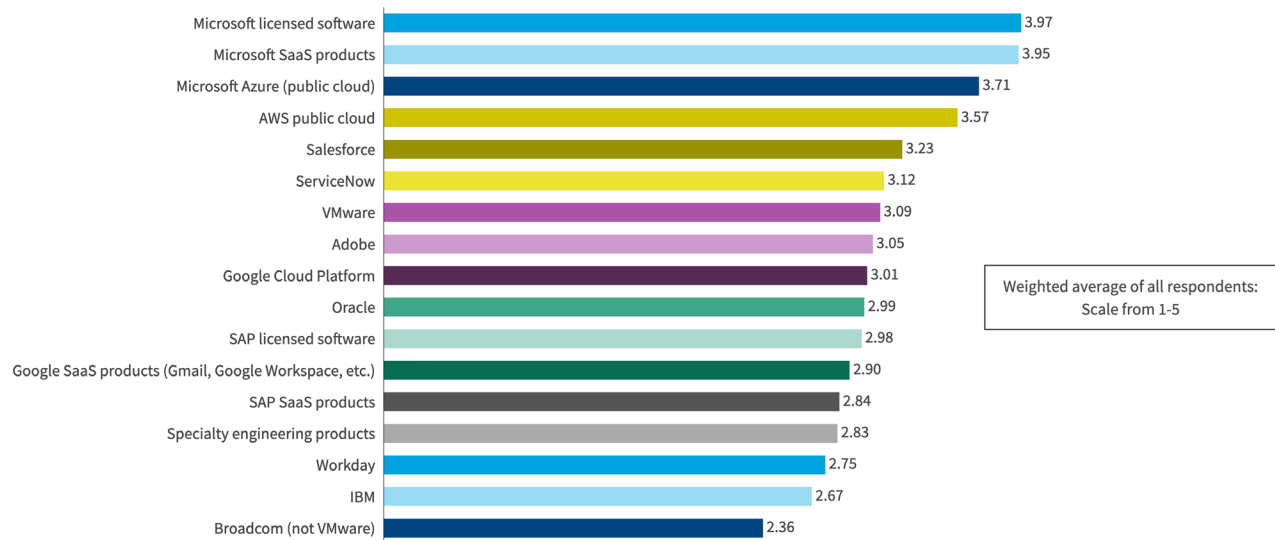
flexera

>> **FLEXERA POV**
Despite growing complexity, as advanced ITAM tools improve usability and allow deeper insights into the hybrid IT estate, time spent supporting publisher audits should decrease.

Vendor snapshot: Prevalence of audits

When asked to rate, on a scale from 1 to 5, how relevant technologies are to a SAM program, Microsoft had the top three spots with *Microsoft licensed software* (3.97), *Microsoft SaaS products* (3.95) and *Microsoft Azure public cloud* (3.71).

How relevant are these technologies to your SAM program?

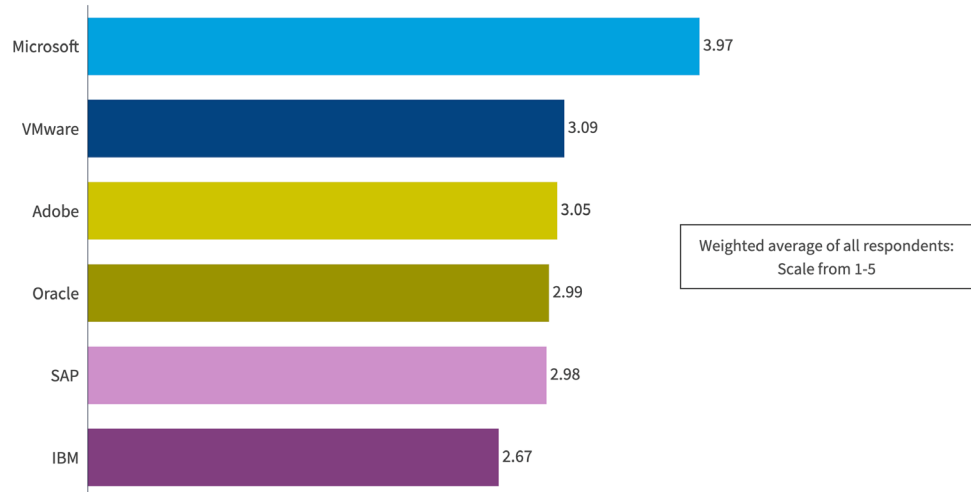| Technology	Rating
Microsoft licensed software	3.97
Microsoft SaaS products	3.95
Microsoft Azure (public cloud)	3.71
AWS public cloud	3.57
Salesforce	3.23
ServiceNow	3.12
VMware	3.09
Adobe	3.05
Google Cloud Platform	3.01
Oracle	2.99
SAP licensed software	2.98
Google SaaS products (Gmail, Google Workspace, etc.)	2.90
SAP SaaS products	2.84
Specialty engineering products	2.83
Workday	2.75
IBM	2.67
Broadcom (not VMware)	2.36

Weighted average of all respondents: Scale from 1-5

N=503
Source: Flexera 2024 State of ITAM (Figure 27)

flexera

SAM teams continue to focus holistically on *Microsoft*, most likely driven by Microsoft's Enterprise Agreements.

How relevant are these software vendors to your SAM program?

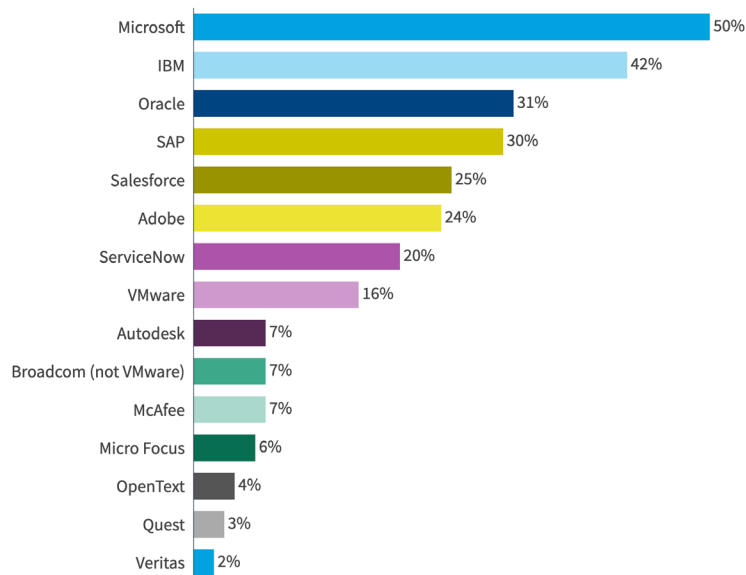| Vendor	Weighted Average
Microsoft	3.97
VMware	3.09
Adobe	3.05
Oracle	2.99
SAP	2.98
IBM	2.67

> Weighted average of all respondents:
> Scale from 1-5

N=503
Source: Flexera 2024 State of ITAM (Figure 28)

flexera

Microsoft, IBM and *Oracle* are the most likely to have audited respondents in the past three years. Microsoft was down slightly YoY (50% from 53%), and IBM and Oracle increased slightly (IBM is up to 42% from 37% YoY; Oracle is up to 31% from 28% YoY). Twenty percent of respondents reported a *ServiceNow* audit this year, a new addition to the vendor list.

Which vendors have audited your organization in the past 3 years?

| Vendor	Percentage
Microsoft	50%
IBM	42%
Oracle	31%
SAP	30%
Salesforce	25%
Adobe	24%
ServiceNow	20%
VMware	16%
Autodesk	7%
Broadcom (not VMware)	7%
McAfee	7%
Micro Focus	6%
OpenText	4%
Quest	3%
Veritas	2%

N=503
Source: Flexera 2024 State of ITAM (Figure 29)

flexera

50%
of respondents reported at least one Microsoft audit in the past three years

Software audits continue to become more expensive. Twenty-two percent of respondents said they paid more than $5 million due to software vendor audits over the last three years (up from 15% in 2023 and 9% in 2022). The number of organizations spending more than $10 million nearly doubled (from 7% to 12% YoY).

How much do you estimate your organization has paid in software vendor audits over the past 3 years?
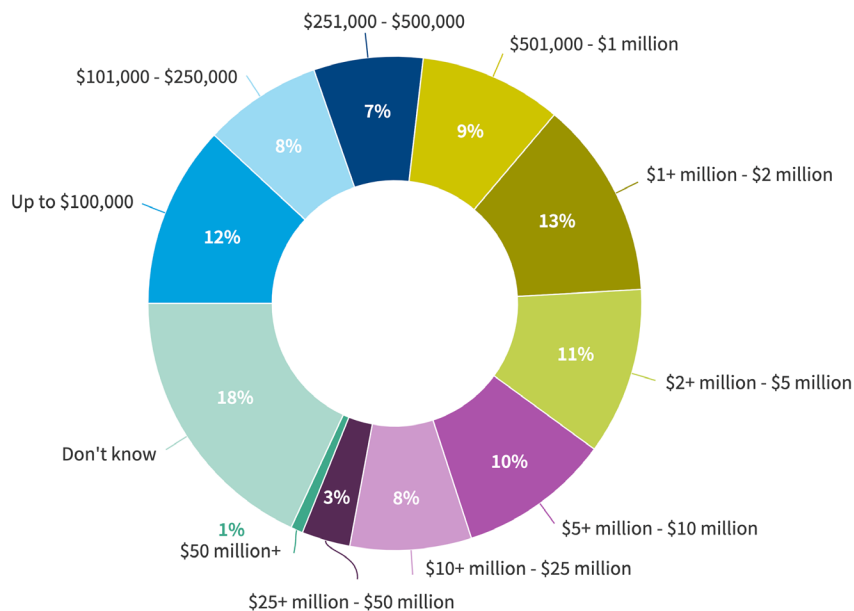
N=503
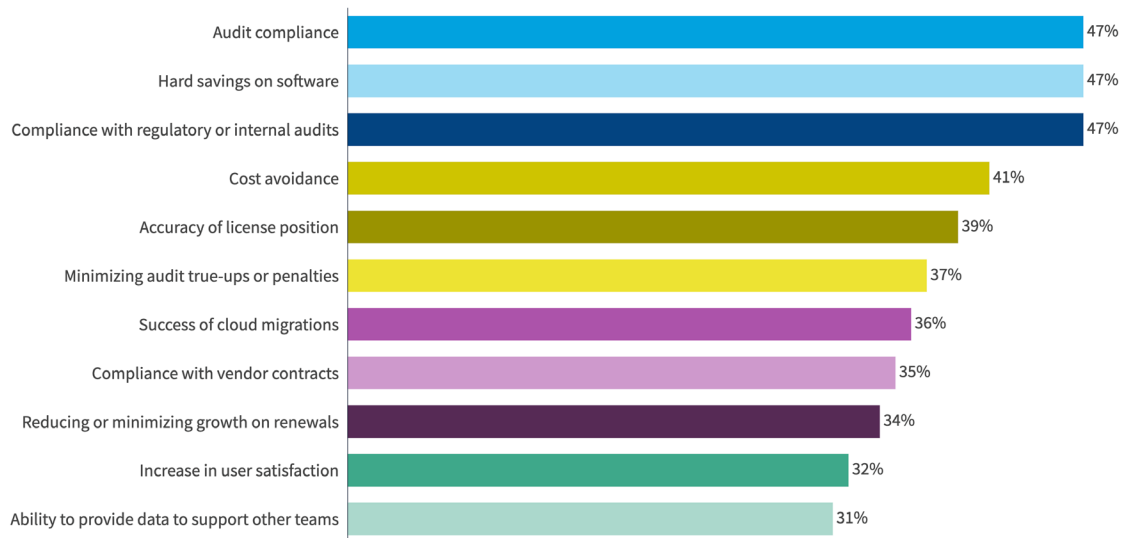Source: Flexera 2024 State of ITAM (Figure 30)

flexera

**22% of respondents reported paying over $5 million
as a result of software audits over the past three years**

SAM and HAM success metrics focus on saving money

The top three metrics for measuring the success of SAM initiatives are *audit compliance*, *hard savings on software* and *compliance with regulatory or internal audits*, which are all tied at 47%.

What metrics are used to measure the success of your SAM initiatives?

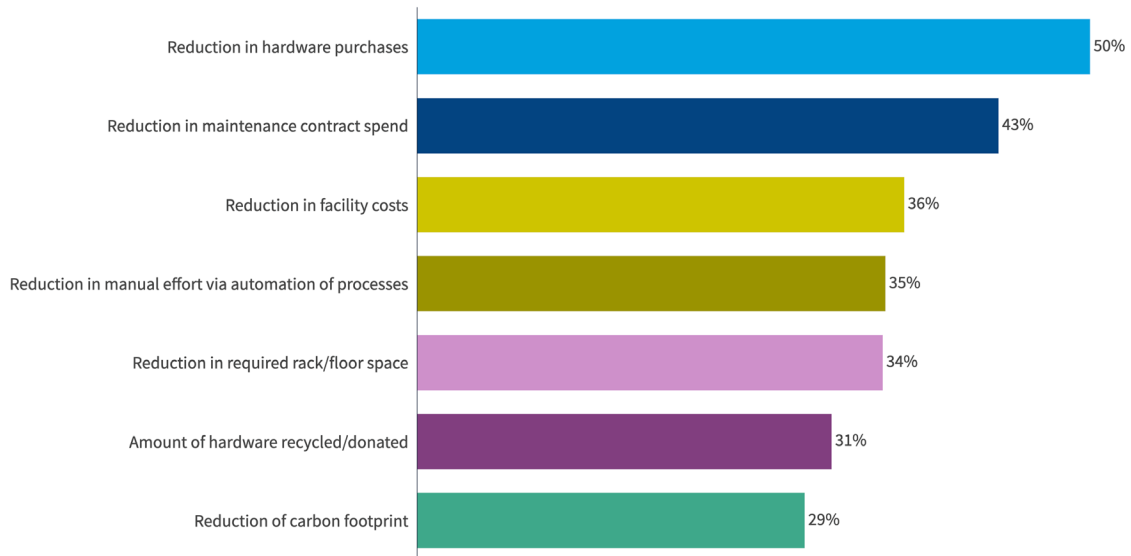| Metric	Value
Audit compliance	47%
Hard savings on software	47%
Compliance with regulatory or internal audits	47%
Cost avoidance	41%
Accuracy of license position	39%
Minimizing audit true-ups or penalties	37%
Success of cloud migrations	36%
Compliance with vendor contracts	35%
Reducing or minimizing growth on renewals	34%
Increase in user satisfaction	32%
Ability to provide data to support other teams	31%

N=503
Source: Flexera 2024 State of ITAM (Figure 31)

flexera

This year, HAM programs are much more focused on costs. The top three measures of success for HAM teams are a reduction in hardware purchases (50%), maintenance contract spend (43%) and facility costs (36%). Twenty-nine percent of HAM initiatives measure their organization's carbon footprint.

What metrics are used to measure the success of your HAM initiatives?

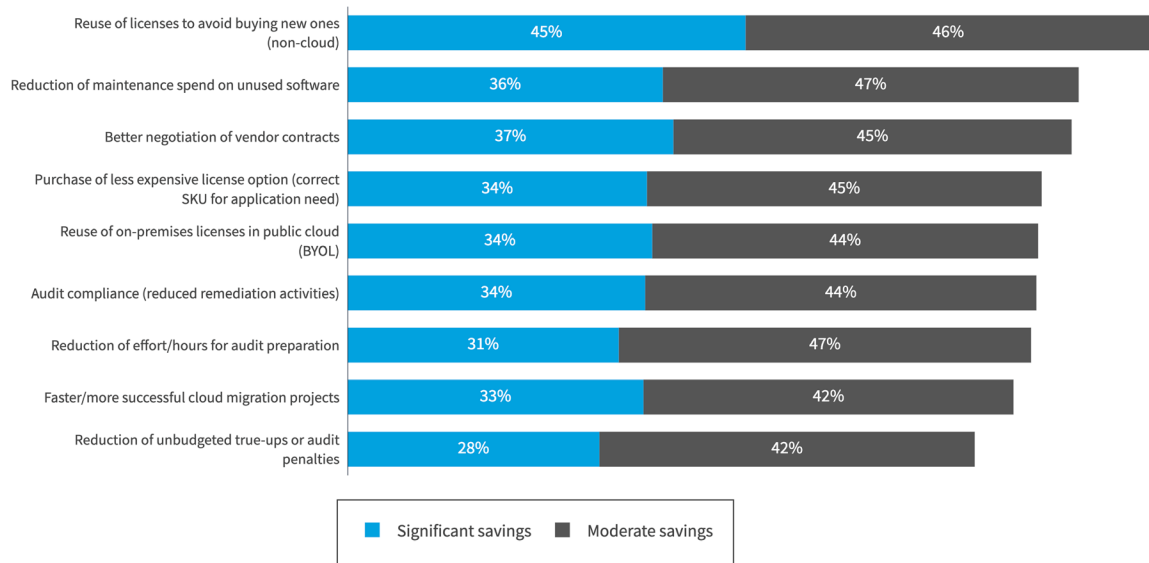| Metric	Percentage
Reduction in hardware purchases	50%
Reduction in maintenance contract spend	43%
Reduction in facility costs	36%
Reduction in manual effort via automation of processes	35%
Reduction in required rack/floor space	34%
Amount of hardware recycled/donated	31%
Reduction of carbon footprint	29%

N=503
Source: Flexera 2024 State of ITAM (Figure 32)

flexera

Nearly one-third of HAM programs are measuring their organization's carbon footprint

SAM programs were most successful in realizing savings through *reuse of licenses to avoid buying new ones (non-cloud)*, *better negotiation of vendor contracts* and the *reduction of maintenance spend on unused software.*

## In what areas have you realized actual savings in the past year due to your SAM program?

Area	Significant savings	Moderate savings
Reuse of licenses to avoid buying new ones (non-cloud)	45%	46%
Reduction of maintenance spend on unused software	36%	47%
Better negotiation of vendor contracts	37%	45%
Purchase of less expensive license option (correct SKU for application need)	34%	45%
Reuse of on-premises licenses in public cloud (BYOL)	34%	44%
Audit compliance (reduced remediation activities)	34%	44%
Reduction of effort/hours for audit preparation	31%	47%
Faster/more successful cloud migration projects	33%	42%
Reduction of unbudgeted true-ups or audit penalties	28%	42%

Legend: ■ Significant savings   ■ Moderate savings

N=503
Source: Flexera 2024 State of ITAM (Figure 33)

flexera

91%
of respondents find savings by reusing licenses to avoid buying new ones (non-cloud)

Beginner, intermediate and advanced SAM teams generate the most savings via the *reuse of licenses to avoid buying new ones (non-cloud)*.

SAM-generated savings by maturity level
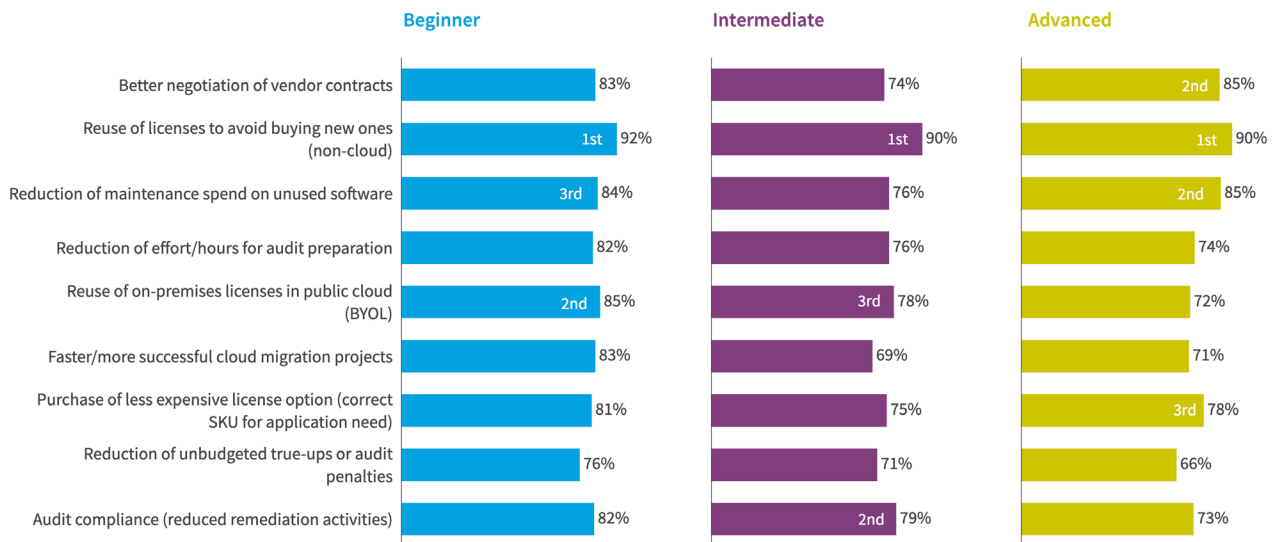
N=503
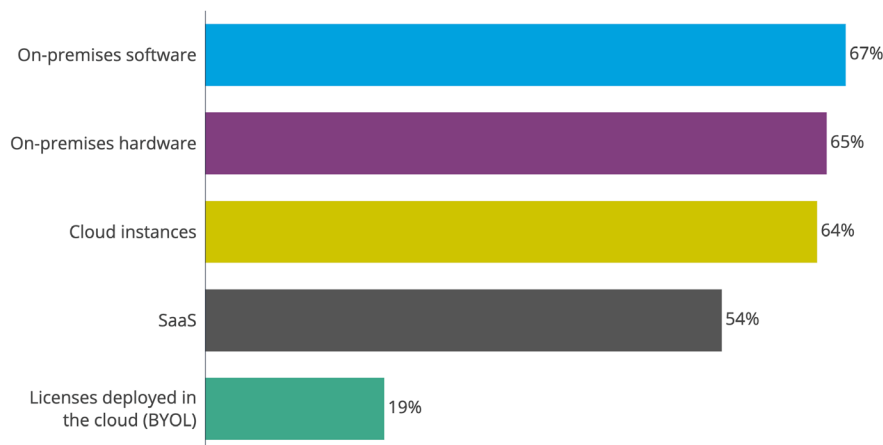Source: Flexera 2024 State of ITAM (Figure 34)

flexera

Advanced SAM teams also generate savings via better negotiation of vendor contracts (85%) and reduction of maintenance spend on unused software (85%)

Role of CMDBs and demand for greater visibility into IT assets

This year's report showed that approximately two-thirds of respondents feel they have an accurate view of their *on-premises software* (67%), *on-premises hardware* (65%) and *cloud instances* (64%). *SaaS* usage has less visibility (54%), and most respondents don't feel confident in their BYOL positioning (19%).

Do you have accurate visibility into the following environments within your IT estate?

On-premises software — 67%
On-premises hardware — 65%
Cloud instances — 64%
SaaS — 54%
Licenses deployed in the cloud (BYOL) — 19%

N=503
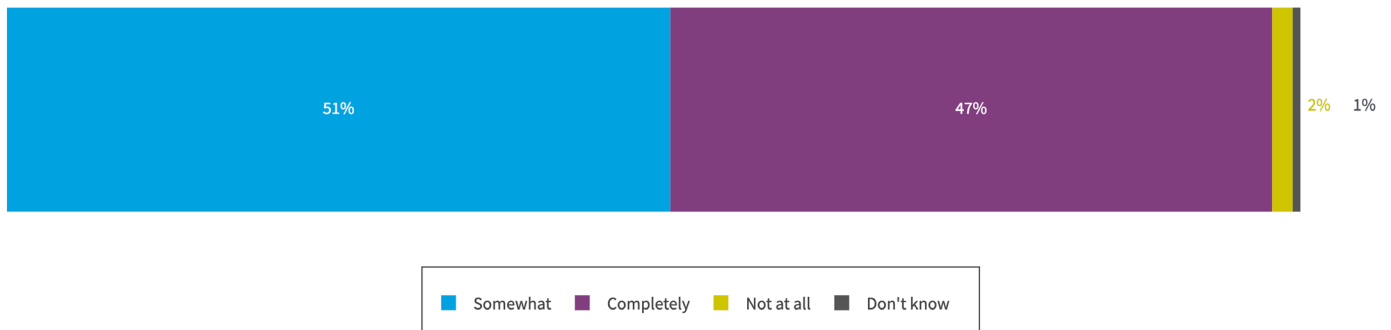Source: Flexera 2024 State of ITAM (Figure 35)

flexera

> **» FLEXERA POV**
> Maturing collaboration between ITAM and FinOps will drive more efficiencies in the coming years and illuminate the significant visibility gap regarding licenses for software running in the cloud.

Nearly half (47%) of respondents say they have complete visibility into IT assets and impact on business outcomes, whereas 51% say *somewhat*.

Does your organization have complete visibility into IT assets and their impact on business outcomes?

51%	47%	2%	1%

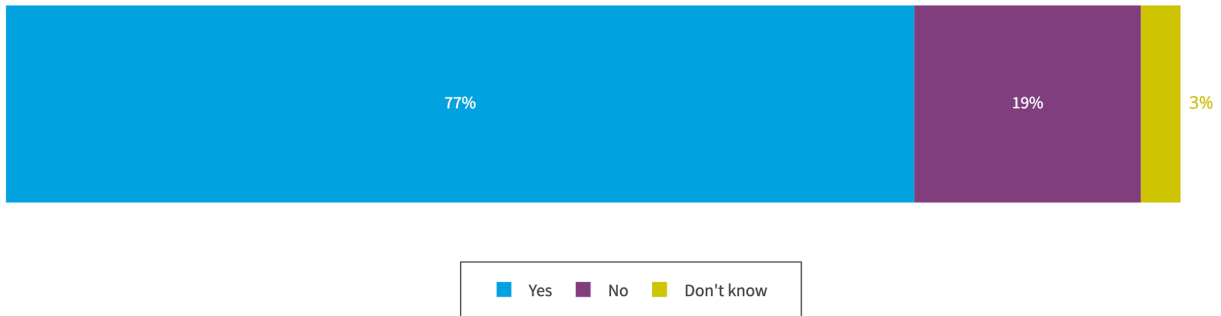Legend: ■ Somewhat ■ Completely ■ Not at all ■ Don't know

N=503
Source: Flexera 2024 State of ITAM (Figure 36)

flexera

» FLEXERA POV
As ITAM and FinOps tools and processes are widely adopted, we expect the percentage of respondents with complete visibility into their IT assets to continue to grow.

Do you use a CMDB in your ITAM practice?

77%	19%	3%

■ Yes ■ No ■ Don't know

N=503
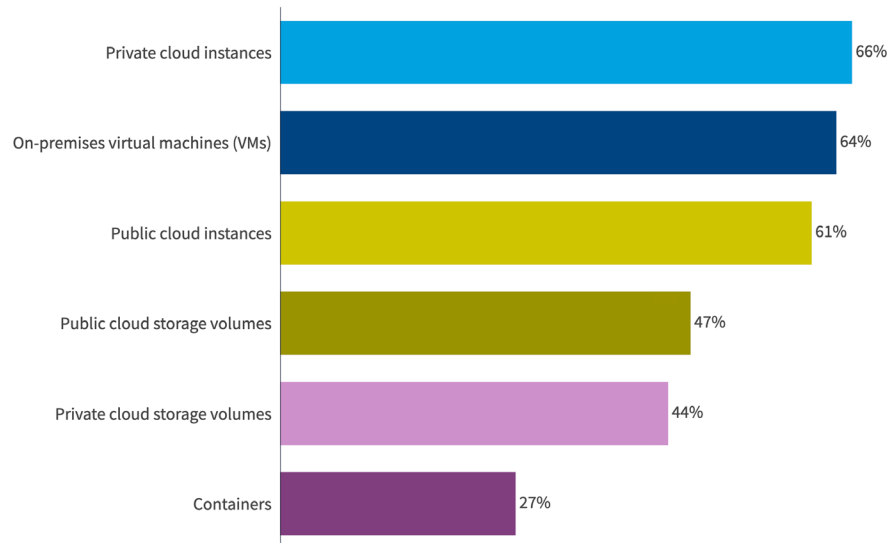Source: Flexera 2024 State of ITAM (Figure 37)

flexera

More than three-quarters of respondents use CMDBs

» FLEXERA POV

As organizations increase their use of transient assets—such as cloud instances and containers—they must reassess their IT asset tracking procedures to ensure their CMDBs don't become bloated with outdated entries.

Organizations are continuing to use CMDBs to track broader assets. Sixty-six percent track *private cloud instances*, 64% *on-premises virtual machines (VMs)* and 61% *public cloud instances.*

What assets do you track in your CMDB?

Asset	Percentage
Private cloud instances	66%
On-premises virtual machines (VMs)	64%
Public cloud instances	61%
Public cloud storage volumes	47%
Private cloud storage volumes	44%
Containers	27%

N=389
Source: Flexera 2024 State of ITAM (Figure 38)

flexera

Respondents are most likely to export data from asset management tools into enterprise systems or CMDBs such as *ServiceNow* (61%), *BMC* (36%), *Cherwell* (13%) and *Apptio* (10%).

Do you export data from your asset management tools into any of the following enterprise systems or CMDBs?
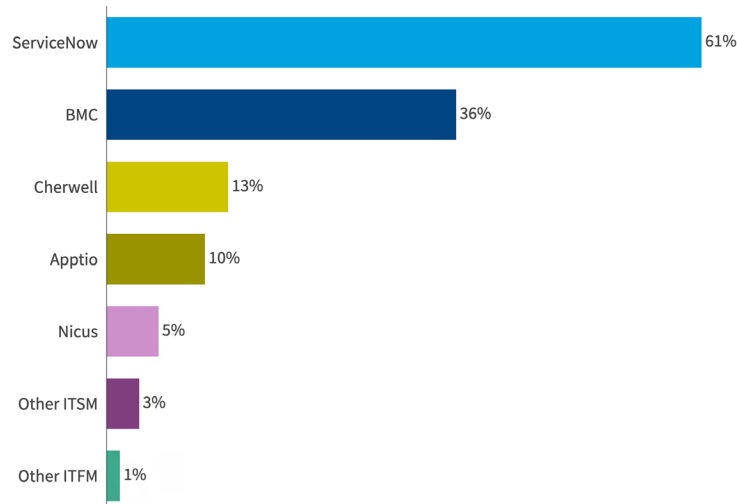
N=503
Source: Flexera 2024 State of ITAM (Figure 39)

flexera

≫ FLEXERA POV

Having high-quality data about your IT estate is essential to the performance of your organization. Teams such as security or enterprise architecture depend upon data accuracy just as much as platforms like CMDBs do.

European spotlight

In Europe, this year's survey is weighted more heavily toward larger companies. Ninety percent of European respondents are in organizations with more than 2,000 employees, and 19% are in organizations with more than 20,000 workers.

What size is your organization?

10%	21%	33%	17%
1,001 - 2,000	2,001 - 5,000	5,001 - 10,000	10,001 - 20,000

9%	6%	4%
20,001 - 50,000	50,001 - 100,000	100,001+

N=179
Source: Flexera 2024 State of ITAM (Figure 40)

flexera

In this year's survey, Europe had more *beginners* (50% as opposed to 31% in North America), and North America had more *advanced* users (47% versus 34% in Europe).

Which statement best describes where you are in implementing SAM in your organization?

Europe

50%	15%	34%

North America

31%	23%	47%

Beginner
- Primarily audit response
- Just starting to develop SAM practices/processes

Intermediate
- Ongoing tracking of software licenses beyond just audits

Advanced
- Ongoing tracking plus optimization of software licenses beyond just audits
- Tracking SaaS and cloud usage
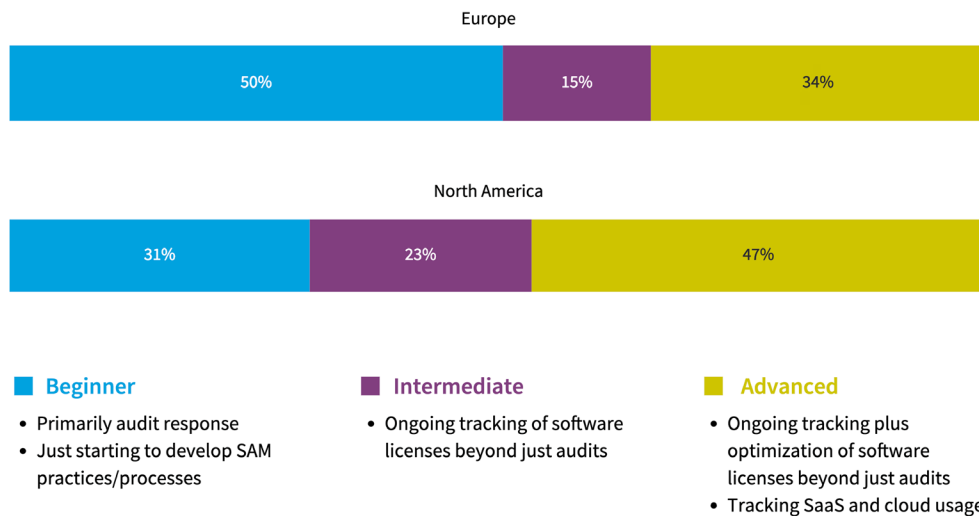
Europe N=179 North America N=308
Source: Flexera 2024 State of ITAM (Figure 41)

flexera

As with the global survey, many European ITAM teams report *directly to the CIO or CTO* (44%). Reporting to the *CIO/CTO* enables more visibility within the organization and the ability to accomplish goals.

Where does your ITAM team report in your organization?

Category	Percentage
Directly to CIO or CTO	44%
Infrastructure management	17%
Operations	16%
Service management	7%
Procurement/Sourcing	6%
Finance	4%
Security operations/Cybersecurity	4%
There is no dedicated ITAM team	2%
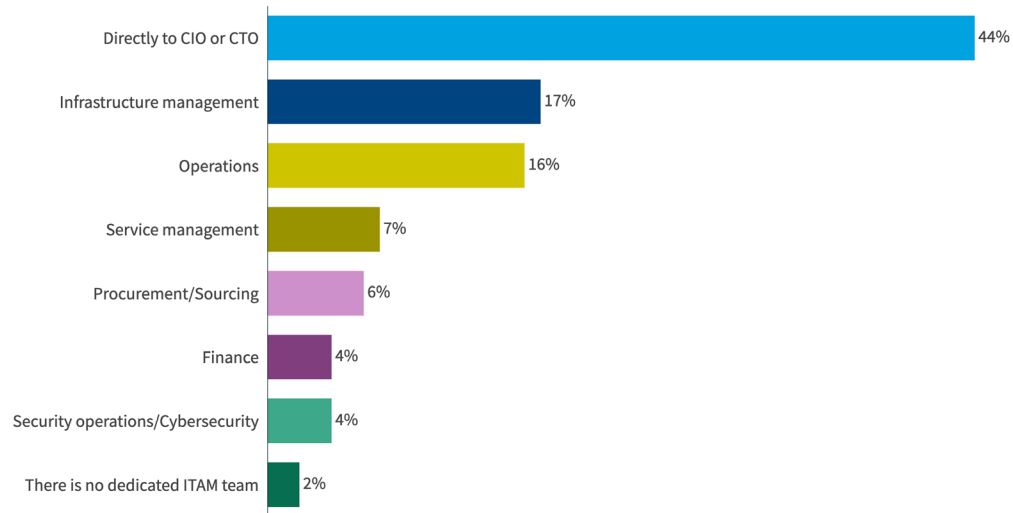
N=179
Source: Flexera 2024 State of ITAM (Figure 42)

flexera

Does your organization have a FinOps team?

79%	20%	1%

■ Yes ■ No ■ Don't know
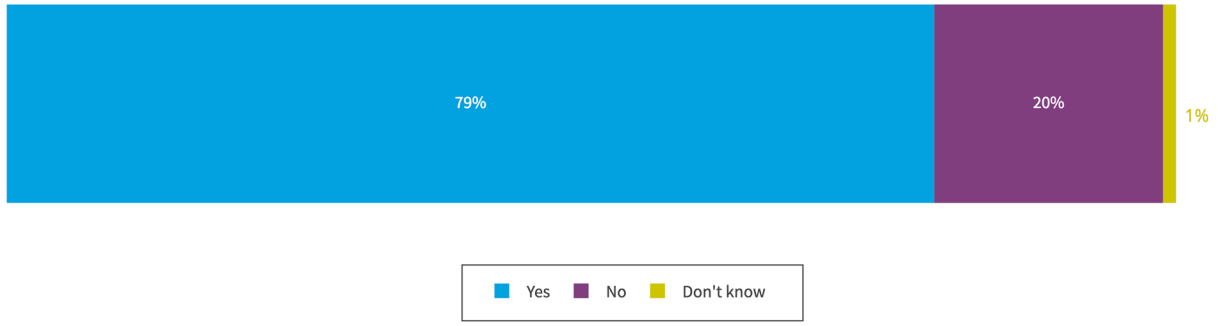
N=179
Source: Flexera 2024 State of ITAM (Figure 43)

flexera

79%
of European respondents' organizations have a FinOps team, compared to 77% globally

In Europe, 66% of respondents claim SAM teams have significant interaction with *infrastructure and operations*, 63% with *IT service management* and 48% with *security*. These numbers are similar to those of global respondents.

Which of the following teams does your SAM team have significant interaction with?

Team	%
Infrastructure and operations	66%
IT service management	63%
Security	48%
CIO/CTO	46%
Cloud (cloud central team, CCOE, etc.)	44%
IT finance	41%
Enterprise architecture	36%
Procurement	36%
FinOps	29%
Vendor management	27%
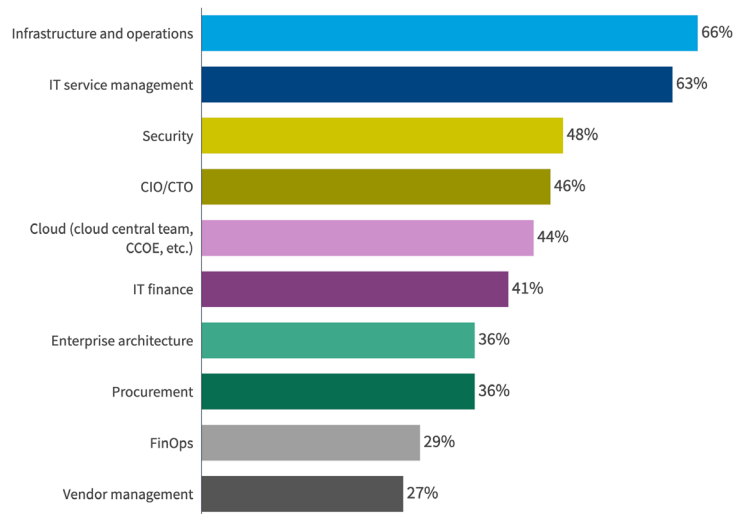
N=179
Source: Flexera 2024 State of ITAM (Figure 44)

flexera

Currently, European SAM teams focus on a broad set of activities, including *responding to audits* (73%), *maintaining an accurate usage inventory of licensed software* (71%) and *discovering software in use* (69%).

What SAM-focused responsibilities does your ITAM team have?

Currently do   **Plan to do**

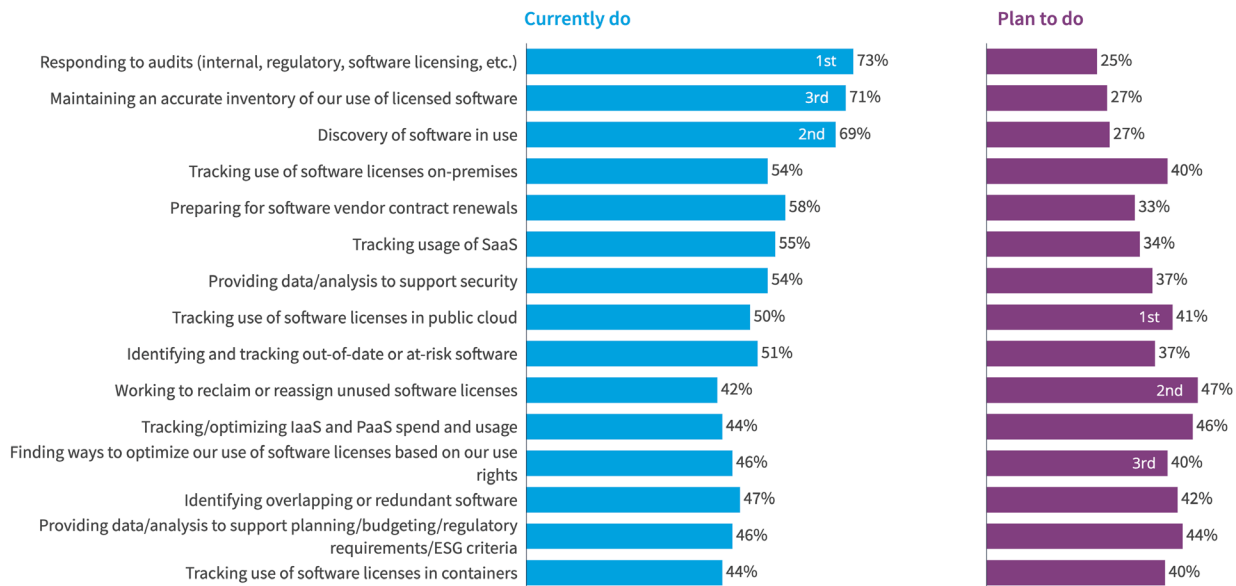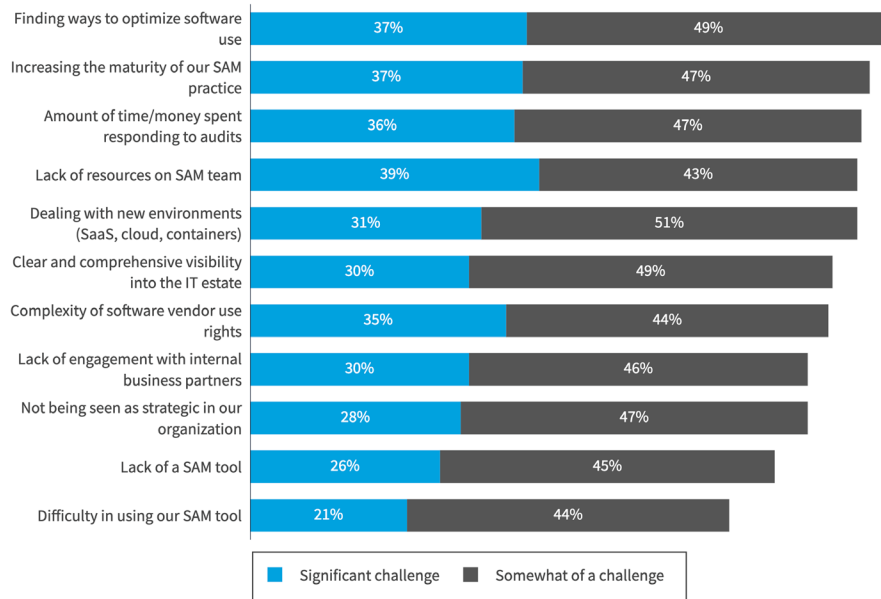| Responsibility	Currently do	Plan to do
Responding to audits (internal, regulatory, software licensing, etc.)	1st 73%	25%
Maintaining an accurate inventory of our use of licensed software	3rd 71%	27%
Discovery of software in use	2nd 69%	27%
Tracking use of software licenses on-premises	54%	40%
Preparing for software vendor contract renewals	58%	33%
Tracking usage of SaaS	55%	34%
Providing data/analysis to support security	54%	37%
Tracking use of software licenses in public cloud	50%	1st 41%
Identifying and tracking out-of-date or at-risk software	51%	37%
Working to reclaim or reassign unused software licenses	42%	2nd 47%
Tracking/optimizing IaaS and PaaS spend and usage	44%	46%
Finding ways to optimize our use of software licenses based on our use rights	46%	3rd 40%
Identifying overlapping or redundant software	47%	42%
Providing data/analysis to support planning/budgeting/regulatory requirements/ESG criteria	46%	44%
Tracking use of software licenses in containers	44%	40%

N=179
Source: Flexera 2024 State of ITAM (Figure 45)

flexera

European respondents indicate that the top three challenges include a *lack of resources on the SAM team*, *finding ways to optimize software use* and *increasing the maturity of their SAM practice.*

What are your challenges with SAM?

Challenge	Significant challenge	Somewhat of a challenge
Finding ways to optimize software use	37%	49%
Increasing the maturity of our SAM practice	37%	47%
Amount of time/money spent responding to audits	36%	47%
Lack of resources on SAM team	39%	43%
Dealing with new environments (SaaS, cloud, containers)	31%	51%
Clear and comprehensive visibility into the IT estate	30%	49%
Complexity of software vendor use rights	35%	44%
Lack of engagement with internal business partners	30%	46%
Not being seen as strategic in our organization	28%	47%
Lack of a SAM tool	26%	45%
Difficulty in using our SAM tool	21%	44%

■ Significant challenge   ■ Somewhat of a challenge

N=179
Source: Flexera 2024 State of ITAM (Figure 46)

flexera

Similar to global findings, *optimizing and finding savings in software spend* is a top initiative for European respondents this year, with 41% ranking it as their top initiative. Last year, only 22% said it was their top initiative.

What are the top 3 SAM initiatives you want to advance in the next year?
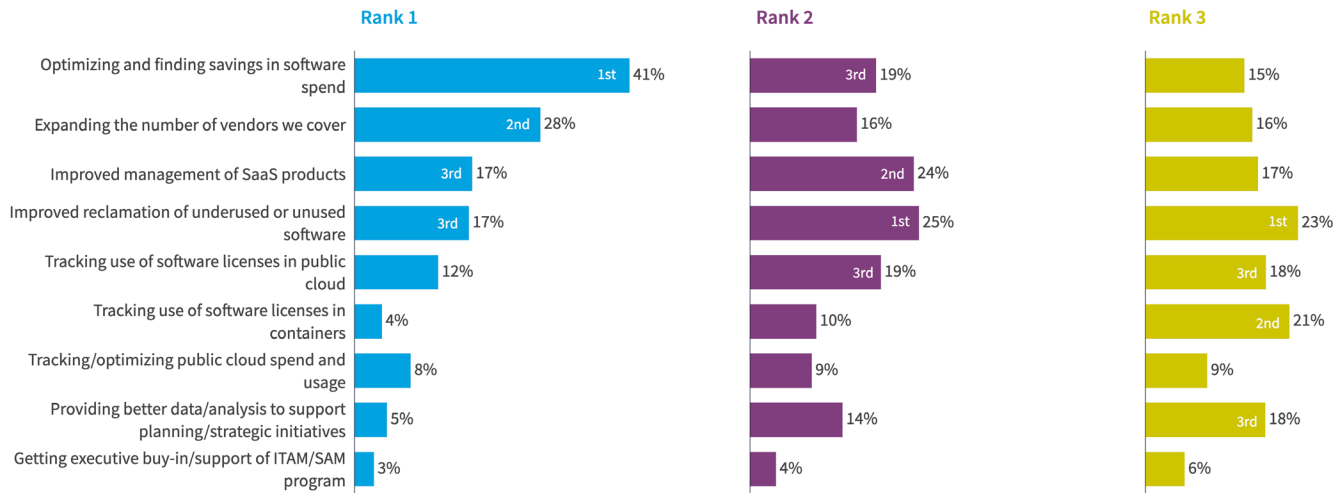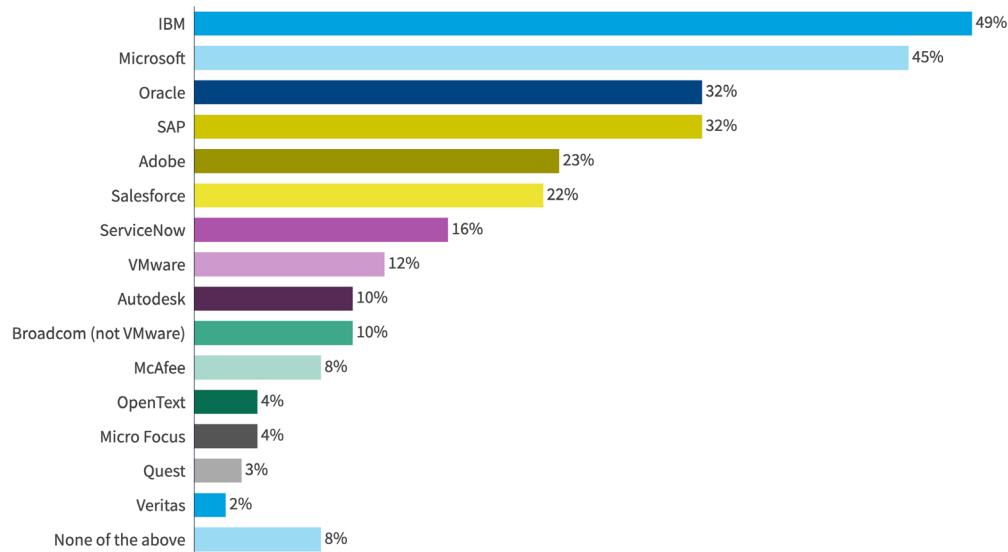

N=179
Source: Flexera 2024 State of ITAM (Figure 47)

flexera

» FLEXERA POV
The significant increase in European respondents taking the initiative to optimize and find opportunities to save on software spend underscores the importance of prioritizing cost-saving initiatives.

Much as with the global results, European survey respondents have been audited the most by *IBM* (49%), *Microsoft* (45%), *Oracle* (32%) and *SAP* (32%) over the past three years. European respondents reported more IBM audits than what is reflected in global results (49% in Europe compared to 42% globally).

Which of the following vendors have audited your organization in the past 3 years?

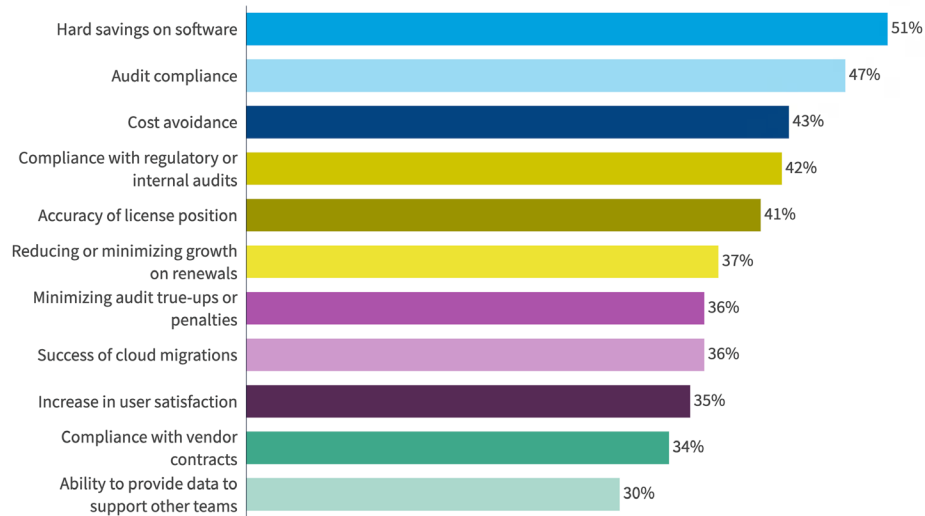| Vendor	Percentage
IBM	49%
Microsoft	45%
Oracle	32%
SAP	32%
Adobe	23%
Salesforce	22%
ServiceNow	16%
VMware	12%
Autodesk	10%
Broadcom (not VMware)	10%
McAfee	8%
OpenText	4%
Micro Focus	4%
Quest	3%
Veritas	2%
None of the above	8%

N=179
Source: Flexera 2024 State of ITAM (Figure 48)

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Hard savings on software is the most used success metric in Europe (51%), followed by *audit compliance* (47%) and *cost avoidance* (43%).

What metrics are used to measure the success of your SAM initiatives?

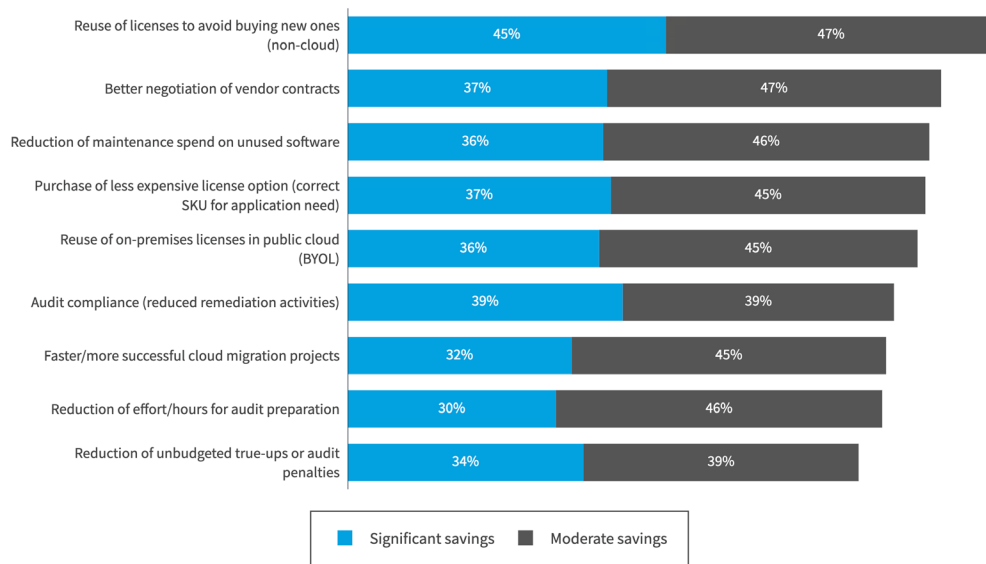| Metric	Percentage
Hard savings on software	51%
Audit compliance	47%
Cost avoidance	43%
Compliance with regulatory or internal audits	42%
Accuracy of license position	41%
Reducing or minimizing growth on renewals	37%
Minimizing audit true-ups or penalties	36%
Success of cloud migrations	36%
Increase in user satisfaction	35%
Compliance with vendor contracts	34%
Ability to provide data to support other teams	30%

N=179
Source: Flexera 2024 State of ITAM (Figure 49)

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As with global respondents, the most savings (92%) came from the *reuse of licenses to avoid buying new ones (non-cloud)*.

In what areas have you realized actual savings in the past year due to your SAM program?

Category	Significant savings	Moderate savings
Reuse of licenses to avoid buying new ones (non-cloud)	45%	47%
Better negotiation of vendor contracts	37%	47%
Reduction of maintenance spend on unused software	36%	46%
Purchase of less expensive license option (correct SKU for application need)	37%	45%
Reuse of on-premises licenses in public cloud (BYOL)	36%	45%
Audit compliance (reduced remediation activities)	39%	39%
Faster/more successful cloud migration projects	32%	45%
Reduction of effort/hours for audit preparation	30%	46%
Reduction of unbudgeted true-ups or audit penalties	34%	39%

■ Significant savings   ■ Moderate savings

N=179
Source: Flexera 2024 State of ITAM (Figure 50)

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Global summary

The *Flexera 2024 State of ITAM Report* highlights the pivotal role of cross-team collaboration for ITAM teams this year.

Software audits remain a significant expense, with 22% of respondents reporting more than $5 million over the previous three years in audit costs, nearly double the percentage from just two years prior. Responding to these audits has become the top initiative for ITAM teams reporting to the CIO or CTO. Major vendors like Oracle, IBM and ServiceNow have also increased their audit activities.

At the same time, ITAM professionals are increasingly realizing they own data that can help teams across the organization, including FinOps, security and ITSM. ITAM teams are intensifying their interactions across the enterprise—32% of teams engaged with FinOps this year, up from 25% in the previous year. Connections with the C-suite remained steady at 44%, linking with the CIO/CTO. ITAM data is commonly exported to enterprise systems like ServiceNow, BMC, Cherwell and Apptio. However, ITAM responsibilities are broad, with more than half of professionals claiming ownership for tracking SaaS usage, providing security analysis, preparing for contract renewals and maintaining software licensing inventories. ITAM teams must continue to stay nimble and flexible, managing a comprehensive view of data with actionable insights.

About Flexera

Flexera helps organizations understand and maximize the value of their technology, saving billions of dollars in wasted spend. Powered by the Flexera Technology Intelligence Platform, our award-winning hybrid IT asset management and FinOps solutions provide comprehensive visibility and actionable insights on an organization's entire IT ecosystem. This intelligence enables IT, finance, procurement and cloud teams to address skyrocketing costs, optimize spend, mitigate risk, and identifies opportunities to create positive business outcomes.

More than 50,000 global organizations rely on Flexera and its Technopedia reference library, the largest repository of technology asset data. Learn more at **flexera.com**

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