Standards for Customer Center of Expertise
License and Contract Management

THE BEST RUN **SAP**

License and Contract Management

Introduction

- Primary Certification

- License and Contract Management

Processes @ Customer CoE

SAP License and Contract Types

- Deployment Models

- Licensing Models

License Auditing

- What is License Auditing?

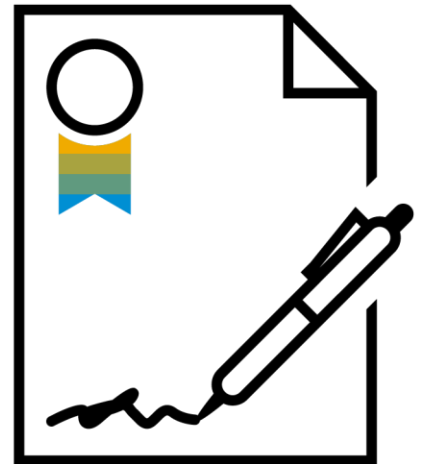- What types of License Auditing exist?

- Pre-requirements

- Audit Process

License Utilization Information Application

Next Steps

Additional Information

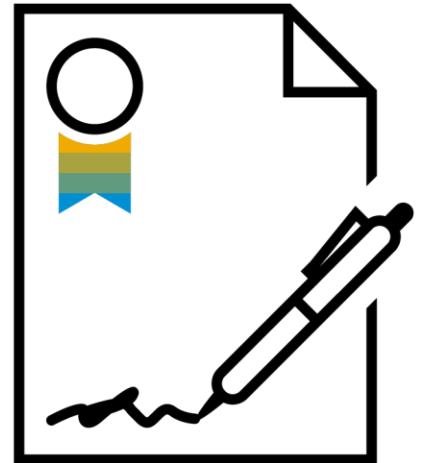# Primary Certification Introduction

Introduction

What is the purpose of the Primary Certification ?

License and Contract Management Introduction

Introduction

What is the purpose of the License and Contract Management ?

- License Management: management of the usage of licensed software products
- Contract Management: administration and execution of software contracts

Possible challenges of License and Contract Management

- Complexity
- Lack of specialist resources
- Time Exposure

What are the benefits of License and Contract Management?

- Control and assign licenses to employees
- Save costs
- No negative surprises during license audit process
- Identifying shelf ware

Processes @ Customer CoE

Processes @ Customer CoE

@ Customer side

- Customer Process on L&C Management

- Process Documentation

- Evaluation of existing and future needs

- Strategy

- Contract negotiations

- Customer own document organization

- Software Asset Management System

- Internal cost allocation

License and Contract Types

SAP License and Contract Types

Software solution: What you are licensing from our comprehensive selection of SAP software to meet your business requirements

Deployment options: How you deploy the SAP software; for example, on premise, in a public cloud, or in a hosted private cloud

Licensing models: Various models that grant customers use of SAP software; for example, perpetual, subscription, or consumption

Software　　　　　**Deployment Options**　　　　　**License Models**
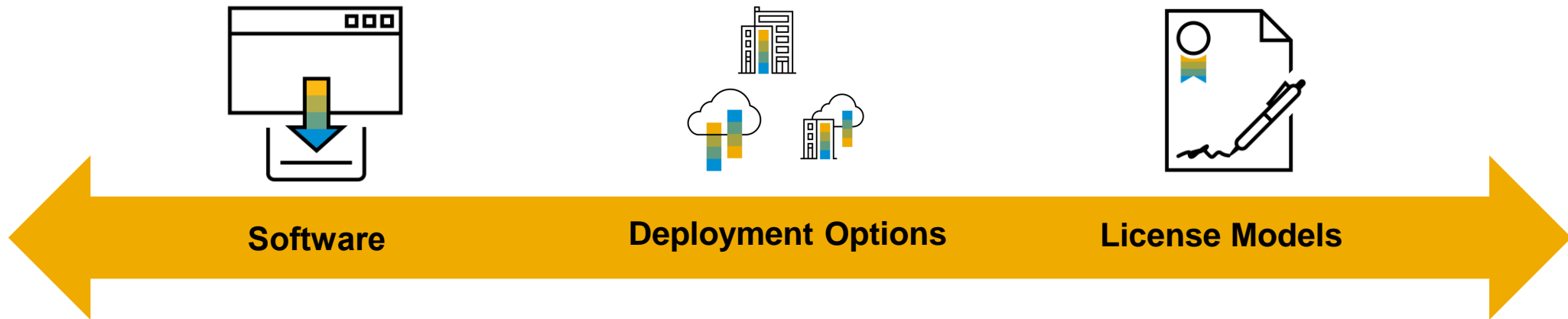
Deployment Models
How you deploy the SAP software?

On Premise

- Customer deploys licensed SAP software in their own on-premise data center

- Customer is responsible for the associated hardware, implementation, and ongoing operations

Private Cloud

- Known as SAP HANA® Enterprise Cloud

- Private Cloud is a single-tenant hosted environment, dedicated to a customer's systems and data and managed by SAP

- SAP provides the hardware and operations services as well as optional application management services.

Public Cloud

- The infrastructure is shared among customers in a secure, individualized manner

- SAP manages the software for the customer

Perpetual License Model

Subscription License Model

Subscription License Model

Licensing Models
Which licensing models do you use for your SAP software?

### Perpetual

- Perpetual software use rights
- One-time license fee
- Annual recurring support fee
- **For on-premise scenarios primarily**

One-time license fee ───
- Software use rights
- Database

Annual recurring fee ───
- Maintanance and Support
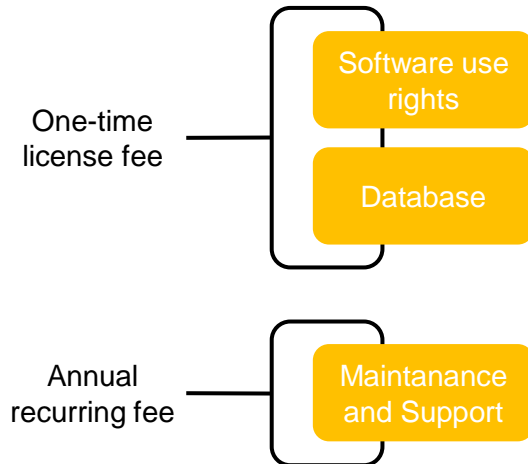
Subscription

- Term license – initial typically 3 to 5 years
- Annual subscription fee based on estimated use and includes support
- **For cloud solutions primarily**

Annual recurring fee ───
- Software use rights
- Database
- Maintenance and Support
- Hardware
- Application Management
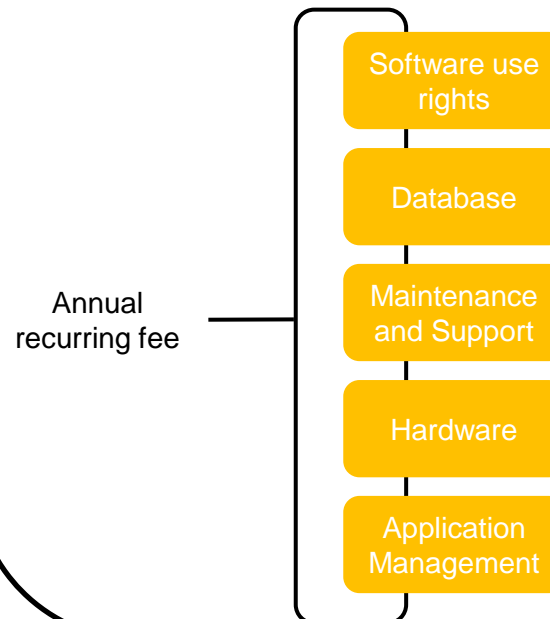
Consumption

- Term license
- No annual commitment: payment based on actual usage
- **Available for select cloud offerings**

Payment based on actual usage ───
- Software use rights
- Database
- Maintenance and Support
- Hardware
- Application Management
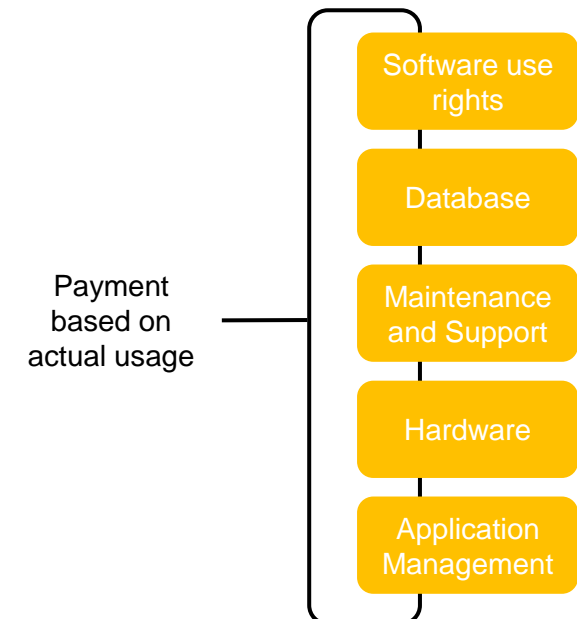
License and Contract Management License Auditing

License Auditing (1/4)
What is License Auditing?

The Global License Auditing Service supports all customers in fulfilling their contractual duty to carry out system measurements. Measuring the system determines the number of users of SAP systems and which SAP products are in use.

The following things can be measured:

- All user types of all SAP price lists

- Software engines, such as Human Resources, Real Estate Management, and so on

- Additional SAP products like SAP HANA-database and SAP Unwired Platform

License Auditing (2/4)
What types of License Auditing exist?

SAP conducts industry-standard compliance reviews with its customers based on the terms of their agreement.

In general, SAP runs Basic Audits and Enhanced Audits:

- Basic Audit
  - Covers most SAP customers on an annual basis
  - Based on automatic measurements performed by the customers and customers self-declarations, with tools and reports embedded in SAP NetWeaver, SAP BusinessObjects or other products
  - Data files are transferred to SAP
  - SAP provides support if necessary
- Enhanced Audit
  - Will start with a clear statement of scope
  - SAP may verify the results of the system measurement and perform additional specific checks in the systems
  - SAP supports the customer through a remote connection or a visit by SAP or a 3rd party onsite

License Auditing (3/4)
Pre-requirements

- Establishment a process to ensure that system and user data is constantly updated in <u>SAP ONE Support Launchpad</u>

- Definition of a responsible person for SAP's License Key Administration

  (http://service.sap.com/licensekeys)

- Establishment of a governance for maintaining and updating user data

- Allocation of a unique identifier (e.g. employee number, e-mail address etc.) for all users to ensure proper grouping and consolidation with the License Auditing Workbench (LAW)?

License Auditing (4/4)
Audit Process

Starting the System Measurement

- Start the system measurement in the measurement program (transaction USMM) by selecting the System measurement option

Transferring Measurement Results Online

- When the system measurement has been completed or you have consolidated the measurement data in the LAW, you can transfer the data directly to SAP.

Find more details on:

- [Information about SAP System Measurement](#)
- [SAP standard audit procedures](#)
- [Documentation](#)
- [SAP System Measuring Guide 7.0](#)
- [SAP System Measurement Process Overview](#)

License and Contract Management License Utilization Information Application

# License Utilization Information Application (LUI)

The License Utilization Information Application provides a comprehensive overview of SAP license entitlements and SAP software usage for SAP Public Cloud and SAP S/4HANA On-Premise customers.

https://support.sap.com/en/my-support/systems-installations/license-utilization-information.html

Preparations *Relevant for SAP On-Premise direct customers only (see the Road Map for more roll out details)*

In order to use the License Utilization Information Application, it is required to first carry out a system measurement.

The License Utilization Preparation Area (LUPA) needs to be accessed before the actual system measurement can take place. The application helps to collect all relevant information that is needed to plan and prepare the measurement.
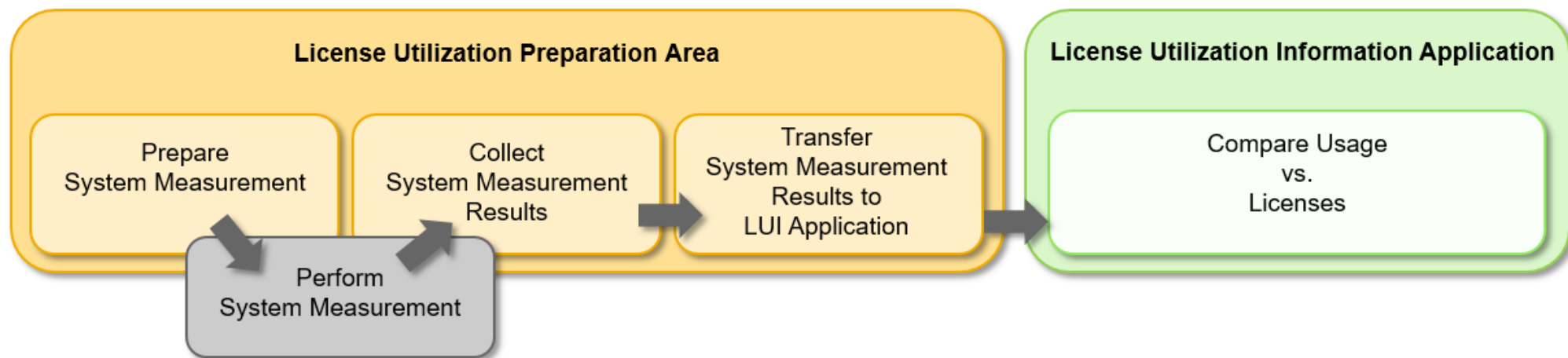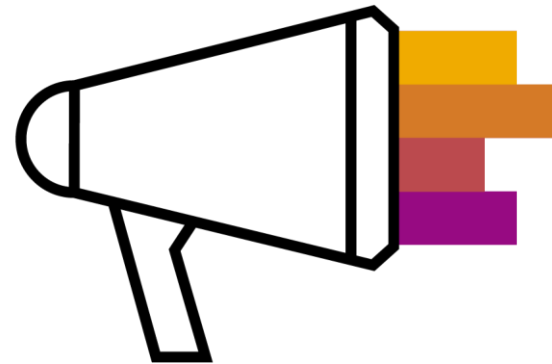
License and Contract Management
Next Steps

Next Steps

Prepare for Primary Certification

Check Questionnaire

Feedback

What is missing from customer point of view ?

License and Contract Management Additional Information

SAP Agreements

The relationship towards SAP is divided into the following agreement document types:

- SAP Cloud Services Customers
- SAP On-Premise Software Customers
- PartnerEdge Partner and Partner's Customers
- Partner - Other Partnerships
- SAP Professional Services

Find more details on: https://www.sap.com/about/trust-center/agreements.html
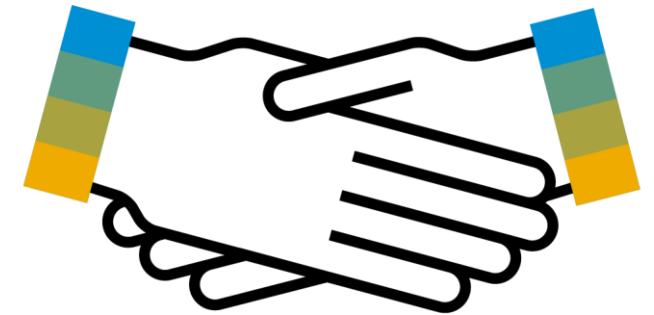
SAP Licensing Guide

This guide provides transparency on how SAP licenses its software and should help customers make informed and strategic software licensing decisions. It gives an overview of SAP's licensing models, details SAP support offerings and covers special topics such as conversion and SAP extension policies, digital access (indirect access) policies, and compliance.

Find more details on: SAP Licensing Guide

SAP Licensing - Process Guide

Here you will be guided through all important topics around the lifecycle of your SAP Licenses. In addition you can access information about SAP Support Services.

Find more details on: SAP Licensing – Process Guide

Extension Policies

With the cloud extension and the on-premise extension model, SAP provide customers and partners flexibility to adapt to changing business requirements with existing on-premise SAP solutions.

- SAP Cloud Extension Model
- On-Premise Extension

Find more details on: https://support.sap.com/extensionpolicy

Digital Access

Digital Access Landingpage

including:

- SAP Digital Access - What is it?

- Digital Access Adoption Program (DAAP)

- Testimonials

Find more details on: DA Landingpage

SAP Help Portal (NEW)

Description of the SAP Digital Access license model for the products
SAP S/4HANA Cloud, SAP S/4HANA, and SAP ERP.

Find more details on: SAP Help Portal

Primary Certification Questions

Contract and License Management

Is the CCOE involved in Customer´s Contract and License Management processes?

How does the CCOE support these processes e.g. the evaluation existing licenses, internal license needs and the contractual negotiation with SAP?

Are all involved stakeholders at customer informed about Customer´s Contract and License Management processes and the current contract and license situation?

How does CCOE take care of it? Please provide a short description and/or attach documentation.

Minimum requirement: Clear process & responsibilities, CCOE´s knowledge about it, involved at least as information hub

Contract and License Management

Is the CCOE or the responsible person for Contract & License Management knowledgeable about the relevant SAP pricing and conditions?

SAP pricing and conditions are available through your SAP Account Executive/Account Team.

For comments please send an email to COE.Program@sap.com.

Knowledge about the latest SAP pricing and conditions

Contract and License Management

Has a process been established to ensure that system and user data is constantly being updated in SAP ONE Support Launchpad, and the respective responsibilities defined?
Details: https://support.sap.com/keys-systems-installations.html
https://support.sap.com/users-authorizations.html
via corresponsding SAP ONE Support Launchpad tiles "System Data" and "User Management"

How is the CCOE involved?
Please provide a short description and/or attach documentation.

Process description, clear responsibilities, governance

Contract and License Management

Is the CCOE informed about the SAP´s License Key Administration processes? Is there a responsible person defined for license key administration?

CCOE has to deal with SAP´s License Key Administration processes and should know the internal contact person to react if needed.

Contract and License Management

Does the CCOE take over the governance of the license audit process of all SAP systems within the company, including preparation, execution, reviewing of measurement results?
Details: https://support.sap.com/licenseauditing Please provide a short description and/or attach documentation regarding:
- performing the license audit

- interfacing with other teams submitting individual system measurement results
(to provide one consolidated measurement result to SAP)

- interaction with the SAP Account Executive

Minimum requirement - clear process & responsibilities, - knowledge about it

Contract and License Management

Has governance been established for maintaining and updating user data (i.e. user creation, user classification, user validity etc.) for each individual SAP system via user maintenance (transaction SU01)? Further details see "quick user guides" (user classification) under https://support.sap.com/licenseauditing

How is the CCOE involved? Please provide a short description and/or attach documentation

Minimum requirement - user management in accordance with SAP´s LA needs, - clear processes, responsibilities, - knowledge about it

Contract and License Management

Have all users a unique identifier (e.g. employee number, e-mail address etc.) to ensure proper grouping and consolidation with the License Auditing Workbench (LAW)?

If it is not possible to define an unique identifier, has a workaround been defined that leads to a correct LAW result anyway and that is accepted by SAP

- unique identifier per user or

- workaround to ensure correct LAW result

Contract and License Management

Are the measurement results being sent to SAP by using the online transfer option?

Either via: - SAP Measurement Program (Transaction USMM) or - SAP License Administration Workbench (Transaction SLAW)?

Online data transmission as recommended by SAP