

Case Study | BT

BT achieves SAM optimization & significant cost savings



British Telecommunications (BT) is one of the world's leading providers of communications services and solutions. Headquartered in London, UK, it has operations in 180 countries and its principal activities include the provision of networked IT services globally; local, national and international telecommunications services; broadband, TV and internet products and services; and converged fixed-mobile products and services.

Livingstone and BT have been in partnership for six years, a relationship that has gone from strength to strength. The engagement began with an optimization project for an IBM WebSphere renewal in which BT was able to achieve a significant cost reduction. Following the success of this project and a number of other engagements, BT appointed Livingstone as its managed service provider to optimize licenses for its top ten software vendors, including Microsoft, Oracle, SAP and BMC. The relationship eventually transformed into a fully outsourced service where Livingstone became responsible for the entire SAM function at BT.

Accurate data required

In 2019, BT was going through a significant IT transformation for all its internal processes. It was exploring various options to manage and optimize its licensing which included investing in a Software Asset Management (SAM) tool and building an internal team to manage it whilst still continuing to utilize Livingstone expertise as an overlay.

Jon Cleverly, Director of IT Partnerships at BT explained: *"At BT, we strive to continuously improve and innovate in IT. As such, we embarked on a transformation journey with SAM, exploring all the various options available to us in the market. This included investing in SAM technology, looking at outsourcing, and a hybrid approach."*

"BT is passionate about delivering technical innovation, modernization and transformation in everything it does, and that applies to its internal process too. It understands the importance and benefits of having an optimized SAM landscape, from cost savings and risk-reduction to improved technical capabilities"

Ian Camino,
Chief Revenue Officer,
Livingstone Group



Around the same time, BT was also involved in negotiations for a significant renewal with a mega-vendor. To strike the best possible commercial terms for this deal, BT knew it required an accurate understanding of deployments, usage and entitlements, and the ability to deliver that data in a concise and understandable way to senior BT stakeholders. Although the SAM tool was in place, it wasn't providing the requisite reports and critical data required for BT to negotiate effectively.

High-volume data processing and stakeholder involvement

BT turned to Livingstone whose team began managing the data processing, reporting, and governance of the renewal. With Livingstone's team onboard, and by making use of its proprietary technology, the LUCE platform, to process the massive amount of data, it was possible to process millions of rows of complex licensing data, all within a matter of 24 hours.

Livingstone also held internal meetings at executive level, liaising with and working alongside all relevant stakeholders at BT from procurement, finance and IT to coordinate a unified approach that would result in an optimized outcome.

"The tipping point for me was the combination of Livingstone being able to simultaneously process very complex and vast amounts of data whilst also supplying deep expertise, including daily C-level engagement, to support my team and the wider BT team in what was a key project for us. It was a lightbulb moment for us as that way of working fit perfectly with our objectives." Jon Cleverly said.

Multi-million-pound savings and enhanced risk management

Following this engagement, BT appointed Livingstone to manage its transformation program for SAM via an outsourced SAM service. This involved decommissioning the SAM tool as LUCE would now perform the centralized data processing and reporting function for the group. Livingstone's responsibilities for BT include: a managed service desk which triages software request tickets across the group; management of the license renewal process; all levels (Gold, Silver & Bronze) of Enterprise License Position (ELP) management; software optimization; process engineering; and audit defense.

As part of the new outsourced services, Livingstone has processed tens of thousands of entitlement documents, over a thousand individual software requests, and has analyzed hundreds of millions of lines of software-related data. As a result, BT has seen multi-million-pound cost savings and a 400% return on its investment on Livingstone's managed services in 12 months.

This proactive approach, particularly to ELP management, also goes a long way to avoiding any major licensing-related challenges, especially against any audit threats from major vendors. To enhance BT's risk management awareness, Livingstone also established and now manages a risk-steering committee within the organization. The group, which meets once a month, includes BT's Head of Procurement, Finance Director, and other key stakeholders who review risks associated with the company's software estate to ensure no gaps are missed and that oversights can be mitigated.

"Our primary focus for SAM is cost savings and compliance," Jon Cleverly explained. *"Livingstone has very quickly set up the service desk which is already generating return in the form of reducing wastage and unnecessary spend. The Livingstone team has also established a renewals process which ensures we are planning renewals well in advance and are more focused on cost."*

The new outsourced model has aided the key IT objective of improving service levels across the business and allowing BT to focus more incisively on customer satisfaction without some of the noise and distraction.

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Jon Cleverly,
Director of IT
Partnerships, BT



“A successful IT organization must be lean and efficient, using best-of-breed technologies and services in key areas, especially where niche skills are required. Engaging Livingstone in the way that we have, and giving the team more responsibility, allows us to focus more on our core strengths and service our customers in the best possible way,” added Jon Cleverly.

Understanding the value of SAM

Reporting is absolutely key to BT, so in addition to the risk-steering committee, Livingstone and BT have also established a Quarterly Business Review where Livingstone supplies key BT management with up-to-the-minute reporting and metrics that help BT govern and assess the return on its investment.

“All stakeholders need to understand the value that an investment in SAM brings to our organization and undoubtedly this is in the form of cost savings, compliance and operational efficiencies,” said Jon Cleverly. *“Livingstone takes on the responsibility to communicate this to us on a regular basis. It also allows us to constantly feed in our requirements to ensure we are all heading in the same direction.”*

There are currently over 30 people on the Livingstone team providing services to BT – including delivery managers, license specialists, consultants, and account managers – reassuring BT that it has the very best support.

Summary of our service

- **400% return on investment on Livingstone managed services**
- **Multi-million-pound savings on BT's top ten vendor licensing**
- **Thousands of software entitlement documents processed and managed**
- **30-strong dedicated account team members**
- **License renewal calendar established to streamline and optimize license renewal process**
- **Risk management capabilities bolstered with risk-steering committee and well-informed key stakeholders**
- **Improved vendor management and renewals.**

“We’re fortunate to have been part of the journey to help BT make tangible differences. With its support and cooperation, we’ve been able to work alongside the teams at BT to optimize software licenses to achieve multi-million-pound cost savings, significantly reduce audit-related risks, and enable BT to have a clearer overview of its software estates”

Ian Camino,
Chief Revenue Officer,
Livingstone Group



Our vision is to be the leading independent, global provider of Software & Cloud Portfolio Management and optimization services for our clients and partners.

Providing the intelligence our clients use to govern their digital transformation journey. Optimizing their software portfolio to avoid unnecessary cost and risk, whilst driving value from their software and cloud investments throughout their lifecycle.

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