



Mastering Your Enterprise Agreement.

A Strategic Guide to Rightsizing and Optimization

Introduction

In large organizations, a Microsoft Enterprise Agreement (EA) is a pivotal tool for managing software licensing. While EAs come with benefits, they often aren't the most flexible. They also last three years, which means that as your usage and tech stack changes, your EA will need to, also. [Rightsizing and optimizing your EA](#) is not a once-every-three-year endeavor. It's a continual process of tracking and evaluating where you can get the most out of your investment to eliminate waste or shelfware.

How do you optimize your EA? And what do you need to consider to ensure maximum ROI on your Microsoft spend?

In this guide, we'll walk you through strategies and insights to help you navigate this complex landscape.



What is a Microsoft Enterprise Agreement?

An EA is a Microsoft software licensing agreement for organizations with more than 500 employees. Smaller organizations typically use a [Microsoft Cloud Solution Provider \(CSP\) program](#). However, as technology evolves and the industry changes, increasingly organizations are re-evaluating and seeking guidance to determine the type of licensing agreements that are best for them.

Microsoft Enterprise Agreement offers the largest choice of licenses and online services including cloud services, traditional software licenses, and a mandatory support and maintenance plan. However, not all Microsoft products and services are available in an EA. To offer bulk discounts, Microsoft may include additional technology that organizations don't actually need. So, understanding your true needs and requirements is essential before you sign up.

As mentioned, EAs last for three years, and sometimes up to five years. They can be renewed; however, most organizations have enough changes at the end of their term to justify signing a new contract.

Understand your current EA

The first step is to accurately understand your current EA and how it compares to your actual usage, organization needs, and how your org is planning to change or grow in the next five years. This includes taking a solid look at your tech infrastructure, cloud strategy, and changing IT and workstyle environment.

NEXT LEVEL HACK

Establish a license management policy. Create a formal policy for software procurement and usage. This ensures that all departments follow consistent practices, reducing the likelihood of rogue purchases that can complicate your EA. Or set up a platforms engineering team to identify and offer a consistent, user-driven set of software solutions.

Conduct yearly license audits.

Begin with a comprehensive audit of your current licenses across all departments, users, and devices. Once you have a baseline, set up a process to go through this exercise at least yearly to maintain up-to-date knowledge of license status, fluctuations, and usage needs.

- **Find out what's covered in the EA.** Clarify the full breadth of software products that are covered under the EA and confirm needs/usage.
- **Discover what people are actually using.** Encourage departments to communicate about their software needs and actual usage. Are they using shadow software? If so, is it because a Microsoft product is not meeting their needs? This can help identify software gaps, consolidate licenses, and identify overlapping requirements.

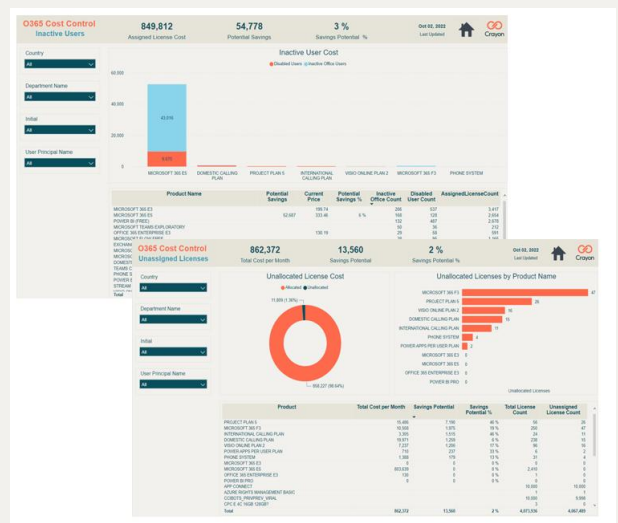
CALLOUT: Need help auditing your EA? Crayon Microsoft EA experts can [simplify the process](#), saving you time and resources

Identify current and future needs.

The next step is to consider your organization's current and future software needs.

- **Determine growth projections.** How is your organization expected to grow? Will you need more licenses or different software solutions?
- **Nail down departmental requirements.** Engage with different departments to understand their specific software needs and challenges.
- **Future proof.** Consider emerging technology trends, such as cloud computing or AI, that may influence your software requirements.

Crayon impact dashboards deliver complete visibility showing you the impact to your bottom line.



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Create a centralized dashboard. Develop a centralized dashboard that aggregates data from all software licenses. This provides a holistic view of usage, compliance, and renewal dates, making it easier to manage your EA effectively.



Rightsize your EA.

It's almost a given that your EA needs will change. Many organizations uncover that they are not utilizing their licenses to maximum capacity, some software has low adoption, and that headcounts have or will be changing. It's important to rightsize your EA so that you are not overspending and so that you have the coverage you need as your organization moves forward.



NEXT LEVEL HACK

Automate license tracking. Implement [software asset management \(SAM\) tools](#) that automatically track license usage and compliance in real-time. This ensures you stay informed about underutilized licenses and can act quickly to adjust your agreement.

Tabulate license counts.

With solid data on your needs and gaps, establish what's truly needed in your EA and what can be adjusted for a more efficient and cost-effective agreement.

- Determine how many licenses you need.
- Decide which licenses you no longer need.

Get a second opinion.

Before you sign, get a second opinion from an [unbiased third party](#) that can review the agreement and discuss options to ensure it supports your long-term goals.

[SCHEDULE A FREE CONSULTATION](#)

Optimize your EA.

Rightsizing is part of optimizing, but there's more that you can do. Your goal is to get the maximum ROI and value from your Microsoft Enterprise Agreement. To achieve this, you need to ensure that you have the policies, processes, and support needed to continually track in real-time your licensing and software needs, usage, and adoption.



Implement governance frameworks

A governance framework helps ensure compliance and optimize software usage.

- **Designate an asset management team.** This team is responsible for overseeing software usage, compliance, and license management.
- **Develop policies.** Establish clear policies around software usage, procurement, and compliance to streamline processes.

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Implement a shadow IT policy. Monitor and manage shadow IT within your organization. Ensure that all software used is accounted for and integrated into your EA, preventing compliance issues and unexpected costs.



NEXT LEVEL HACK

Use AI-based analytics. Newer AI-driven analytics tools can predict usage patterns and identify trends. This will help you anticipate future software needs and negotiate better terms via data-driven insights.

Utilize software asset management tools.

Investing in tools to enhance visibility and control can save you money in the long run by providing transparency, clarity, and a lens on efficiencies.

- **Deploy tracking tools.** Use software asset management (SAM) tools to track usage, compliance, and license expirations.
- **Include analytics.** Leverage analytics to gain insights into software performance to inform future purchasing decisions.

Crayon AI data analytics deliver the details you need to make better software asset management decisions. Explore Crayon analytics.

Prioritize training.

Proper training can increase software adoption and maximize the value of your Microsoft software. Train new users and retrain/update existing users so they can get the most out of their tools.

- **Tailor user training.** Develop training tailored to different user roles to enhance software utilization.
- **Provide ongoing education.** Provide continuous education on new features and updates to keep teams informed.
- **Create feedback mechanisms.** Establish channels for users to provide feedback on training effectiveness and software functionality.

NEXT LEVEL HACK

Conduct regular workshops. Host regular workshops or training sessions for employees to raise awareness about software usage and compliance. This encourages responsible usage and helps identify potential areas to optimize.

NEXT LEVEL HACK

Use version control for software. Implement version control for software applications to ensure you're always using the most efficient and secure versions. This can reduce licensing costs associated with outdated software.

Manage change effectively.

When introducing new software or changes to the EA, you'll want to ensure that employees are aware of and understand the implications. Follow best practices for change management for best results.

- **Create a change management plan.** A formal change management plan can guide the organization through software transitions.
- **Communicate changes.** Clearly inform employees and stakeholders of any changes to the EA or software and its impact.
- **Gather feedback.** Create channels for employees to provide feedback on software usability and needs, fostering a culture of continuous improvement.

Strategically plan for future EAs.

It's a never-ending cycle, but with the right tools and partners in place, your EA strategy can grow more effective over time. In the year before your EA approaches its renewal date, develop a strategic plan that includes learnings, adjustments to needs, potential alternatives, and preparation for the negotiation.

- **Evaluate current needs.** Conduct a comprehensive assessment of current software usage and future needs or run real-time SAM reports.
- **Research alternatives.** Explore alternative vendors or licensing models that may offer better value.
- **Prepare for negotiation.** Use insights gained from audits and departmental feedback to negotiate terms that reflect your organization's needs.

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Don't wait until the last minute. Track and review your EA on a regular basis so you can come to the table with clear needs and cut through the 'offers' they may present. Early preparation can give you leverage in negotiations, especially if you've identified potential areas for improvement based on your audits.

NEXT LEVEL HACK

Engage in continuous vendor evaluation. Don't just assess partners at the time of renewal. Continuously evaluate partner performance and alternatives throughout the agreement's life cycle. This ensures you always have the best options available.

Engage with a trusted partner.

Building a strong relationship with an unbiased trusted partner can yield significant benefits. If you don't have a partner who will serve as a trusted advisor and on your side of the table, look for one that offers more than just a transactional approach. A true partner will:

- **Hold a long-term partner mindset.** Seek a partner that demonstrates it has your best interests in mind and is vested in establishing a collaborative, supportive relationship with you and your team.
- **Bring deep expertise.** Inquire how long they have been in the business, their status with Microsoft, and their footprint in the market.
- **Demonstrate good communication skills.** Your partner should make you feel supported and have your best interest in mind.

Conclusion.

Rightsizing and optimizing your EA is not a one-time effort, but an ongoing process that requires regular assessment and adjustment. By taking a strategic approach—reviewing your current licenses, implementing governance, and investing in training—you can ensure that your EA provides maximum value to your organization. By continually adapting to changes in business needs and technology, you can maintain an EA that aligns with your organizational goals, drives efficiency, and realizes deeper ROI.

Managing your EA process can be a lot to deal with on your own, especially on top of heavy workloads. Having a trusted advisor on your side to support you and provide guidance can be invaluable and help ensure that your signed agreement truly meets your needs, is optimized for costs, and sets you up for success in the years to come.



On our customers' side. Always.

EAs can be complicated and ever-evolving. Having a trusted consultant on your side of the table at renewal time and to optimize beyond can save you time, resources, and money. Crayon is a leading partner for organizations that want a trusted advisor and proven expert to help evaluate, rightsize, optimize, and manage their EA.



About Crayon

Crayon helps its customers build the commercial and technical foundation for a successful and secure cloud-first digital transformation journey. With a global team of accredited experts, we assist our clients with services to plan, rightsize, optimize, manage and innovate their IT estates throughout the entire lifecycle. In doing so, we help businesses take data-driven and cost-saving decisions to future-proof their IT infrastructures.

Headquartered in Oslo, Norway, with 3300 employees in more than 50 offices in 40 countries, we operate a global customer-first and vendor-agnostic IT consultancy, helping clients select the best solutions for their business needs and budget to thrive and innovate with software, cloud, data and artificial intelligence.

We deliver our advisory services through step-by-step frameworks based on industry standards and best-practice methodologies:

- Rightsize your IT estate for a Cloud Future
- Optimize your Hybrid and Multi-cloud Environment
- Secure and Managed Modern Workplace
- Artificial Intelligence, Big Data and IoT

→ Get in touch, call us at 469.646.4038.