



Licensing audit expertise saves millions and protects business sale

Story Snapshot

A large global professional services company engaged Insight's expertise to help it navigate an Oracle licensing audit.

During the audit process, the company announced it was divesting part of the business and needed a clear understanding of the impact of the Oracle licensing and contracts on the sale.

- Insight's experts discovered and helped remediate a potential licence shortfall, establishing an initial risk avoidance of £2-3 million and saving £500,000 a year in support costs.
- The company was fully prepared and supported throughout the divestiture process, which helped minimise licensing and support costs, while remaining compliant.

Background

A global engineering and technology professional services organisation, offering expertise across more than 70 locations, received notice that Oracle wanted to perform a licence audit. The company knew that it no longer had the level of in-house skills necessary to navigate such a detailed audit, and reviewed the market for external expert support. Engaging Insight's Oracle Audit Defence services proved a winning strategy and created a trusted ongoing partnership.

Challenge

Oracle's licensing audits are detailed, complex and take up a great deal of valuable IT resources. They often result in focus and budget being diverted from critical IT projects.

When the global professional services company received notice of the audit, it wanted to ensure compliance, and minimise any cost liabilities that might arise from unintended licence shortfalls.

Lacking internal skills to prepare for the audit effectively, the company looked externally for a partner to support it through the audit process and protect its best interests.

A divestiture announcement during the ongoing audit added complexity and time pressure, as Oracle licences had to be transferred with the divesting entity.

"Insight's experts were extremely knowledgeable about how Oracle's licensing works and helped us overcome a sizeable shortfall. The team knew exactly what to look for and got right into the minutiae of the contracts, far more than our own legal team could, to legally split the licences when we divested a business."

Head of IS Vendor Management

“Insight’s forensic approach to Oracle auditing reduced our licence exposure by around £2.7 million and avoided a massive risk to the proceeds from the sale of a business to another company.”

Head of IS Vendor Management



Solution and Outcome

Insight’s Oracle optimisation consulting specialists used their proven Audit Defence service to help the professional services organisation successfully navigate the audit process.

The specialist team inspected every contract between the company and Oracle in minute detail. Licensing information was compared with each server and environment where Oracle was running to determine the configuration of licences against actual usage.

An investigation of the compliance position revealed a large shortfall between licences and what was being used. Advice from Insight’s experts remediated the shortfall and alleviated a potentially significant financial impact on the company.

During the audit defence process, the company announced that it was divesting part of the business. As part of the deal, the company needed to transfer essential Oracle licences to the divesting entity. This called for a complete and detailed understanding of the licensing requirements for each of the separating environments.

Insight’s experts helped the business understand how to split its existing contracts in line with contractual terms and conditions, while minimising the financial impact of doing so. This helped ensure the divestment could go ahead without putting the proceeds of the sale at risk.

Insight is continuing to help the company proactively address Oracle licensing changes as a trusted and valued partner.

Why Insight?

Navigating Oracle audits calls for specialist knowledge of Oracle’s ever-changing landscape, from pricing, licensing and contractual terms and conditions. Few companies have these skills in-house.

Insight’s Oracle Optimisation and Governance consultants team comprises highly skilled ex-Oracle employees with a deep and long-standing knowledge of Oracle’s licensing, negotiations and overall best practice.

The Oracle Audit Defence service determines the compliance position, provides guidance on remediation and helps negotiate with Oracle sales to reach a settlement.

“The audit was highly visible at board level. Insight ensured we kept to the right path and kept everyone informed every step of the way.” *Head of IS Vendor Management*

FAST FACTS

Significant

return on investment in Insight’s Oracle Optimisation & Governance services.

£2.7 million

risk remediated through forensic analysis of licences and server usage.

£7-8 million

potential licence shortfall avoided ahead of transfer to divesting entity.

Audit

finalised and licence transfer negotiations completed within the divestiture time limit.