

Sajeesh Sahadevan

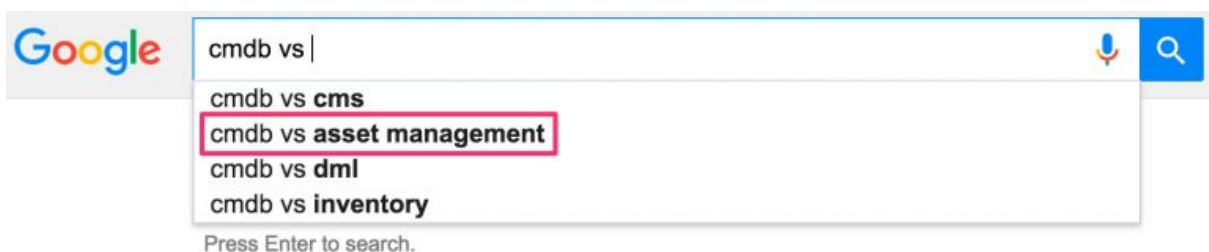
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## Why it's Wrong to Compare CMDB and Asset Management

Managing IT assets is a major part of IT Service Management. And for good reason – all IT services revolve around assets. Or do they?

### “What’s the difference between CMDB and asset management?”

I’ve come across this question several times – on forums, from colleagues. It also happens to be a popular search string on a fairly popular search engine.



The truth is, comparing **CMDB** and asset management is like comparing apples and, well, an apple tree. Let me explain.

⚡ by Snippet

Hi there, happy you made it here

In this article, we discuss the difference between CMDB and Asset Management



I hope you enjoy it!

A major difference between CMDB and Asset Management is that CMDB contains Assets as Configuration Items (CIs), whereas, Assets, by themselves, are standalone items that have intrinsic financial value to an organization.

That's the long and short of it. Here's a deep dive:

CMDB is a component of asset and configuration management. Yet, when you talk about incident management, problem management, and change management (see where the apple-tree analogy fits in?). In essence:

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being incident management, problem management, and change management (see where the apple-tree analogy fits in?). In essence:

- **CMDB (or configuration management database)** as the name suggests, is a database that helps you manage CIs. It stores configuration records for the CIs, which essentially include attributes like type, owner, version, etc. and their relationships with other CIs.
- **Asset management** is much more vast. It's the process responsible for managing assets throughout their lifecycle. It involves tracking attributes like value, warranty, contracts, etc. for the assets.

The right question to ask when it comes to CMDB Vs Asset Management

“Should my organization be doing configuration management or asset management?”

The short answer is – it depends (clichéd as it sounds). We've already discussed that CMDBs deal with CIs and asset management deals with assets. But let's try and understand the difference between CIs

and assets. Simply put:

For Configuration Items:

- If you need to track incidents and problems related to an item and track its relationship with other similar items for planning changes, it's a **CI**. For instance, an application server is a CI since it's essential to track any issues with it and all the devices linked to it.
- All CIs are controlled by Change Management

Assets:

If an item has some financial value and you need to track its financial or contractual aspect, it's an **asset**. The value of an asset might depreciate over time and eventually get to zero. That's when the asset is said to have reached the end of its lifecycle. For instance, the building where your office is located is an asset until its lease is up.

All Assets are controlled by Asset Management

Whether you need configuration management or asset management depends on what you want to

.

## The Fundamental Difference

As per [ITIL](#), a CI is a component or service item that needs to be managed in order to deliver services, and an asset is a resource or capability that contributes to the delivery of the services. Which means that an item can be tracked as both a CI and an asset if required. Let's go back to the app server example. Although you need a CI record for the server in the CMDB, you might also want to maintain the cost and warranty details of the device in the asset database.

This diagram explains the difference quite well:

# CI



## CI Lifecycle

In Service  
Out of Service  
ITIL Change Process

## Hardware Configuration

Server  
Memory  
Disk Space

## Software Configuration

Server  
Memory  
Disk Space

## Network Configuration

Impact Analysis  
Architecture

# IT Asset



## Physical

Hardware  
Software License  
Network

## Asset Lifecycle

Available  
Assigned

## Location

Country  
State  
City

## Financial/Contractual

License Agreements  
Maintenance / Support  
Professional Services  
Lease  
Escrow  
Proof of Purchase

## Procurement

Purchase Order  
Purchase Request  
Invoice

## Vendors

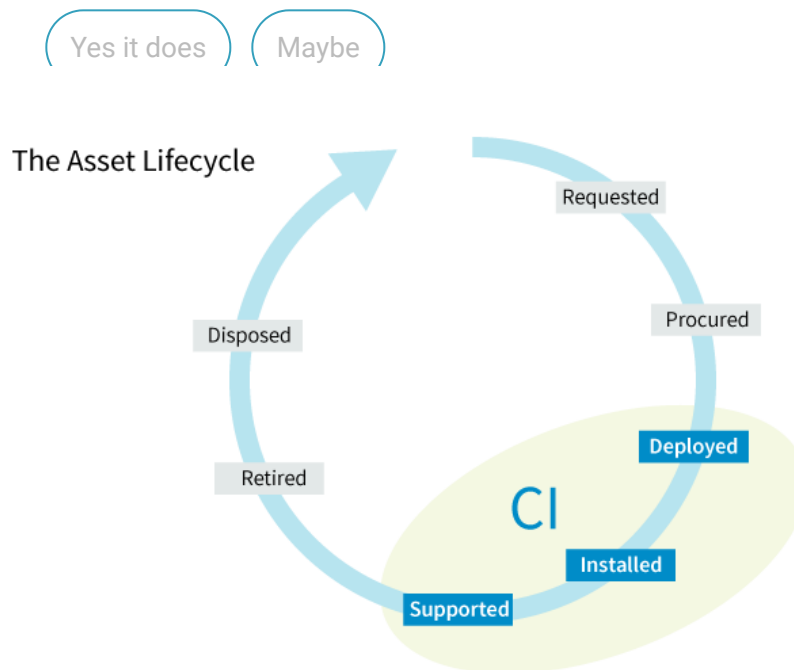
Information  
Link to Contracts  
Performance

A typical asset, like the server, goes through various phases from the time it's requested to when it's disposed of. The part in between, when it's in use, is when it also needs to be tracked by configuration management as a CI. This is the time when you track its configuration details, the software installed on it, and other details of the like. Any issues with it are sent to the service desk as incidents, and other devices related to it are taken into account when a change is required. All these details are irrelevant to the asset manager, but they need to maintain an asset record for the server all along.

⚡ by Snippet



Did you think this makes sense so far?



Can an item be one and not the other? Sure. Let's say, your organization uses a printer that's on lease, it's an asset. But if it's not handled by the internal IT team and you just call the vendor when you need support, you don't need to track it as a CI. On the other hand, if certain BYOD devices run your company's software, you might want to track the software installations by adding the devices as CIs (which will help you with software asset management) but you don't need asset records for them.

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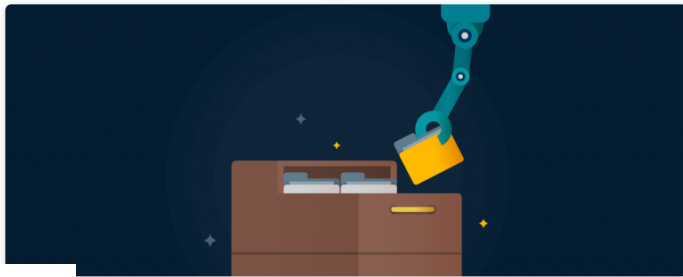
I hope this gives you a better understanding of the difference between [CMDB](#) and asset management, and between CIs and assets. Your organization might need both configuration management and asset management. You might already be doing both. But it's important to understand the function of both and draw a clear distinction between them for efficient asset and configuration management in your IT environment.

You can read more about asset management:

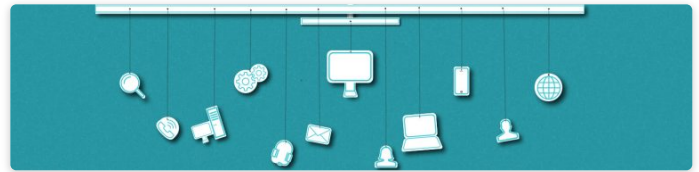
[Why poor asset management is bad for your business](#) – Read about how bad asset management exposes your org to not just financial risk but other major risks as well.

[Why Software Licenses and Subscriptions should be part of IT Asset Management](#) – A new perspective on how an "asset" is defined. A must read if you think assets can only be physical entities.

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**Rahul Gaur** • 3 months ago

Please help me understand.

1. Inventory Vs Discovery in asset and configuration management.
2. Is all assets are CI and how ?
3. Is all CI are asset and how ?

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**Steve Spooner** • 2 years ago

Is SaaS subscription monitoring in your opinion is part of asset management?

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**Patrick Fields** ➔ Steve Spooner • 2 years ago

It's certainly is, if you using it, paying for it you should be also monitor and optimize it. For

it's certainly is, if you using it, paying for it you should be also monitor and optimize it. For example Binadox provide the ability to monitor SaaS usage to optimize costs and make better decision as of the license types which match the exact usage.

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**gokhanyigit** • 3 years ago

It is very good and clear explanation. Thanks!!!

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**Sajeesh Sahadevan** → gokhanyigit • 3 years ago

Glad you found it helpful, Gokhan :)

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**Sankar** • 3 years ago

Liked the way the article started "comparing CMDB and asset management is like comparing apples and, well, an apple tree". It is a common question asked by service desk admins.

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**Sajeesh Sahadevan** → Sankar • 3 years ago

Yes, it is! Thanks, Sankar :)

The key is to ask the right question.

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