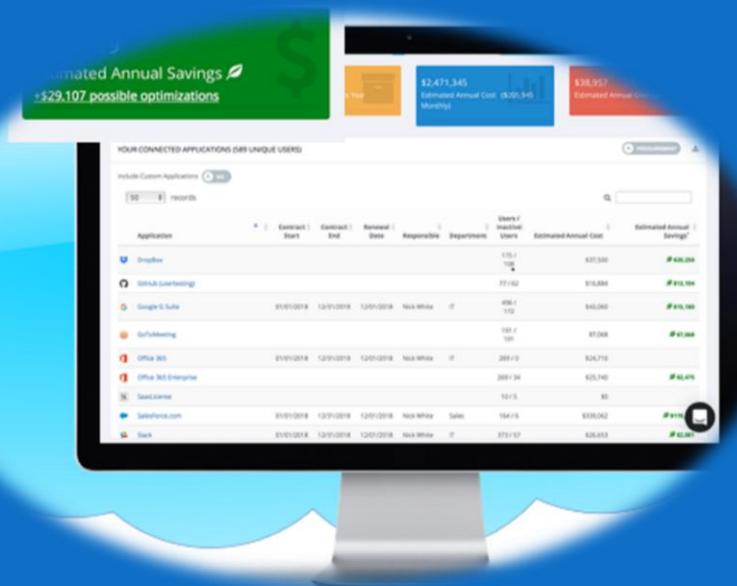


# SIMPLIFYING SAAS MANAGEMENT FOR LICENSING OPTIMIZATION AND ENTERPRISE APPLICATION SPEND



With the proliferation of Software-as-a-Service (SaaS), companies must evolve and adopt new ways to managing their SaaS licensing. Many enterprises are challenged with, Shadow IT, gaining visibility into license cost for optimization, and incorporating security risk protocols on applications that may have sensitive data. Enterprises need a platform to manage SaaS licensing with immediate data driven insights where they can manage all their SaaS applications in real-time will be the new corporate

# Table of Contents

1. Simplifying SaaS Management for Cost Savings and Optimization .....	2
2. What's causing the need for SaaS Management .....	2
3. SaaS Subscription Management Chaos.....	3
4. SaaS Complexity .....	3
5. SaaS Security .....	3
6. Hidden SaaS Applications .....	4
7. Corporate Application Duplication.....	4
8. IT and Procurement SaaS Challenges .....	4
9. Deciphering Who Owns SaaS Application Management.....	4
10. More than just an IT Problem .....	4
11. Various Teams oversee SaaS Vendor Management.....	5
12. As businesses grow, so do SaaS management challenges.....	5
13. The Cost of SaaS .....	6
15. Real-Time SaaS Management.....	6
16. Enterprise SaaS License Management.....	7
17. Hidden SaaS Spend.....	7
18. Unused Licenses .....	7
19. Forgotten Subscriptions .....	8
20. Under-Utilized SaaS Platforms.....	8
21. Redundant SaaS Applications.....	8
22. Ways to Optimize SaaS Spend.....	9
23. Defining SaaS vendor management team roles .....	9
24. SaaS Management Platform .....	9
25. SaaS Vendor Management Alerts .....	9
26. Start Managing your SaaS Environment with Efficiency.....	9

# 1. Simplifying SaaS Management for Cost Savings and Optimization

Software-as-a-Service (SaaS) has transformed the business world in so many areas. From Operations to Finance, SaaS makes it seamless to not only automate processes, but connect the workforce and do so much more that no one ever thought possible.

As beneficial as the boom of SaaS products has become for established, as well as up and coming, businesses, there have been challenges that IT and procurement teams have faced as a result. Somehow, these teams must successfully manage the cost, security and use of these countless products throughout their organization.

Since these SaaS products have become so user friendly, the various teams within an organization can easily use these “out of the box” applications on their own without IT support in most cases. This ability to utilize products independently can mean added cost, due to duplication of contracts with the same service or a comparable service, as well as security concerns around data being inputted into the system.

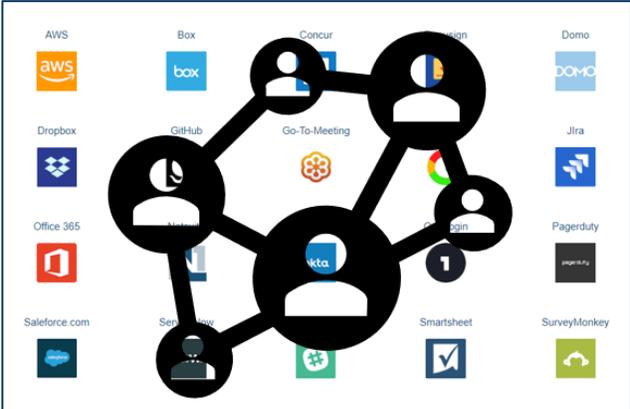


The reality for most organizations is that the use of SaaS will continue to grow. With that being said, finding an effective way to control it is crucial to managing costs and optimizing licenses and contracts they have within these services.

# 2. What’s causing the need for SaaS Management

To best understand the struggle with SaaS management, let’s think through some common corporate scenarios around how SaaS contracts come about.

Picture this... your marketing team is preparing for a webinar that showcases the products that your company sells to a large group of viewers. Your current version of Go-To-Meeting (GTM) only allows for



up to 100 participants on a call and your marketing team is anticipating 500. The marketing director researches different solutions and sits in on demos for different services to see what will work best for your organization. After all the legwork, it is determined that WebEx makes the most sense for what is needed. An annual contract is signed, and the webinar is completed, however, this license to WebEx will be forgotten about since its usefulness has passed.

Without anyone being aware, contracts get renewed time and again while no one in the organization is actually using the product. With everyone being pulled in so many different directions, no one is tasked to monitor the use and purpose of these

multiple, costly contracts. Inevitably, organizations slowly suffer through this vicious cycle, year after year, renewing contracts without data to back up the service's use within their organizations.

Another use case for the problem of SaaS management is having too many licenses for a SaaS product. Assessing needs is a hypothetical situation. You believe a certain number of employees will benefit from having the service, so you sign a contract for that number of licenses hoping that you're correct. This can become an expensive guessing game.

When the contract comes up on renewal, you blindly sign for those licenses again, because who has the time to survey 500 users to make sure they are all using the service. Or worse, you sign a contract for more licenses because your organization has expanded, and you inaccurately believe every employee needs access.

The lack of data behind your decision making when it comes to how many licenses to purchase makes it difficult, if not impossible, to truly sign a contract based on use.

### 3. SaaS Subscription Management Chaos

SaaS subscription management is complex on many fronts. Partially because ownership is distributed throughout your organization, contracts renew at different times of the year, and there is no easy way to see who is using what across your organization without the proper tools and resources.

As SaaS simplifies processes and helps teams collaborate in a new way, it also creates some interesting challenges for those tasked with managing it.

### 4. SaaS Complexity

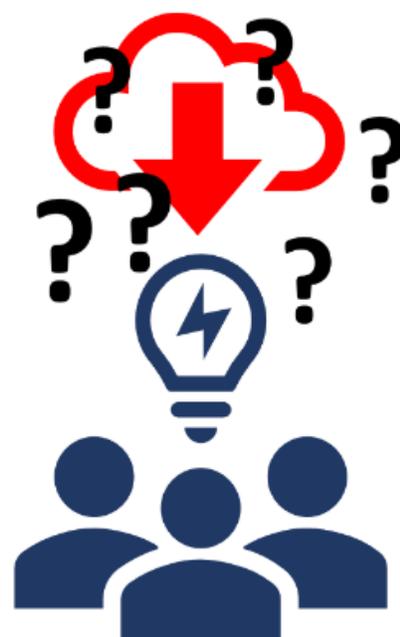
The more SaaS solutions that do not integrate with one another, the more silo's within your business that you might be creating. While SaaS can be a huge asset and provide added efficiencies, it can also create confusion on workflows if not tactfully implemented and managed. Inconsistent APIs, or the inability to connect various platforms and services, can cause lost productivity in trying to find ways to get at the necessary data.

### 5. SaaS Security

Any platform that houses company information should have strong security protocols. However, as more services infiltrate your business through avenues outside of IT, the risks grow when trying to ensure that the data housed within stays safe and secure. While many SaaS platforms allow for two-factor authentication, not all require it. Meaning, at the user level, individuals can turn off that feature if they find it "annoying," which puts your organization at risk in so many different ways.



Without some way of seeing and viewing all your approved users and licenses, it is tough to know who has access to what. This can become risky when employees leave your business and you aren't able to immediately turn off access to their accessible services.



## 6. Hidden SaaS Applications

Since it is now so easy to add SaaS products within an organization and ultimately anyone can do it, it is difficult for whoever owns SaaS to manage what services are available. Wrapping your arms around SaaS management when services come and go from week to week is a daunting task. It is probable that you may never even know half of the services your organization owns.

## 7. Corporate Application Duplication

When each department or area of your business is permitted to purchase their own licenses or implement their own services, tool duplication is extremely likely. You could have multiple contracts with the same service but contracted with different teams. Or you could have different services that all do the same task which different teams use. While finding a tool that can “do it all” for your organization might be possible, it can be challenging without some way of seeing these needs more holistically.

## 8. IT and Procurement SaaS Challenges

When you welcome new employees to your organization, what tools and technology do they truly need access to for their role? Without having this information, you won't know what the true cost of hiring that employee is, making it difficult to have budgeting conversations and decide salaries and total compensation packages.

Even once you know how much a new employee costs, how do you onboard them with the right services to ensure proper training to optimize use of the tools? Not only that, but whose role is it to onboard those new employees with the proper tools? If there isn't an available license in the tools currently, whose responsibility is it to go out to the different services to negotiate adding a license to your current contract?

The questions on this front are endless and create countless challenges for IT and procurement teams.

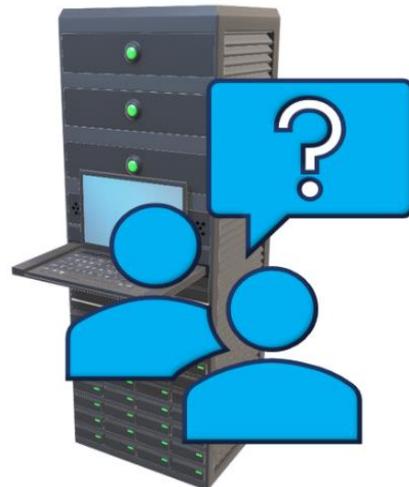
## 9. Deciphering Who Owns SaaS Application Management

One of the largest challenges in SaaS application management is deciding who owns it. When different teams use different applications and there isn't a set process for how SaaS is adopted and implemented in your organization, ownership is a total grey area.

Without ownership, costs steadily increase because no one truly knows how much your organization is spending on SaaS and no one has the final say as to whether or not new services can be added to your organization's application portfolio. Historically, IT oversaw all software, but those were in the days of software needing IT support and implementation. This is clearly not the case any longer.

## 10. More than just an IT Problem

In days past, IT used to be the only department who controlled what licenses were purchased and to whom they were distributed to within the organization. The more SaaS proliferates through corporate



environments, the more lack of visibility IT has since these systems and services are not as transparent as they used to be.

Everything technologically related used to roll up to a dedicated, centralized team in IT. Today, you might find system experts who sit on the various teams within different departments of the organization. These employees support the SaaS needs for that team and may never inform anyone in IT of their strategic planning. More complicated questions get farmed out to the software's support team.

Plus, in organizations where each department owns its own budget and must account for SaaS spend, it is up to them to decide how to manage those services long term and how to fund the support. This can be completely outsourced to customer service for that software.

And yet, data security still tends to fall on the shoulders of the IT team. So how can an IT team manage data security if it doesn't manage the actual software? The key is in gaining visibility into the contracts, licenses and data within the various tools and resources to work to improve this challenging situation.

While your sales team might set the requirements, goals and outputs for Salesforce, your IT team should be the ones overseeing and making sure that customer data is protected, secure and handled properly. This includes SaaS license management for employees who come and go. The same is true for any system that houses customer information or otherwise sensitive information.



## 11. Various Teams oversee SaaS Vendor Management

In most of today's businesses, SaaS vendor management is the responsibility of many teams, all the way down from your CEO or CTO. HR plays a role. Operations plays a role. And IT and procurement certainly take on their own role in management.

The reality is, each organization will structure these responsibilities differently, as they should, because size, industry and employee bandwidth all come into play when deciding who should own SaaS vendor management.

The key in effective management is setting clear roles and responsibilities when it comes to SaaS management. Without outlining these roles, you face excessive costs and extreme risks to data security.

## 12. As businesses grow, so do SaaS management challenges

Organizations have varying struggles with SaaS management, and what we have seen is, the more companies grow, the more challenges are faced within SaaS management. When just starting out, the primary goal is to get your team up and running as soon as possible. That means providing the right SaaS tools to get the job done. Adding to your portfolio of tools also means paying the costly service fees that go along with it. With multiple departments comprised of many decision makers, it is difficult to know exactly what services your organization has throughout its enterprise.

## 13. The Cost of SaaS

SaaS accounts for 60 percent of an organization's overall IT spend. This is an enormous number when you really think about it. When so much of your organization's budget is going toward SaaS, shouldn't you be certain that it is money well-spent?



Justifying these costs is no easy feat. Mostly because it means gaining greater visibility into where that money is going, as well as earning control of the process of contract renewals, negotiations and license management.

## 14. Lack of visibility = increased cost and decreased usage

To decrease your organizations overall spend on SaaS, you need increased visibility. This means putting all your contracts in one place and connecting a tool to your single-sign-on platform to see true usage.



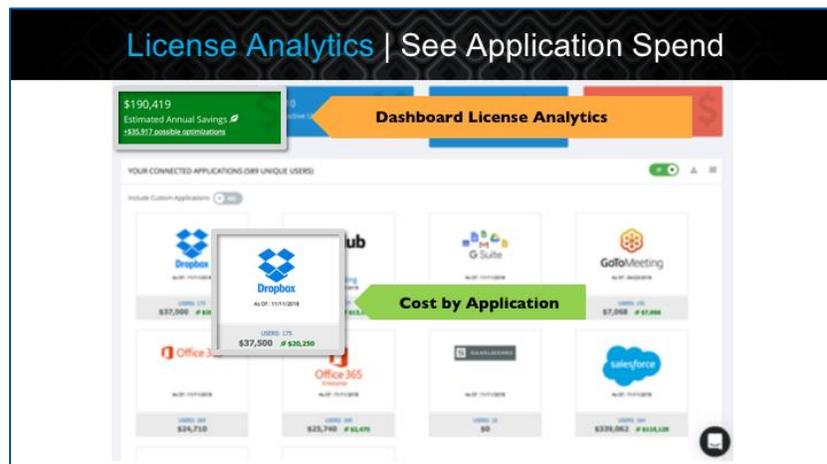
With data to back up your decisions on SaaS management, you will now have the visibility you need to better control SaaS spend.

Without visibility, it is difficult to know where you have opportunity to eliminate or limit your spending. You could try and do it on paper or within your procurement management system, but that will only get you so far. Without true usage data, you will struggle to dig deep enough to say confidently where your potential areas of cost savings are at.

## 15. Real-Time SaaS Management

Real-time SaaS visibility will help you manage your contracts, see what systems are in use and decrease your spending in areas of opportunity. With SaaS License, you can determine exactly where the licenses are that are not being used, or those that are underutilized, so that you can have meaningful conversations with the various teams about their true needs.

Armed with this information, you can manage your contract timelines to negotiate different terms. The system will even tell you if you have a clause that allows you to make changes to the contract, outside of the regular contract timeline, so that you can experience the savings as soon as possible.



Plus, you won't have any more surprises, or lapsed contract renewals, because your procurement team can manage all contracts in one convenient place with notifications for upcoming renewal contracts within 30, 60 and 90 days.

Now you can see areas of opportunity where you have similar services within your organization to enable you can consolidate and optimize your spending. When viewing contracts 90 days before a renewal comes due, you'll have time to have intentional conversations with your teams to create the best solution for merging those solutions.

A SaaS management platform enables you to answer the following questions about your SaaS use:

- Where is SaaS licensing budget spend going?
- Where are the opportunities to decrease spend and optimize?
- Are there licenses that are not being used?
- What all systems does your organization use?
- What security concerns do you have and how can you fill them?

## 16. Enterprise SaaS License Management

True SaaS management makes it clear who owns the relationships and contracts for SaaS. HR can reach out to the SaaS management team before a new employee starts to see if there are available licenses for the new employee or determine whether or not licenses that can be reassigned.

Department / Application	Users	Annual Cost	Savings	Overlap
Sales		\$916,453	\$253,268	
↳ DocuSign %	8	\$3,660	\$2,400	
↳ GoToMeeting %	49	\$16,704		
↳ Klaviyo %	0	\$599		
↳ Salesforce.com %	235	\$495,280	\$250,868	
IT		\$260,817	\$131,741	
↳ Office 365 Enterprise %	257	\$121,079	\$72,240	
↳ PagerDuty %	95	\$46,660	\$25,372	
↳ ServiceNow %	17	\$62,400	\$10,800	
↳ Slack %	156	\$30,000	\$21,300	
↳ Zoom %	27	\$2,678	\$1,079	
<b>Total</b>		<b>\$777,240</b>	<b>\$385,009</b>	

While at first your teams that used to self-manage SaaS might feel like they are losing control, ultimately, everyone wins in organizations with SaaS management. Departments and the organization, as a whole, save money, and everyone can be confident that their sensitive data is secure. Teams can inquire about getting more licenses for services already used in house instead of starting a whole new contract for a service.

## 17. Hidden SaaS Spend

The first step in optimizing your SaaS spend is to find out where the hidden costs are at within your environment. These expenses fall under four main categories of spend: unused licenses, forgotten subscriptions, underused licenses/platforms and redundant SaaS applications.

## 18. Unused Licenses

If you have ever onboarded a new person on your team, you have probably experienced the preparation it takes to welcome them. From getting hardware set up, such as a computer, office phone and printer access, to making sure they have access to the tools necessary to do their job, such as Salesforce, Trello, Slack and WebEx, this can be a daunting task.

Application	Category	Subcategory	Last Updated	Users	Inactive Users	Estimated Annual Cost	Estimated Annual Savings *
DropBox	Storage	Company Tools	7/30/2018 1:08:53 AM	282	173	\$37,500	\$20,250
GitHub (usertesting)	Source Code	Engineering	7/30/2018 4:03:07 PM	79	61	\$16,884	\$12,348
Google G Suite	Cloud Collaboration	Company Tools	7/30/2018 4:09:18 PM	430	142	\$42,060	\$16,068
GoToMeeting	Meetings	Company Tools	4/23/2018 1:00:49 AM	191	191	\$7,068	\$7,068
Office 365	Cloud Collaboration	Company Tools	7/30/2018 4:13:14 PM	247	0	\$24,710	\$1,236

In this flurry of preparation, many managers forget to go back and make sure that the employee is using all of these application services. The result is oftentimes unused licenses that go unnoticed for months, if

not years. When a new employee joins the company and there are no licenses left to assign, the contract gets renegotiated because the team doesn't have any other options.

With SaaS License, the team in charge of managing SaaS, can run regular reports to see where there are unused licenses. If they continue to go unused and your contract comes up for renewal, now you can experience real cost savings without sacrificing the tools you need to do your job seamlessly.

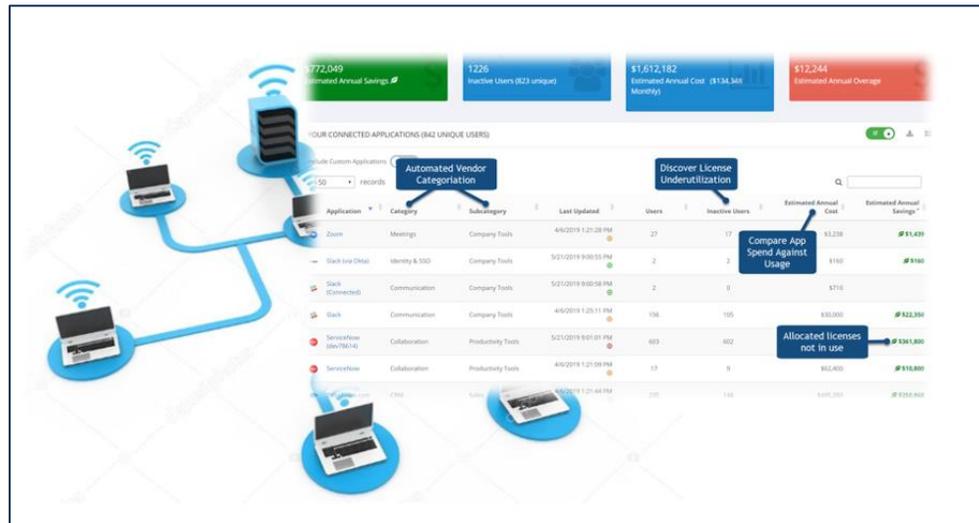
## 19. Forgotten Subscriptions

Remember our earlier example of the marketing team who adds WebEx for just one webinar to share news about a product? That one-off usage, and then forgotten subscription, is all too common within an organization.

In some cases, services get auto renewed or the procurement team unknowingly renews them unaware that they are no longer needed. The marketing team now gets charged back for those expenses each year, but the costs go unnoticed and continue to be detrimental to the company's bottom line.

This can be said about a variety of subscriptions, but with SaaS License you can view which SaaS products have no usage and cancel the subscriptions before you waste too much money on the oversight.

## 20. Under-Utilized SaaS Platforms



The reasons for an unused or under-utilized SaaS applications can vary from lack of training and adoption, to a lack of necessity for the product. SaaS License points out products or licenses that are being unused or under-utilized by users.

You can then approach the appropriate team or individual to remedy the situation to make sure you are getting the most out of your subscription. If it is determined that the team no longer needs it, you can add that to your total cost savings from SaaS management.

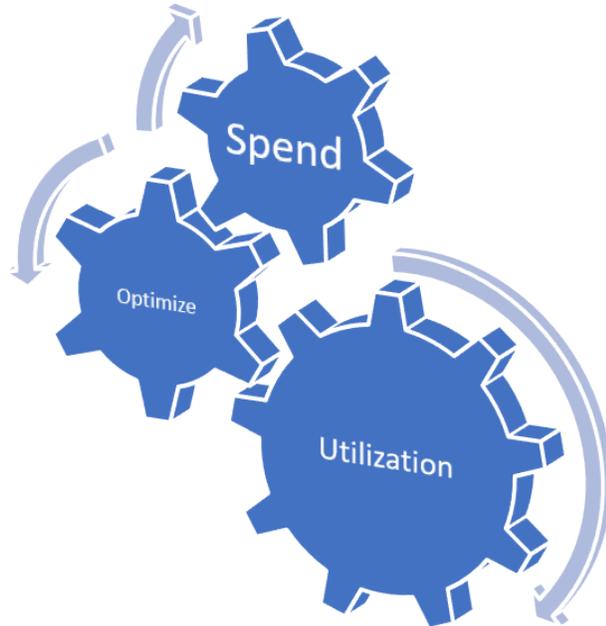
## 21. Redundant SaaS Applications

Since many teams are now managing their own SaaS relationships and contracts, redundant applications are becoming more and more of an issue. It is not because teams do not want to collaborate on choosing an application and using it, but because there is not a clear line of sight into what is available.

Your IT and procurement teams can see where there are redundant systems and encourage collaboration to find the right system to meet everyone's needs. You do not need multiple instant messaging platforms, workflow management systems and video conferencing tools within your business.

## 22. Ways to Optimize SaaS Spend

No one wants to be told that they can no longer use a viable tool, which means SaaS spend optimization must come from cutting out the excess in your SaaS spending. When done right, no one is really the "bad guy" because everyone wins when SaaS is fully optimized, and spending is controlled.



## 23. Defining SaaS vendor management team roles

The first step in optimizing corporate spend is to create a SaaS vendor management team and define their roles. This team will likely consist of leadership within IT and procurement, but also might include key stakeholders from various departments that are heavy SaaS users.

The key is to create roles that indicate who decides when to add a new service, when to end a service and when to consolidate a service. In addition, you will want to have someone who is an expert at negotiating contracts because they will be a key player in optimizing your spend.

## 24. SaaS Management Platform

Adopt a SaaS management platform so that you have real-time insights into where you are spending money on SaaS and how to best optimize that spend. An effective SaaS management platform, such as SaaS License, will give you an awareness into the areas of opportunity within your organization.

## 25. SaaS Vendor Management Alerts

Adopt a SaaS management platform so that you have real-time insights into where you are spending money on SaaS and how to best optimize that spend. An effective SaaS management platform, such as SaaS License, will give you an awareness into the areas of opportunity within your organization.

## 26. Start Managing your SaaS Environment with Efficiency

[Schedule a demo](#) to see how SaaS License can help you optimize your SaaS spend, ensure the optimal usage of your applications, and secure your data.