

Seeing > Beyond the SaaS You Know

A Guide to SaaS
Management Success

Foreword by Becky Trevino, EVP Products, Snow Software

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Today, at least 30% of your technology spend is wasted. It's happening either because employees are not using what the company purchased or because different teams in your company are consuming the same technology through different vendors (e.g., Engineering uses Microsoft Teams® for video calls and Sales uses Zoom), and you are missing out on an opportunity to consolidate spend.

Wasted spend is not the only problem. Thousands of new technology products are introduced every year, leading to significant SaaS sprawl within your company. Here at Snow Software, we counter the problem by adding at least 6,000 new software applications we have never seen before to our Data Intelligence Service (DIS) monthly.

As internal employees consume more software and cloud services without the visibility of IT or IT asset management teams, your company is falling behind your competitors. Rather than investing in growth initiatives, you are wasting spend on technology you are never going to use. Even worse, your teams are exposing the organization to greater cybersecurity risks, reducing the quality of ITSM data, and, in some cases, even slowing the pace of digital transformation.

Even the best ITAM teams cannot manage what they cannot see. Here is how you can help.

Find an owner. Ownership is a key component of successful SaaS management. Strategically, this is a no-brainer: a single team "owning" the governance of SaaS applications enables you to put guardrails in place to reduce SaaS sprawl and manage risk. You are far less likely to end up with duplicate subscriptions, teams using non-compliant free software and poorly negotiated SaaS renewals.

Partner with stakeholders. The IT department must align with a wide range of stakeholders to improve governance of SaaS across the business. Take the concept of the FinOps function, for example. FinOps brings together representatives from finance, technology, and operations to harness the power of cloud management. The same framework can be applied to SaaS management. IT can spearhead the formation of a team consisting of cross-functional representatives to improve governance of SaaS management.

Close the visibility gap. It is critical that the team members you make responsible for SaaS management have the tools to empower them with a holistic view of your SaaS environment — including sanctioned, unsanctioned, licensed, and free subscriptions. This means easier elimination of redundant applications, stronger renewal negotiations, reduction in vendor sprawl and the ability to uncover high-risk applications. The time and resources required for effective application discovery may seem to be too high a price to pay, but the alternative still doesn't prevent shadow SaaS from lurking in the browsers of staff members. I would argue that the risks brought about by inaction are far greater than the cost of an effective SaaS management platform.

At Snow, we operate under a simple formula:

**Visibility + Insight + Recommendations
= Technology Intelligence**

This is what empowers our clients to turn SaaS waste into opportunity.

On behalf of the team at Snow, I hope our latest comprehensive guide will serve as a practical resource for those keen to harness the power of SaaS and to those who want to understand more about how — and why — it's changed our digital landscape forever.

Becky Trevino

EVP Products, Snow Software

30%

So far, SaaS costs have increased by **30%** in 2023.

66%

Organizations without SaaS management tools underestimate their SaaS scope by up to **66%**.

30%

Unused SaaS subscriptions account for **30%** of SaaS deployments in unmanaged estates.

The Evolution of SaaS Management

Incredibly, it was only a decade or so ago that upgrading your software meant a journey to the nearest computer store. Now, though, there's an entire generation to whom CD-ROMs are alien — and software as a service (SaaS) applications are an integral and indispensable element of their day-to-day lives.

Though it seems like a recent development, the concept of a technology application has existed in various, rudimentary forms since the debut of the first time-sharing applications in the early 1960s. The PC boom in the 1980s further fueled the need for innovation, and at the end of the decade, Microsoft® released their Office suite and paved the way for today's productivity applications.

By the mid-1990s when internet adoption had become widespread, technology requirements were outpacing hardware capabilities, and maintaining systems and applications became extremely costly and time-consuming for IT departments.

It was clear that things needed to change.

Then, in 1999, Salesforce's customer relationship management (CRM) platform became the first SaaS application to be built entirely over the internet, with users able to access it directly through their browsers. The rest, as they say, is history.

The unprecedented success of Salesforce proved that being cloud-native provided a huge amount of agility and flexibility. It marked the beginning of a new technological era, and it wasn't long before any problem had a correlated SaaS application to help solve it. From collaboration to design, to payments and customer relationship management, the opportunities for businesses looking to empower their employees were endless. In fact, by 2023, SaaS accounted for the largest amount of end-user spending in the cloud, according to [Gartner®](#).

The rise of SaaS also presented a new balancing act for businesses. SaaS applications enabled collaboration and often allowed people to work more efficiently. As usage grew, and SaaS applications diversified even further, though, so did the risks.

Just look at the example of artificially intelligent chatbots such as ChatGPT. Accessing and using these tools is simple and free to do. Unfortunately, IT teams won't have a way of monitoring who is using AI tools, and, more importantly, how people are using them and what information they're providing to these tools. This huge lack of visibility leaves the larger organization vulnerable to human error and bad-faith actors.

IT leaders now find themselves at a turning point: How can they enable the innovation, scalability and efficiency that SaaS provides, while mitigating the risks of unmanageable SaaS sprawl in their IT landscape?

How would you feel if a SaaS vendor was using generative AI (such as ChatGPT) in their technology without your knowledge?

57% Alarmed. I would need full insight into how they are using it and the risks involved.

7% Upset. I would need to discontinue service with the vendor.

“Managing the security of SaaS applications” was the biggest SaaS challenge for IT leaders in 2023.

[2023 Snow Software SaaS Management Survey](#)

The Challenges of SaaS Management

Some significant challenges are in the way of success for today's IT leaders. These obstacles include but are not limited to:

- Limited discovery
- Unnecessary waste
- Shadow SaaS
- Overspend
- Choosing “ownership” over optimization

For IT leaders to face the challenges ahead of them effectively, it's vital for them to examine what these challenges are, their causes and what the potential consequences are.

Limited discovery

When it comes to better SaaS management, [the first hurdle IT leaders face is in deciding how to start the discovery process](#). Most people in your organization are using SaaS applications, but without a complete, centralized view of who is using what, your SaaS discovery process will be incomplete and still require a huge amount of time and effort.

Your SaaS users can also implement and discontinue SaaS apps quickly and easily. Undertaking a SaaS discovery process without consistent, real-time monitoring also means your work risks becoming outdated by the time the project is concluded.

Unnecessary waste

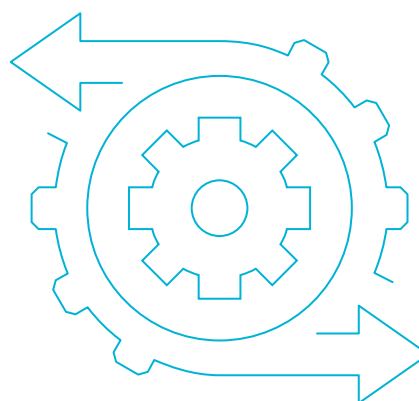
[On average, each organization used an average of 130 SaaS applications in 2022](#). Without a way to evaluate and understand usage in your SaaS environment, it's almost impossible to identify which apps provide value to the business. Limited visibility also increases the chance that money and resources are wasted on abandoned or duplicated application subscriptions (i.e., multiple apps that serve the same purpose).

Shadow SaaS

SaaS poses a huge challenge to IT security teams for two key reasons: rapid growth and decentralized purchasing processes. The more SaaS applications a business has in circulation, the harder it is to monitor who is using them, why they are using them and what information those users are putting into the applications.

Autonomous business units that are purchasing their own SaaS applications and moving quickly might bypass IT altogether when onboarding new applications. Without having IT in their implementation process, though, they can't properly evaluate apps for suitability and safety. Unfortunately, the problem extends beyond applications that department heads have approved; user-sourced applications and free trials will be invisible, making it almost impossible for IT to uncover these use cases without help from the right tool.

That unauthorized use of SaaS, also known as “shadow SaaS,” should cause great concern for IT and security professionals. Now that new applications appear every day, and almost anyone outside of IT can onboard the solutions they need, shadow SaaS sprawl is hard to contain. In some organizations, shadow SaaS applications will outnumber the approved applications. Remember — even if you think the number of unsanctioned applications is low at your business, it only takes one misstep from one employee to leave your business at risk for data breaches and other threats.



The Challenges of SaaS Management

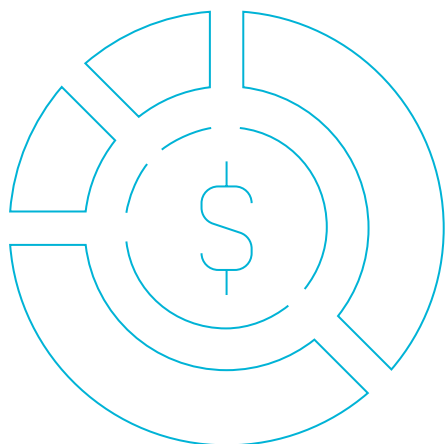
Overspend

SaaS applications have a reputation of being quite cost effective. Surprisingly, though, many companies are overspending against their allocated SaaS budget. This lack of control likely stems from a lack of visibility. For example, think of the oversight and overspending that occurs if an employee leaves a company and their license isn't terminated or reallocated automatically because IT might not have the intel that HR does. Unfortunately, [without the proper tools to monitor, manage and scale SaaS applications, wasted budget is an inevitability.](#)

When achieved with the right tool, holistic visibility of your SaaS landscape can enable the entire enterprise to save money — potentially millions. Your organization could put those savings to work as an investment in innovation to help it stand out in a competitive market. Those savings could also be a buffer in a shaky economic climate. Whatever you use it for, that money matters.

Choosing “ownership” over optimization

Because there's a SaaS app for almost everything, it should be expected that most — if not all — departments will be accessing SaaS applications to help them do their jobs effectively. However, this situation creates a lack of spending transparency and strategy. If every department is using different SaaS applications in silos, it means there's no holistic vision of how SaaS can power the business and no opportunity for optimizing licenses and saving on license costs.



Distinguishing Between Cloud, SaaS, PaaS and IaaS

People often use the terms “Cloud” and “SaaS” interchangeably, but they are actually very different. The cloud consists of servers distributed around the world that host software and infrastructure and are accessed over the internet.

There are three main ways to implement third-party “as a service” offerings through the internet and/or cloud:

- **Software as a service (SaaS):** fully formed end-user applications that are usually priced at a monthly subscription cost
- **Platform as a service (PaaS):** a third-party provider that hosts the hardware and software on its own infrastructure and delivers them to the end-user as a service or solution
- **Infrastructure as a service (IaaS):** a third party that provides infrastructure services, such as storage and virtualization; among these three examples, it's the closest to an on-premises IT environment

Preparing for Tomorrow's SaaS Management Challenges Today

The roadmap to SaaS success will only get more complex for IT leaders as technology grows increasingly intelligent and access to applications remains democratized.

Unfortunately, IT leaders don't have a crystal ball that can predict the future of SaaS. To be prepared for whatever the future holds, they need a holistic real-time view of their current assets and usage. They can use that view to safeguard their organization against technological advancements and economic upheavals.

In a world where "one size fits all" is an outdated concept, organizations need a dedicated solution to empower them to take full advantage of their SaaS applications, practice effective SaaS management and be prepared for evolving SaaS challenges — whatever they are.

With the right SaaS management solution in place, your organization can:

- [Make the applications you have an integral part of your organization's DNA](#) and vision, ensuring their full potential is reached
- [Properly allocate ownership to SaaS and proactively identify areas of risk](#) by giving the responsible team full visibility of SaaS usage and spend
- [Implement continuous discovery processes](#) to guarantee complete visibility of their SaaS landscape
- [Empower employees to work quicker and better](#) through the SaaS applications they have in place with improved guardrails and guidance

Finding SaaS Management Success With Snow Software

Everything starts with visibility, and [Snow SaaS Management](#) is the only [SaaS management](#) platform that provides a truly comprehensive view of your SaaS environment. It details usage data down to the hours and minutes users spent in each application, so you can identify which apps are adding value and which apps you can do without.

With the Snow SaaS Management product, you'll discover sanctioned, unsanctioned, licensed and free SaaS applications and enable your organization to optimize spend, mitigate potential risk and reduce sprawl.



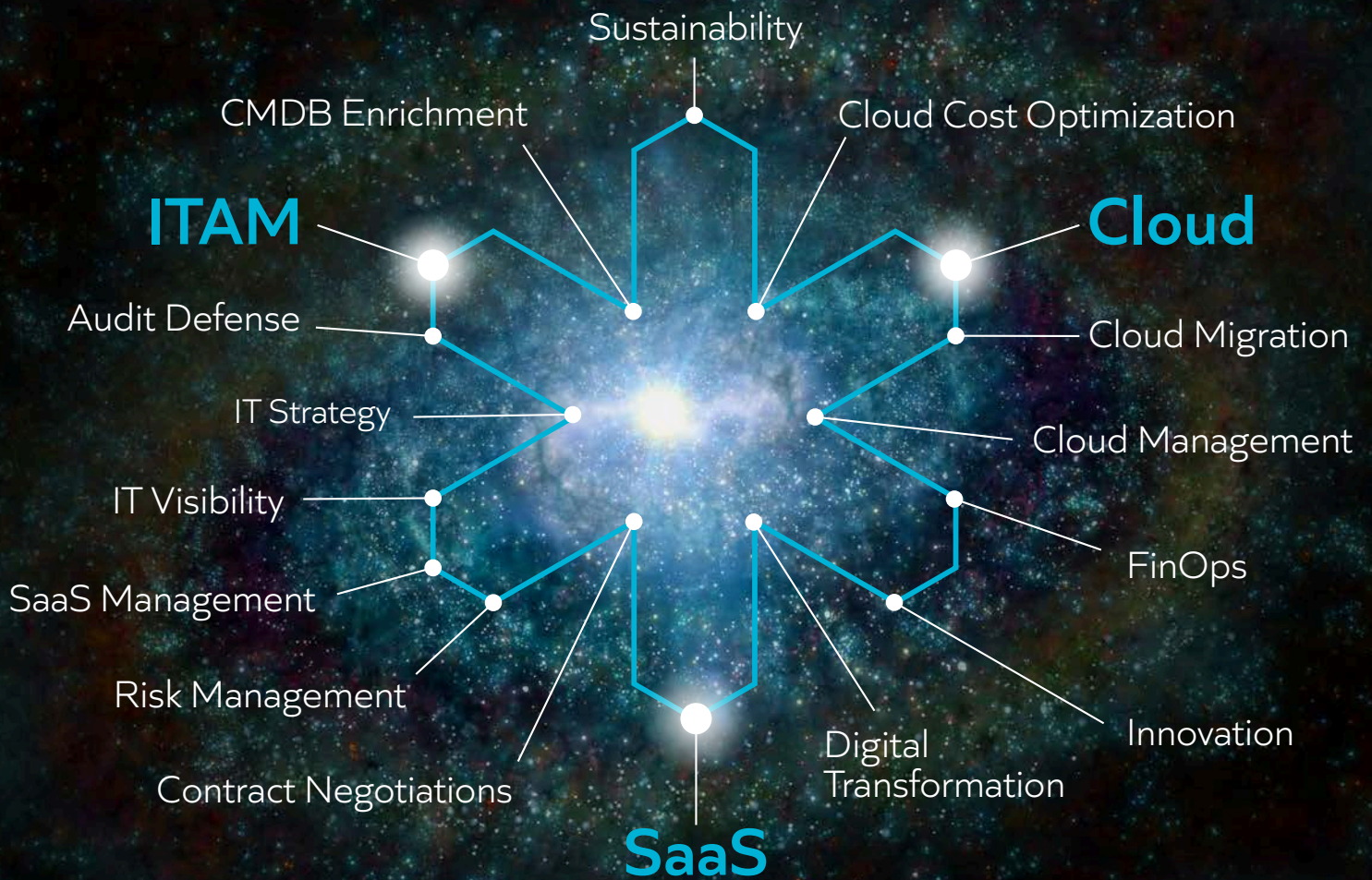
See beyond everyday SaaS management with Technology Intelligence

At Snow Software, we firmly believe in the power of [Technology Intelligence](#) — the ability to see and manage all technology in your environment.

Our solutions deliver data and actionable insights needed to understand everything from the smallest impacts of your technology to the highest-level view of how it all fits together. We deliver it all in [one user-friendly interface](#) so you can spend less time interpreting data and optimizing assets and more time generating positive business outcomes.

Instead of complex tooling and challenges with end-user adoption, we've created a complete ecosystem of support to help you maximize your investment in Snow and explore everything you can do with Technology Intelligence.

Technology Intelligence is crucial for effective SaaS management, but it also applies to initiatives far beyond the IT landscape. From HR to procurement, security to sustainability, a variety of departments and initiatives can take advantage of a Technology Intelligence platform and the insights it provides.



Explore Technology Intelligence Solutions From Snow.

ACCESS HERE >

Snow Software is changing the way organizations understand and manage their technology consumption. Our Technology Intelligence platform provides comprehensive visibility and contextual insight across software, SaaS, hardware and cloud. With Snow, IT leaders can effectively optimize resources, enhance performance and enable operational agility in a hybrid world.

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