

# The quick guide to rewriting SaaS in 2025

## NAVIGATING TODAY'S SaaS CHALLENGES

SaaS technologies are revolutionizing the way organizations operate, providing unmatched innovation, scalability, and efficiency. They are true game-changers for businesses worldwide.

However, the ease of adopting SaaS applications has a significant downside. The simplicity of SaaS adoption leads to widespread proliferation, making it difficult for organizations to monitor which applications their employees are using, how they're using them and what information is being stored. This unchecked sprawl is just one of the many challenges that today's SaaS technology presents. Fortunately, with strategic actions and long-term investments, IT teams and their leaders can harness the incredible potential of SaaS while effectively mitigating these challenges.

## THREE KEY SaaS CHALLENGES

### Unclear ownership

The ease of entry to adopt SaaS applications often leads to end users purchasing SaaS outside their centralized IT function, even as IT purchases software licenses for these users. This lack of a clear SaaS "owner" results in confusion, inefficiency, fragmented use across the organization and risks from unsecure applications and data practices. Unfortunately, even if IT didn't buy these user-purchased applications, they often end up in the IT team's queue to fix.

### Lack of SaaS visibility

The easy accessibility of SaaS applications also makes it almost impossible to identify and monitor SaaS usage accurately. Without insight into unsanctioned SaaS usage, it's just as hard to keep SaaS-related spending under control, too. Fixing these issues wastes additional resources and time that could be spent on meeting business objectives.

### The growing pains of SaaS governance

As SaaS adoption rapidly expands, many organizations find themselves grappling with the challenges of effective governance. The relative newness of widespread SaaS usage has left a gap in control and standardization for sourcing, procurement and billing. IT leaders can harness the full potential of SaaS applications while managing the risks of unchecked sprawl within their IT landscape by balancing innovation with robust governance.

# 125

SaaS APPLICATIONS

Organizations maintain an average of over **125** different SaaS applications, totaling \$1,040 annual spend per employee, but IT typically is aware of only a third of those [due to decentralized ownership and sourcing].<sup>1</sup>

# 62%

**62%** of IT leaders say they are seeing increased investments in emerging SaaS applications such as ChatGPT and Google Bard<sup>2</sup>

# 69%

**69%** of IT leaders have increased investment in SaaS applications<sup>3</sup>

## GETTING SaaS UNDER CONTROL: THE QUICK WINS

### 1. Assign SaaS ownership

Assigning a dedicated team to oversee SaaS governance is crucial. This team can establish effective guardrails to curb SaaS sprawl and manage risks efficiently. With clear ownership, you can tackle subscription duplication, avoid non-compliant free software and prevent poorly negotiated deals.

That dedicated team can also:

- Empower staff with improved SaaS guidance
- Support innovation by creating an agile tech ecosystem
- Unify strategies by eliminating siloed SaaS usage and buying patterns to enhance business growth

### 2. Streamline SaaS vendor sourcing

Even with a designated SaaS owner, users may still acquire applications outside of central IT. Implementing a regimented SaaS vendor sourcing process introduces critical safeguards. By setting up a structured vendor strategy, you can minimize duplicate applications, enhance application rationalization and ensure proper onboarding of SaaS providers.

Integrating a scoring system that evaluates criteria such as data protection, encryption and vendor reliability helps assess the overall risk and trustworthiness of your SaaS suppliers. This structured approach not only simplifies vendor management but also saves time, resources and budget, making it a vital component of a future-proof SaaS strategy.

1., 2. [Flexera 2024 IT Priorities Report](#)

3. Gartner, "Market Guide for SaaS Management Platforms," by analysts Dan Wilson, Jaswant Kalay, Tom Cipolla, and Joe Mariano, 12 December 2022.

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# STEPS TO SUCCESS IN 2025 AND BEYOND

Key focus areas for optimized and effective SaaS management

## 1. Select the right SaaS management platform

To gain a comprehensive view of SaaS use across your organization, selecting the right SaaS management platform is crucial. Many tools fall short of providing the detailed usage data needed for complete visibility of your IT landscape. The right solution will provide a variety of significant cumulative benefits:

- Comprehensive discovery of the sanctioned, unsanctioned, licensed and free SaaS applications within your organization
- Enhanced data accuracy that improves the quality of insights into your IT environment and, subsequently, decision-making across the organization
- Optimized costs via in-depth analysis of your highest-spend vendors, such as ServiceNow and Salesforce
- Effectively mitigated security threats after the removal of SaaS sprawl
- Optimized subscriptions and consolidated contracts that allow you to reclaim unused seats and eliminate redundant applications for better contract negotiation

## 2. Make SaaS a part of company culture

SaaS leaders must communicate the many benefits of SaaS, not only to their own team members, but the wider business. This outreach will help foster a culture that fully takes advantage of the benefits that SaaS applications can provide, including:

- Upskilling staff and empowering them to work better through SaaS apps via improved guardrails and guidance
- Enabling an agile tech ecosystem which will support innovation across all departments
- Removing siloed, disjointed SaaS usage and buying patterns that will help amplify a unified vision and strategy for business growth and improve opportunities for innovation within the business

## 3. Embrace emerging technologies

As part of a forward-thinking strategy, SaaS leaders must adeptly balance leveraging emerging technologies such as generative AI with minimizing security risks and preventing overspend. This approach keeps your organization at the forefront of innovation while maintaining robust security and cost control.

## THE TECHNOLOGY INTELLIGENCE MATURITY ASSESSMENT

As you plan your strategy for the future, aim higher than just matching your peers—benchmark against the best in the industry.

Designed by Flexera and the ITAM Forum, this Technology Intelligence Assessment delivers customized insights and actionable recommendations. This tailored approach empowers you to make data-driven decisions that maximize the value of your technology assets.

In under 10 minutes, you'll receive a personalized report with invaluable insights, including:

- Strategies to optimize IT spending
- Areas for immediate improvement and distinctive strengths to capitalize on
- Tools to boost your organization's efficiency

Unleash your potential and stay ahead of the curve with our expert assessment.

**TAKE THE ASSESSMENT**

