

# Flexera SaaS Manager

## Reducing Redundant SaaS – A Use Case



### PROFILE

A financial services company wanted to reduce overall spend on SaaS applications.



### SOLUTION

They leveraged Flexera SaaS Manager to identify SaaS spend across the organization.



### BENEFITS

By eliminating one redundant application, the company saved \$1 million a year.

### Challenge:

A leading financial services company engaged Flexera to examine expense reports to identify the overall Software as a Service (SaaS) spend within its organization. There was a sense that SaaS application usage was growing out of control, and that multiple applications offering very similar functionality might be in use across the global enterprise. But the company had no real way to know about the SaaS spend without

spending months gathering data manually.

The financial services company gave Flexera a year's worth of expense reports to scan using the Flexera SaaS Management software. Flexera SaaS Manager's proprietary expense scanner compared the company's expense data against more than 32,000 known SaaS applications to identify all probable SaaS expenses.

### SAAS MANAGER EXPENSE SCANNING

#### Unsanctioned Applications



**1,500**

1,500 unique applications that are reportedly SaaS applications discovered in the expense reporting process.

#### Unsanctioned Spend



**\$43M+**

Annual SaaS Spend

\$43M+ of total annual spend associated with the 1,500 unique applications identified.

Note: In this case, all the SaaS applications were labeled as "unsanctioned," or unknown, because the company did not have an existing catalog of its known SaaS applications and utilized only Flexera SaaS Manager's expense scanner to look for SaaS spend.

### Result:

Flexera SaaS Manager discovered the company had made payments for 1,500 unique SaaS applications for use throughout the enterprise. Payments amounted to more than \$43 million in the past year.

## Identifying SaaS Redundancies

Now that the company was aware of the whopping \$43 million spend on SaaS applications, the team was eager to identify what redundant applications were being used to perform the same basic functions.

Flexera SaaS Manager automatically sorted each of the 1,500 applications into SaaS categories to identify overlaps. For example, Workday® fits in the category of Human Capital Management (HCM); Slack goes in the Communications and Messaging category; Tableau® is in the Data Visualization category, and so on.

Applications that fit into the same category but have functionality and capability nuances may be redundant. For instance, Box™ is in the same SaaS category of file sharing applications and is a direct competitor of Dropbox™ and Sharefile®, so it would be reasonable to believe these applications could be providing redundant capabilities. The next step was to determine if one of the applications can do the job and the others can be eliminated.

Flexera SaaS Manager identified 59 redundancies among the 1,500 applications, representing \$14 million, or 32 percent, of the company’s total SaaS spend.

## APPLICATION REDUNDANCIES

Total Unique Applications: **1,500**

Redundant Applications Found: **59**

% OF  
REDUNDANT  
APPLICATIONS

**4%**

TOTAL  
REDUNDANT  
APPLICATION  
SPEND

**\$14M**

% OF  
REDUNDANT  
APP SPEND  
ON TOTAL

**32%**

## What’s Next?

It turned out that among the 59 redundancies, the company had three HCM applications: Workday®, PeopleFluent® and SAP SuccessFactors®. The total annual cost for the three applications was \$4 million, which amounted to nine percent of the company’s total SaaS spend. The three applications do many of the same things, making them potentially redundant, but each has unique functionalities. The company decided to take a closer look to determine if one or two of the applications could be eliminated.

Workday is the financial services company’s standard “source of truth” within the organization. The closest industry alternative\* for Workday®, as determined by peer-to-peer reviews, is SAP SuccessFactors®. For SAP SuccessFactors® and PeopleFluent®, Workday® is the closest industry alternative. Comparing the features and capabilities of the applications led the company to determine that Workday® was its strongest application, and PeopleFluent did not provide enough unique functionality, nor was it the best alternative to the other two applications.

APPLICATION	YTD SPEND
SLACK	\$2,000,000
WORKDAY	<b>\$2,000,000</b>
SHAREFILE	\$1,500,000
BOX	\$1,000,000
PEOPLEFLUENT	<b>\$1,000,000</b>
TABLEAU ONLINE	\$950,000
SUCCESS FACTORS	<b>\$700,000</b>

### Eliminating Just One Redundancy = \$1 Million Savings

The financial services company decided to remove PeopleFluent from its SaaS applications catalog. Eliminating that one HCM application saved \$1 million a year in SaaS spend, and reduced the overall SaaS spend by two percent.

\*Closest alternative determined by peer-to-peer software reviews listed in “References”

# Possibility

- Workday is the financial company’s standard – Their “Source of Truth.”
- PeopleFluent is not a “closest alternative” for either Workday or SuccessFactors.
- Removing PeopleFluent from annual spend has the potential to reduce HCM expense by +/- **\$1M annually.**

APPLICATION	COST	CLOSEST ALTERNATIVE*
WORKDAY	\$2,000,000/year	SUCCESS FACTORS
PEOPLEFLUENT	\$1,000,000/year	WORKDAY
SUCCESSFACTORS	\$700,000/year	WORKDAY
TOTAL COST	\$3,700,000/year	
HCM COST OVER TOTAL SPEND	9% of total SaaS spend annually	
REMOVE PEOPLEFLUENT FROM ANNUAL SPEND		
EFFECT OF REMOVAL OF PEOPLEFLUENT	\$2,700,000/year	
% OF TOTAL	7% of total SaaS spend annually	

\*Closest alternative determined by peer-to-peer software reviews listed in “References”

**NEXT STEPS**

Visit [flexera.com/saas-manager](https://flexera.com/saas-manager) for more information.

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