SaaS Cost Transparency & Optimization

Business Case & Self-Assessment

Purpose of this document

This document provides a fact-based, CFO-readable business case for improving SaaS cost transparency, governance and optimization.

It is designed to work standalone or collaboratively and to support alignment between IT, Finance and Procurement before a formal budget is assigned.

Executive Summary

SaaS represents a growing share of IT spend, yet cost visibility, allocation and forecasting remain limited in many organizations. Costs are fragmented across vendors, teams and cost centers, renew automatically and often grow without active financial oversight. This creates financial risk, not just operational inefficiency.

Business Challenge

Without centralized SaaS cost transparency, organizations lack a reliable view of total SaaS spend, ownership and forecast accuracy. As a result, SaaS often becomes a **blind spot in financial planning and accountability.**

Self-Assessment: Current SaaS Cost Visibility

This section can be completed independently
or jointly by IT, Finance and Procurement.

Question	Your Situation			Typical Benchmark
Do we have a complete SaaS inventory?	Yes	Estimate	No	Often partially
Do we know total SaaS spend?	Yes	Estimate	No	Frequently unclear
Can SaaS costs be allocated by BU?	Yes	Estimate	No	Limited in most orgs
Do we track license usage consistently?	Yes	Estimate	No	Rarely consistent
Are renewals tracked proactively?	Yes	Estimate	No	Often reactive

Financial Impact of the Status Quo

Without improved SaaS transparency, organizations face continued OPEX growth without proportional business value, missed savings opportunities from unused licenses, reduced negotiation leverage at renewal and unreliable forecasts.

Value Opportunity & Benchmarks

Estimate your potential improvement using internal data where available, supported by typical benchmark ranges.

Value Lever	Your Estimate	Typical Range
Unused / inactive licenses	_____ %	20–30%
Duplicate / overlapping SaaS applications	_____ %	5–15%
Renewal optimization potential	_____ %	5–10%
Forecast accuracy	Low / Medium / High	Often Low → Medium

Time-to-Impact Overview

Opportunity	Typical Timeframe	Business Impact
Reclaim unused licenses	0–30 days	High
Rightsize subscriptions	30–90 days	High
Avoid unnecessary renewals	60–120 days	Medium
Consolidate overlapping tools	90–180 days	Medium
Improve forecasting discipline	Ongoing	Strategic

Target State: SaaS Cost Transparency & Governance

With centralized SaaS Management, organizations gain a consolidated view of SaaS costs, reliable usage data, clear ownership and the ability to allocate, forecast and optimize spend continuously.

What This Requires

Organizations typically require a combination of:

- a centralized SaaS Management capability

- integration with financial and IT systems

- shared processes between IT, Finance and Procurement

USU's SaaS Management Platform supports exactly this type of transparency, optimization and governance.

Next Steps

Validate baseline SaaS data, align IT, Finance and Procuremet on scope and assumptions, agree on success metrics, and evaluate implementation options.

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