NASCAR Has Guardrails: Move Faster (Safer) with Business-Led IT

Posted by Peter Burger on November 10, 2021

ALL BLOGPOSTS > SAAS MANAGEMENT

Speed limits are supposed to make you drive slower, right?

For individual drivers, yes. But they also prevent deadly crashes caused by excessive speed and the attendant crush of ambulance, police, and firefighters coming to the rescue. So, overall, they actually make traffic go faster.

Same with guardrails. Ever since its founding in 1948, for example, the National Association for Stock Car Racing (NASCAR) has balanced speed with safety. To that end, NASCAR has experimented with various ways of protecting drivers and spectators during crashes, trying out everything from tire barriers and water to Styrofoam blocks and earth embankments.

at racetracks across the country, absorbs a portion of the kinetic energy released when a race car hits it, reducing impact to vehicle and driver.

What's the connection to SaaS? Well, like NASCAR, SaaS was built for speed — but that speed brings with it some real risks.

The SaaS delivery model allows companies and individuals to quickly access and use software for almost any imaginable purpose. Given that "buying" SaaS — merely providing a credit card and agreeing to pay on a monthly or yearly basis — takes minutes, it's no surprise that SaaS today can make up to 60% or more of any given IT landscape.

But while SaaS has helped IT reduce capital expenditures and operating expenses, it has introduced another challenge: Shadow IT. This term refers to the purchase and use of technology that IT is not aware of — which can account for more than 40% of formal IT spend in many organizations.

Unfortunately, aside from being difficult to track, that 40% represents a lot of wasted money. This waste comes in the form of underutilized licenses, new software that duplicates the functionality of software the company already owns, and automatically renewed licenses for software the company no longer needs. In addition to such runaway costs, Shadow IT also brings with it security risks and challenges with regulatory compliance.

To take advantage of the speed offered by SaaS while avoiding the risks calls for guardrails. And putting up those guardrails calls for a mind-shift, beginning with rethinking "Shadow IT."

Shadow IT sounds nefarious and a bit scary, but it's important to see it as something positive — business-led IT — that has simply been poorly implemented. The idea behind business-led IT is that the business, not IT, knows best what tools it needs to operate successfully. Accordingly, in the business-led IT model, the business takes the lead when it comes to selecting and purchasing software. As a

keeping track of SaaS across the organization, monitoring usage (to identify unused or underutilized tools), managing licenses and renewals, and addressing insecure or non-compliant SaaS applications so the company doesn't end up in hot water.

With these guardrails in place, redundant applications and automatic renewals of unneeded licenses become aberrations rather than commonplace. As a result, instead of the business worrying about ballooning costs, compliance issues, and risk, it can focus on pursuing growth.

So, how can IT support a business-led approach? Here's three steps you can take:

1. Map your SaaS landscape with automated discovery

Before you can manage your SaaS portfolio, you need to know what's in it. Manual processes will simply not produce the accurate insight required here, so you should select a SaaS management (SM) tool capable of automated discovery.

How does that work? It involves connecting the SM tool to all relevant systems. The key here is to rely on more than systems devoted to accounting or procurement. While those systems do matter, you will get a fuller picture if you also connect the tool to expense management systems as well as single-sign-on or identity and access management systems.

2. Track SaaS application usage

Once you know what SaaS you have, you need to understand what's actually being used. To do that, you need to connect your SM tool to your SaaS applications, starting with the most commonly used applications such as Office 365, Google Workspace, and Salesforce. By monitoring usage you can quickly identify underutilized licenses and applications. This will help you determine which applications should be renewed or sunsetted, and where licenses can be

vendors.

3. Become a partner and a guide to the business

The point of all this mapping and tracking is not to make IT the enforcers of SaaS policies. Rather, with all this data, IT can become a true partner to the business when it comes to SaaS.

By creating a catalogue of SaaS the organization is already paying for, IT can let business buyers know what's available. That way these buyers don't have to do their own discovery work and can avoid buying new SaaS they don't actually need.

By monitoring usage, IT can provide the business with insight into potentially wasted spend as well as the potential need for training to ensure the business gets the most from available resources.

Finally, IT can help enterprise architects and the business as a whole make decisions about IT modernization and overall IT spend based on a comprehensive and accurate understanding of what the current IT landscape actually looks like.

Ready to put your SaaS guardrails in place?

Learn more about how your organization can unleash the power of business-led IT, while minimizing the risks and costs associated with SaaS. Read our free white paper, How to Enable Business-Led IT through SaaS Management.

Related Posts

See SaaS Clearly with the LeanIX SaaS Management Guidebook

SAAS MANAGEMENT

SaaS Management: A View Into Forrester's Q2 Now Tech Report

LeanIX SaaS Management Platform: What You Need To Know

SAAS MANAGEMENT

LeanIX SaaS Management Platform: What You Need To Know

Related Resources

LeanIX named a leader in SPARK Matrix: EA Tools, 2021

REPORT

LeanIX named a leader in SPARK Matrix: EA Tools, 2021

The Forrester Wave Enterprise Architecture Suites 2021

REPORT

The Forrester Wave Enterprise Architecture Suites 2021

LeanIX M&A Survey 2021

REPORT

LeanIX M&A Survey 2021

PRODUCTS

Enterprise Architecture Management (EAM)

Value Stream Management (VSM)

SaaS Management Platform (SMP)

CUSTOMERS

Customers

Professional Services

Customer Success

Success Stories

Submit a Request

ECOSYSTEM

Partners

Store

Integrations

COMPANY

About us

Press

Career

Engineering Blog

Sustainability

Media Kit

Contact us

RESOURCES

Blog

Downloads

Security

Privacy   Imprint