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GUIDE

The CFO's Guide to SaaS Contract Management

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According to Sastrify data, companies with more than 200 employees use an average of more than **130 Software-as-a-Service (SaaS) tools** – that's a lot of contracts to keep track of and negotiate, in addition to all the contracts for other types of vendors.

For Chief Financial Officers (CFOs), SaaS contract management has become a business imperative. In 2023, more than **\$200 billion** and **3.9 billion working hours** will be wasted on software buying, while one in five companies will have experienced a cyber event related to shadow IT.

"We need to rationalize our spending, we need to have efficient decisions along the decisions along the organization, and actively communicate that to the board."

Head of Finance at Spendesk
Clémentine Svartz



Turning SaaS contract management into a strategic advantage is a key business opportunity for CFOs in 2023. In this report, we highlight the key risks for CFOs, important best practices for SaaS contract management and pitfalls to avoid.

In this report, you'll learn:

- 1** What is SaaS contract management?
- 2** Common challenges with SaaS contract management
- 3** Tips for getting started with effective SaaS contract management in 2023
- 4** How to save time, save money and reduce risk with Sastrify



WHAT IS SAAS CONTRACT MANAGEMENT?

The end-to-end process of holding contracts with SaaS vendors, from negotiating to monitoring to ongoing management. Viewing SaaS contract management as a continuous job, rather than a task to check off after signing, helps teams optimize spending and maximize value over time.

Spendesk's Head of Finance, Clémentine Svartz, said "there were so many contracts signed with different renewal dates, not always stored and secured within the same place. Because the contract part was previously covered by our legal department — but everything was stored on google drive. It was also an important project to have a tool dedicated to contract monitoring for relevant stakeholders."

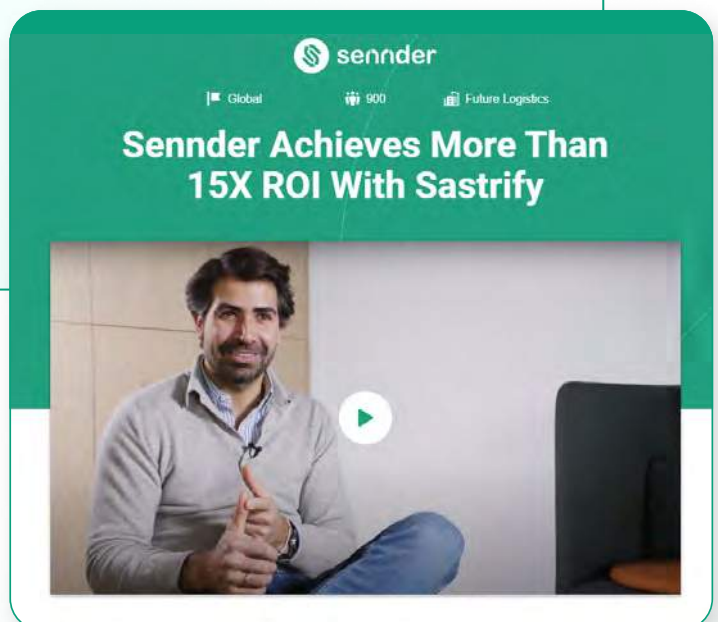
Common challenges with SaaS contract management

Prior to adopting a SaaS management platform like Sastrify, companies that manage SaaS contracts using spreadsheets face huge obstacles in effective SaaS management, as this method requires a ton of manual effort and leaves room for error, introducing high risk for CFOs.

*Before choosing Sastrify, **Sennder** struggled with a legacy software procurement process, relying heavily on Excel tables or Google Sheets to monitor renewals and compare certain offers. With Sastrify, sennder was able to modernize their entire procurement process, generating significant savings for the company.*

According to Sennder Co-Founder & Managing Director, Julius Köhler, "Sennder operates across more than ten offices, and we often had an overlap among the offices using singular software or different tools. Sastrify empowered our team in that we have a 360-degree overview of the software that we use and the different licenses."

To date, sennder manages 92 tools through Sastrify, and has achieved more than 15X ROI and upwards of \$300K in savings.



With a high number of tools and the risks of individuals or teams purchasing a tool without the proper IT involvement (also known as shadow IT), the size of the SaaS stack can expand rapidly – particularly during a growth phase. There's also the issues of tracking auto-renewals, forecasting costs when tools have complex pricing and negotiating new deals and renewal contracts. All of this creates a huge undertaking for CFOs to contend with.

But it's not just CFOs with a significant stake in how SaaS contracts are managed; IT is steering the technological "ship", and there can be a conflict of interest between each side's objectives.

To achieve financial targets and keep spending under control.



While these two goals are, in some ways, inherently at odds with each other, both CFOs and IT can achieve their objectives as long as their teams are aligned. To make this happen, clear SaaS buying guidelines must be agreed upon to cut down on shadow IT, reign in SaaS sprawl and ensure the company is spending smart.

“Our internal procurement process has improved significantly. Now, when a team member needs a new tool, they simply open a request to get the process started. Then Sastrify comes in and helps us make sure we’re choosing the right subscription. This is a huge benefit.”

IT Support Engineer at Monta
Richard Oros



MONTA.

Tips for getting started with effective SaaS contract management in 2023

In modern SaaS contract management, the CFO will take on the role of building the processes and policies needed to enable intentional, controlled SaaS spending on tools that further the organization's goals and prepare the company to scale. Below are some best practices for CFOs to follow:

1

Centralize SaaS contracts

Having a single source of truth for SaaS contracts is key. All of the information about each vendor contract, from service level agreements (SLAs) and renewal dates to pricing and usage limits, should be accumulated in one location.



2

Ensure SaaS stack transparency

Give everyone complete visibility into the organization's SaaS stack so they can quickly find the right tool and take any necessary action. If relevant stakeholders have the right permissions to view the full tool set and contracts (where applicable), questions can be answered more easily and teams will be aligned on what is needed.

Knowing the full scope of your SaaS stack cuts down on redundant tools – e.g. different teams buying from multiple SaaS vendors that do the same thing, or accidentally having multiple contracts rather than one for the whole organization – which saves the company money.



3

Assign tool owners

Assigning each tool to an owner that is responsible for its use, maintenance and renewals helps both the CFO and IT to delegate and ensure no details fall through the cracks. Collaboration gets the right stakeholders invested and makes sure each contract gets the attention it needs.



4

Use pricing benchmarks for negotiations

Negotiating with SaaS vendors is crucial to get the optimal deals, as the listed pricing and terms are almost never the best their Sales team can give you. Before entering a negotiation (especially for new tools when you don't have historical price context), use pricing benchmarks to give you the right starting point.

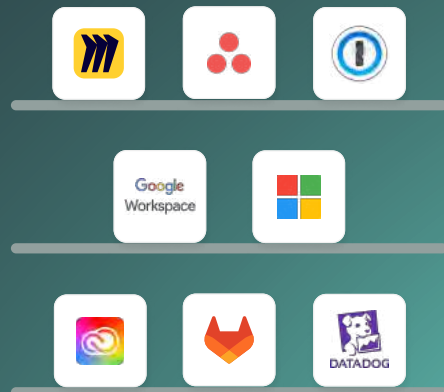
Sastrify provides pricing benchmarks and enterprise discounts for a whole range of tools, including Google Workspace, IPassword, Slack, Docusign and a lot more. Buying SaaS through the [SastriMarket](#) is 10x faster than dealing directly with vendors, plus you get to skip all the usual negotiations and go straight to signing great deals.



SastriMarket

All your favorite SaaS tools, without the endless negotiations.

[Apply to join the Sastrify Marketplace](#)



Before working with Sastrify, we had a lot of unoptimized spend. In the past year, Sastrify has helped us solidify deals that are very specific to our company goals. Now, Sastrify is an integral extension of our procurement process and very much a part of our day-to-day."

Pleo Technologies IT Manager
Laith Al-Maliki



Save time, save money and reduce risk with Sastrify

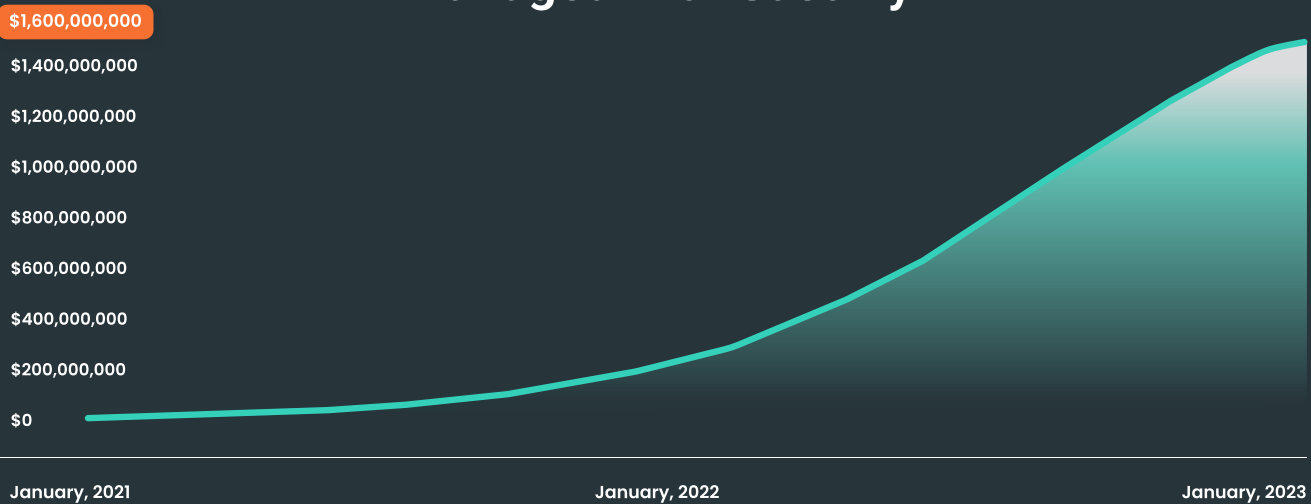
Managing renewals, contract terms, licenses and usage limits can be an ongoing challenge for CFOs, and if you're still using spreadsheets to manage your SaaS contracts, you're not alone. Many CFOs still rely on this method, as they're comfortable with it and perhaps don't realize there's a better way.

Sastrify is an all-in-one platform to consolidate your SaaS stack, streamline procurement, get better deals and manage contracts. Finance, IT and Procurement teams all love Sastrify for the time and money it saves, plus the full stack transparency that reduces risk.

CFOs can excel in SaaS contract management with support from the Sastrify platform and our SaaS procurement experts. You can trust you're in good company, too; Over \$1.8 billion in SaaS spend is currently managed with Sastrify.



Total SaaS Spend Managed with Sastrify



Book a 15-minute demo to see how high-growth teams at companies like Pleo, Spendesk and Datadog are using Sastrify to cut their SaaS costs, streamline procurement and achieve up to 15X ROI.

[Book your demo now](#)