



SaaS System Benefits for your workforce.

In an increasingly online market, SaaS is becoming an incredibly useful tool to keep your business running smoothly and efficiently. “What is SaaS?” No, it’s not what your niece gives you when you ask her to clean up after dinner and she’s not in the mood. SaaS stands for “Software as a Service,” and works as a way of allowing you to access applications or software you may need without having to buy and maintain it. You simply access through an internet connection, and it runs on the servers of the SaaS provider you subscribe to.

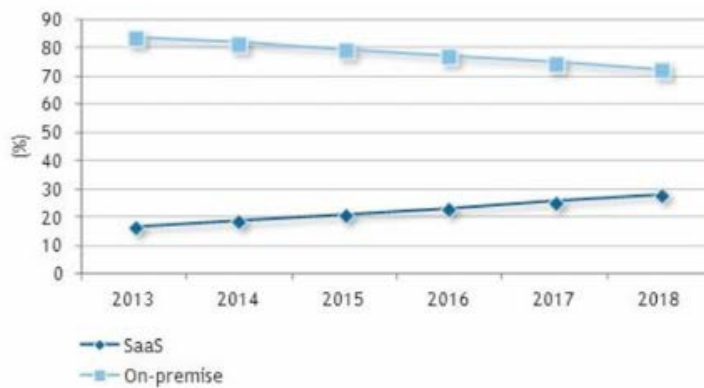
Also called web-based software, on-demand software, cloud computing, or hosted software, you generally pay on a monthly basis for a subscription, which includes access to the software, as well as security and maintenance.

In layman’s terms, SaaS for your workplace is like the Netflix of the business world – spreading across the country, slowly devouring Blockbusters and Video Ezy stores in its wake.

So many major companies now run SaaS, perhaps without you even realising it. Adobe, Microsoft, Apple, and many more run online software services offering various benefits. It is becoming a growing trend in the workplace, with SaaS company revenues predicted to develop at 17.6% a year. In comparison, on-premise, or installed software will only grow 3.1%. By these statistics, SaaS will account for 28% of software sales by 2018, compared to 17% in 2013.

Figure 2: Worldwide Enterprise Applications Revenue Share by SaaS and On-Premise, 2013 - 2018

Source: IDC, Worldwide SaaS Enterprise Applications 2014–2018 Forecast and 2013 Vendor Shares, #252568



So why make the switch to SaaS for your workforce?

Automatic installation and updates.

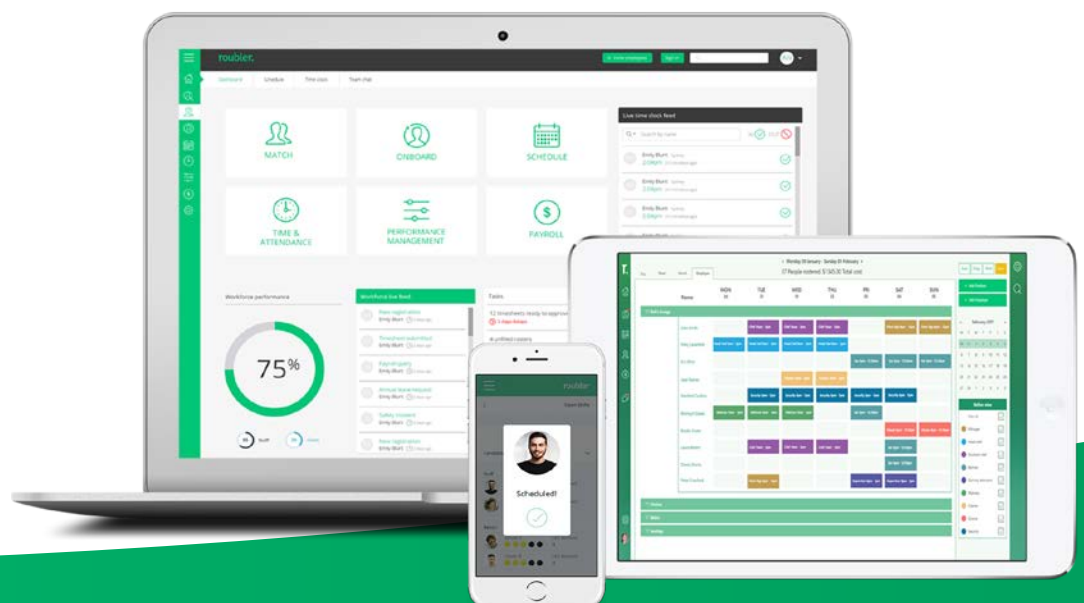
Unlike that SimCity CD-ROM you played as a kid, there's no hardware, no obsolete CD's or USB's to install and maintain. Because it's online, all you need to access your application is an internet connection.

Time.

It should come as no surprise that software which doesn't need installation, updates, or bug fixes will not chew up your highly valued company time. As Deb Schinder from TechRepublic highlights, three of the primary ways IT departments waste money is by "failing to upgrade old, inefficient equipment", "overspending on hardware," and "making unnecessary upgrades." Cutting down the work of the IT department in maintaining and installing hardware lets them focus on the important things, like their high score on Angry Birds, and how to keep your company running, not necessarily in that order.

Safety and privacy.

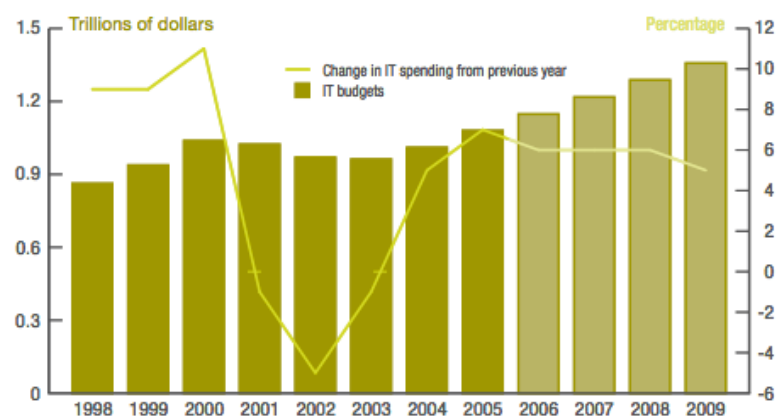
SaaS providers adhere to strict privacy and security policies. Furthermore, because of their size and the amount of services they provide, SaaS vendors are able to invest more time and money into keeping your data safe. Whether it's backing up our information, performing regular maintenance checks, SaaS generally puts into action more security measures than a single business could hope to replicate. SAS70 Type II audits on most SaaS companies also ensure that the security level is respectable.



Cost Benefit.

When buying software, you have to fork out a great deal of money up front, without any kind of solid idea of how well the software will work for you or your business, or whether it will pay off in the end. Furthermore, IT budgets are not what they once were, experiencing declining growth rates every year. Upfront buying of software posits an unnecessary risk with no real benefits. SaaS, on the other hand, allows you to buy for as long as you need. You can hire software when it is in high demand, and when not required, you can cancel your subscription until needed again.

Figure 1: Budget Growth Rates and Forecast, 1998–2009



Source: IDC, 2006

Although IT budgets have recovered somewhat from the 2000–2002 recession, they are experiencing declining growth rates each year and significant portions are being diverted to new compliance and security mandates.

Attainable for smaller businesses.

Often smaller businesses have neither the resources nor the funding to buy, install, manage, and update sophisticated software. In Australia, the annual turnover threshold for being defined as a small business currently has just been increased from \$2 million to \$10 million. Many small businesses turn over significantly less, especially in their formation stages. ERP software can cost a small to mid-sized business anywhere between about \$200,000 and \$1 million Australian. This potentially chews up one fifth of a company's annual revenue; a lot more if the business is smaller. SaaS, on the other hand, removes the need for installation and maintenance, lessening the burden of resources and IT departments, and as it's on a subscription basis, there is no crippling up-front amount for software that may not work for your company.

Good for the environment (and your energy bill).

Chris Thornman from softwareadvice.com found that SaaS converts use 88% less energy than their intranet based software counterparts. Why? Partly because of the energy installing and maintaining the programs requires, and partly because of the switch from unwieldy desktop computers to compact, portable laptops. Desktop computers chew up both desk space and energy, while laptops unclutter your workplace, and allow employees to take their work with them, even telecommuting, which is beneficial to employee satisfaction.

Accessibility.

Two thirds of people would prefer working from home, while incredibly, 36% would choose working from home over a pay rise. In America, 14% of Americans have left their previous job in favour of one that requires less of a commute. The modern workforce increasingly does their work online, and if they can take it home with them, not only does it increase employee satisfaction, but many major companies have found it makes workers 35 – 40% more productive. By investing in SaaS, employees can work from the comfort of their own home, as it can be made available wherever there is an internet connection. This way, Bob from accounting could complete his entire workload while wearing top hat and a Hello Kitty onesie and you never need to know.

Also, because every person's software is connected to the larger whole, everyone gets the same information at the same time.

Customisable usage.

Are you a small company that doesn't need certain features? Are you a larger company that needs more features and customisation? SaaS allows you to chop and change, only using what is required for your business. After all, it's not efficient to be paying for software you aren't using. Each organisation will have different priorities and needs. A software that works for a marketing business will not be successful for an investment firm. One size fits all is no longer applicable with applications, and SaaS provides an opportunity to choose extensions that will work for you, when you require them.

Software is such an important part of every growing business, and it's important to choose the method that's right for you. Software as a Service makes it possible to be flexible with your decisions, as opposed to committing up-front to a service which is expensive, and a tax on your time, resources, and energy consumption. Giving your employees the opportunity to telecommute when they need makes for a happier workforce, and removing the need to come into work for some small change or update as opposed to in front of your laptop streamlines the process, making your company more efficient. Whether you're a small, medium, or large organisation, Software as a Service could be the right choice for you.

References.

- Costs and Benefits – Global Workplace Analytics. (2016). Globalworkplaceanalytics.com. Retrieved 15 September 2016, from <http://globalworkplaceanalytics.com/resources/costs-benefits>
- How Much Does ERP Software Cost? | WorkWise ERP. (2013). Workwise LLC. Retrieved 16 September 2016, from <http://www.workwisellc.com/erp-software-cost/>
- How to Profit Investing in the Software-as-a-Service Space – Small Cap Discoveries. (2015). Smallcapdiscoveries.com. Retrieved 16 September 2016, from <http://smallcapdiscoveries.com/how-to-profit-investing-in-the-software-as-a-service-space/>
- https://www.pwc.com/us/en/technology-innovation-center/assets/softwarepricing_x.pdf. (2007) (1st ed., p. 9). Retrieved from https://www.pwc.com/us/en/technology-innovation-center/assets/softwarepricing_x.pdf
- Increase the small business entity turnover threshold | Australian Taxation Office. (2016). Ato.gov.au. Retrieved 16 September 2016, from <https://www.ato.gov.au/General/New-legislation/In-detail/Direct-taxes/Income-tax-for-businesses/Increase-the-small-business-entity-turnover-threshold/>
- Mettälä, V. (2015). Why should I invest in SaaS services?. Meeting Assistant | Sales productivity app. Retrieved 16 September 2016, from <http://www.meetingassistantapp.com/why-should-i-invest-in-saas-services/>
- Rouse, M. What is Software as a Service (SaaS)? - Definition from WhatIs.com.SearchCloudComputing. Retrieved 16 September 2016, from <http://searchcloudcomputing.techtarget.com/definition/Software-as-a-Service>
- Schinder, D. (2009). 10 ways IT departments waste money. Tech Republic. Retrieved from <http://www.techrepublic.com/blog/10-things/10-ways-it-departments-waste-money/>
- Singleton, D. (2011). What is SaaS? 10 Frequently Asked Questions About Software as a Service. Software Advice. Retrieved from <http://blog.softwareadvice.com/articles/enterprise/saas-faqs-1072811/>
- Software as a service greens your workplace. (2009). Ace Project. Retrieved from <http://www.aceproject.com/blog/2009/09/22/software-as-a-service-greens-your-workplace/>
- What is SaaS? Software as a Service | Microsoft Azure. (2016). Azure.microsoft.com. Retrieved 16 September 2016, from <https://azure.microsoft.com/en-us/overview/what-is-saas/>
- What is Software as a Service (SaaS) - Salesforce.com. (2016). Salesforce.com. Retrieved 15 September 2016, from <https://www.salesforce.com/saas/>

roubler.



hire. schedule. manage. pay.



