
Life in the SaaS lane

Lessons from direct experience

By Dale Vile, January 2008

In a nutshell:

SaaS offers new options for application delivery, but no need to rush: freedom might not be so easy

Key points:

- Worries over security are unfounded, especially for smaller, ill equipped companies;
- The perceive loss of operational control is one of the most common objections to SaaS;
- Mixing and matching sounds easy but might create some interesting integration challenges;
- A good fit is key: Being on the same page as the provider regarding upgrades is vital.

Evangelists will tell you that Software as a Service (SaaS) is the way of the future. Indeed, some industry analysts claim that it will be become the dominant mechanism for delivery of new software solutions over the next few years. Whether you subscribe to this view or not, such predictions are indicative of the fact that we seem to have somewhat of a bandwagon rolling here.

When we look across the market, however, the sentiment surrounding SaaS within the business buying community can best be summed up with the words 'measured interest'. This is confirmed through our research, which consistently tells us that while the customer side of the house generally believes that SaaS opens up some new options for application delivery, most aren't ready for a wholesale move in this direction yet.

Why is this?

Well, there are various reasons why organisations are not jumping into SaaS with both feet. Firstly, there is the traditional paranoia about the risks associated with letting someone else run your systems and store your sensitive and/or business critical data. The irony with this is that it's smaller businesses more than most that have this kind of hang-up, i.e. the organisations that are typically least well equipped from both a technology and process perspective to manage and secure their information.

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It's an illogical fear given that your information will be at least as safe and secure with the right SaaS provider, if not more so, but the perceived loss of operational control nevertheless remains one of the most common objections to the SaaS approach.

The question of losing control, though, also comes up in a different manner, and there is a much more tangible issue that we here at Freeform Dynamics have run into recently ourselves.

As a small and highly distributed business, with neither the time nor the inclination to install and run servers, we have been committed to the SaaS approach for a couple of years now to provide messaging, collaboration and other business systems functionality. This has worked very well for us, not just in terms of low hassle and low risk computing, but also because we have access to Enterprise class functionality that we would not otherwise enjoy as a business of our size.

The existing arrangement with our SaaS provider, however, started to cause frustration about 6 months ago. The discontentment began after a demonstration of the latest release of the applications underpinning the online service by the original vendor of the software. At this point, we

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became aware of some significant new functionality that would provide great incremental benefit to our business, but which would not be available for many months to come through the service to which we were subscribed. The SaaS provider concerned, a relatively large player with significant size customer base, said nothing could be done; the scale of their operation and the nature of the upgrade translated to a significant migration exercise for them, so it was just a case of waiting for the upgrade.

It's an understandable position the provider is in, but at the time of writing, we have already been waiting for six months and are looking ahead to another three months delay before the service upgrade takes place. Rather than

delay any longer, the decision we have taken is to look for an alternative SaaS provider that is able to deliver a service based on the latest functionality we require.

Sounds easy enough, but shopping around, it has been difficult to identify a credible alternative that provides the same application mix as our existing provider. The question then becomes whether it is sensible to move just one of the applications that has been particularly holding us back, which happens to be a collaboration and content management solution, and leave everything else where it is. The downside, of course, is that such an approach could lead to some interesting challenges integrating functionality across the two service providers we would end up with.

Having considered all of the options, the outcome of these deliberations is almost certainly going to be a dual provider approach, and we'll report back on our experiences with this in due course.

In the meantime, the big lesson we have learned is that if you are looking at moving down the SaaS route, it is important to make sure that you are in the same page as the provider when it comes to upgrade philosophy and practice. If you are looking for a service to keep pace with industry developments, then a SaaS provider like ours is not a good fit. Conversely, a faster moving provider forcing new releases on you every few months may be viewed as a distraction or risk if you are looking for stability.

About Freeform Dynamics



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As part of this, we use an innovative research methodology to gather feedback directly from those involved in IT strategy, planning, procurement and implementation. Our output is therefore grounded in real-world practicality for use by mainstream business and IT professionals.

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