

## 6 truths about Business Spend Management technology

A paper for IT leaders evaluating procurement platforms

**“We need to speed up time to value...”**

**“How can our department go through a digital transformation?”**

**“Cut these costs...”**

**“Increase user adoption...”**

**There’s a lot of pressure on today’s CIO. So when the procurement and finance teams recommend a new supplier for their spend management system, it might seem safest for you to recommend the ERP vendor’s solution instead.**

**That could be a costly mistake.**

Your ERP provider’s solution is probably the result of an acquisition. And let’s face it, they likely don’t have a great track record when it comes to integration. So you’ll be the one left with the hassle of getting everything to work.

The ERP provider’s solution is probably a legacy platform, originally built for back office functions, not end users. And the chances are you’ll spend a lot of IT resource just maintaining it.

On the other hand, it’s a jungle out there in the software world. Anyone with a flashy website can sell the procurement team the greatest features, the easiest implementation and the best user experience. If that new supplier lets you down, you could be wishing you’d just stuck with what you knew.

Risky new kid on the block promising the world, with nothing to back it up.

Or cumbersome, uninspiring solution from a tried and tested vendor.

Not the best options. Luckily, there’s a third way, combining innovation with proven reliability.

## How Coupa compares with your incumbent ERP

You're probably reading this because your procurement or finance team have recommended Coupa for the new Procure to Pay (P2P) system. Maybe you've already heard of us – or maybe you're looking for a good reason to say no!

In this paper, we'll explore the key challenges you might be facing in your organisation's IT function. And we'll show you why choosing your ERP vendor's spend management software might make those challenges worse, not better.

Whether your priority is to boost user adoption or slash IT costs, Coupa's cloud-based, user-centric Business Spend Management (BSM) platform is the answer. Let's find out why.

## Reduce your IT estate complexity

You're right to be afraid of a complex IT estate. High maintenance costs will be the least of your concerns – imagine the implications of a major security breach.

Complexity comes from three main areas:

- Needing to integrate lots of data points between different systems
- Other business units building or buying their own systems without your involvement
- One vendor offering different solutions that aren't automatically integrated

### Lots of data points

Some spend management software allows custom integrations. This means that even the smallest request can result in a new integration. The result is a beast of a deployment with more integration points than anyone can keep track of.

Before using Coupa, Zurich Insurance used a well-known ERP vendor's spend management software:

**“ With our legacy on-premise solution, we had 82 integrations and 3 different 'variants'. Coupa has simplified everything – 16 integrations, one Coupa. ”**

Steven Carpenter, IT Business Partner, Sourcing and Procurement, Zurich



## Lots of systems

If the ERP provider's software doesn't meet the needs of the procurement team, they'll end up finding their own solutions. The most likely situation will be a patchwork of systems and custom-made apps – Excel sheets for contracts, Access database for projects, the ERP's solution for invoices.

What happens when a vital team member leaves the company? You've lost the knowledge of how those systems are managed, and you'll be left to deal with it.

Look for a platform that covers every need and provides a friendly interface to encourage its use. It will give you complete control over where and how data gets created, used and stored.

## Lots of solutions

It's natural to think that because different systems have the same vendor name attached to them, they'll work well together. But that's not the case.

For some of the big ERP providers, the products they have acquired aren't integrated, even after many years. Look at a company's history of unifying the products from companies they've bought.

It's likely your ERP provider offers a variety of spend management solutions. But it's just as likely those systems will need a lot of input from you to integrate. And with their different code bases and upgrade schedules, you could be starting the next upgrade as soon as you've finished the last one.

**“ We evaluated both our ERP provider's solution and Coupa. We discovered that our ERP provider's solution was 1) A number of different products, and 2) Not natively integrated. Coupa was one product, already integrated. ”**

Steven Carpenter, IT Business Partner, Sourcing and Procurement, Zurich



## How Coupa reduces estate complexity

- We use a light touch approach for integrations. You'll only integrate what you really need for the business to run well.
- Coupa covers lots of needs to help you reduce the number of independent systems.
- Unlike systems that appear to be unified, but really just have a logo in common, we're one platform.

## Increase user adoption and ROI

Of course it's frustrating when people don't use a technology solution. But if it's hard to use and not mobile friendly, can you blame them?

We all use slick consumer-facing apps and software every day. And we expect the same experience at work. When we don't get it, it's tempting to just use something else.

You'll know when you've got a usable system. The results will be obvious. Processing an order will take five minutes, not 45 minutes. Thousands of suppliers will be using it, not hundreds.

**“ With Ariba it took 40-45 minutes for someone to simply order a computer. With Coupa it takes 5-7 minutes. Need I say more? ”**

Ted Henricks, Manager Strategic Sourcing, CHS



### Proving value

You get asked to deploy all sorts of solutions across the business. But for 90% of those you'll never be able to measure the value of your efforts because any results are too anecdotal or subjective.

Wouldn't it be great if, for once, you could measure exactly how much business value you get from your new solution?

### Improve ROI with Coupa

- Coupa is as easy to use as the technology people use at home, but with the sophistication needed for power users in procurement.
- No steep learning curve means results straight away.
- Measurable value shows your time was well spent. And it looks great in reports to the C-suite and board.

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## Cut overheads for maintenance and support

Your business is constantly evolving. So your procurement software needs to keep up – with new suppliers, new rules, new regulations, new employees, new security risks, and new developments in technology.

### Change requests

For many P2P applications, the variability of your business means changes to workflows or even the application itself. Those changes involve coding, quality assurance, and often external consultancy. That needs a lot of specialised workers (and their associated human resource budget) just for the day-to-day growth any business goes through.

But it doesn't have to be that way. The changes can be made by the business units themselves if the platform is designed well. Configuration is quick and easy, with no expensive IT expertise needed.

**“ It took us at least twice the time to make a simple approval chain change in Ariba vs Coupa. ”**

IT Lead, Global Fortune 500 CPG Brand

### Software upgrades

Even if your business stood still, the world is always changing. Upgrades are an essential part of adapting to that change.

So how can an upgrade timeframe of years be justified? A lot can happen in that time. Unfortunately, many P2P applications have such complicated deployments that a long and painful upgrade is necessary to make sure you haven't missed anything.

With a cloud Software as a Service solution, your team won't have to worry about that anymore. Coupa's 3 releases per year are very light touch for IT teams.

**“ With Coupa, IT doesn't have the Ariba upgrade pain anymore. In fact, I don't even have to worry about Coupa. ”**

IT Solution Delivery Lead, Large European Bank

## Software upgrades

- Our platform doesn't need specialised expertise for every change to the business application. Procurement can simply and quickly configure things themselves.
- Our cloud-based, SaaS model cuts your infrastructure costs, frees up your IT resources and offers regular (and quick) upgrades.

## Get visibility and control over IT spend

Maybe people think they're doing you a favour by not bothering you. Or maybe they're just convinced about what they need and don't see the point in asking for your help. Whatever the reasons, rogue IT purchases are a common problem in many businesses.

Despite the buyer's probably harmless intentions, rogue purchases can cause big problems. If you're lucky you would have only missed out on preferential prices – for example, you've already negotiated a contract with the supplier that the buyer didn't know about. But in the worst-case scenario? The purchase might open a major security hole into your infrastructure.

Even if you don't see much rogue spending, IT spend is still a complex area. You might have major contracts with the likes of Accenture or Deloitte. Do you know when they expire? What the service rates are? Where you're up to with current spend?

### Understanding the issue

These problems often come down to poor user adoption of the spend management systems employees have to use. If people find systems hard to use, they'll just buy what they need and expense it back. Or they'll manage contracts in spreadsheets which only give visibility to the few people who are familiar with them.

A system designed around the user means it's easy for people to find what they need and get it approved.

**“ Since Coupa we have discovered over £100M of spend that was not previously attributed to IT. ”**

IT Category Manager, Large European Manufacturer

## The difference Coupa makes to IT spend

- We focus on user adoption, so more IT spend actually goes through the system, giving you the visibility you need to reduce costs.
- We make it easy to manage accounts. You can improve visibility and keep track of when contracts are due to expire.

## Cut deployment times

You can give whatever explanation you want. A complicated integration with the ERP. Changes to the requirements halfway through the project. Non-standard architecture that needed specialist knowledge.

When the project overruns, you'll get the blame.

Delays mean lost value. Not to mention the harm to your reputation. But with legacy procurement systems, years long deployment times are almost guaranteed. Proprietary architecture and lots of customisations makes the project a huge challenge that would be too risky to rush.

Do yourself a favour and go with a system using open architecture and light integration. You'll bring those deployment times down to a more comfortable 6-10 months.

**“ A very small, ninja group of business people and a couple of IT guys got together and implemented Coupa almost overnight. It was just that simple. ”**

Bob Worrall, CIO, Juniper Networks



## Why Coupa delivers in such a short time

- Our open architecture makes deployment straightforward and predictable.
- By keeping configurations to a minimum, you won't spend months (or even years) integrating dozens of data points.

## Which solution is right for you?

There's a lot to weigh up with any software implementation. Especially if the decision involves moving to a supplier you haven't heard of.

Choosing your ERP provider's solution might seem easy, but there are lots of potential pitfalls. On the other hand, a newer, more innovative solution might not have the stability and reliability you need for such a business-critical application.

Coupa offers the best of both worlds. The market leader in business spend management, with the track record and customer success stories to prove it. Combined with the flexibility and agility offered by the latest cloud-based technology.

Ultimately only you can know what's best for your business. Coupa has transformed procurement at organisations across the world, but it might not be the choice for you.

So how can you tell which is the best option? The right solution for you is the one that turns your unique challenges into benefits. Think about the problems you're facing in the IT department then ask any potential supplier how they'll help you overcome those challenges.