Don't Let Disruption Slow Down Your Business

Quickly view and respond to sudden PO changes for your direct, indirect, and MRO materials — all on one platform.

Your PO Process Is Preventing Progress

In today's evolving business landscape, where disruption is the new norm, fast growth organizations must have proactive purchasing processes in place to not only scale efficiently, but to also survive the unexpected.

As your company grows, it becomes harder to manage direct spend, especially across different markets and locations. Costs of goods sold (COGS) are increasing rapidly at a time when your organization needs visibility and control to maintain healthy margins.

This requires a smooth purchase order (PO) process. With disruptions, shutdowns, and rising costs happening regularly, POs often change with little notice, leading to supplier delays, unplanned shutdowns, missed shipments, and loss in potential revenue. For organizations still stuck operating within their individual system, POs are being generated within ERP systems and transmitted to suppliers with the expectation that the suppliers will deliver on time. In reality, suppliers aren't always able to meet the PO requirements.

When these communications are happening via emails, spreadsheets, and manual processes, it causes more friction and delays due to a lack of transparency into the order fulfillment process. Ultimately, a slow and disorganized PO process puts modern organizations at a major disadvantage. In an increasingly competitive environment, where margins are narrowing, closer collaboration between your suppliers and direct and complex material buyers is necessary for the following reasons:

Manual processes

- Slow, cumbersome PO processes limit visibility and efficiency.
- Direct spend, logistics, and purchase information get trapped in silos, preventing real-time collaboration.

Lack of automation

- Without digital collaboration between buyers and suppliers, there are large blind spots into order statuses and any issues.
- Lack of consistency in processes across markets and locations makes it difficult to accurately manage direct spend.
- Inability to centralize and digitally manage direct spend creates issues tracking projects and managing contingent workforce.

Lack of visibility and control

- Lack of visibility into POs and order statuses increases the chance of delayed and missed shipments and lost revenue.
- Inability to see a complete picture of total spend across an organization makes it difficult to keep COGS and other costs low, increasing the potential of maverick spend.

Growth Without Economies of Scale: A Bigger Problem

The limitations of a slow, manual PO process is further exacerbated as your organization grows and legacy systems can't keep up with the increasing volume of POs. This means more delays, missed shipments, and loss in revenue – most of which can be prevented with the right processes in place.

When relying on your ecosystem, including suppliers, banks, logistics suppliers and more, you need to have complete transparency to ensure your organization is receiving its orders on time. However, basic solutions offered by ERPs lack integrations that enable this view of your entire ecosystem. To minimize these challenges and drive cost savings, buyers and suppliers need to be able to see order updates or issues in real-time and monitor direct spend at the most granular level.

Additionally, growing organizations need to be aware of new cost savings opportunities at a time when margins are eroding rapidly. Companies should be negotiating better deals with suppliers and centralizing their purchasing processes to buy supplies in bulk and manufacture items at lower costs. By not doing so, they're at a competitive disadvantage.

Accelerate Growth Efficiently & Responsibly With Coupa

To reap these benefits and achieve economies of scale, Coupa enables companies to grow efficiently by automating and connecting all buying processes for ultimate visibility and collaboration with a network of 10M+ suppliers. Here's how Coupa empowers a smooth and modern PO collaboration process:

- **Bi-directional integration to MRP systems:** To help planners orchestrate the delivery of all raw materials and components needed for product manufacturing, Coupa's Material Requirements Planning (MRP) system generates POs with bi-directional integration to ensure suppliers fulfill POs within a specific time period and with the right quantity and quality required.

- **A simple and flexible user interface for suppliers to respond to POs:** Purchase orders often undergo a significant amount of changes in their lifecycle. These changes become chaotic when suppliers lack clear channels to communicate updates on quantity, price, promise dates, etc. Bridging this gap ensures an efficient and error-free workflow for both planners and suppliers. Coupa PO Collaboration provides an easy to use interface to strategically manage procurement of direct, indirect, and maintenance, repair, and operations (MRO) materials with line-level PO confirmations, comments, and at-a-glance views of any PO exceptions so you and your suppliers can address issues in real-time. This makes it easy to identify where action is required and eliminates the time-consuming task of manually reviewing thousands of POs line by line.

- **Better supplier adoption based on supply-risk categorization:** Historically, other attempts at PO solutions have focused on the top percentage suppliers that drive a majority of the volume. However, this simplistic approach doesn't take into consideration that plant shutdowns can occur due to any critical part shortage or disruption, regardless of the volume. That's why a supply risk-based categorization of procurement is key to success. With more than 10 million suppliers across direct, indirect, MRO, and services categories, Coupa has a strong track record of onboarding and managing a large number of suppliers, ranging across all sizes and volume.

Coupa's PO Collaboration Grows With You

As your POs grow in volume and complexity, Coupa's PO Collaboration empowers organizations to make better and more timely decisions through real-time insights and control over all purchase orders. By gaining visibility and early alerts to disruptions, you're able to make better and more timely decisions around your strategic raw materials or goods for resale, reducing unplanned shutdowns and customer delays.

Growing organizations experience increases in direct and indirect spend. Coupa enables comprehensive visibility across all spend and unifies processes across the organization. This total spend management is required to control all of your costs, improve margins, and increase revenue.

Growth comes with the need to regularly measure success. Continuous performance monitoring is an essential component of effective order management. Coupa's real-time, AI-driven monitoring of your supplier base accelerates supplier onboarding, automates third-party risk detection, and monitors supplier health for an ethical and low-risk supply chain.

See Coupa solutions in action

Learn more about PO Collaboration, Forecasting, and Supplier Risk

WATCH VIDEO

Learn more at Coupa.com

About Coupa

Coupa makes margins multiply through its community-generated AI and industry leading total spend management platform for businesses large and small. Coupa AI is informed by trillions of dollars of direct and indirect spend data across a global network of 10M+ buyers and suppliers. We empower you with the ability to predict, prescribe, and automate smarter, more profitable business decisions to improve operating margins. Coupa is the margin multiplier company™. Learn more at **coupa.com** and follow us on **LinkedIn** and **X (Twitter)**.

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