

# The CFO's Guide to Spend Management

When the market shifts and complexity challenges processes, finance leaders need agile AI-driven solutions that optimize margins — no matter the economic circumstances



# New technology gives CFOs unprecedented visibility and control over company spend

Spend management has traditionally been the domain of the procurement department, with finance left at the end of the process to handle invoices, often hindered by a lack of visibility needed to support cost containment. Times have changed. Finance leaders are now expected to not only understand and control costs but also drive business growth in tandem with procurement teams.

In today's unpredictable economic landscape, finance leaders are under constant pressure to maintain profitability while navigating evolving regulations and market complexities. Nearly all CFOs (90%) have concerns about hitting their sales and revenue targets within the next year, according to [Coupa's latest Strategic CFO report](#). Traditional operational frameworks no longer suffice, prompting CFOs to focus on what they can control and reevaluate the technology and processes that promote sustainable growth and margin enhancement.

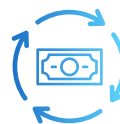
By centralizing all processes and data on one comprehensive spend management platform, finance leaders can gain visibility across all spend types, from cost of goods sold (COGS) to operating expenses, and apply AI-driven insights to make more informed decisions. These technological advancements don't just help reduce costs. They also improve process efficiency and employee productivity, helping companies drive margin impact to remain competitive in uncertain market conditions.

This guide explains how a comprehensive spend management platform with embedded AI capabilities overcomes the limitations of legacy systems, boosting margins, unlocking cash flow, improving liquidity, mitigating risk, and fostering sustainable growth.

## GAIN INSIGHT INTO:



The risks of siloed spend management systems and practices.



The importance of advanced data analysis and AI-driven insights to strategic financial management.



The organizational control comprehensive spend management technology yields.



How and why finance executives are adopting Coupa's AI Total Spend Management platform and the transformative outcomes they're achieving.



## Challenging traditional notions of spend with innovation

Gartner defines spend management as a set of practices that ensures organizations make procurement and sourcing decisions in the interests of both the bottom line and company efficiency. Spend management is about maximizing the value of every dollar the company spends, while decreasing costs, mitigating financial risks, supporting compliance programs, and increasing process efficiency across a broad range of back office cycles to improve profitability.<sup>1</sup>

Classically, however, spend management is typically thought of as only the core transactional elements of buying goods and services. The critical differentiation is that classical spend management typically fails to view the strategic implications of managing spend in a holistic way.

Comprehensive spend management takes a much broader view than this, and with integrated AI technology, it can provide finance with powerful operations management tools to optimize resource allocation across the entire enterprise. A centralized platform provides insights into everything that comes before, during, and after the direct action of spending, from sourcing events to negotiating terms of contracts to processing invoices and issuing payments. This unified approach replaces disparate point solutions and uses AI to help automate and analyze the entire procure-to-pay (P2P) lifecycle, giving finance the visibility and control they need to reduce costs while also improving operational efficiency.

<sup>1</sup> <https://www.gartner.com/en/finance/glossary/spend-management>

## TOP 10 OUTCOMES INNOVATIVE CFOS SEEK



Gain real-time visibility and control over spend to make “surgical” rather than blunt cuts



Ensure compliance of and reduce time spent on compliance processes, such as SOX, privacy, security, and ESG regulations



Effectively manage margin needs of the business



Reduce supplier and third party risks by proactively identifying and mitigating InfoSec, compliance, fraud, ethical sourcing, and other risks



Scale existing teams and increase efficiency by eliminating manual processes to free up departments, such as AP and procurement, for more strategic work



Allocate capital more efficiently and maximize efficiency of existing working capital



Manage cash flow in a way that reduces liquidity risk



Mitigate risks around supply chain disruption and business continuity



Improve forecasting and budgeting accuracy through increased visibility in the spend cycle and avoid “surprise” cash needs



Leverage AI-driven insights that provide precise, tailored KPIs and recommendations that identify cost saving and efficiency optimization opportunities





A comprehensive spend management platform combines unified visibility and control with AI-driven insights, empowering finance leaders with real-time data and unparalleled agility to respond to market changes and ensure business continuity. This shift enables them to make smarter, more strategic decisions and adopt a proactive approach rather than a reactive one.

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A spend management platform harmonizes a range of back-office processes to deliver more value and efficiency together than they could alone. It starts with using technology to gain a unified, granular view of all company spend empowering finance teams to make and act on decisions quickly, reduce risk, and create smarter supply chains.

**Michael Agresta**  
CFO, Coupa

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## What happens when CFOs don't have visibility into spend?

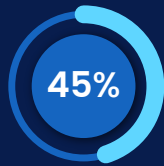
Just a few years ago, most companies were able to push input price increases onto their customers. However, for many, this strategy took a dramatic turn as companies ran out of room to pass on rising input prices. Instead, CFOs were forced to refocus their strategies on identifying cost savings opportunities, seeking efficiency gains, and boosting the bottom line through automation and AI-driven solutions. Unfortunately, those still using traditional spend management systems and processes, and managing spend within silos, are at a distinct disadvantage.

For example, a [recent Coupa study](#) of high-performing companies found that using a unified spend management platform with AI-driven tools resulted in 5.8% in overall savings. As [margin erosion](#) becomes more common, CFOs are using technology as a way to increase visibility of direct and indirect spend at the most granular level and drive process efficiencies and savings.

In today's volatile market conditions, companies can no longer rely on short-term measures or significant sales gains year over year to achieve sustainable growth. They need to find growth from within by optimizing spend and internal processes. However, traditional spend management processes hinder the visibility and control needed to achieve this, driven by the challenges of low employee adoption resulting in low spend capture, high labor costs associated with processing transactions in multiple or redundant systems, and an increased error rate related to poor supplier adoption.

Most importantly, as with any business process, siloed data sets residing within point solutions will yield multiple versions of the "truth," causing reconciliation headaches, and an inability to accurately measure KPIs.

# Why do nearly half of CFOs lack full visibility into spend data?



have to log into multiple systems to access their company's data



say it takes multiple days to access data from those different systems



say their data is often outdated

CFOs need centralized data and AI-powered workflows to instantly tap into spend insights so they can make the best decisions. Access to real-time data and more efficient processes will be key to fueling growth in today's fast-paced business environment.

[Coupa Clarity Report: The Strategic CFO](#)

## WHAT HAPPENS WHEN CFOs DON'T HAVE VISIBILITY INTO SPEND? TOP 10 RISKS FOR FINANCE:



Inability to effectively manage margin needs of the business



Lack of real-time information about business spend



Lack of control to quickly reign in spending, resulting in unapproved purchases



Unknown risk exposures (e.g. liquidity, supplier, compliance risks)



Inefficient resource allocation and lower employee productivity



Lack of agility due to decisions based on unreliable and inaccessible data



Financial non-compliance



Ineffective cash flow management



Missed forecasts and lack of financial predictability



Lack of tracking and visibility into budgets



# Comprehensive spend management in action

## Hilton books higher efficiency and faster invoicing with Coupa's AI Total Spend Management platform



Industry: Hospitality

Size: Enterprise

Hilton has opened its doors and welcomed more than 3 billion guests worldwide for more than 100 years. The company helps operate 17,000 hotels around the world, a mix of corporate, franchise, and non-Hilton brands. A blend of different procurement tools and a decentralized system left Hilton's procurement and finance teams in the dark about spending across its extensive global footprint. The company needed to unify its operations for better visibility and control.

"We needed to aggregate spend across a number of different businesses within Hilton," says Chip Bellinger, Sr. VP of Hilton Global Brands & Commercial Services Finance. "Our main goal was to start putting policies in place and ensure our financial controls were being followed."

### THE CHALLENGE:



With a diverse set of properties worldwide and decentralized procurement processes, finance had poor visibility and control of spending.



Reliance on paper and email invoices meant managers spent most of their time in the back office, not with employees helping to serve guests.



Supply chain disruptions complicated operational efficiency, spending controls, and compliance efforts.

### THE RESULT:



**Visibility and control:** By uniting and automating processes on one platform, finance gained real-time visibility into spending and can now more effectively control budgets.



**Speed:** AI-powered invoicing reduces invoice processing time and errors, enabling managers and staff to focus on guests, not administrative duties.



**Compliance:** One central place to track and manage suppliers improves compliance and enables Hilton to meet its sustainability targets.



The company chose Coupa's AI Total Spend Management platform to achieve its goals. Hilton started rolling out the platform across Florida, one of its busiest and highest guest volume locations. Employees loved how easy it was to use, and soon, Hilton started rolling out Coupa to other locations.

By centralizing all procurement and finance processes on one platform, Hilton seamlessly manages \$12 billion in spend across properties. "Now, with Coupa, it's been a lot easier to track and manage our spend. The tools give us that full picture, end-to-end visibility all the way from the purchase request to the invoicing process," says Taryn Berry, Hilton Director of Procurement Applications Supply Management.

Configurable purchase requisition workflows make it easy to adjust budget levels and surface preferred vendors, as well as streamline the approval process. So far, the company has achieved \$125 million in savings.

When it comes to invoice processing, automation and AI help managers and employees focus on what's most important — guests. Coupa enables Hilton's finance team to customize the invoice approval workflow, enabling reviewers only at certain levels to be involved when necessary to reduce bottlenecks. AI also extracts data from invoice PDFs and maps it to Hilton's internal electronic invoice records to speed up the process further. The tools enable the finance team to control compliance better while freeing up the administrative duties for managers and employees.

Ultimately, Hilton wanted to mature its processes to drive savings for its customers and franchise hotel owners. They successfully achieved it with Coupa, saving countless working hours and millions of dollars.

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**Taryn Berry**

Director, Procurement Applications,  
Hilton Supply Management

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**\$12**

Billion in spend managed

**\$125**

Million in savings

**50**

Properties managed (and counting)

## Plexium scales fast and drives efficiencies with Coupa's AI Total Spend Management platform

Industry: Biotechnology

Size: Midmarket

Plexium is a fast-growing biotechnology manufacturer on a mission to find new therapies for cancer and other diseases. With growing success, Plexium looked to scale and become IPO-ready, but siloed and manual spend management processes stood in the way.

### THE CHALLENGE:



Different systems for each part of the P2P process limited control over spend and created data silos.



Lack of visibility into upcoming spend commitments prevented finance leaders from making the best decisions.



Manual routing, matching, and entering invoices bogged down the accounting team.

### THE RESULT:



**Visibility and control:** Centralized data and processes provide real-time insights into company cash flow and a comprehensive audit trail.



**Data-driven:** Comprehensive visibility into POs, invoices, and budgets empower finance to make more informed decisions.



**Scale:** Automated workflows process 15,000 invoices without adding any additional headcount.

Disparate point solutions fragmented Plexium's P2P process, limiting visibility into spend and delaying financial insights. This lack of real-time data hindered the finance team's ability to produce reliable reports and make timely decisions. Additionally, the accounting team was bogged down by manual invoice processing, reducing efficiency and increasing the risk of errors.

Plexium turned to Coupa to unite its procurement and invoicing processes onto one unified platform. Complete visibility and control over the entire P2P process boosted productivity and data-driven decision-making for Plexium. Every requisition and purchase is now linked to a budget, helping the finance team understand cash impact in real time and proactively capture rebates.

"One of the biggest keys [of Coupa] is end-to-end. You have all your transactions from requisition to payment in one place," says Stephen Mullennix, CFO of Plexium. "That allows us to democratize that information and keep our teams, like FP&A and accounting, smaller."

An AI-driven invoice approval workflow identifies the right account for each invoice and applies a code. This reduces errors and frees the accounting team to spend time on more complex and strategic work. Now, \$5.5 million in spend and 11,000 invoices have been moved to virtual cards to reduce administrative work even further.

"Coupa has helped us scale for growth. We were able to process 15,000 invoices annually without adding additional headcount," says Mullennix.

Coupa's AI Total Spend Management platform also provides Plexium with the necessary audit trail to comply with regulatory requirements before going public. As the company grows, Coupa is the data and process infrastructure the company needs to scale with ease.

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Coupa has helped us scale for growth. Linking invoicing to POs and requisitions has created significant operational efficiencies inside of the accounting team, but more importantly, throughout business operations. We were able to process 15,000 invoices annually without adding additional headcount.

**Stephen Mullennix**  
CFO, Plexium

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**100%**

PO-backed spend

**86%**

Electronic invoice rate

**1 Day**

Reduction in close time

## Are you leaving value on the table?

### The CFO checklist:

**YES**

**NO**



1. Do you have full visibility into spend across your company?



2. Does your P2P process use automation and AI to maximize efficiency and productivity for both requesters and approvers?



3. Are you able to quickly access the data and generate the reports you need to make decisions in real time?



4. Can you confidently make informed and accurate forecasts?



5. Have you considered how AI-driven insights can help you detect fraud and identify saving opportunities quickly?

If you answered “no” to any of the questions above, talk to Coupa about how a comprehensive spend management platform can help you meet your strategic and financial management objectives.



# Key takeaways for CFOs

- Comprehensive spend management empowers finance teams with smarter decision-making and deeper insights into spend, liquidity, and risk.
- When it comes to managing costs and enhancing margins, companies that continue to use legacy spend management systems and disjointed, manual processes will lack the agility required to navigate today's market complexity and protect the organization's bottom line.
- Having AI integrated across P2P processes on a single spend management platform can provide deeper insights into your supply chain, support ESG and financial compliance, and enable CFOs to make strategic business decisions with greater confidence.
- We encourage you to explore how other finance leaders are using Coupa's AI Total Spend Management platform to meet their strategic and financial management objectives.

**See how Coupa's AI Total Spend Management platform can help you navigate business complexity and optimize margins.**

**Get Demo**



## 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](https://coupa.com) and follow us on [LinkedIn](#) and [X \(Twitter\)](#).

