

SAGA

customer story

Industry: Financial Services

Region: UKI

Challenges

- Error-prone manual AP processes
- Consistently late payments
- Multiple platforms for centralized finance and decentralized procurement functions

Solutions

- Coupa P2P
- Coupa Pay
- Coupa SIM
- Coupa InvoiceSmash

Results

- Automated and fully digitized invoicing and approvals
- Nearly 90% of overhead and marketing invoices run through Coupa Pay
- Payment run approvals are around 98% faster
- Invoice cycle times down by nearly 70%

Saga uses Coupa to Help Finance and Procurement Grow Smarter Together

Saga is one of the most widely recognized and trusted brands among the over-50s in the UK. It is commonly associated with offering holidays and cruises geared towards this particular demographic. It also offers a range of insurance and personal finance products and has its very own publication, the Saga Magazine.

With such diverse business models under one roof, Saga can be impacted multiple ways by one disruptive event in the market. Today, the investment in business spend management helps the business operate efficiently.

Bringing AP into the 21st century

In 2019, Saga began executing its multi-year strategy for process simplification and data, digital, and brand transformation. This included digitizing and simplifying finance processes across the many businesses that make up the conglomerate. Right away, David Moore, Finance Director, knew he needed to overhaul Saga's manual supplier payments process, the workflow for which was administered completely on paper.

The company had attempted to implement a non-cloud AP automation solution previously, but without success. Learning from that experience, David realized that he needed to take a holistic approach to Saga's supplier payments process, broadening the scope beyond AP to the entire procure-to-pay (P2P) process and seeking to implement a best-in-class solution.



Addressing challenges in AP today to improve procurement tomorrow

Saga chose Coupa's user-friendly solution because it would provide the company with a platform to develop a better approach to its procurement strategy as well as automate AP, enabling harmonization of procurement practices across the Group. Coupa's user-friendly front-end facilitates strong user adoption. Additionally, Coupa offers a full P2P solution, including making supplier payments within the platform.

To lay the groundwork for transformation, Saga tackled AP automation first. By digitizing these workflows, the company was able to realize significant operational efficiencies, reduce costs, and increase control and compliance.

Investing in one solution for finance and procurement transformation

Coupa enables Saga to fully administer its supplier ledger within Coupa, without the need to maintain supplier records in a separate general ledger platform or to integrate "okay to pay" files into a separate system.

Today, nearly 90% of Saga's overhead and marketing invoices run through Coupa. Invoicing and approvals are 100% paperless – automated and fully digitized.

Although this transformation initiative has been led by Finance, it demonstrates how the right technology helps different functions grow smarter together. At Saga, Finance is centralized while Procurement is highly decentralized. David is committed to leveraging the benefits of business spend management in several areas.

"You can tell Coupa is a procurement tool that's become a finance automation tool second, and for me that was the right way round. We get the efficiency benefits that we wanted, but we also think better about supplier management at Saga, underpinned by a really good procurement tool."

— David Moore,
Finance Director, Saga plc

Reclaiming hours per week for value-added work

As a result of implementing Coupa, Saga has seen vast improvement in its AP operational efficiency. The numbers speak for themselves. Sign-off times for payment runs have dropped from 2-3 hours per week to 3-4 minutes per week, and invoice cycle times have been reduced by nearly 70%.


Employees also manage their time better since these payments can be handled 24/7 from a secure, enabled mobile phone or tablet.

Saga accelerated its payment workflow even more by using Coupa to streamline its complicated bank mandate. The setup is aligned with the new automated payment runs, and approval chains are defined by invoice values, cost centers, and commodity types.

Increasing PO power

The company also reduced costs by getting control of spend through purchase orders. "Before Coupa," states David, "POs weren't used as a tool to match against invoices. And when we were raising POs, it was very manual and inconsistent – scattered across pockets of procurement specialists. These days, Saga users create POs as often as possible – nearly 90% of the time when contract-backed spend isn't involved."





“Investing in business spend management is helping our finance and procurement teams work better together. Coupa has been a key part of our digital transformation of the back-office, which is a pillar of Saga’s digital transformation and simplification strategies.”

— David Moore, Finance Director, Saga plc

Generating value through control and compliance

Piles of paper and wet signatures – and the errors that creep in – are a thing of the past for Saga’s AP team. Digital payment runs are set up and managed through Coupa, complete with approval chains. “Before, I would check if users got the right signatures on the right bills and the right sign off,” reflects David, “which I don’t have to worry about now because controls are there inherently in the system. I don’t have to check for human error.”

By focusing on control and compliance, Saga has improved AP’s internal reputation as a business partner. “The old system was prone to errors and late payments, and people were quite dissatisfied with AP,” remarks David. Accurate, real-time data and a solid record of on-time payments now position AP to elevate its service levels to the business. It is evident that the AP team is serving the business better, as David now receives commendations for his team efforts from business managers, rather than complaints.