



Is your ERP good enough for procurement?

Six reasons to say 'yes' when
procurement evaluates Coupa.



SPEND SMARTER TOGETHER

Introduction

Mission critical ERP systems are great for some, but they're not always perfect for procurement. Amid the multiple modules and major transformations, spend management can get lost. With cost reduction an absolute business necessity, procurement has risen to the challenge – but it needs the right tools. At the same time, CIOs want to be sure that any new system won't create integration issues, add complexity or swallow resource. By looking beyond ERP, there may be an opportunity to offer the best for both worlds.

Loved by procurement.
Built for IT.

You get a lot of eBooks to read.
We'll try and to save you time.



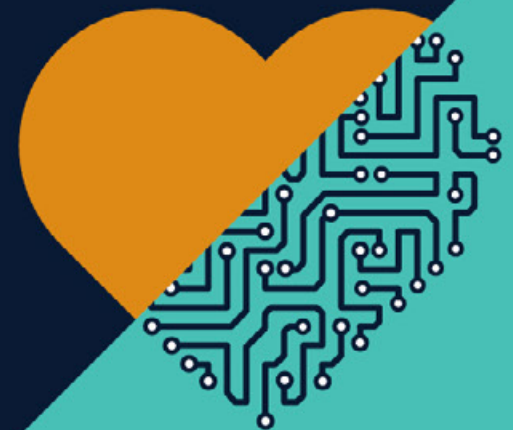
Read this...

if you're not sure your inherited ERP is delivering for users, you're rethinking a decision to consolidate business functions around your ERP, or dedicated solutions – like Salesforce – are already delivering in other parts of the business.



Don't read...

if you and your procurement people are happy that your ERP is delivering best-in-class capabilities. This paper isn't for you.



Why are we having this conversation?

IT is a critical part of the decision-making process and it's vital you're part of the conversation at an early stage. So let's talk about what we're talking about: spend management and why a dedicated approach could be better for your procurement users, your business and your IT department.

In a nutshell, Business Spend Management (BSM) offers a comprehensive approach to managing all the ways people spend money in your business – from the operational (procurement, invoicing, expenses, payments, etc.) to the more strategic (controlling and optimising spend). And It brings that spend data together from multiple systems so its accessible by everyone, in real time, all the time – not just by finance or procurement.

Which is important – particularly today.

The big question:

If budgets are stretched then why risk introducing a new solution into your stack – particularly when your ERP already provides a range of procure-to-pay (P2P) modules?

The straightforward answer:

Because today's dedicated, cloud-native solutions support your IT modernisation, simplification and cost reduction agendas in ways that legacy ERP modules can't, you could save the business millions right off the bat.



\$15bn

2020 left many departments (including IT) with hefty holes in their budgets. According to KPMG, around US\$15bn per week was spent on IT globally during the first three months of the pandemic. Which is a lot of unplanned investment that will need to be accounted for this year. Naturally, cost control is key, and dedicated spend management solutions can help.

A quick word on Coupa

Coupa is the business spend management equivalent of other domain-specific SaaS platforms in your stack - Salesforce for CRM, ServiceNow for IT Service Management, Workday for human capital management, etc. It's a modern, simple to deploy and easy to use unified platform that harnesses the collective insights and cost saving opportunities of a community of over 1,400+ customers. Plus, Coupa has been named a leader in its space by major analyst firms.

1,400+
customers worldwide

Gartner FORRESTER

IDC
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Why not ERP for procurement?

Six things to consider

1. Is your ERP **agile** enough for procurement?



[Read more](#)

2. Do the various modules of your ERP offer everything **procurement needs**?



[Read more](#)

3. Is low **adoption** impacting the value you're currently getting?



[Read more](#)

4. Is **complexity** a problem – and is your ERP module helping?



[Read more](#)

5. Are ERP **deployment** cycles impacting your bottom line?



[Read more](#)

6. How much will a new application **cost** my IT department?



[Read more](#)

CONSIDERATION 1

Is your ERP agile enough for procurement?

Any mission critical application, including your spend management software, needs to be agile. It needs to keep up with new suppliers, new rules, regulations, employees, security risks, and developments in technology. In a world where so much of your IT is moving to the cloud, it needs to be cloud-ready – or even better, cloud native – too.

But with the majority of businesses running decades' old ERP systems, their spend management modules are often none of these things. Which doesn't only impact user experience (we'll come on to this and adoption later), it swallows your valuable IT resources if changes or feature upgrades are needed.

In the worst cases high cost external consultancies need to be brought in to manage change in these legacy environments.



Then there are the essential upgrades needed to manage your ever-evolving business. Many legacy P2P and spend management applications have long and complicated deployments and correspondingly painful upgrades. Which always assumes that upgrades are available in the first place.

In many ERP systems, spend management applications are often poor cousins to the more conventional ERP apps. Upgrades are few and far between and there's not a lot of innovation in terms of functionality or user experience. All of which goes some way to explaining why so many procurement execs are less than enthusiastic users.



Procurement love Coupa because...

it's feature rich and brimming with user-centric innovation, with three major releases a year, containing hundreds of feature improvements driven by customer input.



Coupa is built for IT because...

it's simple to configure, and doesn't need complex custom code requiring support from high cost consultancies (for even minor changes).

“Frankly at that time many of the other large ERP providers just didn't have the indirect procurement support and solutions that we were looking for, and so again we looked at the market, discovered Coupa and chose it as our company wide solution.”



Bob Worall
Former CIO & SVP, Juniper Networks





CONSIDERATION 2

Do the various modules of your ERP offer everything procurement needs?

It's true that ERP solutions often have P2P modules and they often come free as part of your enterprise package. But they're not specifically designed to support effective spend management – either in procurement or across the business. Which means your ERP provider's software doesn't meet anyone's needs particularly well. And that's bad news.

The economic pressures of 2020 meant that procurement really stepped up to drive down costs. 2021 will be no different. Your people need the right tools to get the job done – because, more than ever before, the bottom line matters to business survival. And not just for the procurement team, spend management is vital across the organisation.

Typically, most procurement teams work on a patchwork of systems and custom made apps – Excel sheets for contracts, Access database for projects, ERP invoice solutions and so on. This is manual, resource-heavy stuff, and they can be forgiven for looking for workarounds and buying their own systems.

Not only that, the limited nature of the ERP P2P modules, together with the unfriendly interfaces, means that they can't be used by people right across the business.

Ultimately, most legacy ERPs were built for back office functions, not the end users that need them. So you'll be spending a lot of IT resource maintaining them, and waiting awhile for any ROI from these under-utilised apps. Even if they're included as part of your licence fee, you're still paying for what people aren't using. And that's a waste of budget.



Procurement love Coupa because...

it's everything procurement needs in a single, unified platform - sourcing, risk management, invoicing, supply chain design and planning, treasury, payments and more.



Coupa is built for IT because...

by delivering everything to manage spend across the business in one system, it doesn't have to support or pay for others.



“Our biggest challenge was really around the user experience. At Salesforce, users struggled with how to open a requisition and follow it through to the PO with our existing ERP. Prior to Coupa implementation, we had manual and non-standard processes across a variety of different regions.

From country to country, people were opening requisitions and processing them through to PO using different methods. Coupa gave us a standard system to use where all of the right checks happen throughout the process and it's a global system.”



Jennifer Browne
Vice President - Global Procurement Programs,
Operations & Enablement, Salesforce

CONSIDERATION 3

Is low adoption impacting the value you're currently getting?

Lack of adoption (of any solution) is a major frustration for an IT leader – and directly impacts value and ROI. Not only are you paying a licence fee, but your team is spending time and money keeping the system up.



\$30bn

wasted on unused software over 4 years

According to one study published by CIO.com, organisations in the U.S. wasted \$30B on unused software over the course of 4 years.

In spend management, this has been a significant problem for some time, and it's made worse by the fact that user adoption has a direct correlation to bottom line savings and risk management for the company.



Not only that, the siloed approaches we see today create very real barriers to efficiency and transparency between procurement, accounts payable (AP), finance and the business in general. Why wouldn't you want everyone working on a single platform?

There's no doubt that, when it comes to adoption, the track record of providers in this space – particularly the traditional Big Brand ERP vendors – is frighteningly low: user adoption rates at 30%-40% are normal. And while it's unfair, the blame typically falls on IT as the solution 'owners' – leading to perceptions that this is 'yet another example of IT delivering a solution that isn't used'.



Procurement love Coupa because...

it's intuitive, simple to use and requires little or no user training.



Coupa is built for IT because...

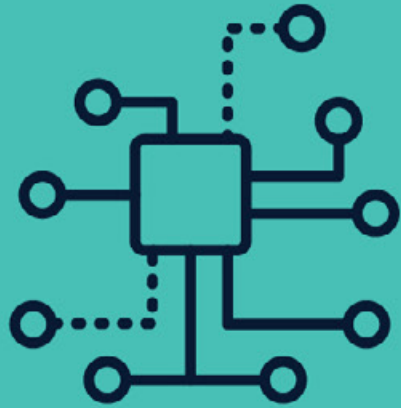
the highest adoption rates in the industry guarantees licence utilisation and fast ROI.

“Coupa's focus on adoptability for non-professional users leads to a high level of immediate adoption. As a result, we believe our customers are able to get a greater proportion of spend under management, control it and influence cost savings.”



Curt Miller
Former CIO at Amerinet





CONSIDERATION 4

Is complexity a problem – and is your ERP module helping?

One of the major reasons for saying no to dedicated solutions is the understandable concern of increasing complexity and having to integrate lots of data points between different systems.

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. One vendor does not necessarily mean one unified solution.

In fact, your team must take on the burden of building and maintaining integrations between modules, often without clear, documented API's or templates. Too often, you have to trust the vendor will deliver their promised 'integrations', and when you finally see something it's often years later and completely insufficient.

It's likely your ERP provider offers a variety of spend management solutions. 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.

When choosing a BSM partner, it's important to look at a company's existing unified suite, open API's and its history of unifying the products from companies they've bought.



Procurement love Coupa because...

it's extremely flexible, with over 10 million configurations without any custom code.



Coupa is built for IT because...

it seamlessly integrates with multiple applications – IT can still meet unique business needs without a heavy lift and ongoing maintenance.

“I'd say that Coupa has given us a whole lot more flexibility in not only what we manage but how we manage spend. We don't have to open up a ticket, wait for it to get approved and go through that entire process. Now, it's as easy as going into the system, clicking on set up, configure what we need, and just be on our way.”



Jon Siudut
Former Manager, Supply Chain Management,
NPL Construction



CONSIDERATION 5

Are ERP deployment cycles impacting your bottom line?

The short answer is yes. Complicated integrations, change requests halfway through the project, non-standard architecture that needs specialist knowledge – all create project risks, overruns and higher costs. Particularly if you need support from an external consultant – which you often do due to the inherent complexity of many ERPs.

But delayed deployment doesn't just have operational consequences. Procurement has a major impact on the ability of the business not to only function, but to save money to reinvest elsewhere. Deployment roadblocks can mean deferring new opportunities to create a more efficient supply chain, enter into new partnerships and more. Certainly, it increases the time to value of the tech solution itself.



The reverse is also true. The quicker the deployment, the faster businesses can start saving money. One Coupa client, Concentrix, was able to deploy in five weeks across twenty countries, and save over \$32 million in unnecessary spend in the first 12 months of operation.

Any delay means lost value and does little to boost your reputation. But with legacy procurement systems, long deployment times are almost guaranteed. Proprietary architecture and lots of custom code makes the project a huge challenge that would be too risky to rush. Go with a system using open architecture and easy integration and you'll slash deployment times and drive up ROI.



Procurement love Coupa because...

teams need to make an impact right now, not in months or years.



Coupa is built for IT because...

its open architecture makes deployment a straightforward and predictable process – that's complete in a fraction of the time it takes for ERP module deployments or upgrades.

“The reason I selected Coupa was, number one, the ease of implementation. Instead of having to build the system internally and spend all that time and training to bring that system up, we were able to implement it much faster.”



Sean Givens

Former VP Government of Operations and Controller,
Cellerant Therapeutics





CONSIDERATION 6

How much will a new application cost my IT department?

There are costs in adopting any new solution or modules, of course – from managing licences through design and deployment to the inevitable IT learning curve. When it comes to your ERP, you're also likely to have to navigate high consultancy fees from external consultants and the ongoing support costs for change requests as we've discussed earlier.

Then there are the opportunity costs – of deploying on-premise infrastructure instead of a more flexible cloud consumption environment. Or choosing a 'conventional' solution instead of one benefiting from intelligent features that contribute to a self-funding business case and achieve fast time to value.

Finally, there are reputational costs too. Quite rightly, IT does not want to be associated with a failed project or one that only delivers limited value to users – which brings us back to experience and adoption.

When it comes to addressing these costs, conventional ERPs struggle. And they don't offer new opportunities to save money either. They could, for example, leverage AI to analyse the trillions of spend passing their systems and then make recommendations to optimise spend and increase savings. But they don't – and this lack of innovation limits the total value they're able to deliver (on top of the already high costs of support).

Not only that, most ERP spend management modules are tricky for the most experienced procurement people to use – so IT has no chance. Which means you miss the opportunity to use the apps you're paying for to manage and optimise your own departmental spend.

So, while new applications certainly have a cost, taking a dedicated SaaS route may give IT a greater opportunity to focus on the total value of the solution, while accelerating time to value for the whole business..



Procurement love Coupa because...

it allows teams to plan and deliver savings into the millions and billions.



Coupa is built for IT because...

with Coupa's relentless focus on driving value, IT won't be tainted by the failings of yet another ERP project that doesn't meet business objectives.



“From an IT perspective, Coupa helped us to realise value, not only by having only one system to manage, which is of course a big asset, but also by going to the cloud, which means less infrastructure cost to manage, and a guarantee to keep the level of custom code low.”



Thomas Lang
Head of IT Purchase to Pay, Sanofi

The takeaway

We're certainly not advocating you get rid of your ERP. That would be entirely unrealistic. We all know ERPs support mission critical processes and deliver real value for many. Think about what your ERP is best at and whether a combination of ERP and a dedicated spend management solution would add more value to your business – while helping to take some of the upgrade and management strain off your IT department.

There's plenty of evidence to suggest it would – in the same way as many enterprises have adopted solutions like Salesforce for CRM, for example.

Choosing – or sticking with – your ERP provider's P2P solution might seem like the easy, cost effective route 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.

There's a lot to weigh up with any new implementation. Especially if the decision involves moving to a supplier you're not familiar with.

Ultimately, only you can know what's best for your business. But if you're already thinking cloud-first, this could be a great route for both IT and your users across the business.

Coupa has certainly transformed spend management in organisations across the world, including Barclays, Zurich Insurance Group, BMW, Unilever, BAE Systems, P&G and Sanofi – where reliance, reliability and governance are just as important as user experience, innovation and community intelligence.

While we may not be right for every enterprise, we could be right for you – because we really are loved by procurement and built for IT.

For more information please visit:
coupa.com/loved

**Don't take our word for it,
talk to the analysts you trust.**

Gartner

Coupa named a Leader in The 2020 Gartner Magic Quadrant for Procure-to-Pay.

[Read more](#)

FORRESTER

Coupa Named a Leader in The Forrester Wave™ eProcurement Platforms, Q4 2019.

[Read more](#)

IDC | ANALYZE THE FUTURE

Coupa Named a Leader in the IDC MarketScape: Procure-to-Pay Applications 2021 Vendor Assessment.

[Read more](#)

Coupa Software (NASDAQ: COUP), a leader in business spend management (BSM), has been certified as a “Great Place to Work” by the Great Place to Work organization. We deliver “Value as a Service” by helping our customers maximize their spend under management, achieve significant cost savings and drive profitability. Coupa provides a unified, cloud-based spend management platform that connects hundreds of organizations representing the Americas, EMEA, and APAC with millions of suppliers globally. The Coupa platform provides greater visibility into and control over how companies spend money.

Customers – small, medium and large – have used the Coupa platform to bring billions of dollars in cumulative spend under management.

Learn more at www.coupa.com. Read more on the [Coupa Blog](#) or follow [@Coupa](#) on Twitter.

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