

COUPA FOR Financial Services

Introduction

As of October 25, 2017, Financial Services holdings have returned – 0.1% for the trailing 10 year period. Over these same time periods, Technology holdings have returned +150.6%. To hint or imply that the financial services sector is struggling to increase profits and return value to shareholders is an understatement.

Slowing global economic growth, rock-bottom interest rates, and changing consumer patterns have created a challenging business environment for large and small financial institutions. While raising revenue is one path towards increasing profits, many firms are increasingly looking at ways to streamline processes, enhance efficiency and reduce costs to improve their bottom line. Leading financial services firms are using cloud technologies as a transformation tool to increase profits, and others will follow in their footsteps.

Cloud-based platforms such as **Coupa** offer the opportunity for small and large financial institutions to approach spend strategically, improve compliance, manage risk, and drive out cost in a sustainable way. Delivered from the cloud, Coupa is being called upon as a change mechanism, enabling decision makers visibility and insight into organization spend and employee expenses. Growing revenue is hard, Coupa makes cutting costs easy.

Coupa is the right fit for many firms in the financial services sector. Consider Coupa as a transformation tool, delivering value and insight from the cloud. Does your organization meet some of the criteria below?

Lack of Systems Adoption

Financial Services firms have traditionally been late adopters of technology due to internal technical challenges that are perceived to lead to; substantial costs, significant time to implement and a general resistance to move away from embedded manual processes. Coupa's cloud based spend management platform introduces a modern approach to procurement and expense management, leading to:

- **Cost saving benefits** – increased spend control, and ability to capitalize on supplier payment terms can lead to widespread cost reduction. Removal of manual paper processes leads less invoice exceptions and errors.
- **Enhanced scalability** – firms are growing and changing. Implementing at an early stage will set the platform for transparency and flexibility during change.
- **Improved efficiency** - staff operational productivity, moving AP Staff away from manual process allowing for more efficient use of time and resources.

Fragmented and Disparate IT Systems

A lack of consistent IT technology and infrastructure within Financial Services firms is not uncommon. Fragmented systems occurs not only *across different* functions (Operations, Finance, Technology, Front Office) but also *within functions*. Firms will have many applications and systems all delivering very similar results and outputs, however the architecture configuration are often vastly different and complex. Coupa's cloud based spend management platform integrates with any existing ERP system. What does this mean for financial services firms? It means you can

implement Coupa and capitalize on enhanced reporting transparency and cost minimization without disrupting your entangled web of applications.

- **Increased Transparency in Reporting** - Coupa gives you the visibility you need to track and manage spend. With enhanced efficiency and transparency across budget allocation, dashboards and reports, everyone can see exactly what's happening, on a scheduled or ad-hoc basis.
- **Rapid Deployment** – Coupa integrates via flat file or API with any ERP. Yes – you don't need to change ERP's or untangle your financial web application to use Coupa. Starting with the procurement and expense function is a great place to move your application usage in a modern direction.
- **Accessibility to Standardized Environments** - with a standardized platform across business lines there is both an ease of access and enhanced visibility/transparency to empower key decision makers with information.

"Coupa has allowed us to drastically reduce our accounts payable processing time due to paperless invoice approvals and daily, as opposed to weekly, payment processing. Coupa will also simplify our employee expense reporting through the corporate credit card integration and the convenience of immediately uploading receipts using the app."

Brantley A. Leverette, CPA
Vice President, Finance MAX Credit Union

Overhead and Cost Minimization

The pressure to cut costs has been a significant theme amongst the financial services industry. The current operating environment includes increased regulatory costs, tight margins and resource constraints throughout the sector. Taking advantage of Coupa's cloud based platform can make processes more efficient without crippling or even using your existing IT hardware. Coupa is a pure-play SaaS vendor built for the cloud that wants you as recurring customer, not to burden your IT staff with another on-premise software application. Coupa's cloud based platform can lead to a reduction in:

- **IT Support** – built for the cloud and run from the cloud, there is no need for large and often costly IT infrastructure upkeep.
- **Technology Infrastructure** – with a consolidated cloud platform and interface built on one string of code, the number of servers, hardware and systems can all be reduced. This not only reduces the need to for costly upgrades and maintenance but also the need for physical presence of servers taking up space onsite.
- **AP Staff** – Coupa's electronic invoicing tool allows AP Staff to spend time on more value add activities such as analysis rather than purely invoice processing.

Focus on Risk and Control

Today's Financial Services firms are facing increasing scrutiny to ensure contract and policy compliance both from regulators as well as shareholders. At the same time, internal managers are under pressure due to swiftly changing business conditions where projects, products, and resources needed must be acquired, developed, and/or implemented and brought to market before their competitors.

By using Coupa, Financial Services can decrease risk and increase control over their business in the following ways:

Services Procurement

Personnel and vendor management comprises a large portion of spend in Financial Services, and the ability to quickly convert prospects and mission critical resources into approved spend is essential to a firm's success.

Through Coupa, managers can operationalize contracts and approved vendors, allowing users in various regions and groups to systematically bring on vendors and human capital as soon as possible for market opportunities, while providing workflows and audit trails for auditability.

Contract and Policy Compliance

Coupa's ability to direct employees to preferred and compliant suppliers means that managers can spend more time focusing on specific needs rather than trying to navigate bureaucracies. Coupa's functionality allows managers to keep vendors accountable in real time to contractual term agreements. By eliminating overpayments to suppliers, your cash flow is used efficiently to affect the bottom line.

Mergers & Acquisitions

Financial Services has seen increased M&A activity in recent years, and the ability for firms to quickly integrate new businesses is key to success. Not having the ability to quickly incorporate new groups or firms could quickly eliminate efficiencies that were the reason for the M&A in the first place. Its intuitive user interfaces accelerates adaptation between teams, thereby allowing managers to institute financial and budget controls quickly.

The Bottom Line

When profits and price margins fall, smart companies adapt and seek cost saving opportunities. Coupa's cloud based spend management and procurement platform allows for immediate integration to any and all ERP systems. Looking to modernize your entangled web of financial applications while improving your bottom line and increasing value to private or public shareholders? Start with Coupa. Coupa empowers organizations with visibility and insight into key spend metrics, from the Cloud. Growing revenue is hard, Coupa makes cutting costs easy.

About CrossCountry Consulting: CrossCountry Consulting is a trusted business advisory firm that provides customized finance, accounting, risk, operations and technology consulting services to leading organizations facing complex change. We partner with our clients to help them navigate pressing business challenges and achieve goals related to improving operations, minimizing risks and enabling future growth.

Contact Information:

Harpreet Narula,
Director
hnarula@crosscountry-
consulting.com

Frank Rellosa,
Associate Director
frellosa@crosscountry-
consulting.com

Jordan Cullinane,
Managing Consultant
jcullinane@crosscountry-
consulting.com

Ruairidh Henderson,
Managing Consultant
rhenderson@crosscountry-
consulting.com