

# Coupa for Supplier Management

## Improve Efficiency, Visibility, and Continuity while Driving Compliance

At many companies, supplier management isn't a well-developed partner to risk and procurement. Processes are often manual, or systems in place may not be well-integrated into those used by the other functions. Teams may be stuck with "swivel chair" processes, manually keying data from one system into another.

This approach leads to excessive manual work for all teams. Often AP feels the pain of incorrect remit-to information in supplier escalations. Procurement may also get bogged down in "fire drill" replacements when early warning systems for supplier risk or performance issues are not effective.

All around, manual processes and ineffective supplier management, risk monitoring, and performance management solutions result in excessive manual work, escalations, and unnecessary risk for companies.

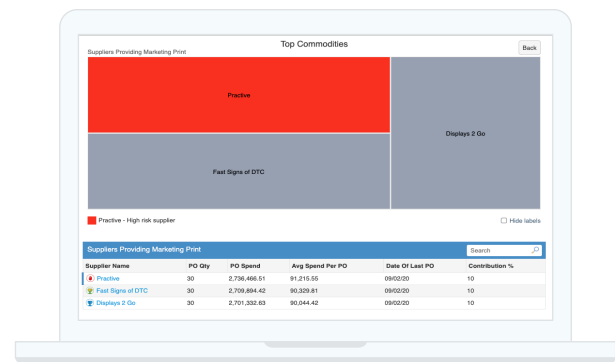
### Managing Suppliers and Third-Party Risk with the Business Spend Management Leader

Coupa brings a complete, user-centric vision for supplier and third-party risk management that's fully integrated with procure-to-pay and across all Business Spend Management (BSM) processes.

This approach lets companies improve efficiency, visibility, and continuity while putting the right processes in place to ensure compliance across multiple risk domains. Furthermore, Coupa gets the right information to the right people within your organization to improve decision making.

### Key Benefits

- Improve operational efficiency and reduce costs by digitizing processes
- Achieve diversity & inclusion goals
- Ensure supplier viability and business continuity by proactively managing risk and performance
- Comply with regulations using robust multi-domain, multi-tier third-party risk assessments



Coupa surfaces opportunities to move business spend to lower-risk suppliers as needed.

**99%** of CPOs agree that risk management should be the responsibility of the entire business, not just risk and compliance teams<sup>1</sup>

**84%** of organizations experienced a third-party incident in the last three years, up from 83% last year<sup>2</sup>

<sup>1</sup> WBR Supply Chain Survey  
<sup>2</sup> Deloitte Extended Enterprise Risk Management (EERM) Global Survey 2020

Want to find out more about Third-Party Risk Management? See [Coupa for TPRM](#).

## Siloed Processes Lead to Challenges in Management of Suppliers and other Partners

Every year, companies engage more and more business partners, from traditional suppliers to contract manufacturers, contingent workforce providers, distributors, and more. These relationships provide many benefits, but they also pose risks from supply chain disruption to fraud, bribery, data breaches, and more. Misdeeds by critical suppliers to a company's suppliers—the “fourth parties” trusted with company resources—are just as likely to cause harm as direct relationships.

At many companies, processes for transactional supplier on-boarding, risk due diligence, purchasing, and invoice management are highly manual and separate from each other. These organizational silos create barriers to information sharing, making it difficult for the business to operate efficiently. Regular management of supplier information, ongoing risk monitoring, and performance may fall through the cracks for all but the largest and most strategic suppliers.

## What Companies Need to Know

Without an integrated and comprehensive approach to supplier and third-party risk management, organizations are left with exposure to business continuity risk, fraud, and noncompliance with restricted-party, information security, and other constantly-changing regulatory requirements. Without a scalable plan to address these risks, an organization faces significant threats to its brand and bottom line. Additionally, organizations without scalable processes struggle to comply with CSR and other policies needed to deliver on company-level commitments. Constant change in regulations and company policy only compound the problem.

## Effectively Managing the End-to-End Supplier Relationship with Coupa

Coupa's approach to supplier and third-party risk management is fully integrated with procure-to-pay and across all BSM processes. Managers get prescriptive recommendations of suppliers that have already been rated and on-boarded for digital transactions to accelerate onboarding. Risk and performance monitoring are managed within the same platform as purchasing and invoice management, driving digital adoption by suppliers. Coupa helps managers find diverse suppliers at the right price to drive impact. Once the right suppliers are targeted and brought on, Coupa continually manages supplier risk with health scores,

### **CASE STUDY: BANK OF MONTREAL (BMO)**

During the pandemic, BMO used their digital platform to quickly deploy a coronavirus risk developed by the Coupa community to understand the measures their suppliers and third-parties had in place to stay safe and resilient. With this data at hand, the bank's team was able easily respond to external inquiries on pandemic preparedness risk.

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## BSM Strategy Drives Success in Supplier and Third-Party Risk Management

With a single platform for all aspects of BSM—including Supplier and Third-Party Risk Management—procurement, risk, and compliance teams are able to break down internal siloes to scale processes, improve operational efficiency, ensure business continuity, and support achievement of D&I and other company-level goals.

- **Continuous Information Management** — remove siloed, manual processes that focus on one-time onboarding (or annual updates) to cut out manual work and get up-to-date info on suppliers and other business partners.
- **Cut Out Manual Follow-Up** — encourage digital adoption with “right-time participation” by asking suppliers for overdue info at the time of invoice submission or other transactions (when they’re most engaged).
- **Digitize to Avoid Fraud** — eliminate manual updates of remit-to and other sensitive information by driving adoption of supplier self-service.
- **Maximize Impact of Diversity and CSR Programs** — get recommendations of diverse suppliers and flag preferred suppliers in purchasing to maximize impact. In addition, give diversity and responsibility program managers visibility into in-flight opportunities.
- **Continually Monitor Risk** — extend risk monitoring to your broad base of suppliers with continually-updated, Coupa-provided data feeds covering financial, judicial, and other risks as well as the ability to incorporate your own subscriptions to risk data feeds.
- **Assess Performance** — gather performance data from users in context of transactions, encouraging adoption and accelerating issue identification.
- **Accelerate Issue Response** — monitor supplier risk and performance using scorecards, calculate overall supplier health ratings, and provide visibility into health across BSM for improved decision-making. Let risk teams immediately place problem suppliers on hold to stop all transactions from purchasing to invoicing if needed.
- **Get Prescriptive Insights** — automatically capture and chart KPIs for supplier and risk processes, compare against benchmarks, and access recommended risk responses. In addition, community-powered insights into supplier behavior can help to sense issues.
- **Multi-Domain Risk Assessments** — determine inherent risk, assess control effectiveness and calculate residual risk based across relevant risk domains.
- **Multi-Tier Third-Party Risk Management** — gather and incorporate information across multiple levels of business relationships (third parties, fourth parties) and many types of business partners.
- **Get Compliant Faster** — use templates for Information Security and other risk domains, extensive configurability, and in-built audit trail to quickly meet regulatory requirements.

### Gain Competitive Advantage with Supplier Diversity

Supplier diversity can drive innovation, reduce supply chain disruption and lower operating costs. But, one of the biggest challenges\* facing leaders is the ability to source specific types of diverse suppliers. Browse [Coupa's Diverse Business Directory](#) to find diverse suppliers to meet your needs while supporting local communities.

\*WBR Supply Chain Survey

## Key Capabilities

Coupa provides two distinct offerings in Supplier and Third-Party Risk Management to meet the needs of any organization. The Standard offering is ideal for companies who are primarily concerned with on-boarding suppliers, managing supplier information, and managing risk and performance based on data feeds and end-user ratings. Companies who need to gather detailed information directly from their business partners, assess risk mitigation practices, and score both inherent and residual risk will need Coupa's Advanced offering.

Capabilities	Standard	Advanced
On-Boarding of Suppliers	✓	✓
On-Boarding of Non-Supplier Business Partners (Distributors, etc.)		✓
Ongoing Supplier / Third-Party Management	✓	✓
Diversity and Inclusion Tracking	✓	✓
Continuous Risk Monitoring (fees may apply for Coupa risk data service)	✓	✓
Performance Tracking and Scorecards	✓	✓
Accelerated Risk Response	✓	✓
Multi-Domain Third-Party Risk Assessments		✓
Risk Scoring Across Multiple Relationship Types and Tiers		✓
Third-Party Risk Mitigation Plans		✓

To Learn More about Supplier Management with Coupa, visit [coupa.com/products/supplier-management](https://coupa.com/products/supplier-management)