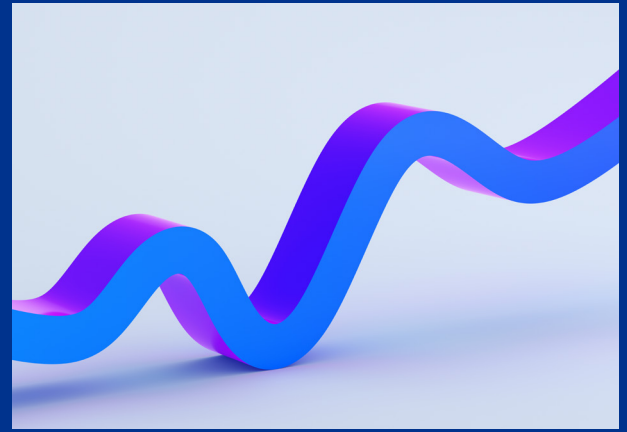




Business resilience for short term agility and long-term growth



Why resilience is so essential in today's world

Today's business leaders face the most complex web of risks and challenges we've witnessed in the last 50 years. The shockwaves caused by COVID-19 are still being felt around the world as ongoing supply chain disruptions lead to materials and workforce shortages, higher labor costs, and rising prices. These uncertainties have now been amplified by growing geopolitical

tensions in Europe and Asia, leading to escalating fuel costs, high levels of inflation, rising interest rates, and the threat of prolonged global recession.

How should CEOs and their management teams across supply chain, procurement, sourcing, and finance respond to this growing and prolonged uncertainty?

Coupa has joined forces with KPMG LLP to help senior executives navigate their way through the current choppy waters by building greater resilience into their businesses. Here are our three strategies for success.



Get ready to ride out the turbulence but stay confident in long-term growth

According to a recent KPMG global survey¹, 91% of U.S. CEOs believe that there will be a recession in the next 12 months, and only 34% of think it will be mild and short. However, while many respondents think it will have a significant impact on anticipated earnings, the majority have a surprisingly positive outlook: over the next six months, they are confident in the resilience of their companies (83%), the domestic economy (80%) and global economy (72%). Longer term (over the next three years), these CEOs remain confident in the growth prospects of the domestic economy (93%) and their company (95%), but fewer are confident in the prospects for the

global economy (71%). These responses demonstrate that resilience is a strategic advantage that breeds business confidence and success.

At a time of rising inflation, the natural instinct is to reduce costs. So in the short term at least, companies with full visibility and control over spend and cash are in the best position to make surgical cuts, control the effects of inflation, and use working capital to shore up the balance sheet. By managing the supplier base more effectively, procurement can achieve quick wins by cutting costs through strategic sourcing and improving short-term working capital via early pay discounts and elongation of payment terms.

¹ 2022 KPMG CEO Outlook, ©2022 KPMG LLP



Integrating spend, cash, and supply chain management enables companies to de-risk their operations today, and retain the agility to invest when new opportunities for growth appear.



How to deliver sustained agility and resilience

Explore Coupa's framework for building a resilient company, a three-part model to reduce costs and improve margin, improve business agility and productivity, mitigate risk and optimize performance.

[Read the white paper >](#)



Don't be sidetracked from your digital transformation journey

The global pandemic dramatically accelerated digital transformation in many industries, fundamentally changing how we work, shop, and entertain ourselves. In the past, the temptation in challenging times was to cut investment. Yet CEOs in KPMG's survey identified advancing digitization and connectivity across the business as their top operational priority to achieve their growth objectives over the next three years. 78% said they have an aggressive digital investment strategy, intended to secure first-mover or fast-follower status.

The reason is simple: as well as greater agility, digital technology delivers significant efficiency savings and productivity gains.



Automating basic back office jobs like invoice processing and supplier payments, for example, can significantly reduce costs and free up valuable resources for higher-value work. At the same time, it improves the employee experience by removing dull, repetitive tasks and helps companies recruit and retain the best talent.



Similarly, moving to cloud-based platforms releases valuable IT resources to focus on innovation and delivering better customer experiences. Digital platforms connect critical parts of the business and

provide end-to-end visibility of spend across the organization, helping to keep tight control of costs.

Throughout the pandemic, for example, there has been a marked increase in demand for modern contract management capabilities as procurement leaders seek to assess possible risk exposure, the value contracts are delivering, and how contract leakage may be affecting the bottom line.

Tactical contract management capabilities within source-to-pay solutions go some way to fulfilling this need by enabling centralized storage of executed contracts with visibility into some key metadata fields like expiration dates, contract values and rebate thresholds. New digital contract lifecycle management (CLM) platforms take this further with advanced analytics and artificial intelligence. As a result,



contract management is evolving into a strategic capability that can improve contract performance, third-party risk management, and regulatory compliance.



Rather than getting sidetracked from your digital transformation journey, now is the time to make the investments that will help your company to shift from firefighting to long-term resilience and enable you to quickly capitalize on long-term opportunities.



Keep delivering on your ESG commitments

Sustainability has become a strategic imperative for more businesses around the world. But despite these good intentions, many organizations are struggling to turn vision into action, and many sustainability initiatives have been put on the back burner during these economically challenging times as CAPEX is frozen.

Technology again plays a key role here. 81% of CEOs in the KPMG survey said their organization's digital and environmental, social, and governance (ESG) strategic investments are inextricably linked. Lacking the necessary technology to measure and track their initiatives (24%) and increased or frequently changing regulations (20%) was cited by CEOs as their biggest challenge to delivering on their company's ESG strategies within three years.



As the heart and circulatory system of many businesses, supply chains can maintain the sustainability momentum as well as providing the agility required to deal with disruption.



Companies can monitor individual supplier social responsibility and ESG compliance across the supply chain, and increase spend with diverse suppliers to achieve their ESG goals and promote competition. Optimizing logistics and transportation processes can cut journey times, reduce fuel consumption, and enable the circular economy to meet growing consumer demands for demonstrable sustainability performance.

It starts with business spend management

As we've seen, business spend management (BSM) can deliver significant benefits at speed – starting with procurement, but then branching out across the rest of the business, and increasingly into IT as well.

By enabling organizations to track, analyze, and control their spending, business spend management helps organizations make better decisions about how and where they allocate their money for the best outcomes.

For over a decade, Coupa and KPMG have worked together to help clients increase management oversight and enable greater visibility into their corporate spending. As interest in the potential of BSM grows, KPMG Procurement & Outsourcing Advisory practice provides support for business transformation, including the design and implementation of BSM strategies and operating models. Coupa offers a cloud-based Business Spend Management (BSM) platform that unifies processes across supply chain, procurement, and finance functions. It integrates easily with an organization's existing ERP systems, enabling wide-ranging visibility into spend with minimal disruption.

Together, we are helping companies harness the power of every business spend transaction across procurement, finance, and supply chains to unlock rapid value and reduce risk.

KPMG 2022 U.S. CEO OUTLOOK

Explore how CEOs are looking to turn risk into opportunity by focusing on technology, ESG, and talent.

[Read the report >](#)

Learn more

To find out more about building a more agile and resilient business, and how Coupa and KPMG can help, please visit our websites today.

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