User Adoption

Guide

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INTRODUCTION

Background

Even the most thoughtfully constructed risk, compliance, or performance assessments and the best Risk Assess processes may not become institutionalized to the level desired if users do not adopt and embrace the solution(s). This guidebook is intended to provide insight into how to drive and increase user adoption of the Risk Assess application.

Definition of "User Adoption"

User Adoption is defined simplistically as:

> *"The adoption or 'institutionalization' of a system or process as a routine part of the user's business."*

Audience

This document may provide value to anyone for whom the successful deployment of the Risk Assess application is critical, including:

- Project sponsors/champions
- Project managers
- Business unit managers
- Supplier relationship managers and the Third Party Management program office
- Audit and compliance organizations
- Procurement

Scope

This document does not presume to be an exhaustive treatise on automated system deployment and adoption. It is simply a collection of observations from a group that has been involved in implementations of the Risk Assess application. It is presented as information and guidance – not a "how to" manual or prescription for success.

TIPS TO DRIVE USER ADOPTION

Since the inception of the Risk Assess application we've noted that some clients have a more successful user adoption experience than others. We've looked across all Coupa clients and condensed their positive experiences down to the below 15 tips that may help ensure that users not only adopt, but embrace your implementation of the Risk Assess platform.

Each of these are discussed in more detail in the FACTORS AFFECTING USER ADOPTION OF THE Risk Assess APPLICATION, below.

DESIGN & PERFORMANCE

1. Architect an end-to-end Risk Assess solution
   - The end-to-end solution should simplify and centralize Risk Assess data and reduce the number of systems to which users must refer to get the information they need to do their jobs
2. Ease of Use
   - Utilize SSO
   - Keep naming conventions simple and understandable
   - Mirror existing processes when appropriate in the application to help user adoption
   - Utilize auto login
3. Obtain current supplier contact info
   - Current supplier information ensures that you're reaching out to the appropriate supplier contacts. If you don't have supplier contact info, go buy it from reputable sources (Data.com, NetProspex, etc.)
4. Reporting
   - Use the data in the system to create meaningful reports that help a user do their job
   - Take advantage of system standard reports

DEPLOYMENT PROCESS

5. Executive-Level Support
   - Make sure you have executive-level support and sponsorship for the project, and that those sponsors are visible and outspoken about their desire to see the implementation and use of the system succeed; Ensure executive sponsors approve/assign adequate resources to ensure a successful implementation
   - Develop 'Executive Dashboards' (reports) that show system adoption across the business units in your company
6. Deployment Strategy
   - Develop a phased deployment strategy that starts with manageable increments of programs, suppliers, relationships, and/or evaluations to build momentum; Celebrate each successful increment of rollout
7. Communications
   - Send communications to suppliers & internal users prior to launch (written or electronic). Highlight 'why' Coupa and what to expect in the tool.

- Include your client branding (logo, colors, font, etc.)

8. Identify a Change Management/User Adoption point of contact
    - Every Coupa implementation team inside your company should have a designated individual responsible for driving user adoption & change management initiatives associated with the implementation project.
9. Identify an internal Business User responsible for business outreach
    - Personal contact with your supplier base provides a point of contact for suppliers and can help drive supplier participation.
10. Support and Infrastructure
    - A knowledgeable and well-staffed support organization will be beneficial in assisting users of the application and ensuring their success and understanding of the Risk Assess application.
    - Define & utilize an escalation process. Routinely monitor participation and completion and engage line of business owners to reach out to non-participants.
11. Training
    - Provide comprehensive training to support every stage of the implementation, and allocate sufficient resources to support users as they start to use the application

SOLUTION DESIGN

12. Provide Added Value
    - Design and develop a system that encourages use by providing valuable information and reducing effort.
    - A comprehensive, simplified solution that provides added value for all participants goes a long way in getting both suppliers and internal users to participate in your business process. 'Touching' the supplier too many times in a process or having an un-necessarily long end to end process can deter users from wanting to participate.

13. Create well-written & meaningful surveys
    - Take advantage of application features like components, question conditionality, and HTML component to create a streamlined survey.
    - Ensure your survey questions are clear, concise, and understandable to eliminate evaluator confusion.
    - Use the information you collect, don't overcrowd your survey with un-necessary questions.
14. Customize Emails
    - Include your client branding (logo, colors, font, etc.)
    - Utilize !DIRECTLINK!
    - Custom text should be meaningful, clear, and concise
15. Incentives & Consequences
    - Consider building an incentive or consequence into your process to encourage supplier completion

FACTORS AFFECTING USER ADOPTION OF THE Risk Assess APPLICATION

Factors Related to Risk Assess Platform Design and Performance

There are some design decisions and infrastructural standards that should be considered when implementing the Risk Assess application.

Solution Architecture – Simplify and Centralize

Architecting the solution so that the platform becomes a centralized repository for key Risk Assess data and processes will reduce or eliminate the need for users to access multiple systems to see a complete supplier picture. Thought should be given to the number of systems in which similar or duplicate data are kept, so as to eliminate the syndrome of “same data in yet another repository.” It was noted that “outdated or incorrect information can be interpreted to mean that the Risk Assess platform is an unreliable source of data.” The solution architecture should strive to:

- Centralize Risk Assess information and incorporate other business areas’ information to provide “one stop shopping”
- Provide sufficient access so that users can self-report on information from the centralized supplier information

Ease of Use

Application ease of use contributes to the greater likelihood of a smooth adoption by users. Ease of use characteristics should include:

- Simplicity, intuitiveness, and ease-of-use of the application and user interface
- Organization of information that does not fragment data across multiple screens
- Auto Login

While there is little that can be done in an implementation to affect these basic system characteristics, decisions regarding the number, organization, and naming conventions of user defined fields, logical use of basic data objects, consistent naming of data elements from one object to another, and workflow that mirrors or is well integrated with core business processes will all reduce the learning curve and impact on the user experience.

In addition, taking advantage of existing functionality like single sign-on (SSO) can be a significant factor in improving ease of use.

Auto Login Feature

Completion rates are a key to success in the Risk Assess application. A big impediment to completion rates is supplier logins with a username and password. This specific email parameter (!DIRECTLINK!) feature enables uses to add a link in custom emails that will allow users (both internal and external) to be brought directly to the evaluation or approval without having to login.

The embedded link remains usable until the evaluation or approval is submitted or approved or if the link expiration time out limit is reached. NOTE: the link expiration time out is a tenant-level setting that is set to 60 days by default. Contact Coupa to change this setting.

A series of checks are then done to assure the user can be taken to the object without login. These checks are: is the user still active?, is the object still active?, if the object is not completed, has the link expired?, has the object been delegated? If the object is completed, deleted, delegated or the link is expired the user will be taken to an information page that will give them some basic information about why they were not taken to the object.

Currently the direct link tag can be used in any email that provides a deep link to an evaluation or approval. A user that comes into the system with a direct link CANNOT navigate to any other page in the system. This includes their profile, search and navigation tabs. Users that attempt to navigate outside of the approval or evaluation are logged out and taken to the login page.

The landing, confirmation, and Error pages associated with the AutoLogin feature messages can be configured to display your own specified text by contacting Coupa.

Reporting

One clear driver of interest in an application is in what information the system can provide that makes any individual's job easier. The design and creation of useful standard reports, as well as acquiring the knowledge and resources to create custom reports easily is an important factor to gaining momentum with the application roll out. The client project team should include tasks to create:

- Easy to use and understand graphs and charts
- Reports and dashboards that are useful for day to day management [of suppliers and relationships]
- Operational reports, such as statistics on completion of evaluations or assessments

Factors Related to the Deployment Process

The process by which the Risk Assess application is rolled out or deployed in an organization requires planning and careful attention to change management issues that if not considered, can have a negative impact on the success of the implementation.

Executive Sponsorship and Support

As with any process reengineering or automation project, it is critical that the initiative is led "from the top down." Executive leadership and support for the project can take the form of a mandate or directive, especially in highly regulated industries where the objectives are underpinned by laws or regulations.

Where it is necessary to foster executive buy-in, the supplier relationship function can leverage support from an internal audit or compliance group, or from external regulatory bodies to promote the value of and need for Risk Assess.

Specific tactics to build consensus and buy-in at the executive level can include:

- Create action plans and/or programs that require relationship managers to attest to understanding of and adherence to supplier management policies
- Tie internal user performance and bonuses to program objectives including utilization of system
- Tie supplier compensation (at-risk fees) to compliance with process and utilization of system
- Develop ‘Executive Dashboards’ (reports) that show system adoption across the business units in your company
    - Executives can use these reports to compare one executive’s business unit to another. i.e. John Doe, why is your business unit not adopting the system like Jane Smith’s organization is…?
    - Internal Audit may spend more time focusing on Jane Smiths’ organization’s practices during their next audit as a result.

Deployment Strategy

It has been noted that a successful implementation starts small and builds momentum on early successes that are celebrated and publicized throughout the organization. Target "early adopters" as the first pilot participants by identifying those business units with well-developed manual processes, and who are open to change and are willing to work with the supplier relationship organization to ensure success of the initiative.

Communications

One key to a successful rollout is the effective marketing and promotion of the application. The following were identified as marketing and promotion actions that could improve user adoption:

- Communication that the system can provide a "one-stop-shopping" experience for those who need to find all information regarding a supplier and their relationship(s) in a single place
- Promoting the system as a tool that will save time and keep suppliers in the focus of procurement
- Communicate with all users regarding the initiative: "where we were and where we plan to be"
- Communicate "early and often" with suppliers regarding the roll out of the system – ideally during business reviews
- Leveraging the technology to support [Risk Assess] processes
- Communicate that the system will provide:
    - an easier method to demonstrate process compliance to auditors and examiners
    - improved tracking and adherence to oversight of supplier relationships
    - simpler compliance to government/agency regulations
    - access to training and online help

Change Management

We all understand that change is difficult, and change without a compelling business case or potential benefits to the adopters is especially hard to institutionalize.

- Every Coupa implementation team inside your company should have a designated individual responsible for driving user adoption & change management initiatives associated with the implementation project.
- This individual can be responsible for communications regarding the change in process, answering questions on the new application and process, as well as, providing any necessary training to suppliers and internal users.

Support and Infrastructure

This category addresses the need to provide adequate support to users of the system (both internal and external) to ensure a smooth transition to the system and foster user acceptance.

- If only used to respond to evaluations and assessments, internal and supplier

users may only access the system four times, or even one time per year. For organizations without single sign-on (or for supplier users) this is yet another user ID and password combination that must be remembered. It is incumbent on the client organization to provide administrative support to help users log in and reset forgotten passwords so access to the system does not become a roadblock to completing their work.
- For the same reason of infrequent use cited above, even users who are able to access the system will require adequate support from knowledgeable resources to help guide them through the process. An understaffed supplier management organization may not be able to provide the resources required to help users execute on tasks and reduce frustration with learning a new system.

Creating, utilizing, and supporting an escalation process can a help drive user adoption. Routinely monitor participation and completion both internally & externally and engage the correct line of business to reach out to non-participants.

- Example: Evaluations open greater than 90 days (determined via a report) warrant an escalation to the line of business owner for that external 3rd party. The line of business owner would be responsible for reaching out to the 3rd party to personally request participation or further escalation if needed.

Training

Instead of users regarding Risk Assess as a platform on which to streamline the management of suppliers and their relationships, they could view it as just another application that they need to learn. Users may have a wide range of expertise with automated systems, and may not be "computer savvy." Providing effective training in several key areas emerges as a significant "success factor" to deploying Risk Assess.

- As a precursor to detailed application training, communicate with the user base about the initiative itself
  - What is the purpose of the project
  - What will be expected from users and other participants
  - What information they will be receiving
  - The actions they will need to take, and the timing for those actions
- Provide adequate training in several dimensions associated with the application and third party management
  - Training on the basic concepts of supplier or vendor management
  - Understanding of how to read and respond to evaluations and assessments (How do I complete this evaluation? How do I approve this evaluation?)
  - Training on the mechanics – the "point and click" of the application
  - Training on other modules of the application, e.g. the community portal
  - Outline internal user responsibilities (example - create a handbook that outlines the responsibilities of the Relationship Manager)
- Make training materials, the "help system," and other job aids (like a toolbox kit with details on how to login, reset password, complete/approve evaluations, etc.) easily available to users

- Leverage the community features of the application to create Risk Assess forums and libraries in which to share best practices

Factors Related to Solution Design

Provide Added Value

One of the most important factor to success is related to the creation of a solution design that brings value to the users of the application beyond the convenience of completing assessments and evaluations on a web-based application. Providing an answer to the phrase “What’s in it for me?” is a common concept in the change management professional’s toolkit. Identifying benefits to end users and then “selling” these benefits are good ways to build acceptance and adoption.

One of the most compelling reasons cited for the need to provide value is rooted in the fact that with today’s lean organizations, most people are already burdened with multiple responsibilities. Learning and using another system can be viewed as “collateral duty” or “just one more thing” that needs to be done. With limited time and resources, it is imperative that users understand the reasons behind the implementation, and see the value in their participation to overcome resistance to change.

The following are some of the discrete ideas which could help design and develop a system that encourages use by providing valuable information and reducing effort.

- Store information and create specific reports and executive dashboards that are of value to suppliers
- Build in the ability to show results achieved or savings realized over time
- Develop programs that are beneficial to the organization and which reduce manual efforts, such as reminding suppliers that insurance certificates are due or expired
- Architect solutions in a way that suppliers see value to doing business with the organization – become the “customer of choice” (for example, create evaluations that provide a 360° review process to encourage suppliers to “come into the system”)
- Provide alternative workflows for cases of process anomalies, such as when a supplier is prohibited from completing an assessment due to their company’s policies
- Provide sufficient access to system information so that suppliers can gain value from the system
- A comprehensive, simplified solution that provides added value for all participants goes a long way in getting both suppliers and internal users to participate in your business process. ‘Touching’ the supplier too many times in a process or having an un-necessarily long end to end process can deter users from wanting to participate.

Program Design and Construction

We have anecdotal evidence that extremely long or complex assessments, or an excessive number of assessments result in some internal or supplier users simply saying "We won't do this because it is too difficult." A simple performance program that has only three questions probably lacks enough granularity to make an objective assessment of the supplier's performance, while a scorecard with over three hundred separate key performance indicators (KPIs) is almost certainly asking for a level of detail that is unreasonable. When designing evaluations or assessments, keep in mind that:

- Excessive program length and complexity deters usage
- An excessive number of programs to fill out generates a large number of email notifications and are also difficult to "keep straight" when completing them
- A good designer will evaluate the frequency of programs and the order in which they are launched to prevent "Coupa fatigue" and to encourage users to "get in the system"
- You can use conditional evaluation items to expand or collapse an assessment and simplify the completion process
- The evaluation items should ask for information that is available from existing data – the user should not be compelled to ask "Where am I supposed to get this information?"

In addition to the above, fully testing and re-testing your design solution prior to deployment is paramount in ensuring the configuration and design are working as expected. Run as many 'what if' scenarios as possible to identify potential issues before deployment.

Email Notifications

The application is almost entirely driven by email notifications to participants in the process. It is a common occurrence that functional requirements specify that "everyone is notified of everything" and yet when inboxes start filling up with dozens of system-generated emails, users rebel by deleting everything they see coming from Risk Assess. Program designers should remember that:

- Too many email notifications lose their effectiveness
- Email notifications that are too often, and/or which are irrelevant to the action the person needs to take will eventually be ignored
- It is important to test and validate potential email delivery issues (firewall blocking because emails are seen as a "phishing" attempt) before attempting to go live with a pilot

Factors Related to Incentives & Consequences

Most clients will agree that one factor of success is measured by the percentage of completed Coupa surveys. What accounts for the difference in 'success' between Coupa clients? The idea of an Incentive, Consequence, or Nothing.

- An Incentive – e.g. preferred terms when you complete
- A Consequence – e.g. we cannot sign you up as an approved supplier unless you complete
- Nothing – e.g. please fill this out…
  - "Nothing" has less success than the Incentive and/or the Consequence
  - Filling it out is work - without any clear incentive or consequence
  - If you are a bad supplier – would you fill it out – especially if the program has no teeth?

There are any number of ways incentives & consequences can be applied to an external supplier relationship. A couple of the more general examples are:

- Include language in the supplier contract that states the supplier will participate in the identified processes and utilize the clients 3rd party tool. Their signature on the contract binds them to participation.
- Hold supplier invoices for payment when there are outstanding Coupa evaluations that need to be completed.

Below are examples of incentives & consequences for several specific business processes.

Incentive Examples by Business Process

Supplier On-Boarding

Incentive: Inclusion on the Approved Supplier list allows the Supplier to be considered for future projects/contracts with the customer.

Sourcing Event

Incentive: Opportunity to participate in RFx process with potential of contract award.

Contracting and On-going Management

Incentive: Consideration for contract renewal and additional future business.

Consequence Examples by Business Process

Supplier On-Boarding

Consequence: Exclusion/removal from the Approved Supplier list eliminates the Supplier from being considered for future projects/contracts with the customer.

Sourcing Event

Consequence: Unable to participate in RFx process with potential of contract award.

Contracting and On-going Management

Consequence: Eliminated from consideration for contract renewal and additional future business.

APPENDIX

Client Examples of How to Drive User Adoption

Below are 3 examples demonstrating how Coupa clients are following the Tips noted above in order to drive user adoption. Each of these clients has seen improvement in their user adoption rate and taken control of their change management initiatives.

VMWare

VMWare has one of the most concise, informative, and user friendly user adoption 'packages' of any Coupa client. Utilizing the below tips they were able to create a complete package which has helped them drive user adoption and 3rd party understanding and compliance.

1. Communications
    - All communications were branded with logo & company letterhead used
    - Below is an example of an external communication sent to their supplier base introducing the new process
    - Communications to the 3rd parties are translated into local language

GTDC Partner Integrity Email_EN.p

2. Emails
    - Every email in the system was worded well, font/colors matched corporate branding and were reviewed with their legal dept.
3. Support & Infrastructure
    - Escalation process was created for internal monitoring of 3rd party participation. Process includes information on consequences incurred by the supplier, important dates for determining escalation, and who to contact.

DDQ Escalation Process_July 2015.pc

4. Training
    - FAQ was created to assist internal & external users in understanding the new process & tool
    - 'How to' slide deck shared with 3rd parties

FAQ DDQ for Partners_GTDC.pdf

Due Diligence Partner Overview_Ju

Client 'X'

Due to excellent change management Client 'X' obtained a 50% respond rate to their surveys within a 2 weeks of being launched. Below are some of the User Adoption tips they utilized in order to drive user adoption (internally & externally) of their supplier relationship processes in the Risk Assess application.

5. Communications
    - Worked with legal/branding teams to word surveys so they were understandable
    - Used company letterhead to send communications
    - Example of an external communication introducing the new process

Client X Offline Example.pdf

6. Emails
    - System emails were worded well, font/colors matched corporate branding
7. Training
    - 3 online training webinars discussed
        - Why the process inside the Risk Assess application was important
        - How to fill out the Risk Assess survey
        - Open Q/A

Client 'Y'

8. Ease of Use
    - Utilizing existing widget capabilities of the Risk Assess application, Client Y directs suppliers to an externally hosted webpage which details and introduction to the Risk Assess application, why it's important, and how to proceed. The widget requests basic supplier information which is pushed to the Risk Assess application in order to create new supplier records and kick-off Client Y's process inside Risk Assess.
9. Emails
    - Every email in the system was worded well, font/colors matched corporate branding and were reviewed with their legal dept.
    - Below is an example of an external communication sent to their supplier base.

Client Y Supplier Welcome Email.pdf