

**Manufacturing Companies
Run Better on NetSuite.**



**Manufacturing Industry
KPIs that Matter**

Sponsored by




Improved Results from Businesses Like Yours

 Business Visibility	360° Visibility & Actionable Insight	↑ Increased 70% - 90%
	Revenue Recognition Management	↑ Improved 45% - 65%
 Financial Management	Time required for Compliance Support	↓ Decreased 25% - 45%
	Audit Completion Time	↓ Reduced 30% - 40%
	Reporting Time and Resources	↓ Reduction 70% - 90%
	Time to Close Financial Books	↓ Reduced 75% - 90%
	Accounting Staff Productivity	↑ Increased 30% - 50%
	General Ledger Consolidation Time	↓ Reduction 75% - 95%

KPI improvements are estimates based on discussions with NetSuite customers

Improved Results from Businesses Like Yours

 <p>Manufacturing Visibility and Performance</p>	Staff Utilization	↑ Improved 10% - 25%
	Inventory Carrying Costs as % of Revenues	↓ Reduced 2% - 5%
	Obsolete Inventory Carrying Costs	↓ Reduced 60% - 80%
	Payroll Processing Costs	↓ Reduced 50% - 75%
	Production Efficiency	↑ Improved 50% - 80%

KPI improvements are estimates based on discussions with NetSuite customers

Improved Results from Businesses Like Yours

 Sales and Marketing	Sales Pipeline and Productivity	↑ Improved 40% - 60%
	Order Processing Efficiency	↑ Improved 45% - 75%
 IT Management	IT Support Resource Costs	↓ Reduced 50% - 70%
	Cost to Purchase and Maintain Servers	↓ Reduced 100%
	Business Continuity/Disaster Recovery Costs	↓ Reduced 35% - 55%

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Cloud-Based Business Solutions Suite Delivers Key Performance Improvements

Real-time business visibility and end-to-end business management



Many firms – including those in the manufacturing sector – have achieved more efficient and agile business operations by using cloud-based ERP.

Executive Summary

In the popular mind, manufacturing companies are old-school businesses, the polar opposites of high-tech software and services firms. In reality, manufacturing operations are among the most sophisticated users of advanced IT solutions. Factory floors are highly automated and precisely monitored, and they are fed by supply chains and inventories that must be coordinated and optimized. Once produced, manufactured goods must be shipped and tracked through often-complex distribution and retail networks, and a product's quality must be measured and ensured from its creation on the factory floor to its performance at the end customer.

Given the breadth and diversity of their operations, manufacturers must be able to identify and measure key performance indicators (KPIs) for everything from their financial operations to their factory-floor and shipping efficiencies. By doing so, they have a baseline on which to improve and track their critical business processes and to achieve higher levels of business effectiveness and success.

Addressing Manufacturing Industry Challenges

Aligning business operations to meet these challenges

Operational Challenges

- **Financial:** In addition to standard financial metrics, such as time to close the books and overall profitability, manufacturers must track everything from cost of materials to the value streams of individual production units.
- **Reporting:** Workers ranging from the finance team to factory-floor supervisors and workers need accurate and, often, real-time reports spanning the full range of relevant operations.

Supply Chain Challenges

- **Sourcing:** Manufacturers must track parts and materials availability, costs and quality from both primary and secondary suppliers.
- **Factory:** Manufacturers must measure equipment, as well as worker, productivity and efficiency, production bottlenecks, inventory turns, and many other variables.
- **Inventory:** Inventory levels must be managed and balanced based on orders and forecasts, a particularly difficult task for lean/just-in-time manufacturing operations.
- **Orders and Shipping:** Orders for goods must be closely managed and matched with inventories and production, goods must be efficiently packaged and shipped.
- **Customers:** Manufacturers must ensure their customers, be they distributors or end buyers, are satisfied with the finished products they receive.



Average Deal Size



Reduction in DSOs



Unlimited Expansion Growth



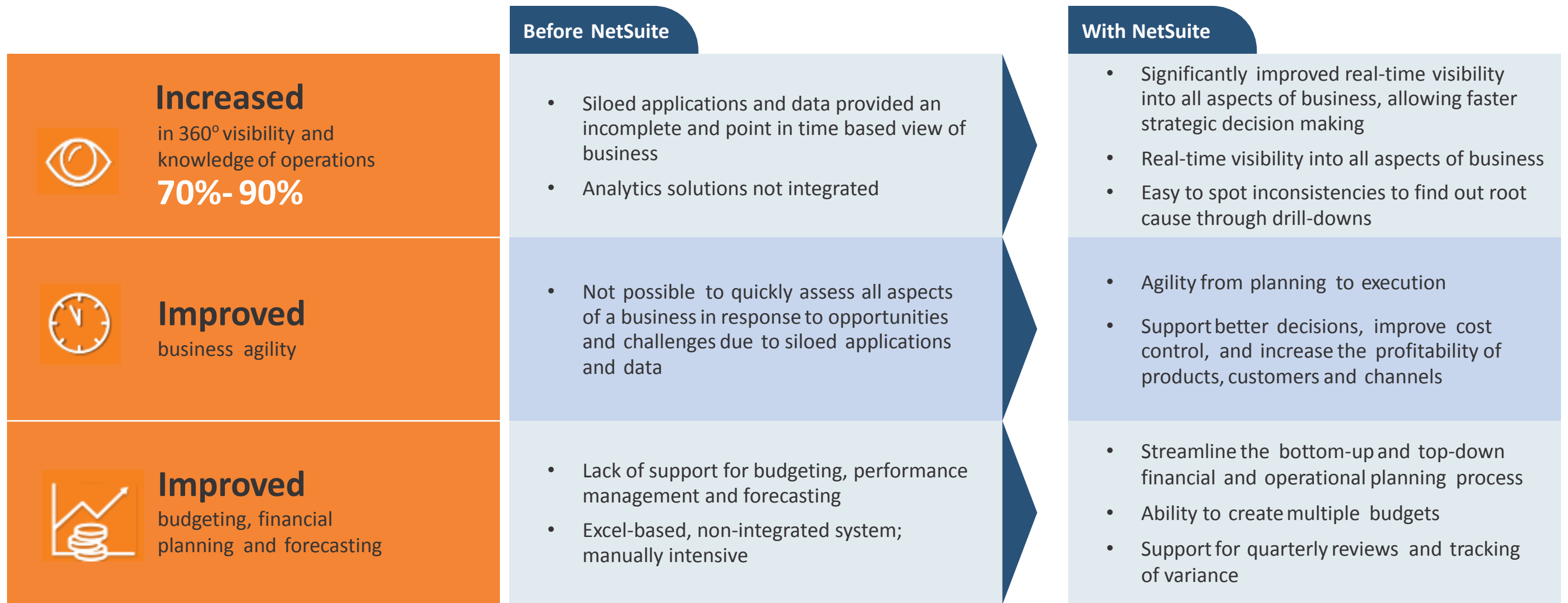
Revenue Growth



Intelligent Order Orchestration

Business Visibility

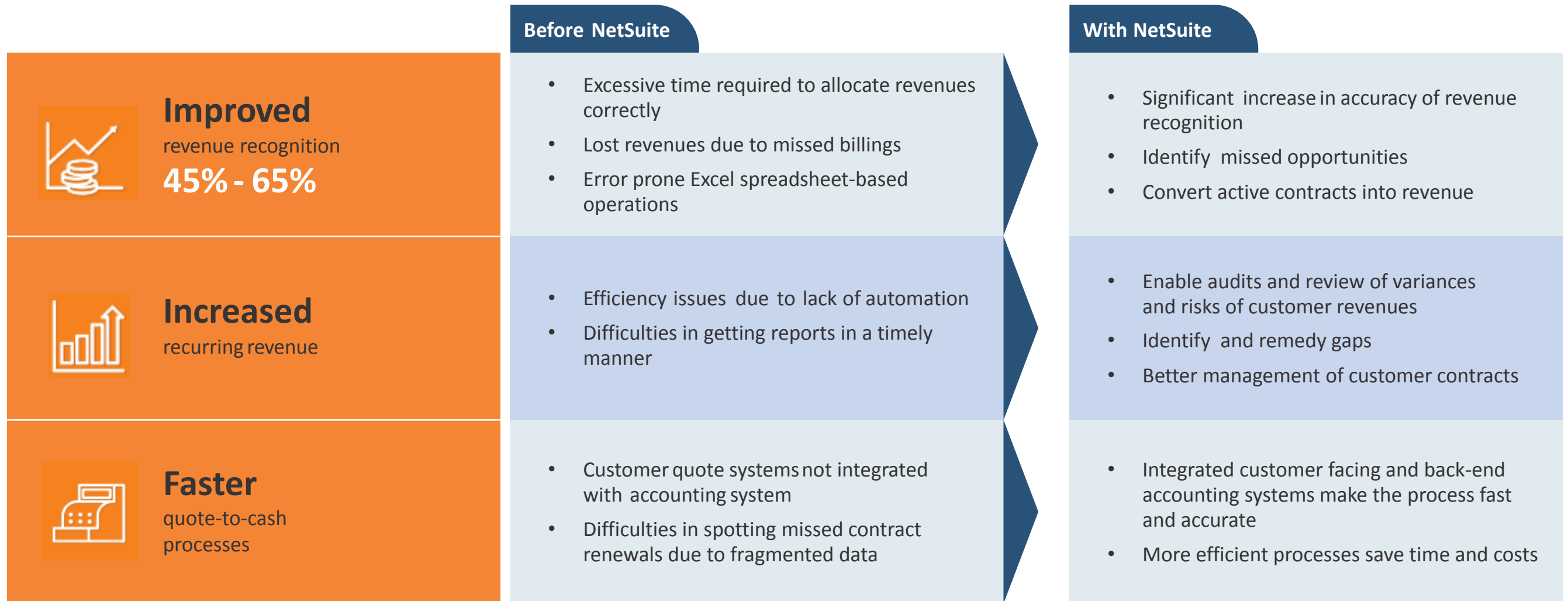
Business value for company management



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Financial Management (1 of 3)

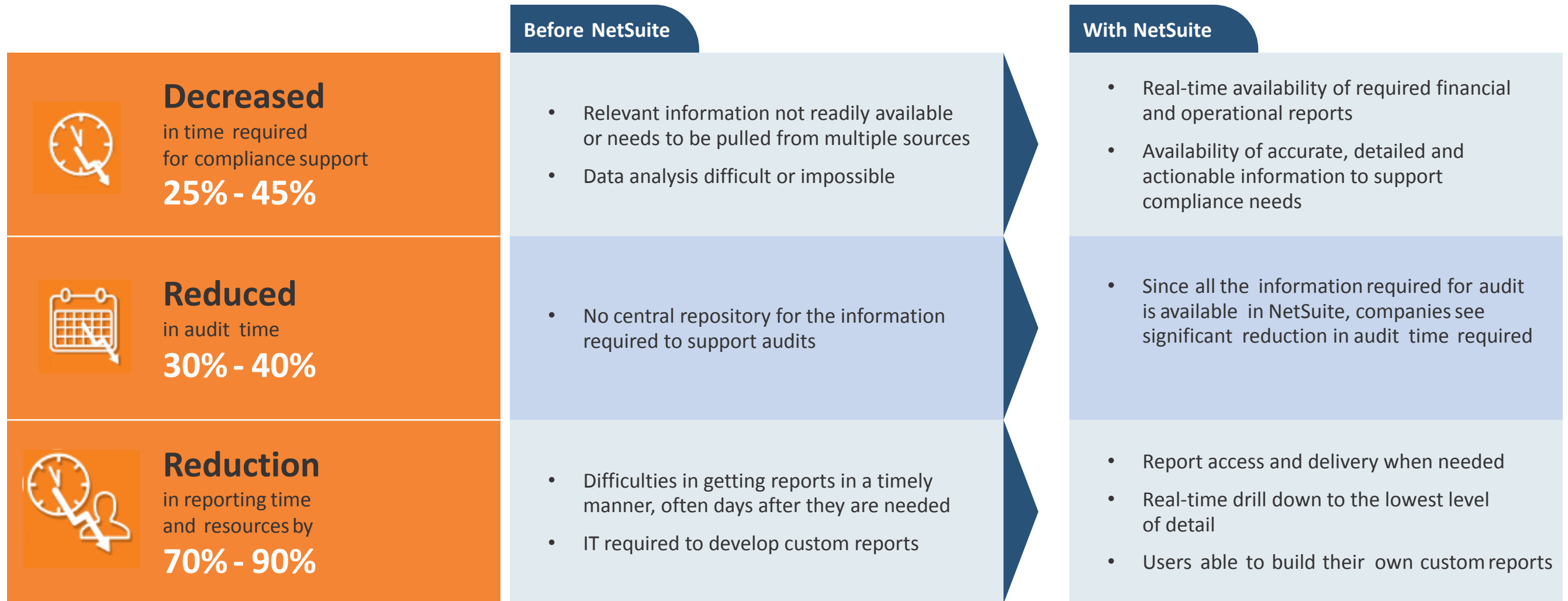
Business value for revenue analysis and management



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Financial Management (2 of 3)

Business value for financial reporting



KPI improvements are estimates based on discussions with NetSuite customers

Financial Management (3 of 3)

Business value for accounting department

Before NetSuite

With NetSuite



Reduced

time to close the financial books

75% - 90%

- Extensive time spent on reconciliations, especially when multi-division, multi-region and multi-currency
- Accounting teams overwhelmed
- Almost no time for analysis

- Earlier availability of financial results through faster period-end processes and more accurate reconciliations
- Ability to do monthly reconciliations instead of yearly
- More time to spend on analysis



Increased

in accounting staff productivity

30% - 50%

- Inefficiencies as a result of manual processes
- Use of spreadsheet based accounting

- Increased efficiency through integrated reconciliations and reporting
- Reducing need for large accounting staff
- Better utilization of accounting to support up to 4 times more A/R and A/P transactions



Reduction

in time for general ledger consolidation

75% - 95%

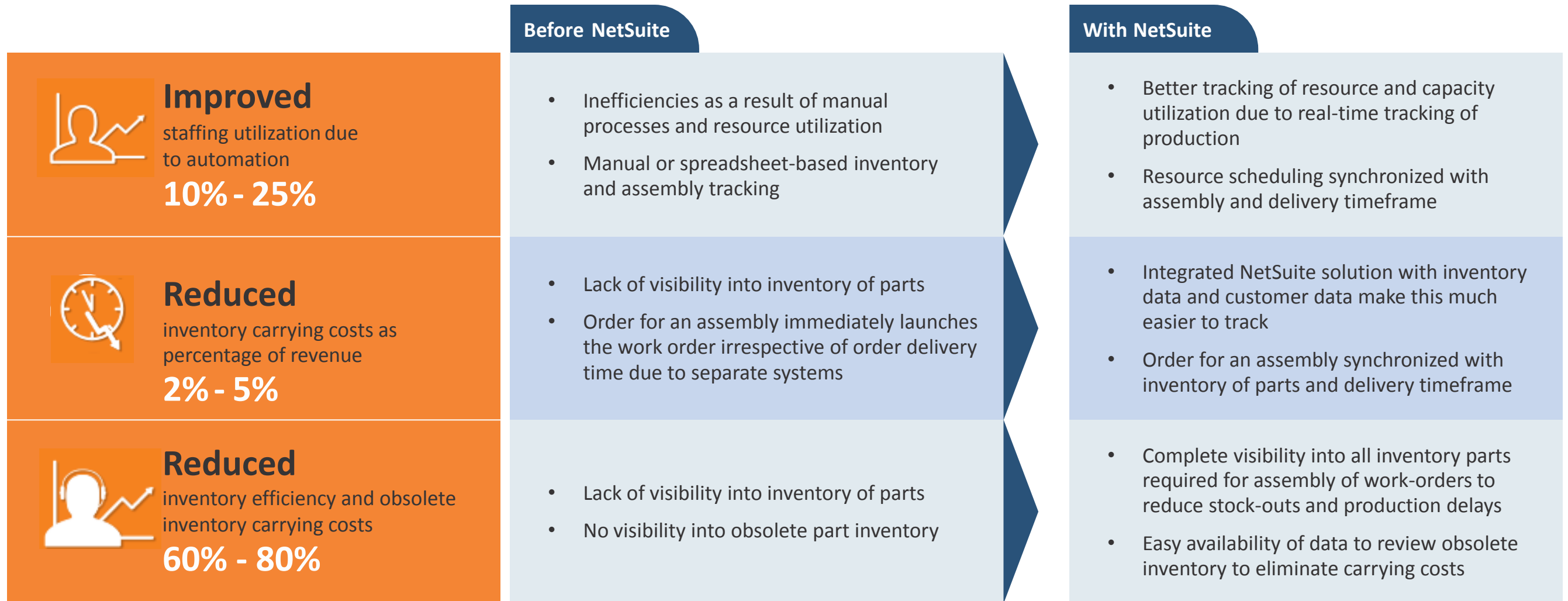
- Difficulties in consolidation of data from multiple entries
- Difficulty in consolidation of accounts in different geographic regions with multiple currencies and tax structures

- Real-time consolidation of data from multiple entries, regions and currencies
- Support for real-time consolidation of financial information in multiple currencies
- Helps reduce time to close books on a monthly and yearly basis

KPI improvements are estimates based on discussions with NetSuite customers

Manufacturing Visibility and Performance (1 of 2)

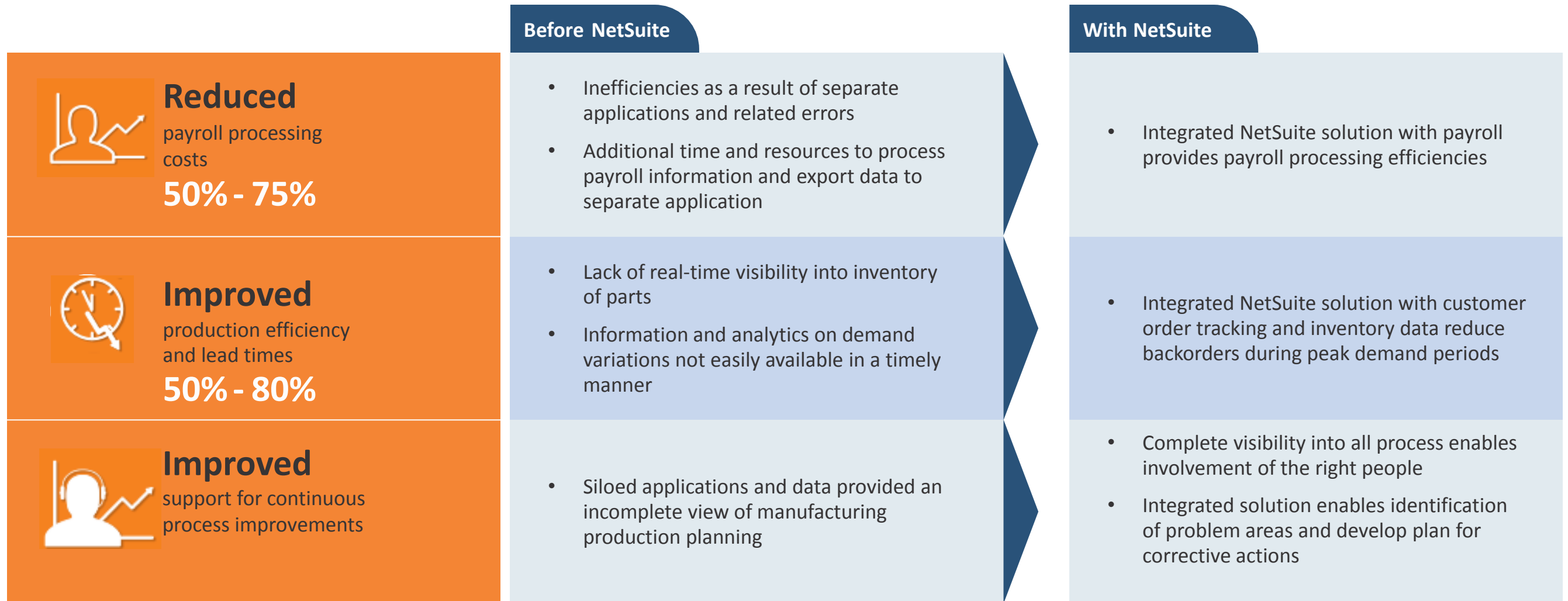
Business value for manufacturing operations support



KPI improvements are estimates based on discussions with NetSuite customers

Manufacturing Visibility and Performance (2 of 2)

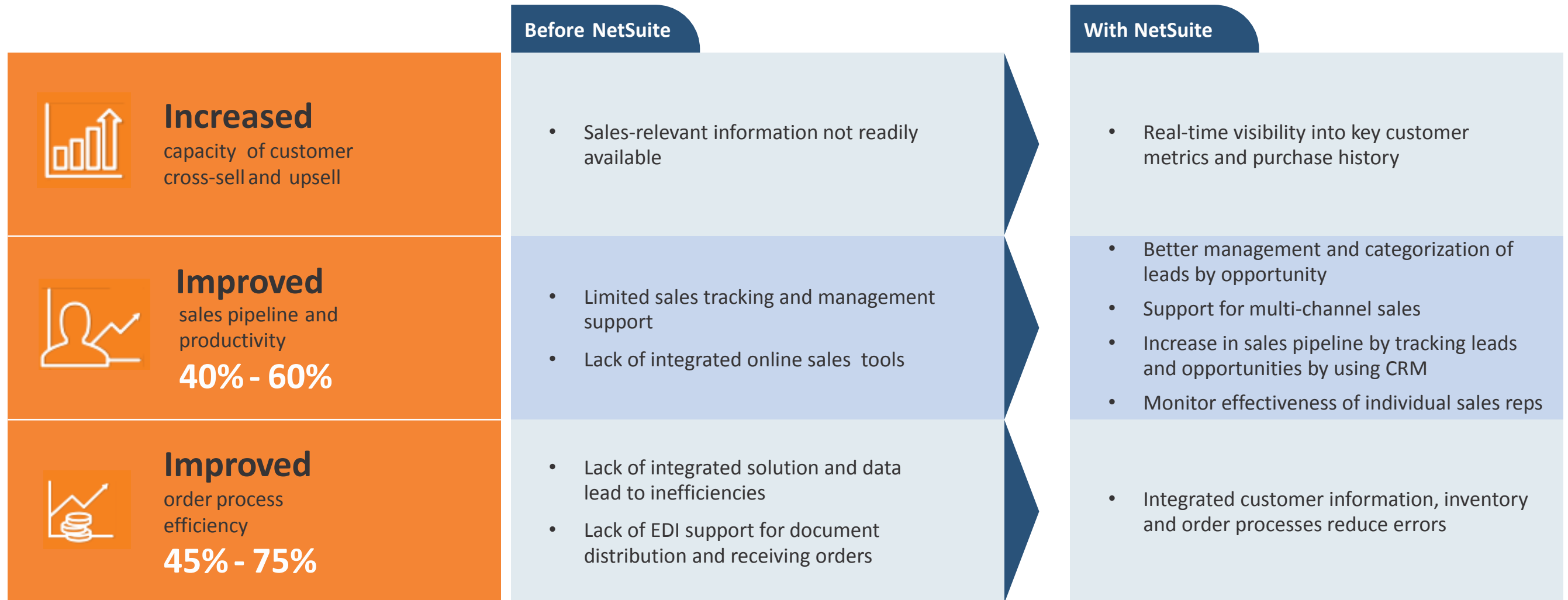
Business value for manufacturing operations support



KPI improvements are estimates based on discussions with NetSuite customers

Sales and Marketing

Business value for integrated sales and marketing



KPI improvements are estimates based on discussions with NetSuite customers

IT Management and Resources

Business value for company operations

	<p>Reduction in number of IT support people, IT cost savings of 50% - 70%</p>
	<p>Eliminated the need and cost to purchase and maintain servers 100%</p>
	<p>Reduction in need for business continuity/ disaster recovery solution 35% - 55%</p>

Before NetSuite

- IT resources needed to implement and maintain ERP solutions
- IT resources needed to install and maintain IT hardware
- Capital expenditure required to acquire and maintain servers for on-premises ERP application
- IT resources and infrastructure needed to support business continuity/disaster recovery
- Implementation is complex and costly

With NetSuite

- Cloud-based solutions minimize the need for internal IT staff to support ERP application
- Faster to implement and earlier productive use of ERP solutions
- Reduced need for security, QA resources and database manipulations
- No need for IT capital expenses as NetSuite is a cloud delivered solution
- Business continuity/disaster recovery are a significant benefit of the NetSuite SaaS solution
- NetSuite has redundant data centers to support this at no additional cost to customers

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