

EMPOWERING MANUFACTURERS TO REACH BEYOND THE LIMITATIONS OF QUICKBOOKS





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Read Time: 6 minutes

SEE WHY MANUFACTURING COMPANIES SWITCH FROM QUICKBOOKS TO CLOUD FINANCIALS

Massive changes are sweeping the manufacturing business landscape and are dramatically impacting manufacturers. To adapt in this dynamic environment, organizations must be able to quickly respond to changes in market conditions and customer requirements. Though they recognize this need to innovate, manufacturers have a remarkably difficult time finding business application solutions that can meet their needs in an affordable manner.

Very often, manufacturing companies have been forced to rely upon a hairball of dangerously unreliable spreadsheets that support aging accounting systems. Many are constrained by solutions that were built for a different time, where the accounting system of record was all that mattered and where systems had limited computing capability. The relatively low cost of maintaining those systems masks the cost of inefficiencies in routine tasks like the monthly close or, more importantly, the dissemination of reliable information upon which business decisions can be confidently made in a fast-paced environment.

None of that mattered when business was relatively simple or where business was being conducted in stable market conditions. But the emergence of the internet as a platform upon which to build entirely new business models and the

“NetSuite’s unified cloud-based business management suite has made a huge difference in our business and has us well-positioned for our next stage of growth.”

Bart Thielen, CFO and COO,
Blue Microphones



displacement of the PC and laptop by mobile devices as the computing platform of choice by the next generation of business users has changed the status quo. Today, manufacturing organizations must consider the potential impact of both existential threats and opportunities as the starting point for rethinking their technology investments.

Fast-growing manufacturers are especially challenged because the opportunities afforded by a combination of globalization and the rise of the Internet have not been matched by the development of their in-house systems. Thus, these companies are faced with the difficult questions that come with growth. For example:

- How do manufacturing companies take advantage of modern technologies without overloading the organization with cost and complexity?
- Can modern systems free up information producers to become decision advisors to the wider business?
- Who can manufacturing organizations trust to provide a platform for growth that extends well beyond the back office?

NetSuite believes that manufacturers should look to solutions that are developed for cloud as the starting point in making any decision. There are sound reasons for doing so.

A cloud-based vendor doesn't just offer software, it offers a service. That is crucially important to understand because it means that NetSuite takes responsibility for not only the software it supplies, but the underlying technical infrastructure needed to access the solution. That includes the server hardware and database maintenance and administration, document storage, technical upgrades and the ongoing enhancements customers need. That is an entirely different way of providing a system than what has been traditionally offered where, for all practical purposes, it is the customer's responsibility to upkeep their systems on an infrastructure they must also maintain.

QUANTIFIABLE BENEFITS

• Delay Finance and Operations Hires

Automation frees up finance and operations' time allowing them to focus on revenue-generating strategic projects and analysis and allowing the company to scale while keeping headcount flat.

• Inventory Visibility and Production Planning

Use Demand Planning to forecast demand and anticipate when it's time to order to meet that demand. Auto calculate reorder points and stocking levels based on historical precedence. Internally control what goes out to suppliers with Purchase Order approvals. Route appropriate inventory to best orders with Automatic Order Allocations.

• Reduced Financial Close Time and Manual Data Entry

Automate and control approvals on transactions from AP Bills to Journal Entries. Speed up period end close due to system controls being in place. Improve accuracy of financials. Reduce month-end processing costs and time.



A vendor offering Software-as-a-Service is on the hook for all aspects of that service, which in turn means the vendor must continuously earn the trust of its buyers, backed by meaningful service level agreements. It doesn't serve a modern cloud provider's interests to do anything other than assure customer success. That is a win-win in anyone's book, but again, fundamentally different to the old way of acquiring and using software.

SUITE APPROACH

NetSuite believes in the power of an integrated suite of functionality that spans the whole of the business, linking both the back and front offices together. A suite approach allows the whole company to view operations as a single version of the truth. Furthermore, predefined roles and dashboards that are oriented around a user's day-to-day tasks allow for the most efficient consumption of information throughout the entire organization.

A well implemented cloud-based system should mean that financial activities appear as soon as they are triggered. That, coupled with 'anywhere-anytime' access means that decision makers can quickly act upon both adverse and favorable performance indicators. In that sense, decision making becomes an activity where those tasked with executing on the company's goals and strategy are able to do so with information that is akin to looking through the front windshield of a car, rather than constantly worrying about what is in the rear view mirror.

The combination of these demonstrable benefits means that a well-executed move to cloud results in a much better and predictable cost of operation than is possible in the old world.

These and many other benefits separate the world of the old from the new, but customers need to rely upon solid references from other manufacturers that have already taken the journey to cloud-based computing. There is an increasing number of

QUANTIFIABLE BENEFITS

- **Lower Audit Costs**
Ever-changing compliance standards, small accounting teams and heavy spreadsheet use are time-consuming and subject to risk. This can lead to higher audit costs, or longer and more-involved audit processes.
- **Platform for Innovation**
Easily launch new business models and expand internationally with a platform that evaluates all possible ways to scale and increase revenue, and supports multi-currency, multi-entity and different accounting standards.

“With NetSuite, we’re able to scale the business very quickly and our visibility has tremendously improved. We now have strong financial controls and a solid infrastructure with great agility to respond rapidly to changing market conditions.” **Bart Thielen**, Blue Microphones

these companies who have migrated from QuickBooks and shown demonstrable benefits as a result.

For example, when Blue Microphones needed multi-currency transactions in the Canadian dollar and Euro, it realized that QuickBooks could no longer handle its complex business processes and would not be able to scale to support growth.

Since swapping out QuickBooks for NetSuite, Blue Microphones has gained new business agility and is positioned for rapid growth with an integrated cloud platform. Leveraging the NetSuite SuiteCloud Development Platform, Blue Microphones was able to customize the NetSuite system to meet its business needs and industry-specific requirements. The company was also able to integrate the Pacejet Enterprise Shipping Software with NetSuite seamlessly, allowing it to better manage millions of freight quotes and shipments with reduced costs and improved efficiency. Bidirectional EDI interface powered by the NetSuite SuiteCloud Development Platform enables Electronic Data Interchange to 15 different partners including large retailers like Best Buy, Apple and Amazon, which saves Blue Microphones up to 30 to 40 hours a week of manual order entry and invoicing, and enables near 100 percent accuracy.

Blue Microphones’ IT modernization efforts have also attracted the attention of others. Most recently, the company was awarded the prestigious 2016 Manufacturing Leadership (ML) Award in the “Enterprise Leadership” category from Frost and

CUSTOMER SUCCESS

- Live in 2014, NetSuite gives Blue Microphones real-time visibility across all key business metrics to keep up with their 30-35% annual growth.
- Blue Microphones reviewed nine different ERP systems and chose NetSuite to have better control and visibility into their business. The company projects significant future growth and they know that NetSuite will be able to scale with them.
- To ensure agility for innovation and growth, Blue Microphones replaced QuickBooks with NetSuite to manage its end-to-end business operations including financials, fixed assets, demand planning, inventory management, bill of materials, work order and assemblies, warehouse management, CRM, HR and multi-currency transactions.



Sullivan's ML Council. The awards are given to companies and individuals that have undertaken breakthrough projects in manufacturing as determined by an expert panel of judges. Blue Microphones was recognized for its "IT Modernization Project," which allowed the company to rapidly scale, while giving it the agility to adapt to changing market conditions.

It's examples like this that make the case for manufacturing companies to move beyond the limitations imposed by the likes of QuickBooks and to reach out to meet their true potential in the cloud.

NETSUITE MANUFACTURING CUSTOMERS

115% Revenue Growth

84% Employee
Efficiency Improvement

81% Order
Processing Improvement

ORACLE®
NETSUITE

