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Businesses Run Better on NetSuite.

General Business KPIs that Matter

Sponsored by

NETSUITE

Improved Results from Businesses Like Yours

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Business Visibility	360° Visibility & Actionable Insight	↑ Increased **55% - 80%**
	Business Agility	↑ Improved **20% - 30%**
	Reporting Time and Resources	↓ Reduced **40% - 55%**
Financial Management	Time to Close Financial Books	↓ Reduced **45% - 70%**
	Audit Completion and Support Time	↓ Reduced **25% - 40%**
	Time Required to Support Compliance	↓ Reduced **25% - 45%**

KPI improvements are estimates based on discussions with NetSuite customers

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Improved Results from Businesses Like Yours

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Financial Management (contd.)	Accounting Staff Productivity	↑ Improved **25% - 50%**
	Collection Time For Accounts Receivables	↓ Reduced **30% - 50%**
	Order Process Efficiency and Costs	↑ Improved **40% - 60%**
	Billing Efficiency	↑ Improved **15% - 25%**
IT Management and Resources	IT Support Resource Costs	↓ Reduced **40% - 65%**
	Business Continuity/Disaster Recovery Costs	↓ Reduced **45% - 65%**

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Cloud-Based Business Solutions Suite Delivers Key Performance Improvements

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

Many companies have been caught off guard by the pace of change and the increasing demands common in a world running on a real-time digital foundation. Old operational methods and tools—be they Excel spreadsheets for managing financial operations, or aging and non-integrated applications for other core business operations—can drag down a company's efficiency and its long-term prospects.

The limits of poorly integrated, restricted-functionality and outdated tools and processes can quickly become serious threats should business events stress their capabilities to the breaking point. Among the business event triggers cited by many NetSuite customers were:

- Rapid company growth
- Expansion into a new product or business line
- International expansion
- Mergers and acquisitions
- Going public

These and other business challenges can overwhelm an organization's existing operational systems. Such challenges can introduce errors, slow or halt critical processes, and cause the organization's systems to fail to deliver the functionality and business visibility required.

In many cases reported by the NetSuite customers we interviewed, the combination of aging business tools and new business challenges—both foreseen and unexpected—led them to deploy a NetSuite business suite solution.

The cloud-based NetSuite service offers organizations a variety of integrated functional modules that share common interfaces, data and programming methodologies. In addition to sophisticated enterprise resource planning (ERP) and customer relationship management (CRM) applications, other NetSuite modules include ecommerce, analytics, financial planning and budgeting, point-of-sale and professional services management, in addition to other functional building blocks. Customers can easily customize their deployments with NetSuite's workflow and scripting tools, and multinational corporations can get multicurrency conversions, local tax compliance and other functions with the NetSuite OneWorld offering.

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Addressing Business Management Challenges

Aligning business management to meet these challenges

General Business Challenges

- **Financial management:** All companies need to manage their finances in ways that ensure accuracy, speed and efficiency.
- **Business visibility:** They need complete visibility into the full range of their operations, both in real time to seize opportunities or counter threats, and over time to identify positive or negative trends.
- **IT management:** They need IT operations – either internally or cloud-based—that are flexible, always available and closely aligned with business requirements.

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Business Visibility

Business value for company management

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	Before NetSuite	With NetSuite
Increased 360° visibility and knowledge of operations **55% - 80%**	• Siloed applications and data, which provided an incomplete view of the business and customers • Errors due to the lack of automation and integration between applications	• Significantly improved real-time visibility into all aspects of the business, allowing faster strategic decision making and continuous year-over-year improvements • Much greater visibility into customer purchases and interests through multiple channels
Improved business agility **20% - 30%**	• Inability to quickly assess and respond to all aspects of a business including various customer opportunities due to siloed applications, the lack of integration and data latency • Different applications required to support different channels impacted opportunities	• Availability of 360° view of customers and operations • Integrated approach to running business using different sales channels – stores, online, etc. • Significantly improved ability to scale and support company growth without adding staff
Reduced reporting time and resources by **40% - 55%**	• Difficulties in getting reports in a timely manner, often days after they are needed • IT required to develop custom reports	• Business managers can now run their own reports and analysis much more quickly without depending on IT • Real-time drill down to the lowest level of detail, which increases the ability to act in a timely manner • Users able to build their own custom reports

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Financial Management (1 of 3)

Business value for accounting department

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	Before NetSuite	With NetSuite
Reduced time to close the financial books **45% - 70%**	• Extensive time spent on reconciliations, especially with multi-channel, multi-region and multi-currency businesses • Difficulty in translating web-sales related currency between regions, which led to errors and time-consuming financial consolidation	• Earlier availability of financial results through faster period-end processes and more accurate reconciliations • Ability to do monthly/annual financial book close and analysis due to availability of real-time data
Reduced audit completion and support time **25% - 40%**	• No central repository for the information required to support audits	• Significant reduction in audit time because all the information required for audits is available in NetSuite • Transparency and accuracy for audits provided by real-time information and analysis down to the lowest level of detail
Reduced time required to support compliance **25% - 45%**	• Relevant information was not readily available or needed to be pulled from multiple sources • Data analysis difficult or impossible	• Real-time availability of required financial and operational reports • Availability of accurate, detailed and actionable information to support compliance needs

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Financial Management (2 of 3)

Business value for revenue analysis and management

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	Before NetSuite	With NetSuite
Improved accounting staff productivity **25% - 50%**	• Inefficiencies as a result of manual work and processes • Use of spreadsheet-based accounting	• Increased efficiency through integrated and automated reconciliations and reporting • Support two to three times company growth with fewer or the same number of accounting staff members
Reduced collection time for accounts receivables **30% - 50%**	• Excessive time required to identify and post collections data • Error-prone Excel spreadsheet-based operations	• Significant increase in accuracy for accounts receivables • Automated and timely invoice generation and mailing to customers • Integrated POS and credit card solutions
Improved order process efficiency and costs **40% - 60%**	• Lack of integrated solution and data led to inefficiencies and increased costs	• Fewer errors due to integrated customer information, inventory and order processes

KPI improvements are estimates based on discussions with NetSuite customers

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Financial Management (3 of 3)

Business value for revenue analysis and management

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	Before NetSuite	With NetSuite
Improved billing efficiency **15% - 25%**	• Lack of integration among customer resource management systems and accounting system • Inefficient, manually intensive Excel processes	• Integrated and automated front-end and back-end accounting systems makes the billing process fast and accurate
Reduced general ledger consolidation time **50% - 65%**	• Difficulties in consolidating data from multiple entities • Difficulty in consolidating accounts in different geographic regions with multiple currencies and tax structures	• Real-time consolidation of data from multiple entities, regions and currencies • Support for real-time consolidation of financial information in multiple currencies • Reduced time to close books on a monthly and yearly basis
Reduced days sales outstanding **5% - 20%**	• Difficulty to track customer contract terms due to lack of single customer record of reference • Lack of efficient and timely billing and collections processes due to multiple solutions or manual processes	• Single customer record of reference helps billing accuracy, accounting efficiency and reduce DSO • Helps identify and fix collections process by finding and correcting root cause issues

KPI improvements are estimates based on discussions with NetSuite customers

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IT Management and Resources

Business value for company operations

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	Before NetSuite	With NetSuite
Reduced number of IT support people, resulting in IT cost savings of **40% - 65%**	• IT resources needed to implement, maintain and update on-premises ERP solutions • IT resources needed to install and maintain server hardware and software • Separate ecommerce and ERP systems	• Cloud-based solutions eliminate the need for internal IT staff to support ERP application and on-premises servers • Faster to implement, enabling productive use of the ERP solution • IT resources re-deployed to ecommerce site development and support
Eliminated need and cost to purchase and maintain servers **100%**	• Capital expenditure required to acquire and maintain servers for on-premises ERP application • Ongoing management and maintenance costs	• IT capital expenses eliminated by the NetSuite cloud-delivered solution • Greatly reduced management and operational costs
Reduced need for business continuity / disaster recovery solution **45% - 65%**	• IT resources and infrastructure needed to support business continuity/disaster recovery • Complex and costly implementations	• "Built-in" benefits of business continuity and disaster recovery with the NetSuite SaaS solution • Redundant data centers support the business suite and data availability at no additional cost to customers

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