

# **Maximizing ROI with NetSuite: A Consultant's Perspective for Manufacturing Executives**

## **Introduction**

After implementing NetSuite for over 50 manufacturing organizations across various industries, I've witnessed firsthand how the right ERP solution transforms operations, streamlines processes, and drives profitability. For manufacturing executives managing businesses with \$50M+ annual revenue, selecting and implementing the right ERP system is perhaps one of the most consequential technology decisions you'll make.

Today, I'd like to share insights on four powerful NetSuite capabilities that consistently deliver exceptional value for mid-market manufacturers: Customer 360, CPQ + Manufacturing integration, Financial Management Suite, and SuiteProcurement. These components work together to create a unified business platform that eliminates silos and provides the visibility needed to make informed strategic decisions.

## **Customer 360: Building Stronger Relationships Through Complete Visibility**

In manufacturing, customer relationships extend far beyond the initial sale. The Customer 360 functionality in NetSuite provides a comprehensive view of your entire customer journey—from initial quote to order fulfillment, invoicing, payments, and support.

### **What sets NetSuite's Customer 360 apart:**

**Unified Customer Record:** Every interaction, transaction, and communication is captured in a single record. Your sales team can see outstanding invoices before proposing new deals. Your finance team can review order history when processing credit applications. Your support team can access product configurations when troubleshooting issues.

**Real-time Visibility:** When a customer calls with a question about their order status, your team can provide immediate answers without transferring between departments. The system shows precisely where items are in production, when they'll ship, and any potential delays.

**Actionable Analytics:** Customer profitability analysis allows you to identify which accounts deserve additional resources and which may require pricing adjustments. Dashboards highlight key metrics like customer retention rates, average order values, and product mix by customer.

One manufacturing client implemented Customer 360 and discovered that 15% of their customers were consistently unprofitable due to excessive change orders and rush

requests. By adjusting pricing and service levels for these accounts, they improved overall margins by 3.2% within six months.

### **CPQ + Manufacturing Integration: Streamlining from Quote to Production**

For complex manufacturing operations, the integration between Configure, Price, Quote (CPQ) and production systems represents one of the most significant opportunities for efficiency gains and error reduction.

#### **Key benefits of NetSuite's integrated approach:**

**Guided Selling Process:** Sales representatives can configure complex products with thousands of potential variations while ensuring only valid configurations are quoted. The system automatically applies appropriate pricing rules, discounts, and promotions.

**Seamless Production Handoff:** When a quote becomes an order, the exact specifications flow directly to production planning without manual re-entry. This eliminates a major source of errors and delays in traditional manufacturing environments.

**Dynamic Production Scheduling:** The system automatically evaluates material availability, production capacity, and lead times to provide accurate delivery dates during the quoting process. As orders are confirmed, production schedules adjust in real-time.

**Variance Analysis:** When actual production costs differ from estimates, the system highlights these variances for review, enabling continuous improvement in your quoting accuracy.

A \$75M industrial equipment manufacturer implemented this integration and reduced their quote-to-production cycle time by 62%, while simultaneously decreasing specification errors by 87%. Their sales team now spends more time selling and less time managing internal coordination.

### **Financial Management Suite: Driving Strategic Decision-Making**

NetSuite's Financial Management Suite provides manufacturing executives with unprecedented visibility into the financial implications of operational decisions.

#### **Transformative capabilities include:**

**Multi-entity Consolidation:** For manufacturers with multiple locations or subsidiaries, NetSuite automates the consolidation process while maintaining appropriate segregation for statutory reporting. Month-end close processes that once took weeks can be completed in days.

**Advanced Revenue Recognition:** For manufacturers with complex revenue streams—including equipment sales, installation services, and ongoing maintenance contracts—NetSuite ensures compliant revenue recognition across multiple performance obligations.

**Comprehensive Cost Accounting:** The system captures and allocates direct and indirect costs with granular detail. This enables accurate product costing, work-in-process valuation, and variance analysis.

**Real-time Financial Reporting:** Executives can access current financial performance data without waiting for period-end closing procedures. Dashboards display key metrics like gross margin by product line, inventory turns, and cash conversion cycle.

One specialty chemical manufacturer implemented NetSuite's Financial Management Suite and identified \$3.2M in previously hidden costs associated with frequent production changeovers. By restructuring their production scheduling to minimize these costs, they improved EBITDA by 4.8%.

### **SuiteProcurement: Strategic Sourcing for Competitive Advantage**

In today's volatile supply chain environment, procurement has evolved from a tactical function to a strategic imperative. NetSuite's SuiteProcurement provides the tools needed to transform purchasing into a competitive advantage.

#### **Strategic procurement capabilities include:**

**Vendor Performance Management:** The system tracks and scores suppliers based on price competitiveness, quality metrics, on-time delivery, and responsiveness. This data informs sourcing decisions and supplier negotiations.

**Demand Planning Integration:** Procurement requirements are automatically generated based on sales forecasts, production schedules, and inventory policies. This ensures materials arrive just in time for production without excessive safety stock.

**Approval Workflows:** Configurable approval chains ensure appropriate oversight while streamlining the procurement process. Mobile approvals allow executives to keep processes moving even when traveling.

**Spend Analytics:** Comprehensive reporting identifies opportunities for consolidation, volume discounts, and strategic sourcing initiatives. The system highlights maverick spending and contract compliance issues.

A \$120M automotive parts manufacturer implemented SuiteProcurement and reduced their raw materials inventory by 32% while simultaneously improving production on-time

delivery from 87% to 98.5%. Their procurement team now focuses on strategic sourcing initiatives rather than expediting orders and managing stockouts.

### **Conclusion: The Integrated Advantage**

While each of these four areas delivers significant value independently, the true power of NetSuite comes from their seamless integration. Information flows naturally between functions without reconciliation, re-entry, or delays.

For manufacturing executives evaluating ERP options, I recommend focusing on these integration points rather than feature-by-feature comparisons. The ability to move information seamlessly between customer-facing, production, financial, and procurement systems creates compounding returns that standalone best-of-breed solutions simply cannot match.

In my experience, manufacturers that implement NetSuite as their unified business platform typically achieve full ROI within 12-18 months, with ongoing benefits that continue to accumulate as they leverage the system's capabilities more fully over time.

The manufacturing sector faces unprecedented challenges and opportunities in today's business environment. With the right ERP foundation, you can position your organization to adapt quickly, operate efficiently, and capitalize on emerging opportunities.