



# Why Businesses Run Better With NetSuite

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## Introduction

While many companies are initially thrilled with the benefits of adopting SaaS, it doesn't take long for the realization to set in: deploying siloed SaaS applications alone may resolve some problems of on-premise software, but it is not enough to fulfill the broader potential of transforming the way businesses are run.

Consider the following challenges that are not met by SaaS alone:

- If multiple SaaS applications are implemented, data fragmentation still exists. Several overlapping databases must be consolidated and reconciled to create a comprehensive and consistent view. The integration and data warehouse systems required to solve this problem can result in an on-premise mess that has simply been transferred to the cloud
- Each application has its own style of configuration. Users' efforts to adapt the software to their needs can be hampered as they try to keep track of multiple methods of configuration
- Getting a comprehensive picture of how people are using the software is more difficult because multiple applications must be monitored
- End-to-end processes are harder to automate because they must be integrated across multiple applications and databases

To rise above these limitations, NetSuite created a collection of applications that are built on the SaaS model and integrated around a single database. NetSuite adds a business process perspective in the following ways:

- NetSuite is not just ERP but also CRM, HR, Ecommerce, warehouse management, project management, and customer service all on a shared database.
- Businesses can start by solving an initial need, but grow their SaaS footprint in an integrated and planned manner.
- NetSuite is not just software from one vendor, but all processes integrated in a way that allows the work to easily flow from one application to another
- NetSuite's single database obviates the need for an expensive and slow data warehousing process to create a unified consistent view of the data. NetSuite also comes with hundreds of prebuilt analytics and reports and can easily be customized and extended.
- Once users understand the rules of how to configure and adapt NetSuite to meet their own needs, the same techniques apply to all applications
- NetSuite's SuiteCloud development platform allows custom applications to be created when needed. This platform creates a vibrant market ecosystem where developers can create extensions and add even more innovation and options on top of the NetSuite platform
- NetSuite meets the highest standards for Ecommerce in the United States and European Union. Certifications include PCI DSS, SAS 70 Type II, and EU-Safe Harbor
- NetSuite understands that some companies may want additional disaster recovery protection. NetSuite offers flexible disaster recovery options including custom replication of data to a remote redundant set of servers
- NetSuite's implementation methodology usually results in going live in 4 months

- The centralized resources of the SaaS model reduce waste and make IT greener. NetSuite is leading the way in making its data center even greener
- NetSuite's ease of configuration and deployment unlocks the power of business software as a helpful component in crafting the right enterprise architecture. Because you can quickly put solutions into the hands of users, automation can be extended to include people close to the processes, whether they are in far-flung divisions or partner networks.

The benefits of NetSuite offers go beyond escaping defects and extend to the core mission of IT: supporting the business, including:

- **Expanded awareness:** Ease of deployability means that everyone can get the information they need without an IT bottleneck
- **Process efficiency:** Process automation flows from department to department, from application to application, because a single database solves so many integration problems and the applications are all built to work together
- **Accelerated innovation:** Because information and process changes can be implemented affordably and quickly, often by users themselves, people consider new possibilities and seek to innovate
- **Business and IT alignment:** NetSuite becomes a tool of enterprise architecture. Data and process automation can be easily delivered when and where it is needed, unfettered by technical limitations

The best way to bring the advantages of NetSuite to life is through customer case studies.

- First, we examine the benefits of NetSuite's integrated set of SaaS applications and how companies have used NetSuite to drive substantial business value
- We'll then discuss three further aspects of NetSuite that are key to driving value:
  - The use of NetSuite in a larger enterprise architecture
  - The importance of NetSuite's data center and disaster recovery capabilities
  - How NetSuite has broken new ground in achieving the goals of Green IT
- Finally, the paper will discuss how businesses can take the next steps to migrate their ERP systems and broader business processes to SaaS.

## NetSuite's Foundation: Integrated Business Applications

What is lost in many discussions of SaaS is the notion of how fixing the problems with the on-premise deployment model does nothing to address the challenges of integration, improving process automation, and providing unified, consistent information.

SaaS in itself does not solve integration problems. Many other SaaS providers emphasize one application. Too often, companies deploy multiple SaaS applications with little overall coordination. They wind up with "hairball 2.0"—a mess of multiple proprietary applications. One example is analysis and reporting. A company with six SaaS providers faces a labor-intensive business intelligence task. It must pull the information from various sources, dump it into spreadsheets, and spend considerable time extracting, consolidating, and ensuring integrity of data from multiple applications.

From its inception, NetSuite set out to solve problems in not just one application area, but to provide a better way to run the most important processes in a business. With NetSuite, integration is inherent in the product. All enterprise functions are wrapped up in a single database, application, and version of code. With a few keystrokes, employees can convert an estimate into an order and produce an invoice. No one has to enter the same data more than once. Figure 1 shows the breadth and depth of the functionality that NetSuite offers.



Figure 1: NetSuite's Broad Footprint of Functionality



*The story of PeopleNet, a Minneapolis-based company that provides GPS tracking services to truck fleets, shows how integration makes a difference. Before implementing NetSuite, PeopleNet relied on a mixed bag of software providers, including Great Plains for ERP and Onyx for CRM, both in a server environment.*

*The complexity of the on-premise software made IT a bottleneck. If someone wanted a report, they had to call in a SQL programmer. The company faced major challenges customizing and integrating with other systems, such as its Concur expense portal.*

*The company considered a number of SaaS solutions, such as Salesforce for CRM and Interact for accounting, but quickly realized that stitching together solutions would prove costly and cumbersome. Moving to a collection of best-of-breed SaaS solutions would only create a cloud-based hairball. PeopleNet chose NetSuite for its end-to-end integration.*

*“One solution for all those needs is a tremendous efficiency,” said PeopleNet CEO Ron Konezny. “There’s one vendor to manage and worry about. Data can be used in multiple places for different reports.”*

*Employees can assemble information much more effectively than competitors who are trying to cobble together information from many systems into spreadsheets. The data no longer resides in silos, so employees spend less time searching for it. Instead, they spend more time using the information and thus gaining a clearer picture of what is happening in the organization. As a result of the expanded awareness of all aspects of the state of the business, users become more productive and make smarter decisions.*

*Konezny and his team no longer have to ask: Is this data accurate? Instead, they focus on more a strategic question: What are we going to do about it? Two IT people who spent their time producing reports have been redeployed to more strategic roles.*

*“Most companies are lucky just to get all the data,” said Konezny. “By the time you’ve gotten all the data you’re exhausted, right? You haven’t put one bit of effort into analyzing it.”*

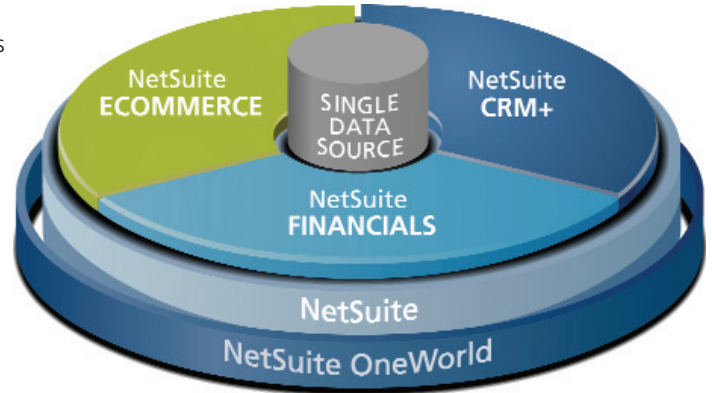
*NetSuite gives the company greater visibility into its pipeline and keener ability to predict. Now PeopleNet can make forecasts based on what is quoted, not just ordered—a key advantage given 19-week lead times for some products.*

*“Your business does not create any value by having resources dedicated to support systems like ERP and CRM,” says Konezny. “You don’t increase your company’s revenues, profits, or valuation by having resources dedicated to order entry systems. Any place where you can rely on a partner is something you really should explore.”*

## An Overview of NetSuite's Functionality

**Accounting and ERP:** NetSuite is the number one on-demand accounting/ERP system. Although some competitors offer piecemeal ERP features, NetSuite is the first and only on-demand accounting/ERP solution that supports all back-office operations. Manage financials, fulfillment, purchasing, inventory, time and billing, HR, and more.

**CRM+:** NetSuite CRM+ software delivers sales force automation, marketing automation, customer support, customization through SuiteFlex, and the best opportunity management and forecasting capabilities in the industry. It provides order management, incentive management, project tracking, a customer portal, website analytics, and partner management—a set of functionality that is unequaled by Salesforce.com, Siebel CRM, or Microsoft CRM.



**Ecommerce:** NetSuite provides a platform for any business to create a customized online store. It integrates inventory, accounting, sales and support departments, and enables your company to offer a rich Web experience without costly IT resources.

**Business Intelligence and SuiteAnalytics:** SuiteAnalytics provides built-in business intelligence at no additional charge. NetSuite delivers operational, tactical, and strategic intelligence in real-time from a single system of record—all of which is consolidated and rationalized with no need for a data warehouse. SuiteAnalytics provides dashboards and preconfigured key performance indicators but also enables companies to customize their own analytics capabilities. The result is business intelligence that can be created, managed, and used by anyone at every level of the organization.

**Business Process Management and SuiteFlow:** SuiteFlow provides a complete graphical Business Process Management environment to easily customize and automatic common enterprise processes. With SuiteFlow, business users can graphically create workflows that automate, streamline and improve common business processes across finance, marketing, sales and service.

Organizations can respond to change more rapidly by quickly adjusting business processes and approval chains based on the needs of the business or organizational change. However, unlike traditional business process customization environments, no matter what workflows are created, there is no subsequent upgrade version lock - customization doesn't slow the pace of innovation. NetSuite customers are always upgraded to the latest version of the software automatically, regardless of the level of customization.

## The Business Impact of NetSuite

Because NetSuite goes beyond the basics of the SaaS model, its customers enjoy many different types of business benefits. To illustrate how NetSuite makes a difference, we asked customers to explain what problems they struggled with and how NetSuite helped usher in a new way of working.

### User-Driven Innovation and Customization

NetSuite is infinitely customizable — even for companies with very particular needs. But the power to customize is not only in the hands of the IT department. Users are able to make changes for themselves, a tremendous accelerator of innovation.



*The Schaeffer Manufacturing Company relied on a homegrown system, custom built to handle its unique business processes. The St. Louis-based company makes specialized lubricants, motor oil, greases, and gear lubes and has been in business for 170 years.*

*When Schaeffer switched to NetSuite, it wanted to preserve many of the processes and forms that its employees were accustomed to. "NetSuite has a good partner network, and so we hooked up with three of their partners and they were all able to help customize it," said Schaeffer CFO Will Gregerson. "A lot of the reports look exactly the way the old system reports looked. The way the orders are transmitted and flow through our system is similar."*

*The NetSuite system did not resemble Schaeffer's old one when it came to efficiency. Under the old homegrown system, Schaeffer took a day and half to process an order. With NetSuite, it takes four hours, making the company more competitive with rivals located closer to customers.*

*Employees can easily customize their own reports and Schaeffer Oil was able to downsize two programmers, saving more than \$100,000 per year. Gregerson has his own personal dashboards. Every morning, the system automatically emails his iPhone with current figures such as new sales orders and average turnaround.*

*"There's just an availability of the software anywhere I go," he said. "Whether I'm at home, on the road, or on my iPhone, I can get to NetSuite. As long as I have access to the Internet, I can run my business from anywhere."*

### SuiteCloud: Business Application Development Platform

Not all business needs can be met by the configuration that NetSuite provides. Sometimes new functionality must be created using traditional low-level development techniques. SuiteCloud lifts the hood of the NetSuite application and allows programmers to use their skills to create new capabilities.

SuiteCloud extends NetSuite beyond SaaS into Platform as a Service (PaaS). SuiteCloud provides tools that allow IT departments and ISVs to quickly build end-to-end business applications on top of the NetSuite platform and to tailor offerings to existing customers. As a result, a growing and thriving ecosystem has been created where software developers are innovating new business solutions that complement the NetSuite platform.



NetSuite also created the SuiteCloud Developer Network (SDN) to accelerate the development of business applications and SuiteApp.com, an online marketplace for these third-party applications.

SuiteCloud provides an ecosystem where software developers can build new business applications to complement existing business processes. As a result, they can quickly target new markets and easily integrate with existing operations—avoiding many of the problems that have bedeviled ERP users. Independent developers can quickly build new applications to capture opportunities and extend NetSuite’s core business suite.

Better yet, these add-ons easily migrate during NetSuite upgrades. With a click, the ISV takes the customer’s applications and data to the newest version of NetSuite easily and painlessly.

### **Process Efficiency**

As the Schaeffer example showed, empowering users leads to efficiency as well as innovation. When users can change the way they work directly, without having to wait in line for IT to do everything for them, the dumb parts of the system can be changed and smarter ways of working can be introduced.



*At Symbiot Business Group, NetSuite increased the efficiency of many processes by arming employees with information needed to do their jobs better and faster.*

*The company provides building maintenance services to national customers such as banks. It helps coordinate services including landscaping, outdoor and janitorial, snow removal, pest control, and plumbing.*

*In the old days, the company used Salesforce for CRM and Great Plains for backend and billing. With this lack of integration, it took two IT people three weeks to prepare reports. Now front line sales and supply employees can create their own dashboards in minutes.*

*“It’s just been night and day,” said Ray Jones, senior vice president of infrastructure and supply chain management. “Now it’s 20 minutes, got it, done. And it’s by the person that needs it, and it’s exactly what they want. They don’t have to keep going back and forth to IT.”*

*These efficiencies rippled through the entire business and brought dramatic improvements in business processes, customer satisfaction, and customer retention. Symbiot reduced its cycle time to complete work from 8.5 days to 3 days. As a result, the company retains about 90% of its customers compared to 50 or 60 % before.*

*“NetSuite had a phenomenal impact on customer retention and being able to keep our successful service ratios up,” says Jones. “It just improved our overall ability to deliver the products to our customers in a timeframe that made sense to them.”*

## Aligning IT with Business Needs

In most companies, the line to get help from IT to change business applications is so long that people give up trying. Only the biggest ideas with the biggest payoffs make it worth enduring the wait and expense. But as the lean manufacturing principle of kaizen has shown, huge gains can be made from making many small improvements.

NetSuite helps transform IT into a more strategic part of your business by lowering the cost and increasing the speed by which the software can adapt to business needs. Instead of spending all their time solving headaches like integration, IT staff can devote their time to improving the business. IT shifts from being an interchangeable commodity to a differentiator.



*David Jarrell, IT director of Advantage Sign Supply, used NetSuite's adaptability to increase the strategic value of IT. Advantage Sign Supply is a \$40 million wholesale distributor of sign-making supplies and equipment in Grand Rapids, Michigan, with about 75 employees scattered among nine locations.*

*When Jarrell came to the company, he found a mess of disparate business systems. The company used Counterpoint for ERP and Real World for AP and GL and represented a prime example of the "hairball" phenomenon. The system didn't even have fields for customer email addresses. The company had 10 technicians and 20 salesmen out in the field and each one essentially had a different database in their laptops.*

*"We had upwards of 40 different databases that were siloed — none of them talked to each other at all," recalls Jarrell. "You didn't know where the right information was for a customer, you didn't know the correct address for a customer. There was just an enormous amount of inefficiency."*

*Jarrell went on a mission: designing a more coherent information architecture for his company. His diligent research convinced him that the browser, SaaS model, and NetSuite gave him the tools to make smarter use of information.*

*Jarrell shepherded Advantage Sign Supply's transition to NetSuite for ERP, AP, GL, tech support, CRM, and ecommerce. Now all these applications work in concert in a single integrated database.*

*The efficiencies revolutionized his company — and the role of IT. Instead of babysitting servers, he devotes himself to designing better business processes. As Jarrell says, "My role has changed, and my department's role has changed from taking care of hardware to enabling business through technology."*

## Expanded Awareness

NetSuite's flexibility and ease of configuration allow information to flow where it is needed. NetSuite's dashboards provide a real-time view of what is happening in your company. You can instantly look at metrics from many sources — the number of hits to your web site, the number of orders placed, or the current bank balance. This information can be accessed instantly, with no extraction cycle. The reports and analytics carrying this

information are easy to access from almost anywhere and can be adapted to specific needs. The result: expanded awareness of important information. When staff is better informed, they make better decisions.

In traditional ERP systems, getting a single view of a customer is a major undertaking that might involve six separate databases and require a business analyst, consultant, or a special software product. In many cases, companies invest in data warehouses and create elaborate systems for collecting data from databases of each application every night or every week, processing it to create one unified, consistent database and then using it for reporting and analysis. With NetSuite, the unified and consistent database is always in place. Employees can do a single search on a customer and see what they are buying, how much they paid, and their order status. It's inherent in the product and at the fingertips of the front-line staffers who need this information.



**Pricing and Profitability  
Management for  
Financial Services**

*Nomis Solutions found that the expanded awareness created by NetSuite served to integrate branches that were separated by time and distance. Nomis provides software and services that help financial service companies set optimal rates, but the*

*company's internal software was hardly optimal.*

*Nomis needed two separate instances of QuickBooks Online for its US and UK operations. They relied on an array of software systems, including Microsoft for expense, time, and project management and SalesForce for CRM. Reporting and consolidation required a great deal of manual labor.*

*"There wasn't any visibility into what was going on without digging through a lot of paper," said Kelly Wagner, director of operations and finance at Nomis Solutions. "Looking into vendor bills, expense reports, project plans, or anything like that was just way too difficult."*

*Invoicing and billing were delayed. Forms were pushed back and forth between employees and data had to be reentered again and again, bogging down business processes and increasing the risk of errors. The company had little ability to produce accurate forecasts.*

*Nomis chose NetSuite as a one-stop platform that would improve visibility and integration. Implementation and deployment took four months. The time to close the books was cut in half. Expenses were paid in three days instead of three weeks. The company was able to reduce its headcount by two people and people throughout the organization were empowered to do more.*

*"The biggest value for us definitely was the real-time visibility into our business," Wagner said. "Anybody and everybody can check out what's going on in the system. People understand that they need to be accurate because everything they do can be verified."*

## NetSuite as a Component of Enterprise Architecture

NetSuite’s adaptability makes it easy to create the right solution for specific roles. The ease of deployment means that the solution can quickly be delivered where it is needed. Instead of being a bottleneck, IT fulfills its ideal role as a conduit for information and an accelerator of process execution. NetSuite becomes a complementary addition to enterprise architecture.

The beauty of the NetSuite solution is that it does not require customers to abandon ERP systems or the extensive investments already made in IT. NetSuite cannot only replace ERP systems, but also augment them.

For these companies, a two-tier ERP model is appropriate. NetSuite has solutions tailored precisely for these enterprises. These companies run SAP or Oracle at the corporate and large division level and deploy NetSuite at small and independent divisions. This hybrid model allows the legacy ERP to remain at the hub and places NetSuite as the spokes.

Midsized companies increasingly operate across international boundaries. NetSuite OneWorld, as shown in Figure 7, extends the capabilities of NetSuite to meet the needs of multinational enterprises. It is the first and only on-demand system for real-time global business management and financial consolidation for mid-sized companies with multinational and multi-subsidary operations. From a single account, companies can manage subsidiaries, business units, and legal entities. NetSuite OneWorld converts different currencies and handles taxation rules and reporting requirements—all at a fraction of the cost of traditional on-premise ERP solutions.

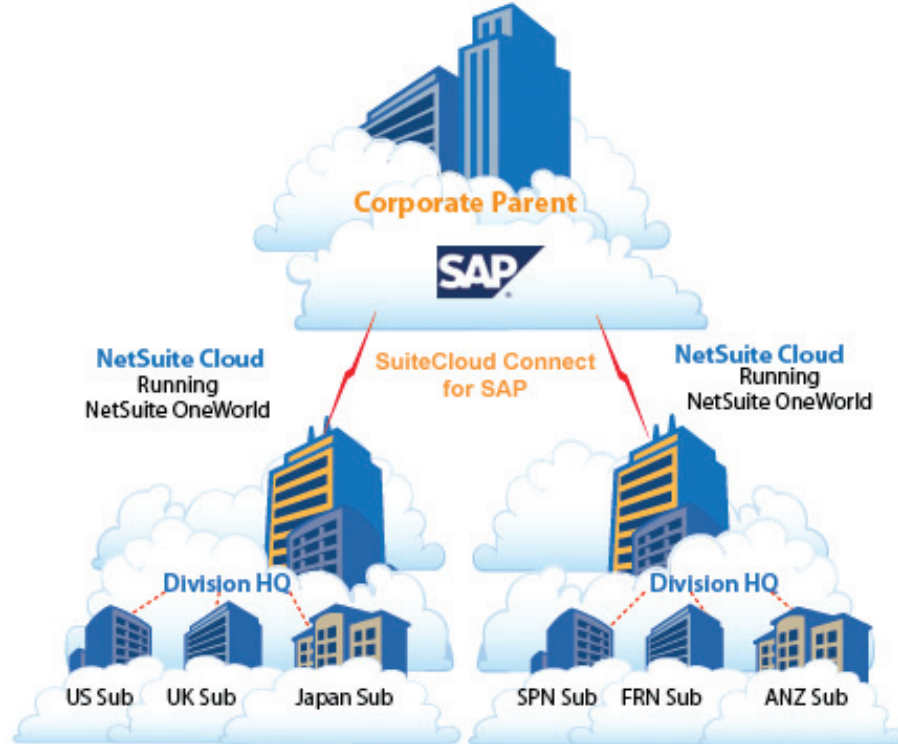


Figure 7: NetSuite OneWorld



*Take the case of Jollibee, a fast food chain based in the Philippines with more than 1,800 stores worldwide. Jollibee has operations in six countries and is expanding rapidly, adding 200 stores each year.*

*This growth overtaxed the company's ERP system. The Manila headquarters used Oracle for financial management and reporting while the company's broader business interests relied on a patchwork of legacy systems. Reporting and consolidation were managed over email, hampering the company's ability to see what was happening in the organization and make timely decisions.*

*The need to standardize the ERP system became painfully apparent. But expanding Oracle to Jollibee's international operations proved extremely costly and would have required IT teams in each country to manage the systems.*

*Fortunately, Jollibee found a solution designed precisely for companies with international operations—NetSuite OneWorld. Jollibee rolled out OneWorld in its 10-store Vietnam operations in just two months, faster and cheaper than an expansion of the Oracle platform would have been.*

*Now the Manila headquarters enjoys real-time visibility into operations in Vietnam, including granular performance analysis, consolidated reporting, and an audit trail. The system integrates seamlessly with its central ERP system and provides up to the minute reporting and analytics. Jollibee plans to expand NetSuite OneWorld to China, Taiwan, the United States, and other markets.*

*"If we used a platform like Oracle worldwide, it would require significant capital investment and a lot of resources, including a large IT team to implement and maintain the system in each country," says Ysmael Baysa, Jollibee CFO. "NetSuite provides all the capabilities we need internationally, in a timeframe and at a cost that supports our continued growth and development."*

NetSuite OneWorld for SAP and NetSuite OneWorld for Oracle are the first applications of this type. They allow companies to use to manage multinational, multi-subsidiary business operations in real-time. For example, a customer might retain its legacy billing applications and use NetSuite for CRM. This model significantly reduces the company's costs in implementing, migrating, and managing ERP systems. It also provides more operational flexibility and speed. Tight data integration between the two environments still meets the visibility and reporting requirements. SuiteCloud Connect for SAP and SuiteCloud Connect for Oracle are integration tools that help synchronize data between the divisional and parent organization.

The move to a two-tier model may be triggered by several developments:

- Expiring support contracts for customized systems
- Acquisition of a subsidiary
- Divisional spinoff
- Independent business unit

This two-tier model is becoming increasingly popular. Benefits include:

- **Lower IT costs.** SaaS-based systems have significantly lower costs of ownership. They eliminate the costs associated with buying and maintaining infrastructure, upgrading to new releases, annual reviews, and training
- **Operational efficiency.** In a two-tier ERP model, a SaaS-based enterprise system provides just the right process complexity for a small division or business unit. The process complexity in a large division is very different from that of a small division. For example, a \$30M division with a two-person accounting staff needs a fundamentally different workflow from a \$5B division with a 300-employee accounting staff
- **Speed and flexibility.** Small divisions or businesses rely on speed to implement new strategies and continually change their business processes in response to market needs. Unfortunately, the rigidity and the complexity of corporate ERP systems can undermine this responsiveness. The NetSuite approach ensures that they devote less energy to IT and more to the core offerings that differentiate their business
- **Regulatory control.** A two-tier ERP model enables a large company to migrate the operations of that entity to a separate system in a very cost-effective manner and at a rapid pace while still ensuring that relevant financials can be rolled up for overall reporting purposes

## The Benefit of a World-Class Data Center

When companies implement and deploy NetSuite, they leave behind a host of reliability and performance problems that had become accepted as routine. When unplanned outages no longer occur, their cost becomes clear. One of the biggest benefits of using NetSuite is their collection of world-class data centers that meet the highest standards of reliability but also are so secure that companies can confidently present a broader face to the Internet and include partners and customers as users of business applications.



*The business world is increasingly moving toward specialization. One of NetSuite's core competencies is running a world-class data center, one that far exceeds the capabilities of virtually any small or midsize company. Brian Leffler, president of Instrumart,*

*is glad to be done with the burden of running his own data center and software. "I'm happier to have my data in the NetSuite data center than I am to have my data here," he says. "I could never replicate their data center in a million years with a company my size."*

NetSuite guarantees a service level of 99.5% uptime. If NetSuite doesn't meet this commitment, the customer doesn't pay for that month. In contrast, an in-house deployment almost never comes with any such guarantees or reimbursement.

Clients are understandably concerned about data security. NetSuite has multiple layers of redundancy to ensure availability and reliability. These processes are governed by industry best practices and continuously tested, improved, and maintained.

NetSuite has earned the following certifications:

- **SAS 70 Type II.** NetSuite fully complies with SAS 70 Type II standards. This indicates that the American Institute of Certified Public Accountants or its designees have conducted an in-depth audit of the vendor's controls and safeguards. When NetSuite customers are audited, they provide a SAS 70 Type II Service Auditor's Report to the auditor as a substitute for auditing NetSuite's controls and procedures. Without SAS 70 Type II compliance, companies are likely to incur additional costs because they must send auditors to the vendor to analyze their controls and procedures
- **EU-Safe Harbor compliant.** NetSuite fully complies with EU Safe Harbor standards. US-EU Safe Harbor is a key process for US companies operating in Europe. It certifies that companies comply with the EU Directive 95/46/EC on the protection of personal data. The seven Safe Harbor Principles are designed to prevent accidental information disclosure or loss of consumer data. NetSuite also adheres to the Safe Harbor Privacy Principles published by US Department of Commerce with respect to personal data about individuals in the EEA that we receive from our subsidiaries, customers and other business partners
- **PCI Data Security Standard.** NetSuite fully complies with the PCI Data Security Standard, a set of comprehensive requirements for protecting consumer data. These standards lay out requirements for security management, policies, procedures, network architecture, software design, and other protective measures. These strict standards were established by leading firms such as Visa and American Express. It sets ever-evolving and stricter requirements for data protection, and companies can be removed from the list if they fail to uphold them. NetSuite and NetSuite Small Business both provide 3D Secure credit card authentication — also known as Verified by Visa and MasterCard SecureCode

These standards are beyond the reach of most on-premise providers. Auditing and certifying these levels of compliance is simply too onerous for most companies that operate in-house ERP systems.

### **Disaster Recovery and Business Continuity**

NetSuite understands that the company cannot simply ask its customers for trust. It is important to plan for the worst-case scenario. Such planning is the domain of disaster recovery and NetSuite provides a variety of options to prevent disasters and to provide business continuity of disaster strikes.

**Infrastructure:** NetSuite was architected with multiple layers of redundancy. If one or more elements fail, there is no service interruption. All data is stored immediately in multiple locations. NetSuite performs daily hot backups to ensure quick restoration of data in case of emergency. In addition, all customer data is backed up on tape media daily and stored in a safe facility 100 miles away.

The data center is equipped with backup power batteries and generators, seismic bracings, and an Internet connection of three 1 Gbps pipes. This redundancy ensures round the clock connectivity with no bottlenecks; in fact, two of these pipes can fail with no impact on users.

**Application Security:** NetSuite is designed to be safe from Internet attacks. All of the servers are protected by a firewall that allows access only via specific protocols and methods. It has securely designed segregated networks, load balancers, denial of service countermeasures, and application-layer filters. All transactions are protected by 128-bit SSL, the same strong encryption used by large banks and ecommerce companies.



**Physical Security:** NetSuite operates a secure facility sometimes known as “fortress within a fortress.” Access is strictly controlled by guards, photo ID cards, palm identification systems, and video surveillance.

**Advanced Disaster Recovery:** In rare cases, customers may require exceptional safeguards outside the scope of NetSuite’s data integrity models, such as dedicated redundant hardware or replication of data to a client’s remote data center. These companies can arrange for NetSuite to provide such safeguards.

**Business Continuity:** The browser-based nature of NetSuite makes business continuity planning a lot simpler than it used to be when companies had to make sure that office space was available to house displaced workers.

*For example, Schaeffer Oil uses NetSuite for business continuity without having to host its own data center, buy a backup server, or take out a second software license—not to mention planning and worrying about how to get all of it up and running at a time of crisis.*

*For Schaeffer, NetSuite is a subscription to peace of mind. Now the company’s disaster plan is much simpler: just plug in from somewhere else. “It was basically to go to the nearest Starbucks, plug in your computer, get online, and continue your business,” says Schaeffer Oil CFO Will Gregerson.*

## Green Solution

Environmental responsibility is a growing concern for many companies. NetSuite prides itself on its environmental record and its ability to help customers become greener and reduce their energy usage and carbon footprint. One of the ways that NetSuite is committed to green IT is funding research by Greenspace to document cost savings and environmental benefits of the SaaS model.



*Greenspace, a supplier of green operations and maintenance products and analytical solutions, performed an analysis of NetSuite’s platform and found that:*

- *NetSuite enables customers to reduce overall server room electric consumption by more than 99%, an annual savings of more than \$10,300 per customer. This energy savings further improves the customer TCO versus on-premise IT solutions*
- *An average reduction in energy use of 99,000 kWh per year*
- *NetSuite allows customers to realize savings from reduced use of software, hardware, maintenance, personnel, and occupancy costs, exceeding \$100,000 per year*
- *Aggregate reduction in electricity use by NetSuite and its customers amounts to 595 million kilowatt hours (kWh) per year, the equivalent of the annual consumption of more than 56,000 homes*
- *This reduced greenhouse gas emissions by more than 423,000 metric tons of carbon dioxide per year, the equivalent of taking more than 77,000 automobiles off the road*



NetSuite also has a record of energy efficiency and environmental stewardship. Some highlights:

- NetSuite's data center is a state-of-the-art facility that takes advantage of the latest power-management technology
- NetSuite disposes of obsolete equipment via certified e-waste recycling companies
- NetSuite has hired Greenspace to survey its headquarters and further expand its green building programs
- NetSuite utilizes web meeting technology to host meetings with customers for sales and implementation, reducing travel

Green IT is a never-ending continuous improvement process. NetSuite is committed to share what it finds out along that journey.

## The NetSuite Migration Playbook

Many companies are cautious about a wholesale change in ERP. These concerns are understandable given the amount of money and effort invested in legacy systems and the pain associated with migrations in the past. Fortunately, NetSuite has experience with thousands of companies who have made this switch and experienced improved efficiency, lower costs, and more powerful features. NetSuite offers a proven methodology to help in understanding true ERP requirements, accurately predicting costs, and reaping the full benefits of an integrated SaaS solution. NetSuite employs a proven methodology based on nine years of deploying solutions for thousands of customers. The "NetSuite One" methodology distills years of collective wisdom and experience into best practices that pave the way for a smooth transition. NetSuite implementations typically take 4 to 6 months.

The NetSuite One approach has five key phases:

Customers can choose between two basic options: Shared Consulting and Accelerated Implementation.

|                    | Phase Objective                      | Key Deliverables  |
|--------------------|--------------------------------------|---|
| <b>Initiate</b> →  | "Getting organized"                  | <ul style="list-style-type: none"> <li>▪ Project objectives</li> <li>▪ Functional scope</li> </ul>            |
| <b>Analyze</b> →   | "How does your business operate"     | <ul style="list-style-type: none"> <li>▪ Business requirements</li> <li>▪ Project workplan</li> </ul>         |
| <b>Configure</b> → | "Adapting NetSuite to your business" | <ul style="list-style-type: none"> <li>▪ NetSuite customizations</li> <li>▪ Data migration details</li> </ul> |
| <b>Deploy</b> →    | "Run your business on NetSuite"      | <ul style="list-style-type: none"> <li>▪ Migrate data</li> <li>▪ End-user training</li> </ul>                 |
| <b>Optimize</b> →  | "Learn from your implementation"     | <ul style="list-style-type: none"> <li>▪ Transition to NetSuite Support</li> </ul>                            |

**Accelerated Implementation** — Accelerated Implementation is for customers wanting a low overhead solution by using best practice based standard workflows already existing in the NetSuite application. Effort is spent configuring the application, deploying it, and training users. The Accelerated Implementation approach provides an excellent platform for customers to achieve rapid go live on core functionality, while leaving optimization for subsequent phases based on the growth of the business.

**Shared Consulting** — Shared consulting is a most popular option, for larger businesses. It is a cooperative approach, jointly managed by a NetSuite consulting team and the customer. It covers customized business processes, complex workflows, implementation of NetSuite advanced modules, integration with other applications, and data conversion. This option is most appropriate for companies that require extensive customization. The scope and prices vary, depending on the needs of the individual customer.



*For Digital Check, the NetSuite implementation was almost seamless. Jay Clark, the company's manager of software support, compares it to installing software. Most of the time, all he had to do was follow the automated implementation guidelines. Whenever a problem arose, he was able to resolve it on his own.*

*"You can't expect every implementation to be 100% perfect like you're on cloud nine, but it was pretty close," says Clark. "And to be able to do it in four months was pretty good."*

*The result was pretty good too. Digital Check makes check imaging hardware and has \$250 million in annual sales. Before NetSuite, the company lacked integration between its headquarters in Illinois and the manufacturing plant in California. The headquarters couldn't track inventory; when customers called, sales reps would have to hang up, check with the California office, and call the client back. It felt like two different companies.*

*Now when a customer calls, sales reps can immediately check pending orders, inventory status, and expected delivery date.*

*"It's just made us work like a single company, and it's made us be so much more customer service friendly than we ever were in the past," said Clark. "We were never intentionally trying to be not customer service friendly—we just had a system that limited our ability to really communicate information to our customers or provide them the support that they needed in a timely fashion."*

## Conclusion

With more than 6,600 customers, NetSuite is the number one web-based business software suite available today. It is an intelligent choice to replace or complement on-premise enterprise systems. Companies can install NetSuite with little risk and realize significant savings in time and money. At a time when enterprises are vigilant about increasing efficiency and reducing spending, NetSuite is a smart option that brings value, flexibility and the ability to move at the speed of business.