

9 Ways Acumatica Helps Manufacturers Thrive in the New Digital Economy

DRIVE GROWTH WITH ACUMATICA

Manufacturers across industry segments face cut-throat global competition, increased product complexity, logistics challenges related to offshore production, shorter product life cycles, and new Industry 4.0 technology requirements throughout most aspects of their businesses.

To drive growth, manufacturers need to focus on what they do best: designing and manufacturing great products while providing exceptional customer service. The last thing they should ever have to worry about is their ERP software or connected business applications.

Acumatica is a full-suite, cloud-native ERP application that provides the adaptable tools and technologies manufacturers need to improve efficiency, decrease costs, generate leads, and increase revenue to grow and transform their businesses effectively in the new digital economy. This eBook outlines nine ways Acumatica designed helps manufacturers grow.

9 STRATEGIES FOR MANUFACTURING GROWTH



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STRATEGY #1

Drive Growth Through Manufacturing Efficiency

Manufacturing is complex and often riddled with inefficiency. Machines or tooling are often set up incorrectly, causing excess scrap. Jobs are started when upstream materials are not available, tying up valuable resources. Expensive capital equipment is underutilized. All of this leads to increased costs for rush orders, wasteful changeovers, and increased scrap—driving up prices, which reduces the company’s ability to compete against more agile manufacturers or lower-cost foreign competitors.

“By utilizing the manufacturing edition of Acumatica, we were able to determine verifiable product costs that allowed us to put together a pricing model. This increased our gross margin percentage dramatically.”

- PAT TREFUN, CFO, OPFLEX ENVIRONMENTAL TECHNOLOGIES

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Acumatica Manufacturing Edition provides an integrated suite of applications designed to drive out inefficiency through automation and actionable business insights.

- **Artificial Intelligence and Machine Learning:** There are dozens, if not hundreds, of processes in manufacturing that are redundant, predictable, and require manual intervention. The Acumatica platform is designed to support artificial intelligence and machine learning whereby current and future processes can be partially or completely automated—saving time and improving data accuracy.
- **Material Availability:** Use demand forecasts and MRP to ensure optimized inventory levels that support manufacturing plans. Identify critical material issues and use hard allocations to ensure materials are available for production before the job is scheduled.
- **Automate Transactions:** Use backflushing to automate material issues and labor entry transactions to save time. Leverage bar codes, RFID tags, and warehouse automation technologies for faster and more accurate data capture from the shop floor.
- **Manufacturing Insights:** See any issues related to material from MRP exception messages. Monitor and manage jobs with planned cost/actual cost variances and quantity reporting. Maximize capital equipment through machine and work center utilization reports and finite capacity scheduling.



STRATEGY #2

Streamline Processes with Connected Supply Chains

Collaboration is essential for today's manufacturers. Customers now participate in product designs. Suppliers need forecast data for the parts they deliver so that they can manage their businesses effectively. Manufacturers on legacy ERP systems are forced to rely on email, fax, phone, and other disconnected systems to collect critical information so that they can make decisions about product design, purchases, production, and orders.

“Acumatica’s unlimited user licensing weighed heavily in our decision and was a huge selling point. It gives us the flexibility should we want to set up a customer portal. We also won’t have to worry about adding licenses as we grow.”

- FRANKLIN SHIRAKI, CORPORATE CONTROLLER, FIREWIRE SURFBOARDS

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Acumatica is a collaboration platform connecting your business with customers, dealers, and partners to improve efficiency in all areas of your business.

- **Embedded CRM:** Acumatica is one of the few ERP systems with an embedded customer relationship management (CRM) system, which provides a true 360-degree view of customers, dealers, and suppliers, including invoices, order history, estimates and quotes, opportunities, and account contact information.
- **Commerce:** Grow B2B and B2C online sales with Acumatica Commerce Edition connected with BigCommerce. Acumatica Commerce Edition provides everything you need to attract customers, dealers, or distributors to your online storefront with up-sell and cross-sell features to increase sales. Visitors will enjoy the familiar online shopping experience with features they expect to easily place orders, manage accounts, track shipments, and process returns or exchanges.
- **External Collaboration:** Acumatica is one of the only ERP systems that provides unlimited user licenses. This allows manufacturers to provide access to customers, dealers, and vendors to securely view the information in their ERP system restricted to their respective accounts, products, projects, and orders. Imagine providing controlled access to your vendors to place purchase orders in your system for the items they supply or allowing them to see MRP reports for their parts to understand how your projected demands impact their plans and schedules. Now that's true supply chain collaboration!



STRATEGY #3

Generate More Leads & Close More Business

Because their products and services are often extremely complex, it is harder for manufacturers to improve sales than it is for their counterparts in other industry segments. In some environments, manufacturers rely heavily on estimates, with only a small percentage converting to quotes or orders. In other environments, manufacturers are limited by the capabilities of their internal systems or disconnected eCommerce applications. And all manufacturers need a better way to develop more qualified business opportunities.

“The masking capabilities in Acumatica allowed us to handle our ring sizes. We sell fashion jewelry rings that are sized from 5 through 10. A traditional system like SAP Business One or MAS 200 couldn’t handle something where you had different sizes within one master SKU.”

- JAY CHENG, CHIEF EXECUTIVE OFFICER, J. GOODIN INC.

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Acumatica provides all the tools manufacturers need to help them sell more products and services.

- **Estimating:** Create estimates for new products or variations of existing products, including fixed and variable costs for materials, labor, machine costs, tool costs, and outside processing (subcontract) costs. Manage estimates through the quote and order conversion process with full opportunity cycle management.
- **B2C or B2B Commerce:** Enable customers, dealers, and distributors to order safely and securely online with credit cards, purchases on account, and up-sell and cross-sell features to increase sales units and value. Drive more business opportunities with self-service portals.
- **Marketing Automation:** Acumatica’s embedded CRM is integrated into HubSpot, the leading marketing automation platform. Marketing automation provides everything you need to manage marketing lists, email campaigns, sales collateral, webinars, website landing pages, marketing analytics, advertising, search optimization, and more.
- **Simplified Selling for Complex Products:** Many manufacturers sell complex product lines such as apparel with thousands of size, style, and color combinations. Acumatica matrix inventory helps manage pricing, availability, and production for all combinations of inventory items. Other manufacturers build complex products that have hundreds of option and value combinations. Manufacturers of cabinets, windows, and doors, and capital equipment are just a few of the industries that rely on Acumatica’s rules-based product configurator to configure not only the price for complex products but also the bills of material and routing.



STRATEGY #4

Provide Exceptional Service

Manufacturing has changed dramatically over the past decade. Today, manufacturers are expected to do more than just make great products. Customers choose suppliers based on the services they provide around those products. Consequently, today's leading manufacturers provide installation, repair, maintenance, and other services to compliment many of their core products.

“Acumatica allows us to concentrate on the business itself instead of worrying about the software. All the data goes into one database so field service transactions - we can trace it up to the invoice. Manufacturing we can trace it to the field services ticket. So, it's one version of the truth.”

- YURI DOROVSKIKH, IT MANAGER, OFS INTERNATIONAL

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Acumatica's CRM and field service systems provide the ideal platform for providing world-class services to grow your business.

- **Mobile Field Service:** A complete suite of field service applications is available to manage service contracts and warranties, technician scheduling, dispatch, and depot repair. The system even provides for GPS-enabled route management, project integration, and direct integration with CRM for service sales management.
- **Customer Support:** The CRM application includes a service and support case management system to track and manage any issues related to the customer's experience, including purchasing, account management, product assistance, and support. It even includes a customer portal in which customers can create support tickets and access a knowledge base for self-service information related to products they have bought.

- **Preventative Maintenance:** Taking a machine out of service for preventative maintenance or having a forklift or truck break down can hurt your ability to meet customer deadlines. Acumatica's service management features allow manufacturers to coordinate preventative maintenance for internal assets to minimize the impact on schedules and delivery dates.

DID YOU KNOW?

The Acumatica platform is designed for artificial intelligence and machine learning to automate mundane business processes.

AI and machine learning promise manufacturers new efficiencies such as auto-scheduling production for maximum throughput and placing replenishment orders without human interaction.



STRATEGY #5

Optimize Inventory for Maximum Profits

Inventory may be your largest asset, but it is also one of your largest costs. Hold too much inventory and your carrying costs will increase, as well as the potential for spoilage or obsolescence. Hold too little inventory and you will face delays in customer shipments, unnecessary costs for rush orders, and scheduling problems.

“The biggest time savings for us is not having to go out and wander through our yards of product to see what we’ve actually got on hand. Having a live inventory of what we have across seven different locations has been a huge time savings for people.”

- PATRICK SAUTER, VICE PRESIDENT, DAKOTA RED CORPORATION

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Optimize inventory levels, automate processes, and implement just-in-time strategies to save time and increase inventory turns with Acumatica inventory management and manufacturing suite.

- **Inventory Management:** Manage safety stock levels, set up complex pricing, gain insights into inventory valuation, and set up replenishment parameters such as reorder points, shelf life, seasonality, and demand formulas. You can also manage lot, serial, and bins for traceable items.
- **Material Planning:** MRP evaluates all material demand including customer orders, dependent manufacturing orders, and warehouse transfers. It also evaluates supply including existing stock and open purchase orders, transfers, and manufacturing orders. MRP generates suggested orders with exception messages to help you move-in or move-out order dates or to cancel orders where demand has changed.
- **Warehouse and Shop Floor Automation:** Manual and paper-based inventory and shop floor transactions slow down production and are prone to costly data entry errors. Reduce costs by leveraging Acumatica Warehouse Management to automate picking (wave and batch), packing, shipping, inventory movements, and physical inventory. Acumatica Data Collection supports production automation including material transactions, labor entry, clock-in and clock-out, and other transactions.



STRATEGY #6

Manage Compliance & Risk Effectively

It doesn't matter what you make – compliance is a huge issue for your manufacturing business. Compliance mandates from customers, vendors, and federal agencies cost you time and money. Failure to manage compliance can severely restrict your ability to attract and retain customers.

“We've incorporated our entire quality management system within the wikis...this includes standard operating procedures, work instructions, forms, and all other quality management system documents.”

- EHREN DIMITRY, PRESIDENT/CEO, PANOVA (FORMERLY AME)

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Acumatica includes dozens of features to help you manage requirements to remain in compliance quickly and easily. Database level security, audit files, security roles, wikis, and document management all support your quality and compliance initiatives. Many new features are coming soon to improve quality management for distribution and manufacturing.

- **Financial Compliance:** Comply with Generally Accepted Accounting Principles (GAAP), International Financial Reporting Standards (IFRS), Sarbanes-Oxley (SOX), IRS sales tax requirements, Payment Card Industry (PCI) credit card requirements, and more. Compliance management reduces the costs and risks associated with costly audits and penalties.
- **Industry Compliance:** Acumatica provides the platform and tools to help manage some or all industry compliance initiatives including those set forth by the Automotive Industry Action Group (AIAG), Federal Aviation Administration (FAA), Food & Drug Administration (FDA), RoHS and WEEE compliance for electronics, 21 CFR Part 11 for medical devices, International Traffic in Arms Regulation (ITAR), and much more. Compliance can be a requirement to win and retain customers or a competitive advantage over non-compliant competitors.¹
- **Data and Security Compliance:** Avoid data security audits and cyber-attacks with the super-secure Acumatica platform. Acumatica complies with HIPAA, SOC 3, FEDRAMP, FIPS 140-2, General Data Protection Regulation (GDPR), and other domestic and international compliance mandates. Further, built-in Acumatica security provides the necessary internal controls to limit access to information without restricting employees' ability to get work done on time.

¹ May require a third-party application.



STRATEGY #7

Minimize Technology Costs

Traditional ERP vendors punish you with restrictive and costly user licensing and lock you into expensive long-term contracts, holding your company and your data hostage when you choose to leave.

“With NetSuite, we had to limit the number of users to keep costs down. In addition, it was difficult to get our questions answered by their customer support team.”

- BARBARA PAGE, CONTROLLER, QUANTUM GROUP

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Acumatica is truly different, offering unique licensing and all the benefits of using a native cloud application.

- **Unique License Structure:** Acumatica is the only major ERP publisher with unlimited user licensing. That’s right – add as many users as you need, including customers, vendors, and consultants. We believe that the data inside your ERP has incredible value and extending that to others outside your organization can do nothing but help you grow.
- **Reduced Technology Costs:** With a true cloud ERP system, you never have to make another investment in a server. You never have to manage backups or off-site backup storage. You never have to physically upgrade your system. And you don’t even need a database administrator or other costly IT resources. Acumatica is much more than ERP – it’s your complete business platform provider enabling you to deploy the software wherever you want – on Acumatica’s cloud (Amazon or Microsoft), on your own private cloud, or even on-premise.
- **Implementation Costs:** Traditional ERP systems can take days to install and configure and months or years to implement. Other ERP publishers charge for access to online training and implementation tools. Not Acumatica. For cloud-hosted customers, there is nothing to install and the software comes pre-configured with many of the default settings other ERP vendors simply don’t provide. Implementations are much faster with Acumatica due to rich documentation, and online, anytime access for your internal project team and external consulting partners. Also, Acumatica is one of the only ERP vendors with an Open University that allows anyone to access our comprehensive training curriculum. Lastly, the Acumatica platform is uniquely designed to eliminate source code customizations, which are costly to maintain, deploy, and support.



STRATEGY #8

Gain Actionable Business Insights

ERP systems are notorious for capturing data. There's a lot of it. And it's difficult (if not impossible) to make sense of it all. Acumatica provides direct integration with advanced business intelligence applications, including native integration with Microsoft Power BI.

“We can look at the data when we want it, how we want it, and really make better decisions about what products we should be selling where and which products we should drop and which products we should promote.”

- BRAM KLEPPNER, CHIEF EXECUTIVE OFFICER, DANFORTH PEWTER

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Hop on board the Acumatica platform, which is optimized for artificial intelligence and machine learning, and take advantage of configurable dashboards as well as hundreds of reports and inquiries.

- **Business Intelligence (BI):** Acumatica's deep integration with Microsoft Power BI for advanced business intelligence and analytics gives you even deeper insights into your business. There are also several enterprise-class BI applications available through the extensive Acumatica Marketplace.
- **Smarter Business Software:** We are witnessing many changes in manufacturing. Perhaps none are as exciting as Industry 4.0 technologies such as artificial intelligence (AI) and machine learning (ML). The Acumatica platform is designed to support native AI and ML capabilities – some of which are available today and others that are in various stages of development. AI and ML promise to streamline data entry, making it easier for employees to get information and for the system to learn how to handle situations to avoid human intervention whenever possible. One example of this can be seen in Acumatica expense entry, where AI and ML are used to identify data elements from scanned invoice receipts.
- **Configurable Dashboards:** Leverage pre-configured or personalized dashboards to manage your business by exception and spot business trends. Setup dashboards and key performance indicators by business unit and by employee role.
- **Financial and Operational Reporting:** Financial reporting has never been easier with integrated consolidations, intercompany transactions, more than 250 standard reports (many with in-report drill-downs), and configurable data inquiries with easy filtering, sorting, and analysis inside personalized pivot tables with access to underlying data.



STRATEGY #9

Extend & Enhance Your Technology Investment

Manufacturers have always been at the forefront of technology from computerized accounting and inventory systems in the 1960s to CAD software adoption in the 1970s, and into the modern Industry 4.0 era with 3D printing, RFID, virtual and augmented reality, and the Industrial Internet of Things (IIoT).

“I highly recommend Acumatica for any type of company that’s going through a transformation and looking to GROW their business.”

- KEVIN BOYLE, DIRECTOR OF INFORMATION, SPECIFIED TECHNOLOGIES

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Acumatica is a modern-day, cloud-native ERP product ready for artificial intelligence and machine learning. It’s mature and rich in functionality without the complexity associated with traditional ERP systems. It’s easy to use and very scalable across industries and company sizes. For specialized business needs, trust the Acumatica partner community and platform to discover even more ways to grow your business.

- **Open Architecture:** Acumatica’s cloud-native design makes it easy for developers to integrate their products into Acumatica, and many manufacturers have built out specialized extensions themselves to tailor Acumatica to their specific business requirements.
- **Channel Partners:** Manufacturers should focus on what they do best: make great products. Acumatica manufactures software: that’s what we do best. And we rely on one of the most comprehensive and experienced channels of technology consultants, business advisors, and industry experts globally. Our more than 300 channel partners do much more than just implement and train companies on our software. They are also there to extend your use of the software by offering unique solutions to critical challenges in your business. And they can customize and configure the software so you can continue to grow your business.
- **Acumatica Marketplace:** Acumatica has one of the largest and most respected developer partner programs globally with more than 200 products available to extend the application into new industry segments with highly specialized applications designed to help you grow all areas of your manufacturing business.



Conclusion

Manufacturing is tough. You face increased competition, shorter product lifecycles, increasingly complex technologies, and ever-changing industry compliance mandates. So how can you possibly grow and thrive in the new digital economy with so many moving parts? The answer is simple: arm yourself with a full suite of adaptable and scalable business applications built on a future-proof cloud platform with an open architecture for rapid integrations and cross-functional workflows to automate business processes. Choose a customer-friendly technology provider with specialized industry solutions for manufacturers to do the heavy lifting so you can work on your business – not on the systems that support your business objectives.

Many ERP systems can help you grow your manufacturing business, but very few provide the unique advantages that Acumatica provides:

- **Platform:** A future-proof and adaptable cloud-based platform facilitating low-code or no-code customization built for tomorrow's technologies – artificial intelligence, machine learning, IIoT, and more.
- **Breadth:** Full-suite ERP including accounting, inventory, online commerce, field services, manufacturing, project accounting, and embedded CRM.
- **Simplicity:** An easy-to-use interface with no software to install and unlimited, free online education facilitating rapid implementations.
- **Friendly:** A technology partner that won't hold your company or your data hostage, providing unlimited user licensing so you can engage all employees and external customers, vendors, and dealers.

This ebook provides just a glimpse into the many ways Acumatica helps our manufacturing customers grow their business. There are hundreds of other use cases and thousands more when you consider the advanced features offered by our developer and channel partners.

ABOUT ACUMATICA

Acumatica Cloud ERP provides the best business management solution for digitally resilient companies. Built for mobile and telework scenarios and easily integrated with the collaboration tools of your choice, Acumatica delivers flexibility, efficiency, and continuity of operations to growing small and midmarket organizations.

Business Resilience. Delivered.

Learn more about how Acumatica can work in your business by visiting us online at www.acumatica.com.

