

Chapter 1

Peeking Under the NetSuite Hood

In This Chapter

- ▶ Understanding your most important data
 - ▶ Turning leads into profits
 - ▶ Examining NetSuite OneWorld
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*W*hy NetSuite?

The simple answer is that it's a one-stop solution that combines most of your business needs into one application. NetSuite tracks the core operations of your business in real time. You don't have to worry about piecing together different productivity programs for customer relationship management, accounting, e-commerce, and so on. NetSuite wraps all these functions into a single integrated application with an integrated database. It all works together right out of the box, with a customizable interface that is accessible from anywhere with an Internet connection.

NetSuite provides all the tools you need to do the following:

- ✓ Market goods or services to your customers/clients
- ✓ Deliver goods or services
- ✓ Bill customers and get paid
- ✓ Help customers or clients
- ✓ Buy the goods or services you need to run your business
- ✓ Account financially for all of the above

How can it do all these things? NetSuite stores information about these operations in a database that's shared across your business. It runs in an online data center (instead of in your own data center), which is referred to as running in the *cloud*. This means that all users work on the latest version of software. This translates into instant, real-time access for all users, including employees, contractors, Web store shoppers, and partners.

Speaking NetSuite Lingo



This basic terminology shows up throughout the book, and knowing it beforehand can help. Basic NetSuite categories follow:

- ✓ **Record:** Entry of information related to a single business concept.
- ✓ **Form:** Page through which you enter records and transactions. Forms contain fields and usually have tabs.
- ✓ **Field:** Place on a record or transaction where you enter information.
- ✓ **Subtab:** Section of a record or transaction that clusters fields by subcategory. This book uses *tab* versus *subtab*.
- ✓ **List:** Menu of values that you can select in a field.
- ✓ **Script:** SuiteScript JavaScript file that runs against a specific form or record type or that creates a custom portlet.
- ✓ **Role:** Set of permissions assigned to a NetSuite user.
- ✓ **Center:** Configuration of NetSuite created for a specific group of roles with similar tasks.
- ✓ **Center tab:** Grouping of similar links and information. These may include Home, Reports, Documents, Activities, and Setup. You also can create custom center tabs.

Naming Your Most Important Data

NetSuite stores your data in three major categories: entities, items, and transactions.

Entity

Entity is a generic category that includes individual people or companies. Everything about a person or business can be found in a single place. A single place can be thought of like a file folder of information. In database parlance, that single place is called a *record*, like a row in a spreadsheet where the columns are things like name, address, and phone number.

Entities can be a lead/prospect/customer, a contact, a vendor, a partner, or an employee.



Leads, prospects, and customers

The same entity represents an individual or company from the moment they become a lead all the way through to when they pay you for goods or services.

Depending on what stage of the lifecycle it's in, an entity may be called:

- ✓ **A lead:** When you first make contact with a potential customer.
- ✓ **A prospect:** After your sales team contacts him and verifies his interest in purchasing.
- ✓ **A customer:** When he buys something.

Contacts

Contacts are individuals who you have business relationships with, including colleagues, friends, and other acquaintances who you would keep in an address book. You can associate contacts with leads, prospects, customers, vendors, and partners, and you can enter private contacts that only you can access.

Vendors

Vendors supply you with the goods or services you need to run your business. Vendor records allow you to keep track of the vendor's location and contact information, track the items you purchase from them, and report on financial data based on your purchases. You can also give vendors access to your account to view the orders that have been made.

Partners

A *partner* is a company with whom you have a business agreement, typically to allow it to sell your products or services. Partner records allow you to keep track of your partner sales and activity. Partners can also be given access to your account to view reports and transaction data.

Employees

In NetSuite, the employee record contains employee information for contact, login, payroll, and human resources purposes.

Items

Items are the goods or services you're buying or selling. Items are used for anything you buy or sell while running your business.

- ✓ For product companies, items can be hard goods in your inventory, such as washers and dryers.
- ✓ For service companies, items can be services you perform for your clients, such as consulting, lead generation, or technical writing.

Transactions

Transactions represent the day-to-day business activities that occur between entities and items. Examples may include customers making purchases or employees being paid. Several dozen types of transactions exist, each representing a distinct type of business activity.



Transactions include the following:

- ✓ Invoices to track money owed
- ✓ Sales orders to track a closed deal
- ✓ Opportunities to track a deal in the negotiation process

Of course, behind the scenes, all these transactions have an accounting impact. Naturally you can do all your bookkeeping within NetSuite, from managing general ledger accounts to having sales placed through your Web site entered directly into the books like any other sale. (Part II explains bookkeeping and its details.) Aaah! Integration, sweet integration!

Leading to Profits

To understand how NetSuite tracks your operations, it's useful to think in terms of a business flow. A *business flow* is any particular process that you undertake in your business. For example, the customer flow in Figure 1-1 represents the entire series of activities undertaken for a particular customer, from the moment that customer contacts you until a payment has been made and accounted for. In many cases, a customer flow also includes post-sales support and customer feedback.

To illustrate how the different parts of a company can interact with a particular business flow, check out the customer flow in a bit more detail. (Of course, not all elements of this flow are applicable to every business; even so, this example shows the breadth of activities that NetSuite tracks and the variety of departments involved.)



Figure 1-1:
Customer
flow looks
this way.

Marketing

The key to any successful business is generating leads. Your business may use a variety of vehicles to generate leads, such as online or offline advertising, public relations (PR), or referrals. NetSuite allows your marketing department to track its efforts and determine which lead-generation method is most effective. Your marketing department records campaigns in your account to represent marketing activities.

These marketing activities, if successful, should create new leads. Each new lead is then recorded in NetSuite and sent to sales. For more information on marketing, see Chapter 11.

Sales

A salesperson qualifies each lead to determine whether it's a good fit for the goods or services that you provide. Next, the salesperson can create an *opportunity*, a type of transaction that represents a potential sale. The *lead* entity now turns into a *prospect*. NetSuite allows salespeople to track the progress of their opportunities and provide information about those opportunities to management through forecasts. Salespeople can send *quotes*, or *estimates*, to prospects. If a sale is made, a *sales order* is created from the opportunity, and the *prospect* becomes a *customer*.

For more information on sales and customer relationship management, see Chapter 9.

Web store/e-commerce

With NetSuite, a business can set up a Web store to display goods or services. Customers can purchase items from the Web store 24 hours a day, 7 days a week. After a purchase, a sales order is created in NetSuite. For more information on using NetSuite to set up and run your Web store, see Part V.

Fulfillment and project tracking

Ultimately, the most important function in your business is the delivery of goods or services. Delivering a sales order completely and efficiently is the most central element of the customer flow. It determines whether your customers buy again and whether they recommend you to others.

The process of packaging and shipping the goods the customer has purchased is called *fulfillment*.



- ✓ For product companies, delivery generally consists of packaging goods and delivering them to the customer, often using a shipper. NetSuite partners with UPS and FedEx, which allows you to generate real-time rates and track your shipments with detailed information about fulfillment, such as:

- Current inventory levels
- Goods committed to customers
- Addresses of shipments

See Chapter 10 for a more detailed discussion of fulfillment.

✓ For service companies, “delivery” often consists of tracking a project for services a customer has requested. As with physical deliverables, NetSuite tracks detailed information about the service fulfillment process:

- Tasks required from internal employees
- How much time each employee has spent on the project
- Milestones required to receive customer payment



For more information on project tracking, see Bonus Chapter 1 at www.dummies.com/go/netsuitefd.

Invoicing and collections

When the goods or services are delivered, it's time to *invoice* the customer. NetSuite builds invoices from the sales order and allows you to print them, e-mail them, and see them online. When the customer remits payment, a *payment* is recorded, and the invoice is closed . . . and maybe a pizza party is thrown.

For more information on invoicing, see Chapter 6.

Customer support

After you deliver the goods, your work isn't done; customers will always have questions, problems, or suggestions for your business. NetSuite tracks these types of requests in *cases* and lets you assign them to an appropriate employee (usually a support representative) for resolution. Because the support rep uses the same system that tracked the customer from day one, she has the low-down on that customer, making it much easier to understand and resolve the case.

For more information on customer support, see Chapter 13.

Financials

Besides collecting money, finance employees track customer information (such as profitability) and expenses to help ensure the business is running efficiently and maximizing opportunities. Again, because NetSuite is a single system, financial employees have access to information from the entire

customer lifecycle to perform their analysis. For more information on financials, see Chapter 5.

Workflows



NetSuite's Workflow Manager, described briefly in Bonus Chapter 5 (at www.dummies.com/go/netsuitefd), lets you tailor the flow of work in NetSuite to follow your business processes. So whether it's getting a purchase order approved or moving a lead through the sales cycle, setting up workflows is another easy way to customize NetSuite to meet your needs. Read more on that in Chapter 2.

Leveraging Key Data to Make Excellent Decisions

With all of your data in one system, you have everything you need to run your business, manage your employees, serve your customers, make smart decisions, improve efficiency and boost profits. NetSuite offers several ways to access your key business metrics and present them in a way that makes it easy to see the big picture in real time.

Dashboards

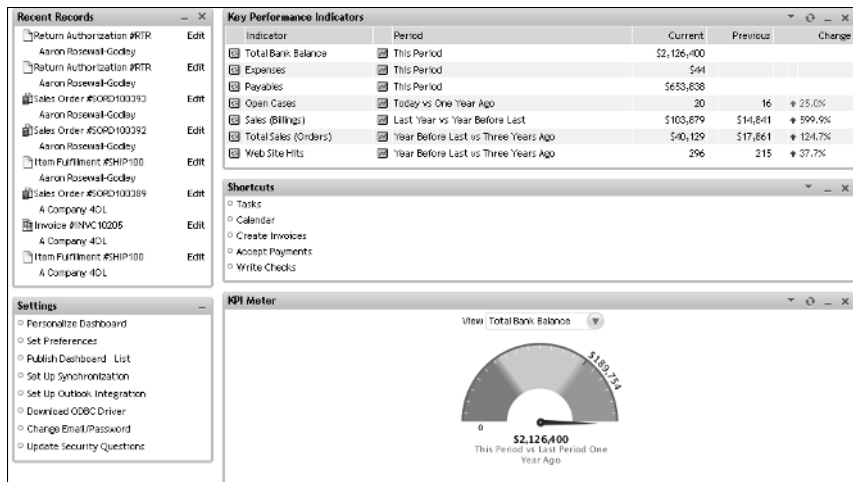
Dashboards, one of which appears in Figure 1-2, are the heart of NetSuite's approach. The Home dashboard is the first page you see when you log in to NetSuite.

Dashboards display snapshots of your critical data in many ways:

- ✓ Graphs
- ✓ Trending
- ✓ Key performance indicators (KPIs)

NetSuite makes it easy to personalize your dashboard specifically for your needs. For more information, see Chapter 4.

Figure 1-2:
Portlets show key business metrics on the home dashboard.



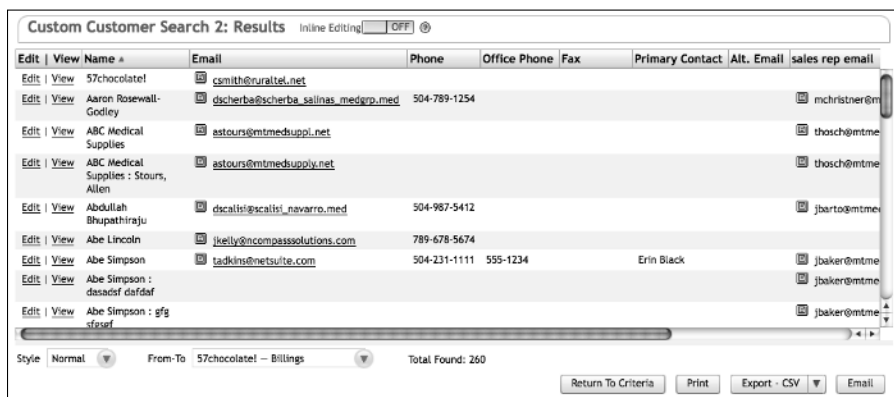
Lists and saved searches

You can access virtually all your data via lists or saved searches, as shown in Figure 1-3. NetSuite provides lists for basic record types such as customers, transactions, and employees.



If you need more flexibility, you can modify an existing list or create a saved search. Saved searches can answer many types of pressing questions about your business and can be private or shared across a group of users. For more information and steps for creating your own saved searches, see Chapter 19.

Figure 1-3:
A quick saved search brings up a list of all customers.



Reporting and analytics

NetSuite includes a long list of extremely powerful reports, including financials and analytics. Figure 1-4 shows the Sales by Customer report. If one of NetSuite's built-in reports doesn't meet all your needs, you can modify an existing report or create a new one from scratch. See Chapter 21 for more information on reporting and analytics.

Figure 1-4:
Analyze customer profitability with the sales by customer report.

Customer	Date	No.	Memo	Total Revenue
<input type="checkbox"/> Aaron Rosewall-Godley	Cash Sale	4.5.2009	CASH1057	\$100.00
Total - Aaron Rosewall-Godley				\$100.00
<input type="checkbox"/> ABC Medical Supplies	Invoice	13.1.2009	INVC10176	\$100.00
	Cash Sale	4.5.2009	CASH1058	\$100.00
<input type="checkbox"/> Stours, Allen	Cash Sale	4.5.2009	CASH1059	\$100.00
Total - Stours, Allen				\$100.00
Total - ABC Medical Supplies				\$300.00
<input type="checkbox"/> Abdullah Bhopathiraju	Cash Sale	4.5.2009	CASH1060	\$100.00
Total - Abdullah Bhopathiraju				\$100.00
Grand Total				\$300.00

Date: last fiscal year From: 1.1.2009 To: 31.12.2009 Find: <Type then tab> Next Prev

Refresh Customize Options Print Email Schedule Export - CSV

NetSuite also offers a fully customizable key performance indicator (KPI) scorecard portlet on your dashboard. KPIs provide a way to keep “score” of how well you (or your employees) are doing in particular areas. The KPI scorecard portlet, shown in Figure 1-5, lets you display KPIs that are important to your job. KPI scorecards can provide complex comparisons among multiple KPIs over multiple date ranges or accounting periods. KPI scorecards also can include Excel-like formulas with KPIs and functions in their expressions. KPIs and KPI scorecards are discussed in detail in Chapter 20.

Going Global with NetSuite OneWorld

NetSuite OneWorld makes the world feel a little smaller — at least from the perspective of managing your business. The product, which is a particular flavor of NetSuite that larger companies with multiple subsidiaries often purchase, is custom-made for companies that do business internationally. It allows companies to quickly and efficiently expand their operations across international borders — often at a fraction of the cost and time of traditional on-premise enterprise resource planning (ERP) systems.



NetSuite OneWorld supports multiple subsidiaries and multiple currencies, but in other respects is the same as the simpler single-currency version of NetSuite.

Except where specifically noted, everything in this book also applies to NetSuite OneWorld.

OneWorld abilities

Like NetSuite in general, OneWorld lets you see into all facets of your business in real time. In addition, NetSuite OneWorld handles currencies as well as tax rules and regulations for your base country as well as for countries where you have subsidiaries, vendors, and customers.

Say you're a U.S. company with a subsidiary in Tokyo, Japan. Your Japanese subsidiary would see its Web pages written in Japanese, with currency in Yen, and roles and permissions set to reflect its business' needs. Meanwhile, a manager at the U.S. headquarters can get real-time information about sales in Japan and even drill down for details on specific projects or warehouse inventories — all translated into English and U.S. dollars.

With OneWorld, you can do one of the following:

- ✓ Populate single charts-of-accounts across subsidiaries
- ✓ Use separate charts-of-accounts for each company with postings between subsidiaries.

OneWorld features

OneWorld features a built-in tax engine that calculates local taxes and generates multiple tax schedules. And it allows you to manage inventory and fulfillment over multiple locations across the world and represent items either globally or by subsidiary.

Key features of NetSuite OneWorld include the following:

- ✓ **Global Accounting/ERP:** Multi-currency and real-time financial consolidation.
- ✓ **Global CRM:** Tools to manage a multi-national sales organization in multiple languages and currencies and gain visibility into every aspect of CRM, including quotas, forecasts, sales, customers, partners, support cases, issues, leads and campaigns.

- ✓ **Global Ecommerce:** Multi-brand Web stores that all can be run and managed from a single NetSuite system in multiple languages, currencies, and countries.
- ✓ **Global Services Resource Planning (SRP):** End-to-end, real-time visibility across all levels of organization, including corporate, subsidiaries, geographies, and even individual projects.
- ✓ **Global Business Intelligence:** Multiple levels of consolidated, real-time reporting and key performance indicators.

The biggest selling point of OneWorld is that it lets you roll up your financials into your base currency. Also, you can rebrand your company pages by assigning different company names and logos to each local subsidiary.