



Seven Ways Your Accounting System Could Be Holding Back Business Growth

The time is right for growth

The appetite for growth among UK businesses is accelerating as the economy continues to recover after the recent recession. To satisfy these expansive ambitions, businesses need to ensure their core business management applications can support their growth ambitions.

To better understand how the right business management systems can help propel growth – and how the wrong ones hold businesses back – NetSuite commissioned research consultancy Loudhouse to undertake an analysis of senior decision-makers within UK businesses.



The survey highlights the crucial importance of growth to most organisations.

**69% OF COMPANY LEADERS
IDENTIFY GROWTH AS THEIR
TOP PRIORITY**



The research reveals how basic accounting systems such as Sage can restrict business growth in seven key ways:

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1) Scalability



Businesses need to be able to scale quickly to achieve growth targets. But no matter how large an organisation may become, it must retain the ability to adapt to situations and see off challenges, while capitalising on opportunities.

This is where basic on-premise business management solutions such as Sage can hold companies back.

BUSINESSES NEED TO BE ABLE TO SCALE UP TO HIT GROWTH TARGETS

Businesses that run on NetSuite experience no such problems, as the cloud solution is designed to scale as the company grows. The research reveals the primary reasons companies select NetSuite to manage their core business processes are that it is cloud-based (62%) and scalable (56%).

As year-on-year growth is a long-term business strategy, it's critical that the core business applications don't need to be replaced at each stage of the growth cycle and disrupt business continuity. Customers estimate that NetSuite has the capacity and features in its current form to support operational growth for four years and five months (53 months). Only at that point will they consider changing systems.



For non-NetSuite customers, the situation is very different. They estimate their software will support operational growth for just one year and nine months (21 months) before it needs upgrading or replacing.





NetSuite

customers say the software can support scaling of their business in terms of organisational diversification for four years and two months (50 months)



Sage

customers say the software will only support them for half of this time – two years and one month (25 months)



CUSTOMERS IMPLEMENT NETSUITE BECAUSE IT IS **CLOUD-BASED (62%) AND SCALABLE (56%)**

This means NetSuite users will realise almost three years additional return on their accounting software investment over Sage users. More importantly, they will also be able to better plan and budget for a system upgrade and realise the benefits of unrestricted growth during that additional period.

Some survey respondents believe that NetSuite will never limit their growth options thanks to its use of cloud technology.



“You can customise NetSuite to meet all your requirements. Role-based dashboards display all relevant KPIs and metrics that relate to my job, providing me with real-time insight every time I log in.”

“We’re not going to outgrow NetSuite, that’s just not going to happen.”

Satisfied Netsuite customers



2) Always-on access

One of the principal advantages of a 100% cloud-based solution such as NetSuite is constant, reliable self-service. Any authorised company stakeholder should be able to access information relevant to their role and team, anywhere, at any time – from any device.

An effective cloud-based solution allows staff to work as effectively from home as if they were in the office. This fosters a flexible work ethic, and ultimately results in greater productivity.

Sage customers aren't in such a position though. The research finds just 15% describe remote access to Sage software as excellent. Impressively, nearly three times as many (42%) say the same about NetSuite's remote access.

Sage fares worse against other rivals too. Just 20% of its users describe its 24/7 access as excellent, compared with 50% of other accounting system users.

"I expect the platform [NetSuite] to be reliable and I think out of the ten years we have been a customer, there was just one afternoon where we experienced any downtime."

A satisfied NetSuite customer



3) Real-time data

Approximately half of all managers and directors, regardless of which accounting system they use, claim their biggest day-to-day challenge is accessing real-time company performance data. Meanwhile, 41% demand real-time data as a critical component of their system. There is also a 36% demand among managers and directors for 24/7 data availability.

But it appears NetSuite customers are more enlightened when it comes to the importance of real-time data. Some 49% emphasise how crucial it is in their ultimate accounting system, compared with 28% of Sage users.



4) Sharing data

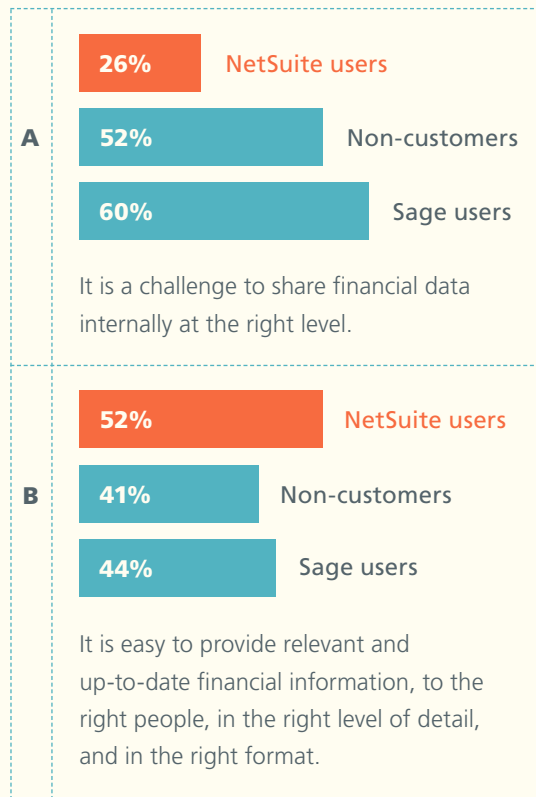


The need for data access extends beyond the confines of the accounts department. Data can be used for strategic planning or service improvement across the organisation.

Unrestricted access to accounts information is undesirable though. Businesses need a secure way to provide granular data sharing that ensures only relevant information is made available.

Just 26% of NetSuite users believe sharing financial information at the right level presents a problem – exactly half that of competitor products such as Sage.

And over half of NetSuite users (52%) find it easy to provide relevant and up-to-date financial information, to the right people, in the right level of detail, and in the right format. This compares with just 41% of non-customers.

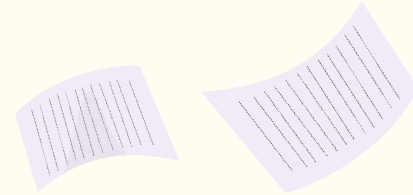


5) Simplicity and efficiency



Raising an invoice should be a quick job. But what should take a few minutes can take far longer when three different applications have to be employed – one to determine if the task being invoiced for has been completed, another to see if the customer has made any additional orders, and a third to create and send the invoice. For many Sage users, this daily grind appears to be an every day reality.

As a result of implementing NetSuite, customers report having better operational efficiency (53%) as well as better business insights (54%). Meanwhile, non-NetSuite users are more likely to find it challenging to gain real-time company performance data (56% vs. 48%).

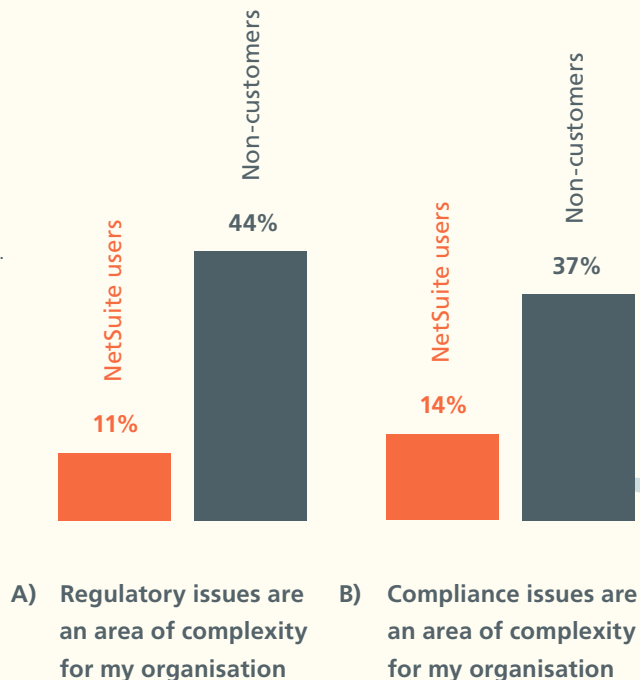


**COMPANIES THAT IMPLEMENT
NETSUITE REPORT HAVING BETTER
OPERATIONAL EFFICIENCY**

6) Easy compliance

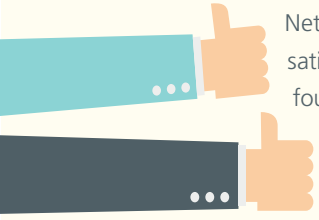
Certain industries are governed by strict regulations covering working practices and data retention. And if an accounting/ERP system is to accurately map to business processes, it should also be able to assist with regulatory compliance.

The research indicates this is most certainly the case for NetSuite users. Just 11% report regulatory issues as a complexity within their organisation. Conversely, four times as many (44%) users of other systems struggle with the complexities of regulatory compliance.



7) Quality

When it comes to assessing levels of customer satisfaction, one of the best indicators is their willingness to recommend a solution.



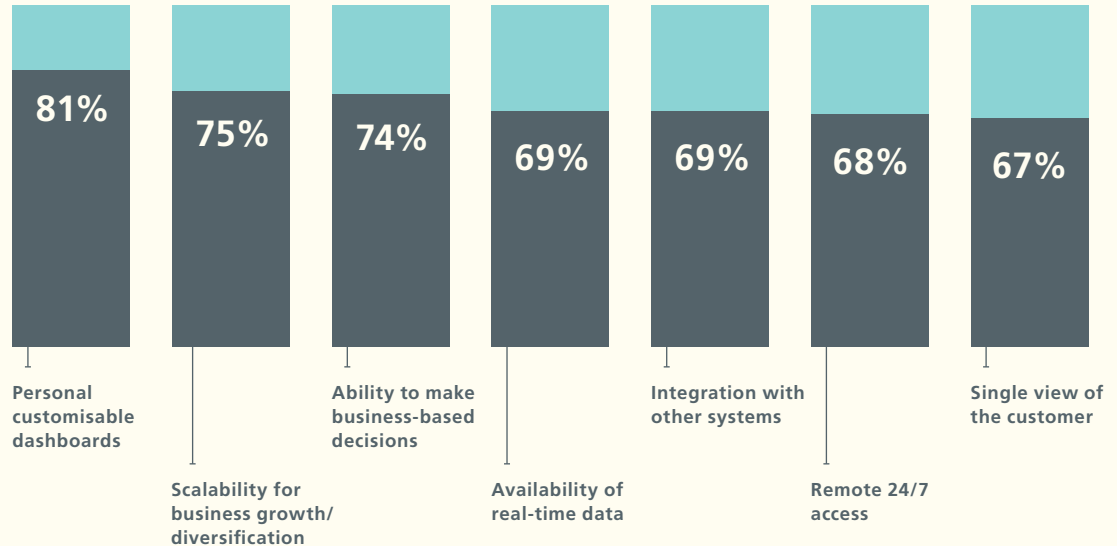
NetSuite tops the customer satisfaction charts with more than four-fifths (81%) agreeing they would “definitely recommend” the software to friends and peers.

Sage fares much worse. Just 62% of their customers thought the system worthy.

Three-quarters (74%) of NetSuite customers state their software is better than most others on the market.

And compared with their previous accounting solution, NetSuite customers say it is better all round. They list the following attributes as better:

NETSUITE **TOPS** THE CUSTOMER SATISFACTION CHARTS



Business growth is all

Over two-thirds (69%) of company directors and managers identify business growth as their main priority. This is closely followed by improving profitability (59%) and controlling costs (58%).

More than three-quarters (76%) of NetSuite customers focus on growing the business, compared with 61% of non-customers.

Almost all businesses realise the strategic importance of the right accounting software with 91% claiming it is critical if they are to reach their business goals.

THE RESEARCH SHOWS

NETSUITE CUSTOMERS PRIORITISE COMPANY GROWTH

Furthermore, a convincing 80% of NetSuite users believe their software puts them in the best position to reach their goals. For Sage users the situation is not quite so positive – less than three-quarters (72%) feel the software gives them the platform they need for strategic growth.



The smarter choice

Sage is a major player in the accounting software marketplace. Yet the relative dissatisfaction of its users belies its position. Sage has been found to be critically lacking in several areas. Such weaknesses limit customers' growth potential.

NetSuite beats Sage on many fronts – from simplifying granular accounts, to data sharing, to improved availability and up-time in the cloud. NetSuite satisfaction ratings far exceed those of Sage. Tellingly, its users are far more likely to recommend the system to peers.

Businesses are being stifled by seven key flaws of cumbersome on-premise accounting systems such as Sage. The research shows a more scalable, cloud-based accounting/Enterprise Resource Planning system is the answer.

The good news for users of Sage or other non-NetSuite systems is the chance to easily switch to more advanced software solutions is always there.

**NETSUITE IS THE PERFECT SOLUTION
FOR BUSINESSES LOOKING TO
THRIVE AND GROW**



Key findings

<p>The most common objectives faced by finance professionals over the next 12 months are growing the business (69%), improving profitability (59%) and controlling cost (58%)</p>	<p>NetSuite customers are more likely than Sage customers to rate remote access of their accounting/ERP solution as “excellent” (42% vs. 15%)</p>	<p>NetSuite can support business diversification for 50 months. Sage can support business diversification for just 25 months</p>
<p>91% say an accounting system is critical for their business to achieve its goals</p>	<p>NetSuite customers are more likely than Sage customers to rate the 24/7 access as excellent (54% vs. 20%)</p>	<p>Non-NetSuite customers are twice as likely as NetSuite customers to find sharing financial data internally at the right level a challenge (52% vs. 26%)</p>
<p>The main reasons for implementing NetSuite are that it is cloud-based (62%) and scalable (56%)</p>	<p>NetSuite can support organisational growth for customers for 53 months. Non-NetSuite customers can support organisational growth for 21 months</p>	<p>As a result of NetSuite implementation, customers report having better business insights (54%) and increased operational efficiency (53%)</p>