Acumatica
The Cloud ERP

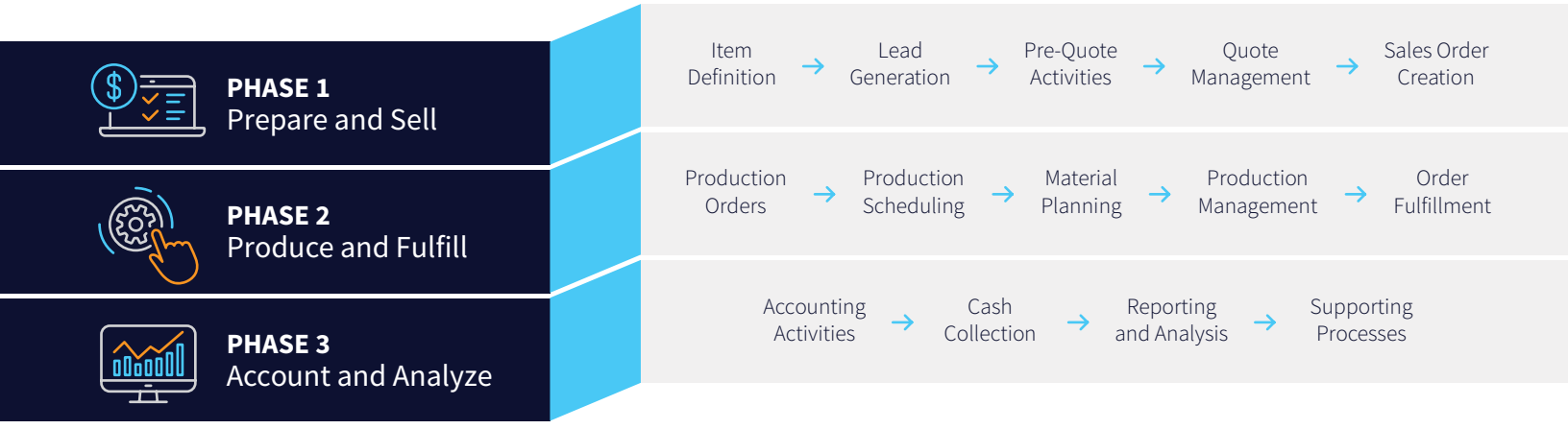
Perfecting Quote-to-Cash with Acumatica Manufacturing Edition

Solution Brief

Get Paid Faster with Configurable Quote-to-Cash Workflows

Every manufacturer has a different quote-to-cash process. Some manufacturers forecast demand, build-to-stock, and fulfill orders from inventory. Engineer-to-order manufacturers use CAD applications to design custom products based on customer designs or internally developed specifications. Configure-to-order manufacturers setup features and options to create new items based on customer preferences. Estimating is critical for job shops that rarely stock products they quote and sell to customers. Acumatica Manufacturing Edition provides flexibility for different quote-to-cash workflows with applications to manage sales, inventory, purchasing, manufacturing, shipments, and accounting. Extended features include retail and commerce sales, field service appointments for installation and repair, and project accounting for jobs that include manufactured goods.

This Solution Brief illustrates how Acumatica supports simple and complex quote-to-cash processes for manufacturers. The quote-to-cash process comprises three phases and 14 unique steps that most manufacturers use with some variation.



"Full supply chain visibility will enable us to target the areas where we have issues and tackle them, to ensure we are operating efficiently and driving growth across sales, supply chain, manufacturing and finance."

- DEREK SZABO, MANAGING DIRECTOR, DEVIL'S PEAK BREWING COMPANY

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PHASE 1:

Prepare and Sell



Most manufacturing sales start well before the quote is created. Set up stock items for products and non-inventoried items for services. Leverage embedded marketing automation to generate business leads. Manage the sales cycle with lead assignment and opportunity activities. Acumatica Manufacturing Edition provides applications to create newly manufactured items for a variety of manufacturing environments. Create quotes and send them to customers for electronic approval. Convert quotes to sales orders and manage order details for a clean hand-off to manufacturing.

Step 1: Item Definition

Manufacturers maintain stock and non-stock items used in sales, production, projects, and services. Choose from one of nine ways to create raw material and finished goods stock and non-inventoried items in Acumatica. Deferral codes ensure accurate revenue recognition for sales of service, support, and other non-stock items. Generate unique items with Matrix Items using attributes such as length, width, style, color, and more.

Step 2: Lead Generation

Next, the marketing department develops marketing lists and executes campaigns to generate leads. Opportunities are assigned to sales reps based on the product line, sales territory, or other user-defined criteria. Schedule activities and store completed tasks with notes for each opportunity.

Step 3: Pre-Quote Activities

The quote-to-cash process is different for every manufacturer. Leverage specialized applications to define finished goods and services to include on the sales quote.

- Make to Stock (MTS): BOM and Routing Definition
- Project-Centric Manufacturing: Project Accounting
- Make-to-Order (MTO): Manufacturing Estimates
- Configure-to-Order (CTO): Product Configurator
- Engineer-to-Order (ETO): CAD/PLM BOM
- Purchase Order Requisitions

Step 4: Quote Creation

Tailor business processes to meet specific business requirements. For example, some manufacturers quote product sales, while others provide quotes for larger projects, field services, or support contracts. Sales quotes are converted to sales orders, while service quotes are converted to service appointments. Approved project quotes define the project and related tasks. Contract quotes are easily converted to new contracts or contract renewals. Acumatica integrates seamlessly with DocuSign to automate quote and sales order approvals.

Step 5: Sales Order Creation

Convert prospects to customer accounts when sales orders are generated from opportunities. Workflow notifies accounting to complete the account setup. Reserve required stock to ensure availability for fulfillment or production. Manufacturers with smaller warehouse facilities and simple processes can bypass the pick and pack process to generate shipments directly from sales order entry if they have adequate stock on-hand. Generate sales orders from point of sale transactions, commerce storefront orders, file imports, or electronic data interchange (EDI) transactions through connected applications.

PHASE 2:

Produce and Fulfill



Manufacturing begins prior to sales based on forecasted demand in make-to-stock environments. In most make-to-order scenarios, manufacturing starts after the sales order is created. Make-to-order manufacturers typically create the production order directly from the sales order, project, or service order. Production orders are scheduled against finite capacity constraints. Purchase orders and production orders for dependent raw materials and subassemblies are suggested through the time-phased material requirements planning (MRP) application. Material and labor transactions are entered throughout the production process or backflushed automatically for work in process costing. The finished goods inventory is updated and ready for order fulfillment.

Step 1: Production Order Creation

Production Orders are created based on demand forecasts in make-to-stock environments. Job shops and make-to-order manufacturers create production orders from the sales order. Customer service uses Capable to Promise (CTP) to understand how much product is available for sale or when a quantity will be available for shipment. Project-centric manufacturers create production orders from project tasks for project costing and billing.

Step 2: Scheduling

Production orders are scheduled manually or automatically, either forward from the current date or backward from the requirement date. Manage shop calendars and black-out holidays. Add shifts and add labor resources to crews to increase throughput. Schedules support a mix of finite and infinite capacity constraints for work center, machine, and tool availability. Scheduled operations update work center, machine, and tool dispatch reports.

Step 3: Material Planning

Matrix grids and tables streamline purchasing across product families. Use the Purchase Order Requisition application to solicit bids from vendors for new items that do not exist in inventory. MRP uses inventory settings such as safety stock, min and max stocking levels, and other defaults to recommend purchase orders. Other material planning features include warehouse transfers, drop shipments, and blanket purchase orders.

Step 4: Production

Employees enter transactions against production orders or backflush to allocate materials and labor to WIP automatically. Transactions are automated with embedded barcoding to improve data accuracy. Laborers use mobile devices to clock-in and clock-out of production activities with time card transactions that flow seamlessly to the native Acumatica Payroll application.

Step 5: Fulfillment

Completed production orders decrement WIP costs and quantities, and update finished goods inventory. Smaller manufacturers pick, pack, and ship in one step. In comparison, larger manufacturers separate each step in the process with the advanced wave and batch picking features. User-defined packaging definitions and unit of measure conversions provide flexibility for many different scenarios. The shipment is prepared inside Acumatica with carrier and scale integration to transmit shipment orders and associated shipping documents such as bills of lading, packing slips, and other shipment details.

PHASE 3:

Account and Analyze



Accounting engages in the quote-to-cash process at various points for invoicing, vendor payments, and related activities. Invoices are typically sent after the order has shipped. However, some companies send multiple invoices for large items like capital equipment that take longer to make. Vendor invoices are received, vouchered, and paid. Collection activities are managed for past due invoices with phone calls and email communication. Additional activities and reports complete the process with sales commissions and detailed analysis. There are many other supporting applications and processes crucial to perfecting the quote-to-cash process that should not be ignored.

Step 1: Accounting

Every manufacturing, inventory, sales, and purchasing transaction flows back to the general ledger for financial reporting and analysis. Accounting ensures that invoices are sent, cash is collected, and vendors are paid on time. Manufacturers have other specialized accounting requirements for employee payroll, bank feeds, expense management, project accounting, contract billing, intercompany accounting, deferred and recurring revenue, multicurrency, and more.

Step 2: Cash

Acumatica provides tools to help manufacturers get paid faster. Flexible billing cycles and automation ensure that customers receive invoices promptly. Manage credit and collection activities with embedded tasks, cashflow dashboards and reports, dunning letter templates, and native email integration. Proactive collections and access to information throughout Acumatica enable accounting professionals to reduce days sales outstanding (DSO) with minimal effort. Integrated applications allow customers to remit credit card payments safely and securely online. Payments may also be made through electronic funds transfers (EFT) or paper checks. Automated bank feeds synchronize transactions from your bank or lending institutions.

Step 3: Reporting

You cannot perfect the quote-to-cash process without access to real-time, accurate information. Acumatica dashboards, generic inquiries, financial reports, alerts and notifications, and business intelligence ensure your process is on-track with notifications when processes are outside the norm.

Step 4: Supporting Processes

Acumatica is a holistic manufacturing ERP system with applications to manage your entire enterprise. Empower employees with role-based information, mobile time and expense entry, and native payroll processing. Embedded document management, task management, and access to every business function are available on mobile devices anytime and anywhere. Maintain complete visibility of fixed assets and depreciation calculations. Add fixed assets for office and shop floor equipment directly from AP purchases, import from a file, or add them individually. Select from a large inventory of pre-defined depreciation schedules or create custom schedules for accurate accounting and reporting. Manage engineering changes with connected CAD or PLM applications and native engineering change orders. Exceed customer expectations with adaptable omnichannel features. Manage returns for credit, formalized return merchandise authorization (RMA), or return for exchange.

Perfect Quote-to-Cash Processes with Acumatica Cloud ERP

Manufacturers perfect the quote-to-cash process and get paid faster with a comprehensive and modern ERP application like Acumatica. Manage every step effectively and with the flexibility to adapt the system to the way you do business.

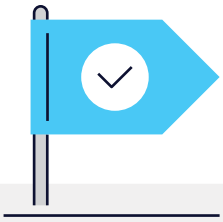
Streamline item creation for stock and non-inventoried items. Use manufacturing estimates, the rules-based product configurator, Acumatica for Arena Native Connector, and Engineering Change Control applications to manage finished goods. Acumatica's embedded CRM includes marketing automation for lead generation with configurable sales processes and automation to manage complex product sales cycles.

Harmonize production plans with resource constraints and material planning processes to ensure maximum throughput. Backflush material and labor processes for accurate and faster transactions. Streamline operations with supporting accounting activities, sales commissions, engineering changes, subcontracted, outside processing, and more.

With Acumatica, you have a complete and connected business application with powerful tools to analyze data in real-time. Manage your business by exception with role-based dashboards, real-time reports and inquiries, and connected business analytics.

Acumatica Manufacturing Edition is a future-proof, cloud ERP application built on a modular and adaptable platform with open APIs for rapid integration to external systems to help manufactures thrive in the new digital economy.

Acumatica is designed for midmarket manufacturers that struggle with disparate, siloed systems by providing an end-to-end business management solution that can be accessed in the cloud using a standard web browser or mobile application.



"Acumatica provides all the fundamentals needed to run your business, so when you are ready to take the next step and expand or move into a new market, there are strong systems and processes in place to take that on."

KEVIN BOYLE, DIRECTOR OF IT SPECIFIED TECHNOLOGIES

Acumatica
The Cloud ERP

Acumatica Cloud ERP is a comprehensive business management solution that was born in the cloud and built for more connected, collaborative ways of working. Designed explicitly to enable small and mid-market companies to thrive in today's digital economy, Acumatica's flexible solution, customer-friendly business practices, and industry-specific functionality help growing businesses adapt to fast-moving markets and take control of their future.

For more information on Acumatica, visit www.acumatica.com or follow us on LinkedIn.