

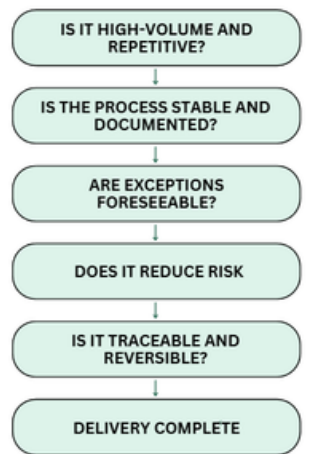


## NetSuite Automation Priority Framework: What to Automate First (and What to Avoid)

You invested in NetSuite so that you do not have to do a lot of it by hand but you still find your finance team in spreadsheets, approvals and corrections. So you start automating. However, the issue here is the following: when you automate inappropriate processes, you may also bring about compliance risk, error in reporting, and even slow down your close. It is not what you can automate, but what to automate first and what comes after that.

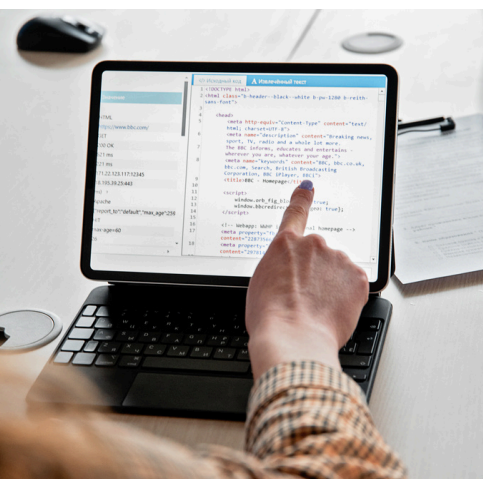
### AUTOMATION DECISION TREE

Is Your Process Automation-Ready? The 5-Point Check for True ROI.



Automation of high volume, rule-based, low-risk tasks should be done first - recurring journals, structured approvals, standardized invoice processing. Postpone the automation of judgment intensive, exception based processes, such as the complex recognition of revenue or the use of non-standard pricing. Do not automate processes that are volatile or those that keep on varying. Confusion will only be mechanized. In case automation does not decrease the manual effort without raising the compliance risk, then it is not the place to begin.

## Why Automation Efforts Often Backfire



Three common mistakes derail NetSuite automation projects.

- **Automating Before Standardizing**

When departments with different codes finalize expenses, there will be no solution to the problem of automating the posting of bills to vendors, and will only increase the difference. Where categorization of expenses is not standardized amongst subsidiaries, exceptions go haywire. Time spent in fixing automation exceeds the saved time. Automate only after cleaning the process up.

- **Over-Customizing with Scripts**

SuiteScript can do a lot, however, once all of the problems are resolved with personal logic, the speed slows down. Save times increase. Trouble shooting hurts. When a single individual is informed of the logic, then you have posed dependency risk. Use workflows first. Script only when necessary.

## WHY AUTOMATION EFFORTS OFTEN BACKFIRE

4 Key Pillars for Sustainable NetSuite Success.



- **Automating Approvals Without Governance**

Approval routing may appear to be an easy victory, but when thresholds are frequently adjusted, delegation is not well defined and managers are able to edit policies by hand, automation can become vulnerable to audit. Automation should not weaken but enhance controls.

## ▶ The NetSuite Automation Priority Framework

The three questions to be asked before automating anything include How often does this happen? How many exceptions occur? What would occur in the event of automation logic going bad? Selecting these questions, categorize the divide processes into four levels.

- **Tier 1: Automate Immediately**

These are high volume, predictable, low risk jobs. This category includes recurring journal entries, standard rules in vendor bill codes, three way match validations, automated invoice generation and automatic payment reminders. In case a process is routine and governed by rules, automate it.

- **Tier 2: Automate with Controls**

The variability and moderate risk of these processes are also present. Automation of tiered approval processes, automatic reorder of inventory triggers, and calculation of commission as well as customer dunning sequences should be monitored. Incorporate dashboards to monitor exceptions and plan quarterly reviews. This should be because automation enhances speed and visibility.

- **Tier 3: Delay Automation**

These are processes that involve judgment. Highly complicated revenue recognition modifications, project-specific billing, strategic pricing approvals, and inter company exceptions are all involving too many variables. Automation must not always be used to eliminate humans, it must sometimes be used to support them. Reporting should be built in a way that draws attention to anomalies, rather than pushing adjustments into the system.

- **Tier 4: Avoid Automating**

Automation should not occur of processes that vary every month, processes whose owners are not known or processes with many exceptions and unclear policies. The automation entrenches bad procedures. When your rules are not the same, then you are introducing a sense of instability in your code.

## ► Where Automation Creates Risk

- **Compliance Exposure**

Audit trails are undermined by over-automation that lacks logging and monitoring. Have system notes on, have role-based permissions, and review workflows quarterly. Increased transparency should come with automation and not conceal actions.

- **Performance Issues**

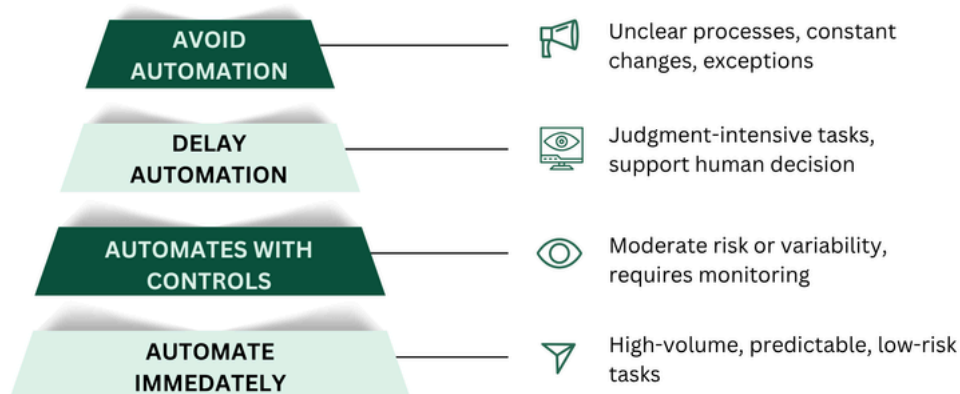
Sequential procedures and programs sluggishly save transactions. Redundant reasoning is a cause of conflicts. Duplicated scripts in sales orders may take up to eight to ten seconds to save. Eliminate unnecessary logic-performance is increased immediately. Your system should not be overloaded with automation, but made easier.

- **Automation Debt**

Business rules evolve. Old workflows stay. In the long run, your system gets polluted. Arrange annual audits of automation. Retire outdated logic. Automation is code just like it.

### THE 4-TIER AUTOMATION PYRAMID

Visualizing suitability for business process automation



## ► How to Decide What to Automate Next

Pre-approval automation questions are: Is this high-volume and repetitive? Is it documented and stable process? Are there exceptions that are exceptional and foreseeable? Is automation a risk-reducing process rather than a risk-increasing process? Are you able to trace and reverse it? Unless the answer to all these questions is a definite yes, standby.

## ► Final Thought

NNetSuite automation is not about making the most of features. It is concerned with disciplined effectiveness. Automate the predictable, train the complex and safeguard the judgment-intensive processes. By putting an emphasis on automation in terms of volume, variability and risk, you decrease manual work without losing control. That is the way you can make smarter automation choices during go-live.