

Sage Business Cloud Enterprise Management (formerly Sage X3)

MANUFACTURING SOFTWARE REVIEW BY SHELDON NEEDLE



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Executive Summary

Sage Business Cloud Enterprise Management (SBCEM) is a fully integrated software application that is functionally robust across manufacturing, distribution, warehousing, CRM and accounting. Designed for mid-sized distributors and manufacturers in discrete and process industries, SBCEM also incorporates supply chain management and finite capacity planning functionality. The system empowers mid-sized companies with a sophisticated, affordable, quick-to-implement solution. SBCEM is dedicated to the upper midmarket. Sage brings to market over 20 years' experience in providing solutions to a variety of industries, including process, discrete and mixed-mode manufacturers as well as wholesale distributors.

SBCEM has been configured in offerings that support Process, Discrete and Distribution environments:

SBCEM Process supports the specific needs of process manufacturers including Food & Beverage, Chemicals, Pharmaceuticals and Petrochemicals and sub-industries as diverse as dairies, bakeries, paints, lubricants and cosmetics. The system effectively meets the challenges faced by formula-based manufacturers by providing them with an industry-compatible set of enterprise-wide functions: including formula and recipe management, quality control, shelf life management with expiration date control, by-product management and full lot traceability. SBCEM Process also provides complete quality assurance functionality, integration with MSDS, and helps FDA registered manufacturers comply with regulatory requirements imposed by legislation such as the Bioterrorism Act and 21 CFR Part 11.

SBCEM Discrete is an enterprise-wide set of application modules that addresses the needs of

mid-sized discrete manufacturers. The system supports a variety of manufacturing modes including make-to-order, configure-to-order, assemble-to-order, make-to-stock and mixed-mode environments.

Industries include manufacturers of industrial goods, consumer goods, furniture and fixtures, electronics, electrical goods and instrumentation such as medical devices.

Both Process and Discrete versions support a full ERP implementation environment, including:

- The Manufacturing module permits full control over all planning and production control activities including bill of material and formula management, routings, MRP, MPS, WIP costing and shop floor control. SBCEM supports both work order based manufacturing and continuous batch environments.
- The Distribution modules support all sales, CRM, purchasing and inventory control functions including features to support quality control, lot control and tracking, expiration date management and variable packaging units.
- The Accounting modules are fully integrated with manufacturing and distribution, providing companies with complete Accounts Receivable, Accounts Payable, Fixed Assets, General Ledger and Financial

Reporting capabilities

SBCEM Distribution is designed for wholesale distributors and the distribution arms of manufacturers and provides a full range of applications supporting order fulfillment, purchasing, inventory management, customer relationship management and accounting. For multichannel retailers and direct marketers, SBCEM Distribution Suite may be

complemented with the **Multichannel Retail application module** to provide extended functionality in the areas of marketing and campaign management, merchandising, pricing and promotion, order processing, warehousing and ecommerce. While SBCEM can be configured to meet the needs of process or discrete manufacturers as well as wholesale distributors, the main common features include:

Technology

SBCEM is built on the Sage Application Framework for the Enterprise (SAFE X3) technology platform, which provides:

- Three-tier, scalable system architecture
- Multi-audit functionality (multicompany management, multi-site, multi-currency, multi-BPs address, etc.) and compliance to multiple legislations and accounting practices
- Multi-OS support (Windows, AIX, Linux Red Hat)
- Multi-DB support (Oracle 10g, MS SQL 2005)
- Web Client as well as C/S administration
- Audit tools (audit logs, security management, full audit trail, etc.)
- Business Intelligence and statistics engine
- Import-export engine (ASCII, XML) and MS Office Automation
- Workflow engine
- Integrated development toolset

Manufacturing

- Multiple manufacturing modes – ATO, MTO, CTO, MTS process, mixed mode
- Technical data configurator
- Replenishment and planning rules
- MPS, MRP schedule
- Workplan and manufacturing analysis
- Interactive finite/infinite capacity planning
- Variety of material tracking methods
- Weighing station interface
- Cost accounting

Sales

- Short to long cycle sales process among: quotes, contracts, blanket orders, orders, inventory allocation, delivery scheduling, shipping, returns, invoicing
- Customized product configurator
- Credit checking, customer rating
- User-defined matrix pricing rules
- Sales commissions calculation
- Order to cash process
- Open Item management and followup: aging, risk analysis and statistics, customer hold/release management
- User-defined cash collection process
- Customer reminders

Inventory

- Location management: dedicated, suggested or random storage for single/multiple item location
- Stock management by physical location, lot and sub-lot, quality status, serial numbers, expiration dates, potency
- Consigned inventory and third party inventory
- Inventory balances by stock status
- Physical counting
- Inventory replenishment with or without MRP
- Intra-company movements
- Forward and backward traceability
- Variety of inventory costing methods
- Cost accounting

Purchasing

- Short to long cycle process among: RFQ's and responses, contract and blanket orders, PO, receiving/returns, invoicing
- Supplier rating and classification, statistics
- Free pricing criteria and rules
- Purchase planning and ordering with/without MRP replenishment
- Delivery scheduling and receiving
- Built-in security and workflow with signature rules to control commitments against budget
- Open Item management and tracking: dispute level, payment approval
- Payment term scheduling
- Mass payment campaigns
- User defined payment process (check writing, check voiding, check reconciliation)

CRM

- Marketing campaigns planning and follow-up
- Sales force automation
- Customer support with knowledge base

Finance

- User defined fiscal calendars, GL accounts and analytic dimensions
- Accounts receivable/accounts payable
- Budgeting
- Financial extraction and reporting, inter-company consolidation ready
- Employee expenses entry and management
- Complete audit trail ensured by successive or single zooms on original documents available across the entire ERP suite
- Fixed assets
- Open item tracking and follow-up for collection activities

Workflow

SBCEM Workflow facilitates the streamlining of business operations and the flow of information both within an organization and to its business partners. Unlike traditional systems that come with pre-defined workflow processes, the extensive parameterization available within SBCEM makes it possible for companies to define any business event and condition to initiate workflow messaging. For example, SBCEM enables manufacturers to automatically route urgent work orders to the shop floor for immediate attention. A production manager is alerted immediately by e-mail and needs only to double-click on an icon attached to the message to view and take immediate action.

Messages can even be routed to customers and suppliers, alerting them immediately to information such as the contents of a particular shipment or potential delivery delays. SBCEM users can send information, route documents and make decisions using any MAPI-compliant email messaging system. This makes it easy to automate traditional paper-based and task-intensive processes such as purchase requisition signatory approvals and credit manager reviews of orders placed on credit hold. Automated workflow is especially useful for allowing managers to focus their time and attention on exceptions to normal business operations.

Business Intelligence

SBCEM Business Intelligence is a real-time approach to capturing key business information. Users can easily define and report on customer-centric performance metrics such as order delivery date reliability, order accuracy, revenues and profitability by customer, order cycle time, lost sales opportunities and fill rates. More importantly, business metrics – and the triggering events, rules and conditions that define them – can easily be added, refined or discarded over time as business needs change, or as managers become more

familiar with the full capabilities of having such information available.

SBCEM Business Intelligence also allows users to analyze their business performance on the fly and build compelling reports by simple drag & drop of the aggregated data that are updated in real time with the flow of day-to-day operations.

Forecasts may be stored and compared with actual performance data. This permits management to view or report on comparative analyses such as "sales by sales rep by month – forecasted vs. actual." Users can also drill down from summary information into more detail information and back again. SBCEM Dashboards and User Portal build on the system's intrinsic Business Intelligence capabilities by providing user defined, actionable, up-to-the-minute graphical representations of key statistical information such as revenues and equipment usage.

With SBCEM's inherent User Portal technology, users can easily define their own workspace content that can combine, for example, dashboards, calendars, most used functions, tasks, and other key system access points. Armed with a comprehensive, secure web portal, users can transform their traditional desktop environment into one that provides intelligent, integrated, and personalized access to any area of the enterprise system.

Data Collection

SBCEM Data Collection is a robust automated data collection solution that communicates directly with SBCEM manufacturing, distribution and accounting functions for the seamless and secure processing of a broad array of shop floor and warehouse business transactions.

Many ERP systems on the market do not natively support automated data collection capabilities and require a third party solution. But Sage' integrated

approach allows businesses to automatically collect and utilize data end-to-end across their operational areas.

SBCEM Data Collection takes data entered on the shop floor and warehouse from automated input devices, verifies its accuracy, and passes the data to SBCEM for immediate update. It also takes care of all the prompts on the collection devices, manages the entire network of devices, even ensuring that data is saved during system downtime.

SBCEM Data Collection works with any ANSI-compatible device, such as radio frequency (RF) hand-held devices and fixed station terminals. It creates and prints barcodes as well.

Sage's unique one-stop-shop includes:

- Integrated data collection for shop floor and warehouse transactions
 - Barcode label management
 - Data collection devices from leading hardware vendors like Intermec
 - Professional implementation services
- SBCEM Data Collection supports production and labor tracking transactions on the shop floor as well as time and attendance entry. For warehouse material movements, it supports receiving, putaway, cycle counting, location changes, picking and production material issues.

Warehouse Management

Sage Geode is a full-function Warehouse Management System (WMS) designed to meet the needs of mid-sized companies with large transaction volumes and sophisticated warehouse practices. It can complement and extend a SBCEM implementation or function as a standalone or loosely coupled application with other solutions. The system helps companies achieve a faster, more efficient flow of goods through their warehouses, resulting in improved warehouse utilization, minimized product handling, fewer processing errors and timelier, more accurate information.

Sage Geode has been implemented in over 100 companies worldwide covering 350 sites, including market leaders such as Hewlett-Packard, Wyeth Lederle and Philips. The most recent release – written using the same development platform as SBCEM – reflects the accumulation of 20 years of focused expertise in the development, implementation and support of advanced warehousing systems.

Leveraging a common development framework is an important distinction for companies seeking an ERP back office system with robust warehouse management capabilities, and Sage is one of the few software vendors with such an integrated offering on the same platform.

The target industries of Sage Geode also complement those of SBCEM – manufacturers and distributors of hard goods, consumer goods, food & beverage, chemicals and life science products. The basis of this approach is that warehousing practices can be defined by a number of practical workflows that apply to multiple vertical industries. Examples of these workflows include Supply Side Manufacturing, Vendor-Managed Inventory (VMI), Finished Goods Distribution, Pre-Distribution (Retail) Warehousing, etc. Each workflow can then be tailored to the specific needs

of an industry such as lot control, quality assurance, import/export, serialization and labeling.

Sage Geode combines performance, flexibility and user-friendliness into a powerful, yet affordable warehousing solution. It is enterprise onfigurable and features multi-site, multiworkflow and complete automation capabilities (such as conveyors, AS/RS, carousels and sorting equipment). Its open design orientation makes it easy to fit into most operating environments including support for industry standard Windows and Unix operating systems as well as SQL Server and Oracle databases. Its intuitive user interface is available both on the Internet and in traditional client/server mode.

Software and Options The Xtend e-Commerce standard software package offers all the features you need to build and maintain an efficient B2B storefront connected to your SBCEM back office.

Requests coming from the website can flow seamlessly through to SBCEM functions according to predefined business rules. By streamlining the order acceptance process, orders can be fulfilled quickly and with fewer errors, resulting in more satisfied, loyal customers and more opportunities for repeat business.

For advanced needs, you may choose among the following options to improve your store:

- Add credit card processing to B2B and B2C customers with Xtend Universal Storefront,
- Develop customer self-service to allow customers to select items from multiple warehouses with Xtend Inventory Locator,
- Open your storefront to resellers and allow them to create and manage new accounts with Xtend Multi-Channel Manager

About Sheldon Needle



A former CFO, consultant and software designer, Sheldon Needle has authored or co-authored more than 20 books on software selection and has contributed articles to major publications, including the Journal of Accountancy and Nation's Business. CTSGuides.com has the distinction of being the very first company to do hands-on, independent evaluations of software for the middle market.

Sheldon speaks with business owners and managers every day about software selection and makes personalized recommendations based on their needs and budget. He is widely known and respected throughout the business software community for his independence, integrity and expertise.

As part of registering for our free software selection kit, you receive a 15-minute consult with Sheldon. Sheldon understands financial and business issues and speaks your language.

He knows the leading software companies—how they compare, their strengths and weaknesses, where they fit into the market and which ones would be suitable for your business.