

The NetSuite Manufacturing Reality Check

A 30-Minute Self-Assessment for Determining Whether Your ERP Reflects How Your Factory Actually Operates

Core premise: NetSuite can be configured correctly and still produce poor operating decisions if the underlying process, master data, planning rules or transaction discipline do not match reality.

How to use this self-assessment

1. Answer each statement using the 0-2 scale below. Score current reality - not what the documented procedure says should happen.
2. Where practical, validate the answer with evidence such as current records, system data, exception reports, physical observation or user interviews.
3. Do not average away disagreement. If Operations, Finance and IT assess the same area differently, record the disagreement and investigate it.
4. Look for patterns across the questions and domains rather than treating the assessment as a single overall grade.
5. At the end, identify no more than three areas that merit deeper review.

Score	Meaning	Practical test
0 - Uncontrolled	Wrong, inconsistent, ignored or dependent on tribal knowledge.	Users routinely compensate outside NetSuite.
1 - Partially controlled	A process exists, but quality, ownership or compliance is inconsistent.	The system requires recurring manual correction.
2 - Reliably controlled	Data/process is accurate, owned, measured and used as intended.	Users generally trust the system answer.

Important: This is a screening tool, not a substitute for a client-specific diagnostic. It does not determine root cause, quantify financial impact, prescribe NetSuite configuration changes, or determine the correct sequence of corrective actions.

The 50-question self-assessment

1. Item & Planning Master Data

#	Diagnostic statement	Score 0-2	Evidence / notes
1	Every active manufactured/purchased item has a named owner for planning-critical fields.		
2	Units of measure, conversion factors and stocking/purchasing units match physical practice.		
3	Supplier/manufacturing lead times are evidence-based and updated when reality changes.		
4	Safety stock, reorder points, order multiples and minimums are intentionally set - not inherited defaults.		
5	Inactive, obsolete and duplicate items are controlled so they do not distort planning or purchasing.		

2. BOM & Engineering Change Control

#	Diagnostic statement	Score 0-2	Evidence / notes
6	Released BOMs match the configuration actually built on the floor.		
7	BOM revisions/effectivity are controlled and old versions cannot be used casually.		
8	Substitutes/alternates are represented intentionally rather than managed only by tribal knowledge.		
9	Engineering changes trigger coordinated updates to BOMs, drawings, purchasing, quality and work instructions.		
10	Phantoms/subassemblies/kits are structured to support planning and costing - not merely engineering preference.		

3. Routings, Work Centers & Capacity

#	Diagnostic statement	Score 0-2	Evidence / notes
11	Routings reflect actual process steps and production sequence.		
12	Setup/run times are accurate enough to support meaningful capacity and cost calculations.		
13	Work-center calendars, shifts and available hours reflect real operating capacity.		
14	Constraints/bottlenecks are explicitly identified rather than hidden inside average utilization.		
15	Routing changes are governed and reviewed when the physical process changes.		

4. Inventory, Locations & Warehouse Execution

#	Diagnostic statement	Score 0-2	Evidence / notes
16	Book-to-physical inventory accuracy is consistently at or above the level needed for planning trust.		
17	Locations/bins/statuses have clear purposes and users follow the same transaction rules.		
18	Material moves are recorded near real time rather than reconciled after the fact.		
19	Cycle counting targets root causes and high-risk items rather than functioning as repetitive recounting.		
20	Quarantine, MRB, blocked, consigned and nonconforming inventory cannot silently enter available supply.		

5. Demand, Supply & MRP

#	Diagnostic statement	Score 0-2	Evidence / notes
21	Demand sources included in planning are explicitly defined and understood.		
22	Planners trust system recommendations enough that overrides are exceptions, not the normal workflow.		
23	Planning time fences, horizons and order policies reflect business reality.		
24	Open sales orders, forecasts, work orders, purchase orders and transfers have disciplined date maintenance.		
25	MRP exception messages are used to manage decisions rather than producing an unmanageable noise stream.		

6. Procurement & Supplier Performance

#	Diagnostic statement	Score 0-2	Evidence / notes
26	Preferred suppliers and sourcing rules reflect current commercial/quality reality.		
27	Supplier lead time, MOQ, price breaks and order multiples are maintained and reviewed.		
28	Past-due purchase orders are actively rescheduled/cancelled rather than left as false incoming supply.		
29	Supplier delivery/quality performance is visible and tied to sourcing decisions.		
30	Expediting is measured as a signal of planning/supplier/process failure - not treated as normal work.		

7. Work Orders, WIP & Production Transactions

#	Diagnostic statement	Score 0-2	Evidence / notes
31	Work orders are released with usable BOM/routing information and realistic dates.		
32	Material issues/backflush logic reflects how material is actually consumed.		
33	Completions, scrap, rework and yield are recorded consistently enough to trust WIP and cost.		
34	Open/aged work orders are actively controlled and do not accumulate indefinitely.		
35	Physical WIP can be reconciled to system WIP without a large manual exercise.		

8. Quality, Traceability & Nonconformance

#	Diagnostic statement	Score 0-2	Evidence / notes
36	Incoming/in-process/final inspection requirements are tied to actual risk and specifications.		
37	Lot/serial traceability is complete where required and can be retrieved quickly.		
38	Nonconforming material is systemically segregated and dispositioned.		
39	Quality events update supplier/process/product controls rather than ending with paperwork.		
40	Quality data can be connected to item, supplier, work order, lot/serial and financial impact.		

9. Costing, Margin & Working Capital

#	Diagnostic statement	Score 0-2	Evidence / notes
41	Standard/average costs are refreshed often enough to remain decision-useful.		
42	Material, labor, machine and overhead assumptions are traceable to operating reality.		
43	Purchase-price, usage, labor/efficiency and overhead variances are reviewed for action - not merely accounting.		
44	Inventory aging/obsolete/excess exposure is visible by owner and disposition plan.		
45	Operations can explain the main drivers of cash tied up in raw material, WIP and finished goods.		

10. Reporting, Governance & Automation Readiness

#	Diagnostic statement	Score 0-2	Evidence / notes
46	Operational KPIs use governed definitions and reconcile across operations/finance/system reports.		
47	Each critical master-data domain has a named owner, approval rules and review cadence.		
48	Users know which system is authoritative for demand, supply, inventory, cost and production status.		
49	Manual spreadsheets have an explicit purpose/owner and are retired when the system can reliably replace them.		
50	Processes are stable and data is trustworthy enough that automation/AI can operate with defined human approvals.		

Review the pattern - not just the number

The self-assessment is most useful when it helps leadership identify where confidence, evidence or cross-functional alignment is weak.

Domain review

Domain	# of 0s	# of 1s	# of 2s	Evidence to gather / questions raised
Item & Planning Master Data				
BOM & Engineering Change Control				
Routings, Work Centers & Capacity				
Inventory, Locations & Warehouse Execution				
Demand, Supply & MRP				
Procurement & Supplier Performance				
Work Orders, WIP & Production Transactions				
Quality, Traceability & Nonconformance				
Costing, Margin & Working Capital				
Reporting, Governance & Automation Readiness				

Signals that merit deeper review

The examples below are prompts for investigation - not a complete Zenthesis diagnostic rule set.

- Physical inventory and system inventory require a substantial reconciliation effort.
- Planners routinely work around or ignore system recommendations.
- What production actually builds differs materially from released product or process data.
- Material status, quality status or transaction timing makes available supply unreliable.
- Operations and Finance use materially different definitions of inventory, WIP, cost or production status.
- Automation or AI is being proposed for a workflow whose inputs, ownership or decision rules are still unstable.

What disagreement can tell you

If different functions score the same area differently, treat the disagreement itself as evidence. It may indicate unclear ownership, inconsistent definitions, ungoverned workarounds or a gap between system representation and physical operating practice.

Do not use this document to jump directly from a low score to a software conclusion. A weak result can originate in process design, master data, controls, configuration, adoption or a combination of those factors.

Identify the areas that deserve a deeper review

Use the assessment to create an executive agenda. The next step is to validate what is actually happening before prescribing a solution.

Choose up to three areas to investigate

Area to investigate	Why it matters	Evidence to gather	Who should be involved

What this self-assessment can tell you

- Where system confidence appears weakest.
- Where functions disagree about the current operating reality.
- Where evidence is missing or unreliable.
- Which areas deserve a structured management review.

What it deliberately does not determine

- The root cause of the observed condition.
- The quantified financial or operational impact.
- The specific NetSuite configuration or process change required.
- Which corrective action should be prioritized or sequenced first.
- Whether the organization is ready to scale automation or AI in a specific workflow.

Want an independent review? Use your completed Reality Check as the agenda for a 30-Minute Operations Diagnostic. Zenthesis can help validate the evidence, separate system issues from operating-process issues, identify root causes and determine where deeper analysis is warranted.

Schedule: zenthesis.com/operations-diagnostic/

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