

By implementing a cloud-based ERP system, Curran has improved employee productivity and accuracy, enabling the expansion of its business with a more than 3x increase in revenue over three years.

Curran Turns to Cloud ERP to Scale Its Business and Support Growth

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Introduction

The digital-first world has arrived, and with it comes a focus on digital-based capabilities in enterprise resource planning (ERP) systems. These new capabilities are improving the employee experience with greater insights, which can lead to better performance outcomes.

Curran's Operational Challenge

In 2018, Curran, a luxury outdoor furniture and flooring online retailer headquartered in Seattle, identified the need to embrace a digital-first strategy. Up to that point, the company had relied on a mix of legacy and paper-based processes to run its business. Those legacy systems were unstable and not set up well, impacting the efficiency of employees. Curran lacked visibility into data and was unable to do basic reporting; getting information about customers, products, sales, margins, and so forth was impossible. Inventory management was also poor, and Curran needed multicurrency functionality to expand further into Europe. Facing all these issues, Curran started the process of finding a solution to begin its digital transformation journey.

Instead of continuing to invest in antiquated on-premises systems, smart digital-first businesses have turned their focus to SaaS and cloud-enabled software because they need flexible and agile ERP applications that are relatively easy to implement, configure, and update. Demand for cloud-based ERP applications continues to grow because they allow users to access and analyze massive amounts of data in near real time — anywhere, anytime. Because SaaS and cloud-based ERP systems are extremely adaptive to accelerated rates of change, they enable growing businesses to quickly expand into new regions around the globe without making major investments into their technology infrastructure.

SOLUTION SNAPSHOT

ORGANIZATION:

Curran is a luxury outdoor furniture and flooring online retailer, with an emphasis on teak products. Headquartered in Seattle, the company reported revenue of \$10 million in 2021.

ORGANIZATIONAL CHALLENGE:

Legacy systems limited visibility into data and inhibited growth.

SOLUTION:

Acumatica ERP Manufacturing Edition

PROJECT DURATION:

The multiphase project was launched in 2018 and is ongoing.

BENEFITS:

- » Increased output (sales, processed orders) without having to hire more staff
- » Increased purchase order accuracy
- » Employee access to the most up-to-date data
- » Manual data entry eliminated, saving time and increasing data accuracy

IDC's September 2021 *Future Enterprise Resiliency and Spending Survey, Wave 8*, found that 87% of organizations are engaged in executing a digital-first strategy. These digital transformation activities, according to IDC's December 2021 *Future Enterprise Resiliency and Spending Survey, Wave 11*, have led organizations to find 75–95% improvements in revenue, cost savings, profits, customer satisfaction, operational efficiency, employee productivity, and innovation, reducing business risk and enabling faster time to market. These results make it clear why the shift away from archaic legacy systems to modern, modular, and intelligent ERP systems is occurring.

Implementation

While most manufacturers realize the importance of becoming digital and more data driven, many still lack the expertise to build out a road map and execute on it. Manufacturers have been combating a growing talent gap across their organizations for years. Many organizations lack the necessary resources and knowledge around data architecture, data science, and cybersecurity to take advantage of the latest technology. Working with partners that can help with developing and executing the digital road map is an important step that the industry has started to embrace.

To ensure the success of its project, Curran worked with a consulting group that advised the company throughout the process, from building the RFP to summarizing workflows. Curran aimed to consolidate multiple legacy systems that ran its operations into a single ERP platform, Acumatica ERP Manufacturing Edition. ERP implementation can be a complex task, but the partner was described as critical throughout the project.

Curran also hired a new employee whose role was to lead and manage the ERP project internally. Curran spent roughly six months on implementation, with the go-live taking place during the third month of the pandemic (meaning employees had to work from home for the last stretch of implementation). Curran estimates that it has invested \$300,000 in the project over the past three years.

Challenges

In hindsight, Curran wishes it had taken a more holistic view of the system from the start. While the pandemic contributed to the company's siloed approach, involving more groups/employees during the implementation process could have helped spread out the workload and bring in a wider range of expertise. Having a small team lead an ERP project can make it a challenge for any organization to balance the big picture and the impact decisions have on all groups in a company. Curran has historically had a more siloed view of workflows, and it has been a work in progress to break this siloed culture. In addition, while Curran considered best practices from the start, those practices had to be built from the ground up because the company historically had not utilized them. Curran also faced challenges setting up its system to fit the unique needs of its business. Curran makes custom products, and its ERP system needed to address the complex nature of custom product production.

Since go-live of the cloud-based ERP system, Curran has increased orders by 50% without increasing the size of its sales staff and has rapidly improved its capacity to process orders. Further, the company can now analyze what is being ordered by who and when.

Benefits

Digitization has long been the backbone of operational effectiveness for manufacturers. Throughout the project, Curran identified key performance indicators (KPIs) to measure success. Most of the metrics are around time savings and employee productivity, which are critical for a small but growing company such as Curran. In addition, Curran has been able to increase its sales without increasing its sales staff, with company revenue rising from \$3 million in 2018 to \$10 million in 2021.

Additional areas in which Curran has experienced benefits are as follows:

- » Purchase order accuracy has increased. Employees used to enter information into the system manually; now purchase orders are generated directly from sales orders.
- » Employees always have access to the most up-to-date data.
- » Manual data entry has been eliminated, saving time and increasing data accuracy.

Most importantly, Curran views this as just a starting point. The company has built its digital platform for transformation and plans to keep adding more and more to maximize its efforts.

Future Plans

Curran feels its ability to maximize the value of data will open up new business avenues for the company as it starts to utilize years of historical data. There is also excitement around building an ecommerce platform (low-volume, high-touch/high-value sales) that will provide Curran with high visibility into all orders and customer experiences. Curran is in the planning stages with an ecommerce partner of Acumatica's to build the platform. Also, while Curran does not operate its own warehouse yet, the company is looking into adding warehouse management capabilities over the next five years.

Methodology

The information contained in this document was obtained from information supplied by Acumatica and questions posed by IDC Manufacturing Insights directly to Curran's accounting and global operations employees.

About the Analyst



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Reid Paquin is Research Director for IDC Manufacturing Insights responsible for the IT Priorities and Strategies (ITP&S) practice. Mr. Paquin's core research coverage includes IT investments made across the manufacturing industry and manufacturers' progress with digital transformation. Based on his background covering the manufacturing space, Mr. Paquin's research also includes an emphasis on the technology enablers that help manufacturing executives make better-informed operational decisions.

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Acumatica Manufacturing Edition is designed for make to stock, make to order, batch process, and project-centric manufacturers. Acumatica provides unparalleled manufacturing depth with an extensive suite of connected manufacturing business applications for production, estimating, engineering, material planning, scheduling, and product configuration.

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