

NetSuite ERP Configuration for IPO Readiness & Compliance

Published August 7, 2025 50 min read



Preparing NetSuite ERP for IPO Readiness

Taking a company public requires rigorous preparation across people, processes, and technology. NetSuite ERP, as a unified cloud platform, can be strategically configured to meet the heightened financial, compliance, and reporting demands of an Initial Public Offering (IPO). This report provides a comprehensive guide to setting up NetSuite for IPO readiness, covering strategic planning and team roles, critical NetSuite modules, Sarbanes-Oxley (SOX) compliance, financial reporting automation, real-world examples, an IPO preparation timeline, third-party integrations, and [Governance/Risk/Compliance \(GRC\)](#) considerations.

1. Strategic Planning and Team Roles in an IPO-Focused NetSuite Deployment

Early Planning and Cross-Functional Coordination: Preparing for an IPO is often described as the most intense 12–18 months of a [CFO's career](#) (Source: [armanino.com](#)). Companies are advised to begin IPO preparations **18–24 months in advance** (Source: [bpm.com](#)), assembling an IPO steering committee and project management office to coordinate efforts (Source: [armanino.com](#)). A clear roadmap is essential because an IPO requires at least three years of audited financials and robust internal controls in place (Source: [netsuite.com](#)). Craig Clay of DFIN emphasizes that **"now is the time to start getting your processes in order. The right technology is essential."** (Source: [netsuite.com](#)) In practice, this means aligning NetSuite's implementation with the IPO timeline early on.

Roles and Responsibilities: Successful IPO readiness in NetSuite involves collaboration among finance, IT, and compliance (as well as external advisors like auditors and underwriters). Key roles include:

- **Chief Financial Officer (CFO) / Finance Team:** Own the financial reporting and controls roadmap. The CFO must ensure that accounting processes (record-to-report, order-to-cash, procure-to-pay) are robust and compliant. Finance teams should conduct a current-state assessment of financial systems and identify gaps (Source: [netsuite.com](#)). Jim Neesen of Connor Group advises companies to **"use NetSuite to put the policies, procedures, internal control, and financial planning and analysis [FP&A] processes in place"** well before the IPO (Source: [netsuite.com](#)). Finance will design the chart of accounts, reporting structures, and FP&A processes in NetSuite to meet SEC requirements.
- **Chief Information Officer (CIO) / IT Team:** Manage the technical implementation and configuration of NetSuite. Given that a **new ERP can take 9–18 months to implement** (Source: [armanino.com](#)) (Source: [netsuite.com](#)), IT should plan for a phased NetSuite rollout aligned with IPO phases. The IT team ensures [data migration](#) (e.g. importing historical data from legacy systems) and integrations are completed ahead of time to avoid disruption during the IPO crunch period (Source: [optimaldataconsulting.com](#)) (Source: [optimaldataconsulting.com](#)). They also set up necessary NetSuite modules (detailed below) and support infrastructure for scale. Early investment in **technology upgrades** (ERP, equity management, planning systems) is a priority in the groundwork phase (Source: [armanino.com](#)).
- **Compliance and Internal Audit Teams:** Focus on internal controls over financial reporting (ICFR) and SOX 404 readiness. They work within NetSuite to establish segregation of duties, [approval workflows](#), and audit trails. Often, companies engage advisors or firms (e.g., PwC or audit firms) to assess the control environment and build a SOX compliance roadmap in parallel with the NetSuite deployment (Source: [pwc.com](#)). For example, PwC's NetSuite practice helps clients **"develop [an]**

IPO and SOX compliance roadmap and help establish internal audit functions to test the design and operation of controls.”(Source: [pwc.com](https://www.pwc.com)). Compliance teams must ensure NetSuite’s configuration (roles, workflows, change management processes) aligns with frameworks like COSO to prevent control deficiencies (Source: [erpadvisorsgroup.com](https://www.erpadvisorsgroup.com)).

Cross-team collaboration: These groups should not work in silos. Frequent project meetings (often via the IPO steering committee) should align NetSuite configuration decisions with broader IPO tasks. For instance, finance and IT must collaborate on **multi-subsidiary structures** in NetSuite if the company is reorganizing entities pre-IPO for tax or legal reasons (Source: [armanino.com](https://www.armanino.com)). Compliance must review any NetSuite customizations or integrations to ensure they don’t introduce control risks. Overall, a disciplined, project-managed approach where CFOs **“orchestrate their efforts”** across teams is recommended (Source: [armanino.com](https://www.armanino.com)).

2. NetSuite Modules and Features to Support IPO Readiness

NetSuite’s breadth of modules can be leveraged to meet the complex accounting and reporting needs of a public company. Key modules and configurations include:

- **Financial Management and Global Consolidation:** At a minimum, an IPO-bound company will use NetSuite’s core financials – General Ledger, Accounts Receivable, Accounts Payable, etc. – to produce GAAP-compliant financial statements. NetSuite enables **real-time consolidation of financials across subsidiaries**, which is critical since IPO candidates often must present consolidated results for several years (Source: [netsuite.com](https://www.netsuite.com)). NetSuite OneWorld (Global Business Management) supports multi-subsidiary accounting and multi-currency reporting, allowing a company to manage all entities in one system (Source: blog.embarkwithus.com). This ensures the ability to produce unified financials for the SEC and investors. In preparation for an IPO, companies should configure NetSuite for **fast monthly and quarterly closes** with [automated eliminations](#) and currency translation. The importance of this is underscored by the need to provide three years of audited financial data – **NetSuite provides the financial data and insight to demonstrate a company’s standing**, including key ratios and historical performance (Source: [netsuite.com](https://www.netsuite.com)) (Source: [netsuite.com](https://www.netsuite.com)). If the company has international operations, NetSuite can handle local compliance (tax, VAT, etc.) and then consolidate to corporate books, simplifying what would otherwise be a very manual process.
- **Advanced Revenue Management (ASC 606 Compliance):** Modern revenue recognition standards (ASC 606 and IFRS 15) pose challenges for growing companies, especially those with subscription or contract-based revenue. NetSuite’s Advanced Revenue Management (ARM) module [automates revenue recognition in line with ASC 606](#) by allowing users to define performance obligations, allocate contract prices, and schedule revenue automatically (Source: blog.embarkwithus.com)

(Source: blog.embarkwithus.com). This is crucial for IPO readiness: regulators and auditors will scrutinize revenue reporting, and spreadsheets are error-prone. NetSuite ERP provides tools to **navigate complex revenue recognition – “NetSuite’s Advanced Revenue Management module makes it easier than ever for companies to comply with [...] ASC 606.”** (Source: netsuite.com) (Source: netsuite.com). By implementing ARM, a company ensures that its revenue is recognized properly (e.g. deferrals, allocations) and audit trails are in place for each revenue entry. For example, if a SaaS company sells an annual subscription, NetSuite ARM can automatically defer and ratably recognize the revenue each month, with compliance to accounting rules (Source: blog.embarkwithus.com). This not only instills investor confidence but also saves considerable time during quarterly closes compared to manual calculations.

- **Multi-Book Accounting (Support for Multiple GAAPs):** Many companies going public might need to report financials under multiple accounting bases – for instance, U.S. GAAP for SEC reporting versus IFRS or local standards for certain jurisdictions. NetSuite’s Multi-Book Accounting feature allows maintaining parallel books for the same transactions (Source: blog.embarkwithus.com). This means a single transaction (like a fixed asset purchase or a revenue entry) can post to multiple accounting books with different treatments (useful for handling local GAAP adjustments, or for reconciling tax vs. corporate accounting). **NetSuite can accommodate multiple accounting standards simultaneously – e.g. if you need to report under US GAAP and IFRS, NetSuite can handle both through its multi-book feature, with all transactions tracked in an audit trail** (Source: blog.embarkwithus.com). Using Multi-Book, an IPO-bound company can generate financial statements in different formats as needed (perhaps IFRS statements for overseas regulators and U.S. GAAP for the SEC) without maintaining separate systems. This greatly simplifies compliance and reduces the risk of errors from manual reconciliation of different ledgers (Source: blog.embarkwithus.com).
- **Fixed Asset Management:** As companies grow, so do their fixed assets and related depreciation schedules. NetSuite’s Fixed Assets Management module helps track assets, calculate depreciation (straight-line, accelerated, etc.), and handle asset disposals or impairments. For IPO readiness, accurate asset accounting is important (e.g. impairment testing for any goodwill or intangibles, which auditors will review). NetSuite facilitates this by integrating asset management with the GL so that depreciation and impairment entries flow automatically. A public company must also comply with fixed asset reporting (for example, segment disclosures for PP&E in 10-Ks). **NetSuite’s platform makes complex accounting tasks (like asset valuation and impairment) as straightforward as routine ones – making revenue recognition “as easy as depreciating a fixed asset,”** highlighting how automation simplifies compliance tasks (Source: netsuite.com). In practice, this means once Fixed Assets module is configured, monthly depreciation and amortization can be scheduled and recorded automatically, with full audit trails for each asset’s lifecycle – data that will feed into the financials presented to investors.

- **Audit Trails and SuiteCloud Customization (Controls Built-In):** While not a “module” per se, it’s worth noting that NetSuite’s cloud platform has **always-on audit trails for all transactions and configuration changes**(Source: netsuite.com). This is a foundational feature supporting IPO readiness because it means any change in the system (a journal entry edit, a user permission change, etc.) is logged and can be reviewed by auditors. Additionally, NetSuite’s SuiteCloud platform (workflows, SuiteScript, etc.) allows companies to **enforce custom controls and validations**. For example, companies can script a rule that no journal entry above a certain dollar amount can be posted without CFO approval, or use SuiteFlow to route purchase orders for multi-level approval – all of which address controls expected in a SOX-compliant environment. These capabilities are described more in the GRC section, but they are an integral part of configuring NetSuite for a public company environment.
- **Other Key Modules:** Depending on the company’s industry and complexity, additional modules might be needed. For example:
 - **NetSuite Planning and Budgeting (NSPB):** This provides integrated financial planning and forecasting (built on Oracle’s Planning and Budgeting Cloud Service). Pre-IPO companies use it to model forecasts and scenarios expected in S-1 filings. Neesen notes that **NetSuite Planning & Budgeting can automate labor-intensive forecasting, helping companies build out the roadmap during an IPO lull**(Source: netsuite.com). Strong budgeting tools also help in answering investor questions about future performance.
 - **SuiteAnalytics and Reporting:** NetSuite’s reporting tools (saved searches, financial report builder, and SuiteAnalytics Workbook) allow creation of custom reports and dashboards for KPIs. This is crucial for **management and board reporting**. A company can set up role-based dashboards (e.g. a CFO dashboard showing EBITDA, cash burn, revenue by product) which are invaluable during IPO roadshows and quarterly board meetings. In fact, **NetSuite provides robust reporting and analytics with automated KPI reports, drill-down dashboards by department/subsidiary, and even lets inexperienced users perform complex analytics via an intuitive interface**(Source: netsuite.com). This capability ensures that, as a public entity, the company’s leadership has timely data at their fingertips for decision-making and investor discussions.

In summary, **NetSuite ERP offers an integrated suite** of financial management tools that collectively cover the needs of an IPO-ready company: strong **GL and consolidation** for multi-entity financials, **compliant revenue recognition**, support for **multiple accounting bases, fixed asset tracking**, and rich **reporting**. Implementing these modules well before the IPO will give the company time to test and refine the processes. It enables the finance team to “act like a public company” early – something advisors strongly recommend. As Jim Neesen put it, **“ERP is a pathway to begin acting like a public company; it creates more discipline and makes you think about how to complete a public company**

close.”(Source: netsuite.com). NetSuite’s SuiteSuccess methodology can accelerate this implementation by using pre-defined industry leading practices to get core financials up and running in ~100 days (Source: netsuite.com), after which additional modules can be layered.

3. SOX Compliance Best Practices Using NetSuite

Public companies must comply with the Sarbanes-Oxley Act (SOX), which mandates strict internal controls and executive attestation on financial reports. Configuring NetSuite with a **strong internal controls framework** is a cornerstone of IPO readiness. Key best practices for SOX compliance in NetSuite include:

- **Segregation of Duties (SoD) and Role-Based Permissions:** Ensure that no single user can execute incompatible functions. In NetSuite, this is achieved by assigning users to well-defined roles with appropriate permissions and by removing conflicts. **A basic requirement is to assign ERP users to predefined roles with set permissions**(Source: erpadvisorsgroup.com), thereby controlling who can do what. For example, the person who can create a vendor should not be the same person who approves payments to vendors (Source: erpadvisorsgroup.com). NetSuite provides many out-of-the-box roles (CFO, Controller, AR Clerk, etc.) which can be customized. Companies preparing for IPO often undertake a **security redesign in NetSuite** – listing out all critical tasks (posting JE, releasing a sales order, modifying vendor master, etc.) and ensuring they are appropriately segregated among different roles. Tools or consulting services (like PwC’s mentioned offering) can help by identifying SoD conflicts and adjusting roles (Source: pwc.com)(Source: pwc.com). A properly designed role structure in NetSuite will prevent a user from, say, both creating and approving a purchase order, which greatly reduces fraud risk.
- **Approval Workflows for Key Processes:** To enforce dual-control, configure NetSuite workflows for approvals. For instance, **enable Journal Entry approval workflows**(Source: erpadvisorsgroup.com) for manual JEs – NetSuite can route entries to a controller or CFO for sign-off if they meet certain criteria (amount thresholds, etc.). Similarly, establish purchase order approvals, vendor bill approvals, and user access request approvals. In the Moss Adams case study, a biotech company post-IPO implemented **journal entry and procurement approval workflows** to strengthen controls (Source: mossadams.com)(Source: mossadams.com). NetSuite’s SuiteFlow makes it relatively easy to set up multi-level approvals with record locking until approved. This ensures no material transaction hits the books without proper oversight, a key SOX principle.
- **Audit Trails and Change Management:** **Always leverage NetSuite’s audit trail** capabilities. NetSuite automatically logs all changes to financial records (invoices, orders, journal entries) showing who changed what and when (Source: netsuite.com). It also logs changes to system setup (like changes in accounting periods or item master data). Company policy should dictate that

financial statements are generated directly from NetSuite, with minimal manual intervention(Source: erpadvisorsgroup.com)(Source: erpadvisorsgroup.com). This is to ensure the audit trail is preserved end-to-end. For example, instead of using spreadsheets to adjust numbers last-minute, make any adjustments via journal entries in NetSuite so they are tracked. NetSuite's **System Notes** feature provides a detailed change log that auditors can review, helping demonstrate SOX 404 compliance (proving that controls over financial reporting are effective). Moreover, **NetSuite acts as a safeguard by embedding controls and providing detailed audit trails of every transaction**, reducing effort to meet stringent SOX requirements (Source: netsuite.com) (Source: netsuite.com). A best practice is to periodically review these audit logs (or set up saved searches/alerts for certain activities, like changes to vendor bank details) – something NetSuite can automate.

- **Preventative and Detective Controls via NetSuite Features:** Use NetSuite's customization tools to build additional controls:
 - **Preventative controls:** e.g., require certain fields to be populated before posting (using form customization), enforce credit limits on customers (using built-in AR settings), or deploy SuiteScript to block risky actions. **NetSuite includes a host of extensible, automated controls** – users can **"easily automate and tailor the Suite with custom preventative and detective controls using workflows, SuiteScripts, saved search alerts and custom fields."**(Source: netsuite.com). For example, a saved search can alert if any one user tries to both create and pay a vendor bill in a short time frame (detective control for SoD violations), or a script can prevent editing a closed period transaction (preventative).
 - **Detective controls:** e.g., configure **saved searches and email alerts** to flag anomalies (like round-dollar entries over a threshold, or changes to master data). NetSuite allows building these searches and scheduling them. Continuous monitoring of such reports can **"detect potentially fraudulent activity"** and errors (Source: netsuite.com)(Source: netsuite.com). This continuous control monitoring is a GRC feature that reduces risk of fraud or material misstatement.
- **Secure User Access and Data:** Ensure strict user authentication and access management in NetSuite. Utilize strong password policies, two-factor authentication, and role-based access restrictions. NetSuite supports these natively and is **certified for SOC 1 Type 2, SOC 2 Type 2, ISO 27001, PCI-DSS** etc., meaning the system's baseline is secure (Source: netsuite.com)(Source: netsuite.com). From a SOX perspective, controlling who can access what data (especially financial data) is critical. NetSuite's **role-based security** helps here (Source: netsuite.com). It's advisable to limit "Administrator" access to as few individuals as possible and to use custom roles with only needed permissions for others. All user additions/changes should go through a change management process, and using NetSuite's user activity logs, any privileged user's activities can be reviewed (many companies implement a periodic user access review process as part of SOX compliance).

In essence, **NetSuite can be configured to meet SOX's internal control requirements** by taking advantage of its security and workflow features. Companies should document these controls (in policies or SOX control matrices) and ensure they are working as intended. NetSuite's **Governance, Risk and Compliance features are built-in to facilitate this**, providing trust and accuracy in financial statements, protected data via access controls and encryption, and audit support by easily verifying that controls are working (Source: netsuite.com)(Source: netsuite.com). A final point is that preparing for SOX compliance often involves testing these controls (either by internal audit or external consultants) before the IPO. NetSuite's reporting makes it easier to provide evidence of control execution – for example, showing an audit trail of all journal entries and their approvals to an auditor. By following these best practices, a company can avoid the common pitfall of material weaknesses at IPO. In fact, companies that **invest in their ERP controls pre-IPO instill confidence**; as one advisory firm noted, *having solid financials "backed up with proper internal controls built into an ERP can provide investor confidence as a company anticipates going public."*(Source: erpadvisorsgroup.com)(Source: erpadvisorsgroup.com).

4. Automating and Strengthening Financial Reporting and Disclosure

Once public, a company must produce accurate, timely financial reports (10-Qs quarterly and 10-Ks annually), along with other disclosures and board reports. NetSuite can significantly streamline financial reporting and the preparation of these disclosures through automation and integration:

- **Faster Close and Real-Time Reporting:** NetSuite enables a faster financial close by automating many manual tasks (reconciliations, consolidations, allocations). A quicker close is not just an efficiency gain – it's almost a necessity for public companies facing tight reporting deadlines. NetSuite's integrated platform eliminates the need for off-system reconciliations. By **eliminating manual reconciliations and data entry, a company can scale more effectively and produce financial statements efficiently**(Source: netsuite.com)(Source: netsuite.com). Many NetSuite customers report significant reductions in close time. For instance, School of Rock (a NetSuite customer) shortened its month-end close from 28 days to 9 days after implementing NetSuite, a **68% faster close**(Source: netsuite.com). A faster close means the finance team has more time to draft the 10-Q/10-K narratives and ensure accuracy. Additionally, **NetSuite's ability to provide transparent processes supported by full audit trails reaps dividends throughout the IPO journey and beyond**(Source: netsuite.com)(Source: netsuite.com) – it means fewer last-minute adjustments and more confidence in reported numbers.
- **Financial Statements and SEC Reporting:** NetSuite can generate all primary financial statements (income statement, balance sheet, cash flows) in formats suitable for external reporting. These statements can be configured to match SEC reporting requirements (e.g., level of detail, comparative

periods). Companies often create a specific “SEC reporting” general ledger hierarchy or set of reports in NetSuite, which tie out exactly to what goes in the S-1, 10-K, or 10-Q. With NetSuite’s multi-book or alternate reporting capabilities, one can maintain an “SEC book” if needed (though usually one GAAP book suffices and mapping is done to the disclosure format). The key is to design the chart of accounts and segments so that you can easily roll up numbers for external reporting. For example, you might use NetSuite’s segment tracking to tag certain expenses for segment reporting in the 10-K. Once set up, **NetSuite can almost produce required reports at “the press of a button,” providing the basis for SEC filings and board packages**(Source: netsuite.com). Of course, narrative and MD&A text isn’t generated by the ERP, but the numbers and support schedules are readily available. NetSuite’s reporting tools also help in **drilling down into any number** if auditors or executives have questions, increasing confidence in the data.

- Integration with SEC Filing Tools (Workiva, ActiveDisclosure, etc.):** While NetSuite doesn’t file your 10-K for you, it plays well with tools that do. Modern SEC reporting platforms like Workiva Wdesk and DFIN ActiveDisclosure can **connect directly to NetSuite data**. Notably, NetSuite has built integrations: **NetSuite integrates directly with DFIN’s ActiveDisclosure financial reporting software**, allowing real-time collaboration and accurate SEC reporting by linking NetSuite data to disclosure documents (Source: netsuite.com)(Source: netsuite.com). This means when financial numbers update in NetSuite (say, a late adjustment in an account balance), that change can flow into the draft 10-Q document automatically. Workiva offers connectors (via its Wdata platform) to NetSuite as well (Source: support.workiva.com)(Source: support.workiva.com), enabling retrieval of NetSuite reports or saved searches into the SEC filing workbook. The benefit of such integration is **reducing manual data transcription and ensuring consistency** between what’s in the ERP and what’s reported to the SEC. Companies heading for IPO often invest in such reporting tools alongside NetSuite to manage the complex drafting and XBRL tagging processes. By integrating them, they automate population of financial statements and notes with final trial balance numbers from NetSuite. As an example, Workiva’s marketplace provides a NetSuite connector that uses NetSuite’s SuiteAnalytics to query data (Source: marketplace.workiva.com)(Source: support.workiva.com). This kind of automation cuts down the risk of typos or version control issues in filings.
- Board and Management Reporting:** Even before the first 10-Q is filed, management will want robust reporting to run the business. NetSuite delivers **role-based dashboards and on-demand reports** that are extremely useful for board meetings and investor updates. Through NetSuite, CFOs can present key metrics (monthly financials, budget vs actuals, KPIs like customer churn or gross margin by segment) to the board in a dynamic way. **NetSuite’s real-time KPI tracking and reporting means each stakeholder (CEO, CFO, etc.) can have a customized dashboard with the numbers that matter to them**(Source: blog.embarkwithus.com)(Source: blog.embarkwithus.com). For IPO preparation, companies typically identify a set of non-GAAP metrics or operational KPIs that they will communicate to investors (e.g. Annual Recurring Revenue, user counts, LTV/CAC ratio for

SaaS companies). Many of these can be tracked in NetSuite or via integration with other systems. By setting up NetSuite reports or saved searches for these metrics, management ensures consistency between internal and external messaging. Additionally, if the company uses a data warehouse or BI tool, NetSuite can feed that – but often NetSuite’s own SuiteAnalytics is sufficient for slicing and dicing financial data by dimensions like department or product line. This helps management tell the company’s story with credible data. Sharon Tetlow, an IPO advisor, notes that having clear metrics provides credibility: a well-oiled reporting process **“acts like a gatekeeper, ensuring the company is communicating effectively”** with stakeholders (Source: netsuite.com)(Source: netsuite.com). NetSuite provides the infrastructure for that gatekeeper role by making financial and operational data readily available for communication.

- **Forecasting and 10-Q/10-K Preparation:** Another aspect of IPO readiness is producing prospective financial information (like financial projections for the S-1 and internal budgets post-IPO). NetSuite’s planning module (NSPB) or integration with Oracle Planning and Budgeting can facilitate the automation of forecasting. While these forecasts themselves aren’t filed, having them align with actuals is important for guidance and investor relations. Through NetSuite, budgets can be loaded and budget vs. actual reports can be generated quickly, which will be needed in MD&A sections. Moreover, NetSuite can generate many of the supporting schedules that go into a 10-K/10-Q appendix or notes: e.g., revenue by geography, fixed asset rollforward, debt schedules, stock option expense summaries (if integrated with equity software), etc. Automating these through saved searches means finance teams aren’t scrambling in Excel each quarter to compile disclosures – they can refresh a report in NetSuite. As Neesen advises, companies should **practice “closing the books like a public company”** before the IPO (Source: netsuite.com). This includes generating full financials and even mock 10-Q schedules from NetSuite, to identify any process bottlenecks. By doing so, when it’s time to actually file, the team is already accustomed to pulling needed data swiftly from NetSuite.

Overall, NetSuite strengthens financial reporting by **combining transaction processing with analytics and integration**. The result is an end-to-end system where once a transaction is recorded (invoice, expense, etc.), it ultimately feeds right into the financial statements and disclosures with minimal human intervention. This not only saves time but greatly reduces risk of error – a major comfort when the stakes (and scrutiny) are so high. In the words of one NetSuite article, **“NetSuite’s ability to quickly close the books and provide accurate, compliant and timely information”** gives public company CFOs the foundation to meet SEC reporting requirements and inform their Board and shareholders effectively (Source: netsuite.com).

5. Examples of Companies Using NetSuite in the IPO Process

Numerous companies have leveraged NetSuite ERP in their journey to becoming public. These case studies and statistics highlight how NetSuite supports IPO success:

- **Dominance in Tech IPOs:** NetSuite is a popular choice among pre-IPO tech companies. By one analysis, **NetSuite customers made up 63% of tech IPOs since 2011 in the US**(Source: netsuite.com). In 2021 alone, 66 NetSuite customers went public via IPO and another 22 via SPAC mergers (Source: netsuite.com). This track record suggests that investors and CFOs have confidence in NetSuite's ability to handle public company requirements. Jim Neesen corroborates this by noting **"NetSuite [is] used for roughly 70% to 80% of our IPOs"** at Connor Group's IPO practice (Source: netsuite.com). In practical terms, many notable high-growth companies implemented NetSuite early (often to replace QuickBooks) specifically because they were aiming for an IPO.
- **Ceridian:** Ceridian HCM, a global software company (maker of Dayforce), faced a unique challenge after its 2018 IPO. It had been running on two disparate ERP systems and needed to unify financials. **Ceridian migrated to NetSuite OneWorld post-IPO, consolidating 117 company codes down to 35 and 3,000 departments to 850** – a massive simplification of its financial structure (Source: netsuite.com). By doing so, Ceridian was able to support its rapid growth (beyond \$1 billion revenue) with a streamlined chart of accounts and a single source of truth. The case underscores that even for larger companies, NetSuite can scale to handle complex global operations. The result for Ceridian was improved efficiency in accounting operations and a more detailed, strategy-aligned COA for its public reporting (Source: netsuite.com). In fact, after these improvements, Ceridian planned to further automate accounting with NetSuite modules like SuiteBilling and Advanced Revenue Management (Source: netsuite.com). This example shows NetSuite's role *after* an IPO to rationalize systems and demonstrates its capability at enterprise scale.
- **Life Sciences Biotech Case:** Moss Adams reported a case study of a **50–100 employee biotech that completed an IPO** and then upgraded from QuickBooks to NetSuite (Source: mossadams.com). The driver was to achieve stronger controls and functionality suitable for a public company. The biotech also had an inadequate purchase order system that wasn't SOX-compliant. Moss Adams implemented NetSuite and, importantly, **their SOX advisors embedded key controls into the NetSuite configuration from day one**(Source: mossadams.com). They used NetSuite's leading practices for biotech (likely SuiteSuccess industry edition), with additional custom configurations to meet control and reporting requirements (Source: mossadams.com). As a result, the company achieved:
 - Automated **journal entry approvals** (preventing unreviewed manual entries) (Source: mossadams.com).

- A faster and more controlled **month-end close and reporting process**(Source: mossadams.com).
- **Procurement approval workflows** for purchase orders, ensuring SOX compliance in purchasing (Source: mossadams.com).
- **Electronic banking integration** for automated reconciliations and payments (Source: mossadams.com).

This example illustrates how even smaller companies pre/post-IPO can benefit immensely from NetSuite's robust feature set. The move to NetSuite was not merely an IT upgrade, but a compliance and process improvement initiative that left the company in a much better position to operate as a public entity. Notably, these improvements (JE approval, PO controls, etc.) are exactly the kind of internal controls auditors look for in first-year SOX assessments.

- **Success Stories of Rapid Growth Companies:** NetSuite's website and partners cite many high-growth firms that used NetSuite while scaling to IPO. For example, **Avant**, an alternative finance company, used NetSuite OneWorld to manage operations in 100 countries, 20 languages, and 190 currencies, achieving streamlined global reporting and saving \$120k annually in tailored workflows (Source: netsuite.com)(Source: netsuite.com). While Avant's status re: IPO isn't mentioned, it shows a company preparing for potential public scale. Similarly, Oracle's Ranga Bodla has highlighted companies that went public using NetSuite – one piece notes that **some of today's fastest-growing companies run on NetSuite "from startup to IPO and beyond."**(Source: blog.embarkwithus.com). NetSuite often showcases clients like Airbnb, Snapchat, HubSpot, and others (though not all are confirmed NetSuite users) to emphasize IPO success. For instance, **Dropbox and Atlassian** were known to use NetSuite around their IPO time frames. These real-world examples reinforce the message that NetSuite can handle the journey to becoming a public company.
- **Industry-Specific IPOs:** In certain sectors, NetSuite's role is highlighted:
 - **Fintech/Financial Services:** Companies like LendingClub (IPO 2014) used NetSuite to manage financial operations as they grew, benefiting from controls and multi-entity support in a heavily regulated environment.
 - **Software/SaaS:** Many SaaS companies (e.g., Coupa, Domo, Zendesk) implemented NetSuite early. NetSuite's ability to handle subscription billing and revenue recognition made it ideal for these businesses to get IPO-ready financials. In fact, a consulting blog notes for SaaS, **"NetSuite powers many of today's fastest-growing companies from startup to IPO and beyond"** by providing a scalable financial foundation (Source: blog.embarkwithus.com).

- **Manufacturing/Consumer:** Even in non-tech, NetSuite has case studies like **Champion Fiberglass**, which after a major disruption used NetSuite OneWorld to rebuild operations and support growth (not an IPO, but demonstrates scale) (Source: netsuite.com). For an IPO-minded manufacturer, NetSuite's inventory and financial integration helps produce the rigorous financial controls needed for public markets.
- **SPAC Mergers:** During the recent SPAC trend, NetSuite was also present. The earlier statistic of 22 customers going public via SPAC in 2021 shows that companies aiming for SPAC mergers (which require similar financial scrutiny as IPOs) relied on NetSuite (Source: netsuite.com). NetSuite's flexibility to quickly produce financial statements and forecasts is valuable in the compressed timeframe of SPAC deals. OpenGov (a government tech company) and NexGel (a biotech), for instance, completed SPAC mergers and were NetSuite users (cited in press releases).

In summary, the examples above demonstrate that **NetSuite is battle-tested in the IPO context**. Whether it's a large enterprise rationalizing systems after an IPO (Ceridian), a mid-size biotech enforcing SOX controls (Moss Adams case), or the majority of tech startups prepping to ring the bell, NetSuite has played a pivotal role. These companies chose NetSuite because it provided an *out-of-the-box foundation for compliance and scale*, which could then be tailored to their specific needs. The high adoption rate among IPO firms is perhaps best encapsulated by the OptimalData statistic: **NetSuite customers have made up 66% of tech IPOs since 2011** (Source: optimaldataconsulting.com). This trend is likely to continue as private companies realize that implementing a robust cloud ERP like NetSuite well *before* the IPO not only smooths the offering process but also sets them up for success as a newly public company.

6. IPO Readiness Timeline and Checklist

Preparing for an IPO is typically a phased journey with specific milestones. Below is a high-level timeline (assuming ~18 months of preparation) with key activities, particularly those related to NetSuite and financial readiness, in each phase:

- **18–12 Months Before IPO (Initial Planning and Assessment):** This is the groundwork-laying phase.
 - **IPO Readiness Assessment:** The CFO and team should perform a comprehensive gap analysis on financial statements, controls, and systems (Source: bpm.com). Identify what needs to be fixed or improved to meet public-company standards (e.g., GAAP compliance issues, lack of documentation, system limitations).
 - **Form IPO Steering Committee and PMO:** As noted earlier, form a cross-functional team to oversee the IPO project (Source: armanino.com). Include finance, IT, legal, HR, and other leaders. Assign a project manager (often the CFO or a designate) to track all tasks.

- **Upgrade and Integrate Core Systems:** If the company hasn't already, this window is when to **select and implement an ERP if needed** (many companies upgrade from QuickBooks to NetSuite in this timeframe) (Source: optimaldataconsulting.com) (Source: optimaldataconsulting.com). Also evaluate other systems: equity management software, budgeting tools, tax software. **Early technology assessment is key – a new ERP can take 9–18 months to get running** (Source: armanino.com), so start now. NetSuite should ideally go live at least a year before the IPO so that one full year of audited financials is in the system. As Armanino's checklist suggests, **assess existing technologies and begin upgrading core finance applications (ERP, equity accounting, forecasting, tax) during this phase** (Source: armanino.com).
- **Design Processes and Controls:** Develop or refine policies for financial close, revenue recognition, expense approvals, etc., leveraging NetSuite workflows and features put in place. If there are any *significant deficiencies* (e.g., QuickBooks lacking controls) note that and plan to remediate by switching to NetSuite or adding control layers (Source: optimaldataconsulting.com). Engage advisors for SOX readiness and start crafting an internal controls framework mapped onto NetSuite.
- **Establish Governance Structure:** Introduce more formal governance: possibly expand the board, create an audit committee, and begin educating them on controls. Ensure the NetSuite roles and access structure is approved by those charged with governance. Also, **identify key hires** (if any) needed – for example, bringing in a Controller or SEC Reporting Manager experienced in NetSuite and public company reporting.
- **12–6 Months Before IPO (Execution and Strengthening Phase):** In this period, the focus shifts to operationalizing the plans.
 - **Financial Statement Prep and Cleanup:** Upgrade financial statements to SEC format. This might involve restating some historicals under new standards (ASC 606, etc.) – NetSuite's multi-book can help if parallel reporting is needed. Ensure NetSuite is producing a full set of financials (income, balance sheet, cash flows) each month and quarter, and start comparing them to required SEC disclosures. Address any accounting issues (e.g., lease accounting under ASC 842, stock compensation accounting) now, possibly using NetSuite functionalities or add-ons to handle them.
 - **Enhance Closing Process: Improve monthly, quarterly, annual close processes for accuracy and speed** (Source: armanino.com) (Source: armanino.com). NetSuite should be configured to automate as much as possible (reconciliations with SuiteGL, automated allocations, etc.). Aim to have the close down to a public-company timeline (e.g., 5–7 business days). Start doing "fast closes" in NetSuite to practice meeting deadlines. Implement a **close calendar with clearly defined tasks, owners, and due dates** – NetSuite's task management or

project management features can help track this (Source: riveron.com). This is also the time to **rationalize the chart of accounts** (if not done earlier) for clarity and scalability (Source: riveron.com)(Source: riveron.com).

- **SOX Readiness Testing:** Perform a *mock audit* or SOX test on Q2 or Q3 results. Internal or external auditors can test key controls in NetSuite (like user access, change management, transaction approvals) and identify gaps. Remediate any issues before year-end. This is in line with performing an initial risk and control assessment early (Source: riveron.com).
- **Drafting Sections of S-1:** Although legal counsel leads S-1 drafting, finance will supply a lot of data. By ~6 months pre-IPO, management's discussion and analysis (MD&A) for the S-1 will be in draft. Use NetSuite data to populate all the financial tables in the document. If NetSuite has been in use for the historical period, ensuring consistency is easier. Also, begin preparing selected financial data (typically 5 years of data) – if some of those years are pre-NetSuite, ensure they are loaded or at least consolidated in NetSuite for consistency.
- **Investor Relations Prep:** Establish the investor relations function. From a systems perspective, this might include setting up a CRM or IR management system for tracking investor contacts, questions, and scheduling. While not directly in NetSuite, some companies integrate IR CRM with NetSuite to pull metrics. At minimum, **use NetSuite to generate metrics and reports needed for investor materials** (roadshow presentations, etc.) (Source: netsuite.com). If planning a demo during roadshow, ensure any operational metrics from NetSuite are readily accessible.
- **6–0 Months Before IPO (Finalization and Transition):** This is the critical period around the SEC filing and listing.
 - **S-1 Filing and SEC Review:** Finalize the S-1 using actual audited financials (likely sourced from NetSuite for the latest year or two). During SEC review, be prepared to turn around data requests quickly – e.g., providing backup schedules for revenue, expense fluctuations, etc., which NetSuite can generate. Any SEC comment that requires adjusting financial disclosure may require going back to NetSuite to dig further (for example, segment reporting details or revenue disaggregation). At this stage, **having NetSuite as a single source of truth is invaluable** – all the financial data is in one system, auditable and sliceable to answer SEC questions.
 - **Dry Runs of Close and Reporting:** Conduct a "dry run" of the first quarterly close as if public. When the last quarter before IPO ends, treat it like you were public: close fast in NetSuite, prepare a mock 10-Q (perhaps as part of the S-1 or as practice). This tests the team and systems under real conditions. Jim Neesen advises, **"practice what your close might look like**

[as a public company]. When you do go public, the closing process won't be a huge lift because that muscle memory will be in place."(Source: netsuite.com). Use any lessons learned to further tweak NetSuite processes or allocations.

- **Finalize Controls and Procedures:** Just before IPO, the company should formally document its Disclosure Controls and Procedures (DCP) and ICFR. NetSuite's role here is to have reports and sign-offs to evidence these controls. For instance, establish a procedure that the CFO reviews the NetSuite budget vs actual each quarter and signs off, or the audit committee reviews the NetSuite audit log for any unusual activity. Having these in place is part of IPO readiness and will be revisited in 302/404 certifications.
- **Post-IPO Prep:** Develop a post-IPO compliance calendar (for 10-Q, 10-K, earnings releases). NetSuite will feed many of these processes, so ensure connectivity to any external tools (like earnings release software or Business Intelligence dashboards) is working. Also, prepare NetSuite for new reporting needs, such as segment reporting if required (you may need to enable the Segment reporting feature or set up dimensions appropriately).
- **IPO Day and Beyond:** When the IPO executes (shares listed), the company is officially public, but the preparation doesn't end:
 - **Continuous Improvement:** Most companies continue to optimize NetSuite after the IPO. They might implement additional modules that weren't critical pre-IPO but are valuable long-term (e.g., NetSuite SuitePeople for HR, or advanced modules like Supply Chain if expanding). They also might invest in NetSuite's **Advanced Customer Support (ACS)** to ensure they have dedicated support as a public company.
 - **Monitoring and Internal Audit:** After going public, internal audit (or an outsourced provider) will regularly test the NetSuite controls. NetSuite's ease of reporting on controls (e.g., who approved what, how many overrides occurred) helps make this efficient. The goal is to avoid any **material weaknesses** that require disclosure. Many SPAC and IPO companies have stumbled by finding post-IPO control weaknesses (Source: netsuite.com) – to avoid that, leverage NetSuite's continuous control monitoring.
 - **Scaling with the Business:** A public company may grow via acquisitions. NetSuite OneWorld makes integrating new subsidiaries faster (a new entity can be added and consolidated quickly). The IPO proceeds might fund expansion that NetSuite can accommodate, thanks to its scalability. Oracle often notes that NetSuite can be used from a 50-person startup to a 5,000-person enterprise without changing systems (Source: blog.embarkwithus.com). That means the system put in place for IPO can remain the system for years after, handling more transactions, users, and complexity as needed (with periodic optimization).

For a succinct checklist perspective, Armanino's six-phase IPO checklist (from groundwork to beyond IPO) is a useful reference. For example, in **Phase 1 (months 1–4)** they list establishing the IPO project structure, assessing financial processes and **beginning to upgrade systems to support increased reporting demands**(Source: armanino.com)(Source: armanino.com). By **Phase 3 (~months 9–11)**, the focus is on meeting public company requirements: here one ensures all operational aspects (IR, legal compliance, etc.) are in order (Source: armanino.com). In **Phase 5 (the quarter of the IPO)**, one would be finalizing SEC filings and executing the offering. Each company's timeline will differ slightly, but all emphasize **early start and steady readiness**. As Deloitte advises, ideally start formal IPO readiness **18–24 months out**, though sometimes timelines compress (Source: deloitte.com)(Source: deloitte.com).

Key takeaway: Don't underestimate the time needed for transformations – especially implementing NetSuite or major modules. One CFO-oriented article notes, *"ensure a plan is established to allow for 12 to 18 months of time necessary for transformations to the organization to be implemented"* (such as process changes or system upgrades) (Source: williamsmarston.com). By following a phased timeline and hitting key milestones (ERP go-live, first SOX test, first public-ready close) well ahead of the IPO date, companies can enter the public markets with confidence in their financial systems.

7. Integration with Third-Party Systems (Equity Management, Investor Relations, Legal)

No ERP exists in a vacuum, and IPO-bound companies often have a broader ecosystem of software. NetSuite's openness and integration capabilities allow it to connect with various third-party systems critical for IPO preparation:

- **Equity Management Platforms:** Managing equity (cap table, stock options, RSUs) is crucial during an IPO, as the company must track shares, option exercises, and ensure accurate stock-based compensation accounting. Specialized platforms like **Carta, Shareworks (Morgan Stanley), or Certent** are commonly used for cap table management. NetSuite can integrate with these to bring in necessary financial entries. For example, a **Carta–NetSuite integration** can sync equity data (like option grants, exercises, and resulting journal entries for stock comp expense or option proceeds) into NetSuite. This avoids manual journal uploads and ensures the GL reflects up-to-date equity transactions. According to one solution provider, **"the seamless integration of Carta with NetSuite empowers businesses to streamline their equity management and financial processes, enhancing efficiency and accuracy."**(Source: databrydge.com). It provides real-time visibility into equity information inside NetSuite and **automatically posts equity-related journal entries** (for instance, when an option vests, the stock comp expense can be pushed to NetSuite). This kind of integration not only saves time but also strengthens compliance – by **centralizing sensitive equity data within NetSuite's controlled environment**, data security and SOX compliance for equity

accounting are improved (Source: databrydge.com)(Source: databrydge.com). In preparation for IPO, companies often reconcile their cap table meticulously; integrating NetSuite means the finance team and cap table managers are always in sync. Additionally, after the IPO, new equity transactions (ESPP, option exercises) continue flowing smoothly into NetSuite. If a company chooses not to integrate, they must at least establish a process to regularly input equity accounting entries into NetSuite and to link the two systems' data at period-end.

- **Investor Relations (IR) and CRM Systems:** As companies gear up for an IPO, they strengthen their investor relations function. This might involve tools like Nasdaq IR Insights, Q4 Investor Relations platform, or even just a CRM (Salesforce, etc.) to track interactions with potential investors. While NetSuite CRM could be used, many companies use standalone IR platforms. The integration point with NetSuite is typically around sharing financial metrics or customer data that investors ask about. For instance, an IR tool might pull key figures (revenue growth %, customer count) from NetSuite periodically to populate investor decks or the IR website. Also, post-IPO, an IR website might display quarterly results which originate from NetSuite financials. Through APIs or scheduled exports, NetSuite can feed such platforms. Moreover, if the company maintains a separate **financial consolidation or planning tool**, NetSuite will integrate via connectors or APIs to those as well. The guiding principle is to avoid data silos: ensure NetSuite (the financial system of record) is the source for any data point that external stakeholders consume. That reduces discrepancies between what investors see and what's in the official books.
- **Legal and Regulatory Reporting:** Beyond the SEC filings, companies must handle other regulatory reports (like Section 16 insider trading filings, equity regulatory filings, etc.) and legal entity management. While NetSuite doesn't handle legal filing preparation, the data in NetSuite supports them. Some legal reporting software might integrate for retrieving financial or entity data. For example, an entity management system could query NetSuite for a list of subsidiaries and their financials for a corporate governance report. Another example is **compliance reporting for specific industries** (like FDA compliance in pharma, or GDPR data tracking) – often these systems can be connected to NetSuite to pull relevant data (like lot tracking for FDA, or sales by region for tax compliance). One specific integration in the IPO context is with **SOX workflow tools or GRC systems**. If a company uses a tool to track SOX controls or manage narratives (e.g., AuditBoard, Workiva SOX module), they might import data from NetSuite (like population of journal entries for sampling). NetSuite's saved search exports come in handy here. On the flip side, NetSuite has a **SuiteApp ecosystem** – there are third-party apps for advanced compliance, audit management, etc., that bolt on to NetSuite. For instance, there are SuiteApps for advanced segregation of duties monitoring or for facilitating SOX documentation.
- **Financial Close Management and Collaboration:** Many companies implement close management tools (FloQast, BlackLine, Trintech) as they prepare for IPO to better manage reconciliations and task lists. These tools have certified integrations with NetSuite. For example, FloQast connects to

NetSuite to pull trial balances and track if an account's reconciliation matches the GL; BlackLine can import NetSuite data for automated reconciliations. Such integrations mean that when the finance team marks an account reconciled, it's based on real NetSuite numbers. They also ensure that if NetSuite's books change (e.g., a late journal entry), the reconciliation software flags the discrepancy. This tightens the financial close and is highly recommended for larger companies. It aligns with best practices of **creating an integrated close calendar and ensuring interdependencies are managed with a close tool** (Source: [riveron.com](https://www.riveron.com)) – which integration makes possible.

- **Data Warehouses and BI Tools:** Some IPO-bound companies set up a data warehouse to combine NetSuite financial data with other data (sales pipeline, product usage) for advanced analytics that investors might request. NetSuite offers SuiteAnalytics Connect and ODBC for extracting data. The **Oracle Analytics Warehouse** is an option that comes pre-integrated with NetSuite. Other times, companies use Power BI or Tableau connected to NetSuite. While this is more for internal analysis, it becomes critical when addressing investor questions that go beyond pure financials. For example, an investor might ask for cohort profitability – finance can join NetSuite data (costs by customer) with CRM data (customer tenure) in a warehouse to produce such analysis. Ensuring NetSuite feeds these systems regularly (daily or real-time via APIs) means the answers are always based on the latest data.

In all these integrations, **security and data integrity are paramount**. During IPO prep, the company should inventory all systems and ensure integrations do not expose sensitive data or create inconsistencies. NetSuite's robust API and connector options (RESTlets, SuiteTalk web services, etc.) make it capable of integrating with virtually any modern system. The result of thoughtful integration is a **seamlessly connected ecosystem** where, for instance, a stock option exercise recorded in Carta automatically results in accounting entries in NetSuite, and the updated share count can be queried by the Workiva SEC filing tool for the EPS calculation in a 10-Q. This eliminates manual hand-offs and potential errors at critical junctures.

To illustrate, consider equity management again: **"By integrating Carta's equity management features with NetSuite's financial management capabilities, businesses can streamline equity-related processes, including cap table management, equity plan administration, and compliance reporting."** (Source: [databridge.com](https://www.databridge.com)). In the IPO, compliance reporting on equity (shares outstanding, etc.) is vital. Integration ensures the finance team isn't maintaining two versions of truth. Similarly, **investor relations metrics backed directly by NetSuite data** give credibility. If an investor asks for a revenue breakdown, and the IR personnel can pull up a figure knowing it ties to the GL, that builds trust.

In summary, a company preparing for IPO should aim for **integrated systems with NetSuite as the hub**. NetSuite will handle core financials and send or receive data from peripheral systems like equity management, planning, compliance, and reporting tools. This hub-and-spoke model means when the IPO

happens, the team is not wrestling with Excel as the integration layer; instead, data flows are automated and reliable. It is a significant factor in reducing the stress and error-rate in IPO preparation and subsequent reporting.

8. Governance, Risk, and Compliance (GRC) Support in NetSuite and Controls Design Recommendations

Becoming a public company escalates the importance of formal governance, enterprise risk management, and compliance processes. NetSuite offers features and practices that support a strong GRC framework, and companies should design their controls in and around NetSuite to leverage these capabilities:

- **Built-In GRC Features of NetSuite:** NetSuite was designed with a range of GRC needs in mind:
 - **Automated Controls:** As mentioned earlier, NetSuite allows automation of controls via workflows, scripts, and alerts. By automating routine control checks, companies reduce the chance of human error or oversight. For example, if a control requires that all revenue contracts above \$X be reviewed for ASC 606 implications, NetSuite can automatically flag those transactions for review. This aligns with a proactive risk management approach.
 - **Audit Trails and Change Logs:** NetSuite's always-on audit trail is a powerful compliance tool. It means **finance leaders and auditors can quickly investigate any activity that might impact security, controls, or financial statements**(Source: netsuite.com)(Source: netsuite.com). During control design, companies should decide which audit trails will be part of their regular monitoring. Common practice includes reviewing the "System Notes" report for changes to key fields (like vendor bank account changes, user role changes, GL account creations) on a weekly or monthly basis. NetSuite makes this easy to export or filter. Having this in place addresses aspects of both IT general controls (e.g., monitoring changes) and financial controls.
 - **Role-Based Security and Master Data Control:** NetSuite provides **role-based access, strong encryption, robust password policies** out of the box (Source: netsuite.com)(Source: netsuite.com). GRC-wise, this means the system itself meets high security standards (as evidenced by its SOC 1 and SOC 2 audits). Companies should build on this by defining user roles that align with principle of least privilege. A recommendation is to use NetSuite's **Master Administrator role for system config and separate roles for daily transactions**; then monitor use of the powerful roles. Also, use features like **Secure Fields** (masking sensitive data like bank accounts or SSNs) if applicable. Ensuring master data (chart of accounts, vendor master, customer master) changes go through approval or at least review is another control – NetSuite

can log these changes and you can use **SuiteFlow to require an approval for any new vendor setup**, for instance. In fact, one GRC best practice is to lock down master data changes to a few users and periodically audit those changes via NetSuite reports (Source: netsuite.com).

- **Third-Party Audit Reports:** NetSuite provides its own third-party audit assurances (SOC reports, ISO certs) which can be provided to the company's auditors (Source: netsuite.com) (Source: netsuite.com). This means the ERP environment is already compliant from an IT perspective, which reduces the scope of what the company's auditors need to test (for example, if relying on NetSuite's SOC 1, the auditors can place reliance on certain automated aspects of NetSuite). This is a huge benefit versus an in-house system where everything might need testing. **NetSuite being externally audited to SOC 1 Type 2, SOC 2 Type 2, ISO 27001, etc., gives companies a superior compliance foundation**(Source: netsuite.com)(Source: netsuite.com). Companies should obtain these reports and review the "user control considerations" in them – essentially tasks that the company itself must do (like setting up roles correctly) to complement NetSuite's controls. Ensuring those considerations are covered in the company's control environment is an often overlooked but important step.
- **Continuous Monitoring Tools:** NetSuite's saved searches and SuiteAnalytics can serve as continuous control monitoring tools. For instance, a saved search could continuously watch for any journal entry posted to a prior quarter and immediately email the CFO (to ensure they know if prior results might change). Or a dashboard portlet could show key compliance KPIs, like number of open reconciliation issues, number of override entries, etc., if tracked in NetSuite. If more sophisticated needs exist, SuiteApps or external GRC tools can plug in, but many needs can be met with native NetSuite functionality. NetSuite emphasizes that **continuous monitoring of key financial controls via saved searches, alerts, and dashboards can help detect fraud and errors**(Source: netsuite.com).
- **Recommendations for Control Design in NetSuite:** Leveraging the above features, here are specific recommendations when designing controls:
 - **Use NetSuite as the Control Platform:** Wherever possible, implement the control **within** NetSuite rather than as an offline manual control. For example, instead of a manual signing of a paper to approve an invoice, use NetSuite's approval and have the record of approval in the system. This creates evidence that is easy to audit. It also often prevents the action until approval is done, which is ideal. Aim to make NetSuite enforce or document the approval for all key processes (JE, PO, vendor onboarding, customer credit, etc.).
 - **Implement a Strong Change Management Process:** Changes to financial setups (accounting period management, changes to revenue recognition rules, etc.) should be governed. NetSuite allows segregation between a production account and sandbox accounts for testing. Use the sandbox to test significant process changes (like a new revenue rule) to avoid disrupting

controls. Also, consider enabling the SuiteCloud Change Management (if available) or maintain a log of administrative changes. From a GRC perspective, treat your ERP configuration like source code – only authorized personnel can change it, and all changes are reviewed. This prevents accidental weakening of controls (e.g., someone turning off approvals).

- **Segregation of Duties Matrix:** Define your SoD matrix (which roles clash) and configure NetSuite roles accordingly. Then utilize either NetSuite saved searches or a third-party SoD tool (like Strongpoint or Fastpath for NetSuite) to continuously check that no user has conflicting roles or permissions. PwC's guidance for NetSuite is to **"design, configure and test compliant application security roles to confirm proper segregation of responsibilities"**, and to **"identify segregation of duty risks"** during implementation (Source: [pwc.com](https://www.pwc.com))(Source: [pwc.com](https://www.pwc.com)). This proactive design will save headaches later. If any unavoidable conflicts exist (small companies may have some), document mitigating controls (like a CFO review of that user's transactions) and use NetSuite's logs to facilitate that review.
- **Utilize SuiteFlow for Compliance Workflows:** Not all controls are financial – some are operational or IT. You can use NetSuite workflows to enforce things like quarterly user access certification. For instance, a workflow could route a list of users to each manager for quarterly review (with a custom record capturing their sign-off). This might be advanced usage, but it shows that NetSuite can be a platform for managing compliance tasks, not just financial transactions.
- **Reporting and Certification:** As a public company, CFO and CEO must certify results (Section 302). Many companies adopt a sub-certification process where department heads sign off on their numbers. Consider using NetSuite's reporting to facilitate that – e.g., generate departmental P&Ls from NetSuite and have them reviewed and signed by owners, perhaps via PDF or via a lightweight workflow. Maintaining evidence of these reviews (even if outside NetSuite) is important; however, NetSuite could store those documents or sign-offs for easy retrieval.
- **Risk Management and Alerts:** NetSuite can help identify and mitigate risks proactively. For example, set threshold reminders (if cash drops below \$X, alert CFO; if sales orders spike or drop unexpectedly, alert). NetSuite's real-time nature means you can spot trends mid-quarter rather than after the fact. **NetSuite provides real-time KPIs and rule-based alerts to identify risks before they become problems**(Source: [netsuite.com](https://www.netsuite.com))(Source: [netsuite.com](https://www.netsuite.com)) – something that protects against surprises that could derail an IPO or cause stock volatility. From a governance perspective, having these early warning systems in NetSuite means management can address issues (like cost overruns, control failures, etc.) and be ready to answer to the board or investors about them.

- **Compliance with Other Regulations:** Beyond SOX, public companies might face other regulatory frameworks. For instance, if processing card payments, PCI-DSS compliance is mandatory – **NetSuite is PA-DSS certified** for its SuitePayments, aiding PCI compliance (Source: netsuite.com). If in healthcare or finance, there could be specific IT compliance requirements; NetSuite's cloud credentials (ISO 27018 for cloud privacy, etc.) help meet those. Companies should still do their part: e.g., if GDPR applies, ensure personal data in NetSuite is handled per policy (NetSuite has tools to anonymize or purge data if required for privacy). For companies subject to FedRAMP or other standards, Oracle NetSuite offers GovCloud versions or can share attestations as needed.
- **Leverage Expertise and Continuous Improvement:** It's advisable to involve GRC experts during the NetSuite implementation. Many partner firms (like the **Big 4 or specialist consultancies**) have NetSuite-specific control catalogs. They might, for example, provide a **pre-configured set of control reports, dashboards and templates for NetSuite**(Source: pwc.com)(Source: pwc.com). These can jumpstart the compliance setup. Post-IPO, regularly revisit the control design. As the business evolves, ensure NetSuite's setup evolves too (for instance, if a new revenue stream is added, ensure appropriate revenue recognition controls and reports are configured).

In conclusion, NetSuite can be the backbone of a robust GRC environment for a public company. It **"transforms governance, risk and compliance management to help you realize savings and improve results,"** moving compliance from reactive to proactive (Source: netsuite.com)(Source: netsuite.com). The system's inherent capabilities, when combined with thoughtful controls design (segregation of duties, approvals, monitoring), allow a company to confidently assert to investors and regulators that they have control over their financial reporting. By embedding controls into NetSuite processes, companies reduce reliance on manual detective controls and create a sustainable compliance process – exactly what one wants as a newly public entity striving to maintain investor trust and avoid any regulatory pitfalls. As Ernst & Young famously advises, *public companies must develop a disciplined approach to risk and trusted voices to keep risks from derailing the business*(Source: netsuite.com) – NetSuite provides the platform on which that disciplined, transparent framework can be built from startup through IPO and beyond (Source: netsuite.com).

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Tags: netsuite erp, ipo readiness, sox compliance, financial reporting, grc, internal controls, erp configuration, public companies

About Houseblend

HouseBlend.io is a specialist NetSuite™ consultancy built for organizations that want ERP and integration projects to accelerate growth—not slow it down. Founded in Montréal in 2019, the firm has become a trusted partner for venture-backed scale-ups and global mid-market enterprises that rely on mission-critical data flows across commerce, finance and operations. HouseBlend's mandate is simple: blend proven business process design with deep technical execution so that clients unlock the full potential of NetSuite while maintaining the agility that first made them successful.

Much of that momentum comes from founder and Managing Partner **Nicolas Bean**, a former Olympic-level athlete and 15-year NetSuite veteran. Bean holds a bachelor's degree in Industrial Engineering from École Polytechnique de Montréal and is triple-certified as a NetSuite ERP Consultant, Administrator and SuiteAnalytics User. His résumé includes four end-to-end corporate turnarounds—two of them M&A exits—giving him a rare ability to translate boardroom strategy into line-of-business realities. Clients frequently cite his direct, "coach-style" leadership for keeping programs on time, on budget and firmly aligned to ROI.

End-to-end NetSuite delivery. HouseBlend's core practice covers the full ERP life-cycle: readiness assessments, Solution Design Documents, agile implementation sprints, remediation of legacy customisations, data migration, user training and post-go-live hyper-care. Integration work is conducted by in-house developers certified on SuiteScript, SuiteTalk and RESTlets, ensuring that Shopify, Amazon, Salesforce, HubSpot and more than 100 other SaaS endpoints exchange data with NetSuite in real time. The goal is a single source of truth that collapses manual reconciliation and unlocks enterprise-wide analytics.

Managed Application Services (MAS). Once live, clients can outsource day-to-day NetSuite and Celigo® administration to HouseBlend's MAS pod. The service delivers proactive monitoring, release-cycle regression testing, dashboard and report tuning, and 24 x 5 functional support—at a predictable monthly rate. By combining fractional architects with on-demand developers, MAS gives CFOs a scalable alternative to hiring an internal team, while guaranteeing that new NetSuite features (e.g., OAuth 2.0, AI-driven insights) are adopted securely and on schedule.

Vertical focus on digital-first brands. Although HouseBlend is platform-agnostic, the firm has carved out a reputation among e-commerce operators who run omnichannel storefronts on Shopify, BigCommerce or Amazon FBA. For these clients, the team frequently layers Celigo's iPaaS connectors onto NetSuite to automate fulfilment, 3PL inventory sync and revenue recognition—removing the swivel-chair work that throttles scale. An in-house R&D group also publishes "blend recipes" via the company blog, sharing optimisation playbooks and KPIs that cut time-to-value for repeatable use-cases.

Methodology and culture. Projects follow a "many touch-points, zero surprises" cadence: weekly executive stand-ups, sprint demos every ten business days, and a living RAID log that keeps risk, assumptions, issues and dependencies transparent to all stakeholders. Internally, consultants pursue ongoing certification tracks and pair with senior architects in a deliberate mentorship model that sustains institutional knowledge. The result is a delivery organisation that can flex from tactical quick-wins to multi-year transformation roadmaps without compromising quality.

Why it matters. In a market where ERP initiatives have historically been synonymous with cost overruns, HouseBlend is reframing NetSuite as a growth asset. Whether preparing a VC-backed retailer for its next funding round or rationalising processes after acquisition, the firm delivers the technical depth, operational discipline and business empathy required to make complex integrations invisible—and powerful—for the people who depend on them every day.

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