

# From Cost Chaos to Clarity: Unlocking Profitability with ImpactECS



Presented to



# About today's presenters.

We're excited to get to know you.



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3C Software



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Costing Solutions Lead  
3C Software

## Agenda

- Introducing 3C Software
- Challenges with Costing and Profitability Analytics
- Platform and People
- ImpactECS Use Cases

# About 3C Software

We are committed to building cost cultures for global organizations.

## Our Company

Our team of cost, profitability, and technology thought leaders have deep experience working with global organizations.

## Our Platform

ImpactECS connects data from your existing systems, applies customer specific business logic to calculate results for business applications.

## Our Value

We enable companies to leverage their data to generate product costing views, create what if scenarios and empower business teams to answer complex product costing and profitability questions.

### Quick Facts

Founded in 1989

Privately-Held Organization

US Headquarters: Atlanta, GA

Asia Pacific Office: Sydney, AUS

700+ Global Implementations

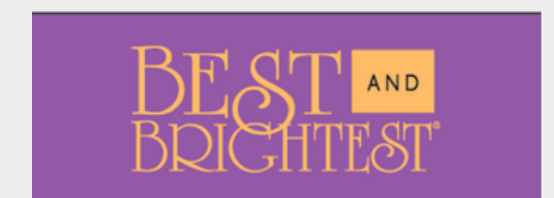
### Technology Partners



### Compliance Certifications







### Awards & Recognitions



# Objectives for today's session

At the end of this webinar, participants will be able to:

-  Explain how a centralized cost and profitability platform like ImpactECS can resolve at least two key challenges faced by finance teams (e.g., fragmented tools, disconnected data).
-  Identify three core features of ImpactECS—such as cost model transparency, customer profitability analysis, and scenario simulation—and describe their strategic benefits.
-  Interpret the results of at least one real-world case study shared during the session, including the financial or operational outcomes achieved.
-  Outline one specific action or strategy they can apply in their organization within 30 days to improve cost visibility or decision-making using insights from the webinar.

“

**65% of C-Suite Executives  
prioritize manufacturing and  
supply chain costs as very  
important to maintaining a  
competitive advantage in 2024.**

”

Source: Boston Consulting Group “The CEO’s Guide to Costs and Growth” January 2024



# Everyone's Focused on Cost—But Execution Is Hard.

Despite the strategic importance of cost control, most organizations lack the tools, data, and processes needed to generate actionable insights.



## Opaque Analytics Processes

- Cost and profitability models are fragmented across departments or plant locations, often managed in disconnected spreadsheets.
- Inability to trace or audit the logic behind cost build-ups or profitability assumptions.
- Reliance on institutional knowledge instead of repeatable, system-driven processes for both cost modeling and margin analysis.



## Hodgepogged Data Sources

- Data for costs, revenues, and operational drivers is scattered across multiple systems (ERP, MRP, WMS, CRM).
- Inconsistent or manual data inputs lead to errors in cost allocation and profitability calculations.
- Limited visibility into cost drivers and profitability levers due to siloed and incomplete datasets.



## Disconnected Decision-Making

- Profitability insights are often lagging or misaligned with updated market or customer dynamics.
- Lack of version control and auditability for changes in cost assumptions or profitability logic.
- Static models hinder real-time scenario planning, what-if simulations, or proactive margin improvement initiatives.
- Stakeholders question the accuracy and relevance of analysis generated by other teams, reducing trust in shared decision-making.

# Poll Question

Which of the following is the primary reason organizations struggle to generate actionable cost and profitability insights?

1. Fragmented models and disconnected data sources
2. Over-reliance on fully automated ERP systems
3. Too much visibility into cost drivers creates confusion
4. Most costing processes are audited in real-time

# Built for Complexity. Backed by Experience.

Cost and profitability analytics only succeed when technology and expertise work hand-in-hand.

## The Platform

Purpose-built technology that connects financial and operational data, models cost and profitability logic, and empowers teams to make better, faster decisions.



## The People

A team of experienced consultants who understand the complexity of costing and profitability—and work side-by-side with customers to design scalable, high-impact solutions.



# What is ImpactECS?

ImpactECS by 3C Software is an enterprise cost and profitability platform that empowers manufacturers, distributors, and service organizations to model, analyze, and improve their cost structures and margin performance.

By connecting detailed operational data with financial insights, ImpactECS enables finance and costing teams to run simulations, manage costs with precision, and uncover the true drivers of profitability across products, customers, and operations.

## Powering Cost and Profitability Insights at Global Enterprises

RENESAS



PLEXUS



*Energizer*



ENDRIES  
INTERNATIONAL INC.



*Kellogg's*



Hostess  
BRANDS



Novelis

mannkind

*Coca-Cola*

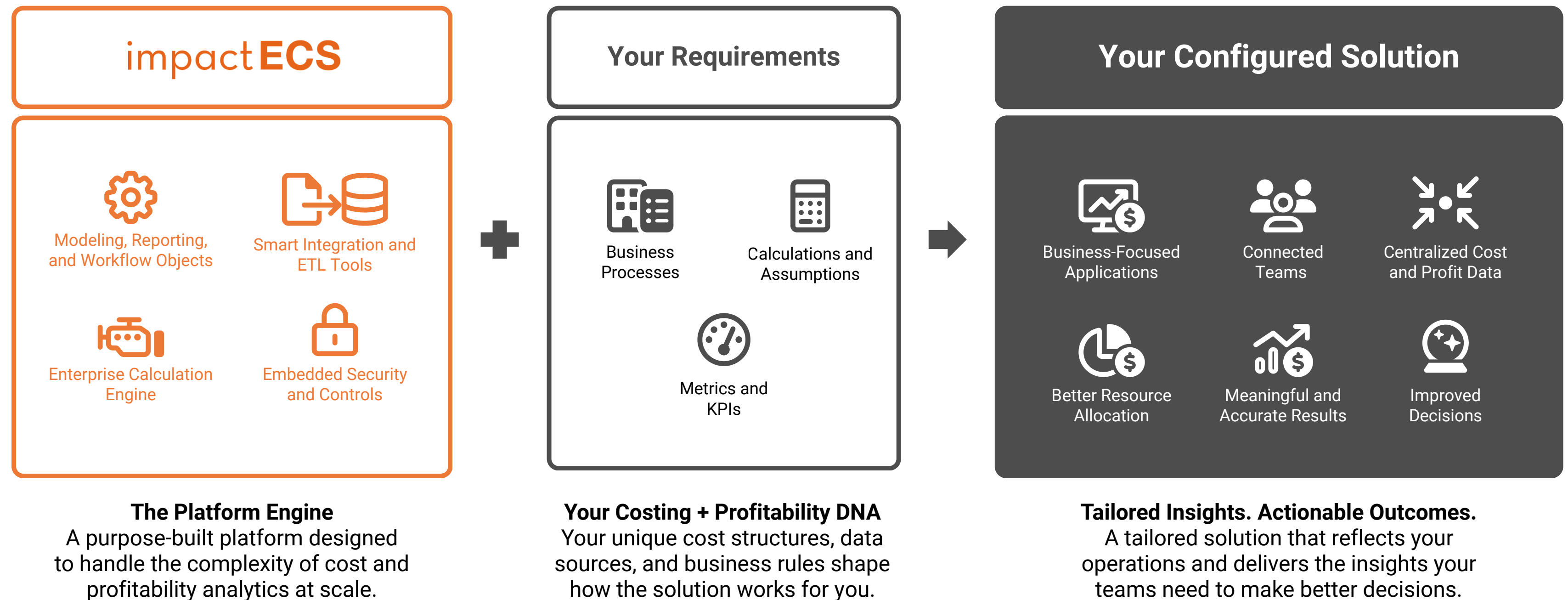


KAISER  
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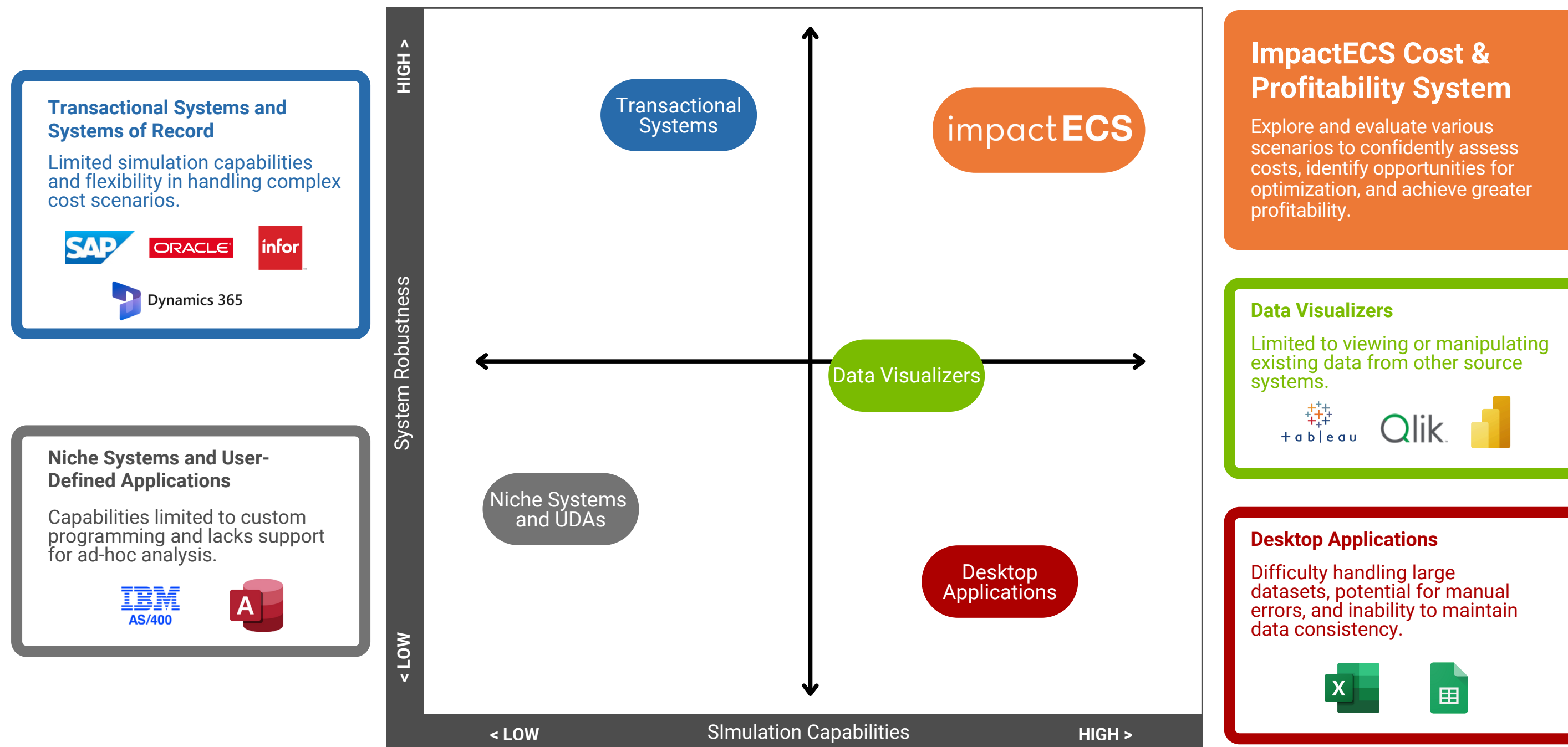
# Your Business. Your Rules. Our Platform.

From cost models to margin analytics, ImpactECS is configured to your specific needs — so you can focus on insights, not workarounds.



# Where Other Tools Stop, ImpactECS Begins.

Unlike ERPs, spreadsheets, and BI tools, ImpactECS combines robust data integration with true simulation capabilities for confident financial decision-making.



# Poll Question

Which of these best describes how an enterprise cost and profitability system differs from ERPs, spreadsheets, and BI tools?

1. It focuses primarily on data visualization and static reporting
2. It is a standard transactional system used for accounting journal entries
3. It integrates data and provides robust simulation capabilities
4. It is an out-of-the-box solution with no customization options

# Built with You, Not Just for You.

3C Software's team bridges the gap between strategy and execution, turning your business needs into actionable models and insights.

## Finance & Costing Expertise

Deep experience in cost modeling, margin analysis, and cost-to-serve

Skilled in building end-to-end profitability frameworks aligned with industry needs

Advisors on cost transparency, margin improvement, and scenario planning

Trusted advisors to CFOs, costing, and supply chain leaders

## Technical & Industry Experience

15+ years average experience in manufacturing and supply chain analytics

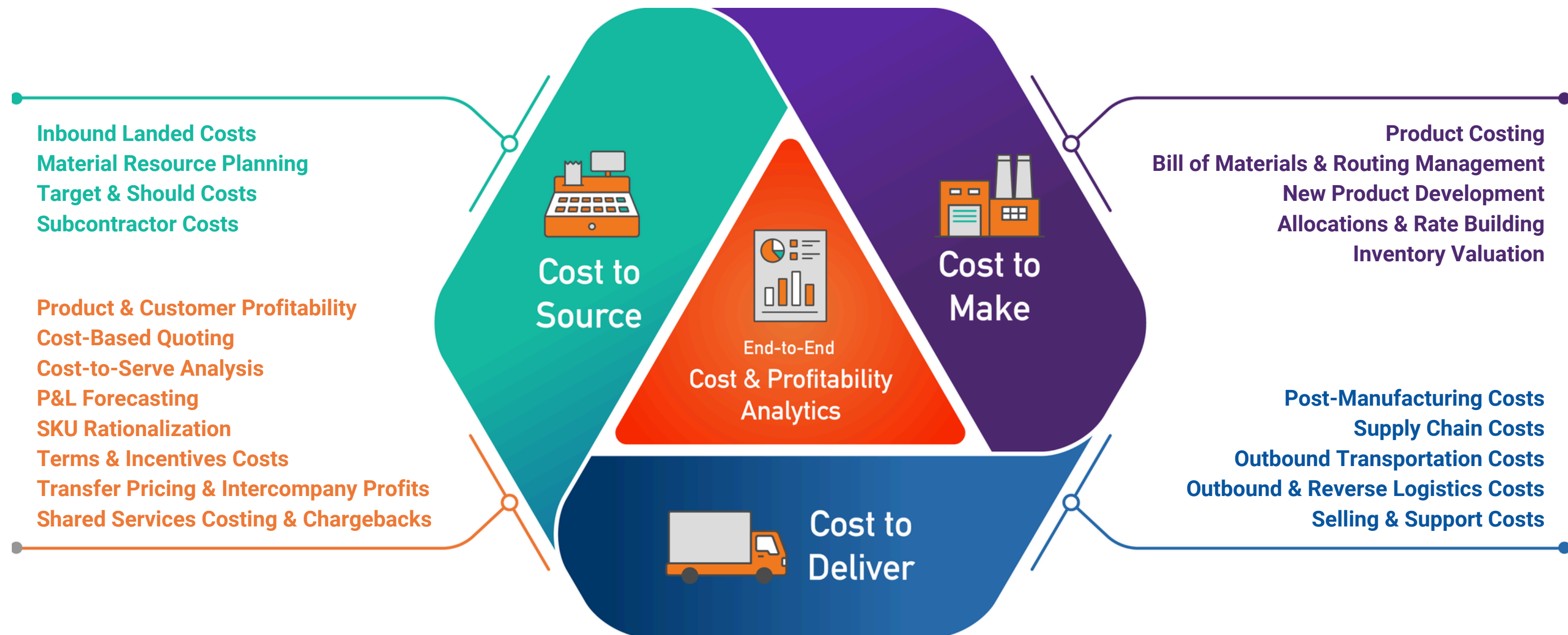
Integration experts across ERP, MRP, CRM and data warehouse systems

Deliver scalable, tailored models aligned to business goals

Specialists in operational data modeling, simulation logic, and governance

# Analytics That Reflect Your Entire Business.

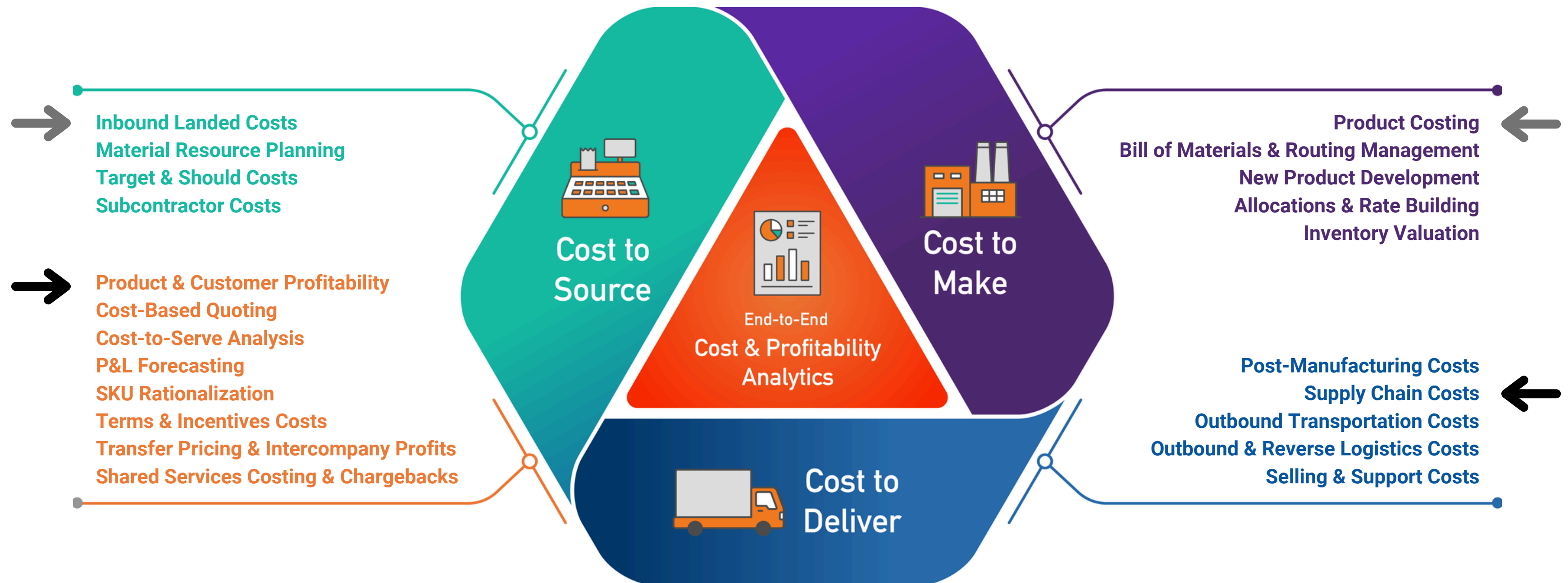
Our Cost and Profitability Framework guides how we work with clients to connect operational costs with financial performance — every step of the way.





# How It All Comes Together.

We'll walk through four real-world examples to show how ImpactECS brings each part of the cost and profitability framework to life.



# Use Case 1: Tariff Simulations

## The Challenge

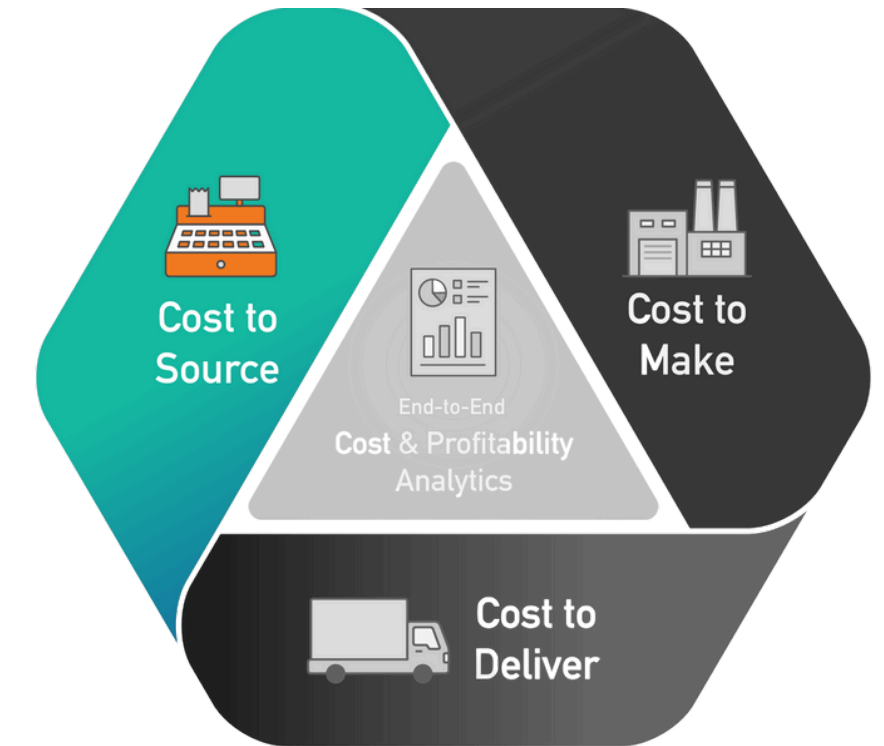
*With constantly shifting trade policies, sourcing teams struggle to evaluate the full cost impact of tariffs on purchased parts.*

They need to analyze both current and potential tariff scenarios—while also considering inbound freight, duties, and other landed cost components—to identify the lowest total cost sourcing option.

## The Solution

*ImpactECS consolidates material, supplier, and tariff data to calculate the true landed cost of each part—including current tariffs.*

Teams can simulate new or proposed tariffs by country and compare results against current costs, enabling smarter sourcing decisions based on total cost, not just purchase price.



# Use Case 2: Overhead Rate What-Ifs

## The Challenge

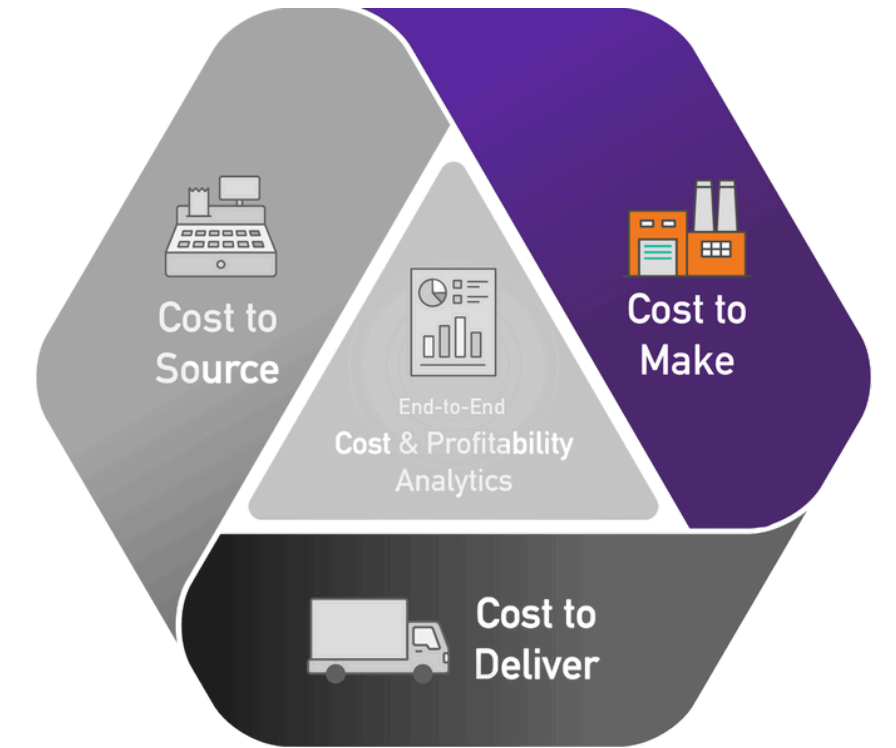
*During fiscal planning, shifting sales and supply chain forecasts made it difficult for finance to react quickly to changes in volume and their impact on overhead rates.*

Without a flexible way to update assumptions, the team struggled to evaluate how overhead changes flowed through to product-level costs in real time.

## The Solution

*Using the ImpactECS budgeting framework, we enabled dynamic simulations of overhead rate changes.*

Users can flex sales volumes, adjust budgeted expenses, or set manual rates to instantly recalculate product costs. The system highlights SKUs with cost changes, giving finance instant visibility into cost impacts from updated planning assumptions.



# Use Case 3: Customer Profitability & Cost-to-Serve Analysis

## The Challenge

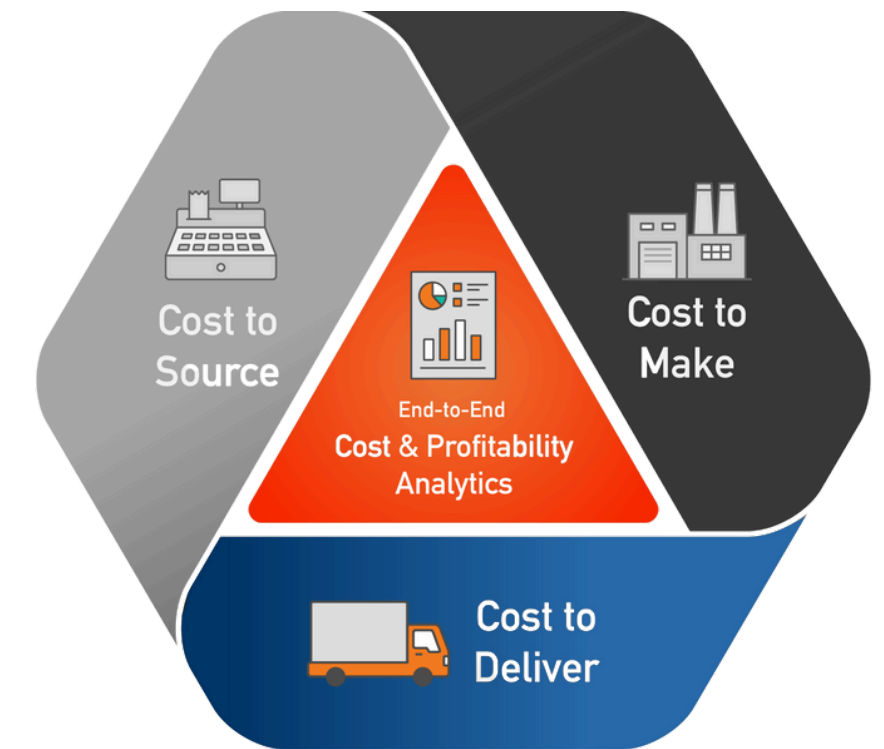
*Understanding true customer profitability goes far beyond sales and COGS.*

Many companies rely on averages, disconnected systems, or static models that ignore critical cost drivers like freight, handling, returns, and value-added services. Without full visibility into cost-to-serve, finance and commercial teams struggle to distinguish high-value customers from those that erode margin—leading to misaligned pricing, resource allocation, and service strategies.

## The Solution

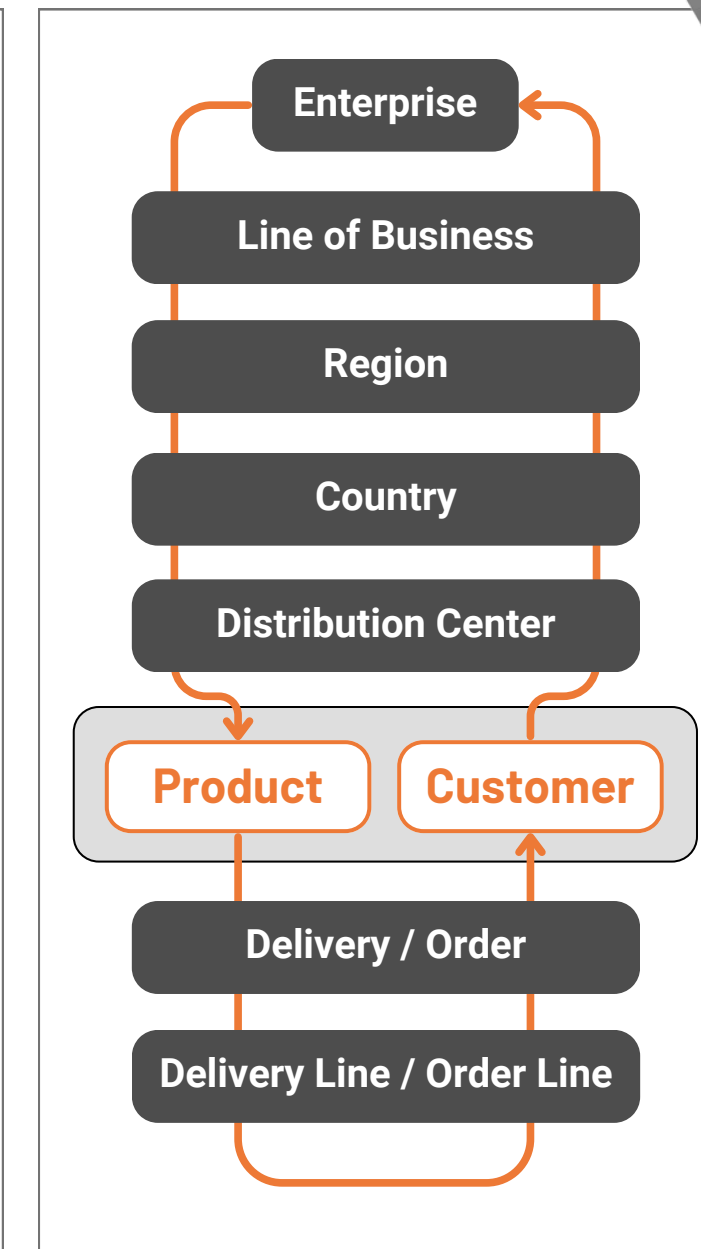
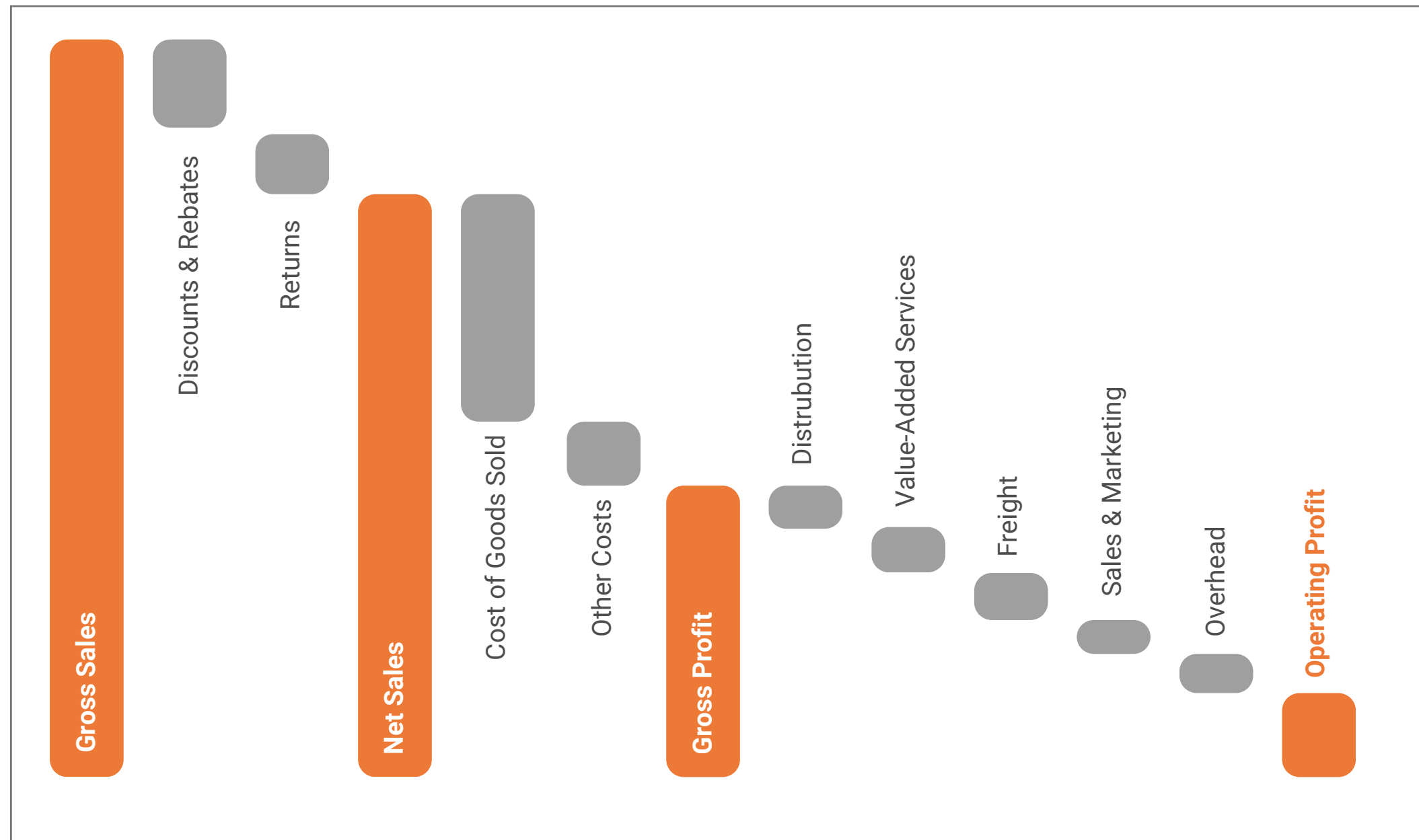
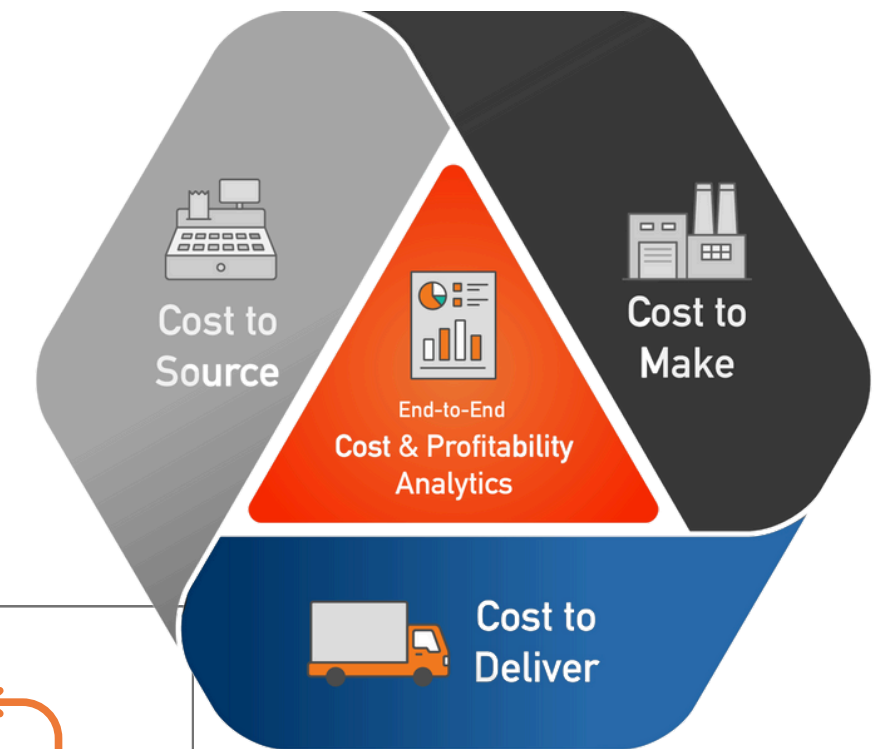
*ImpactECS brings clarity by combining detailed cost models with actual sales, operational, and service data.*

It captures all components of cost-to-serve—from inbound freight to outbound logistics and overhead—enabling companies to evaluate customer profitability at every level. With accurate, dynamic insights, teams can simulate changes, identify profit improvement opportunities, and make smarter decisions grounded in total cost visibility.

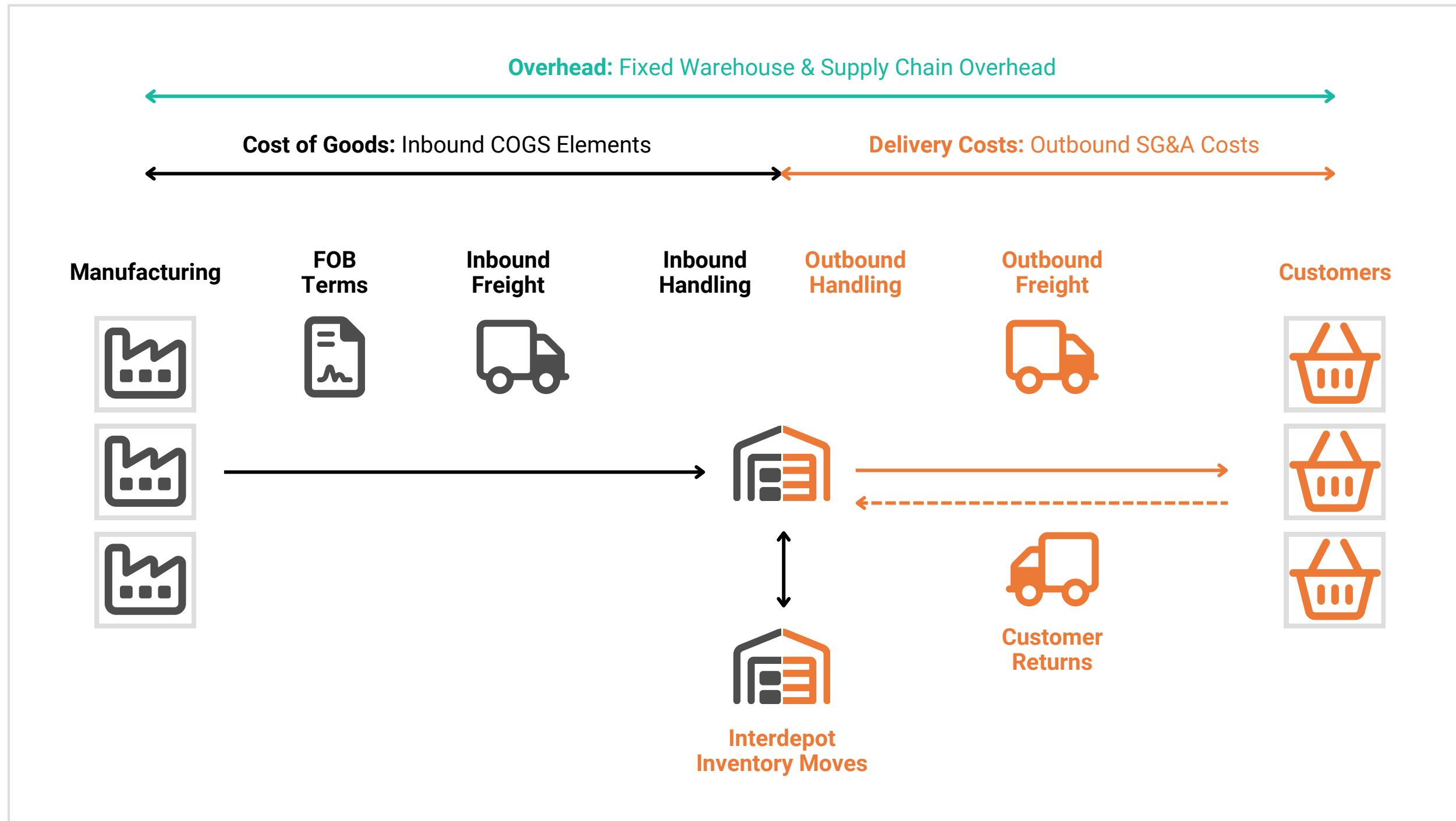
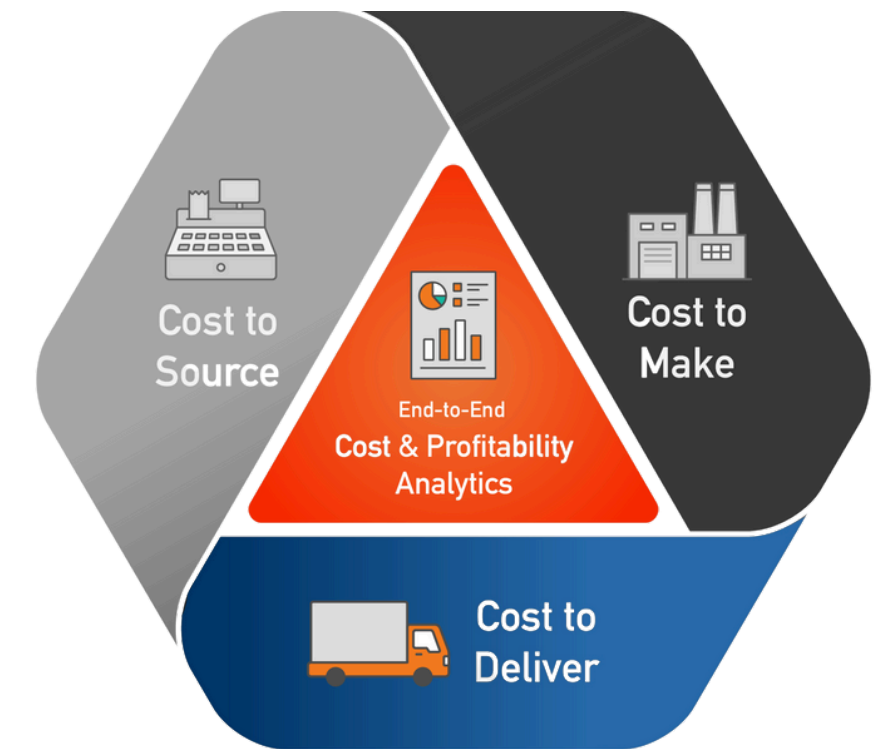


# Use Case 3: Customer Profitability & Cost-to-Serve Analysis

Evaluate the cost impact from gross sales to operating profit at any business dimension.

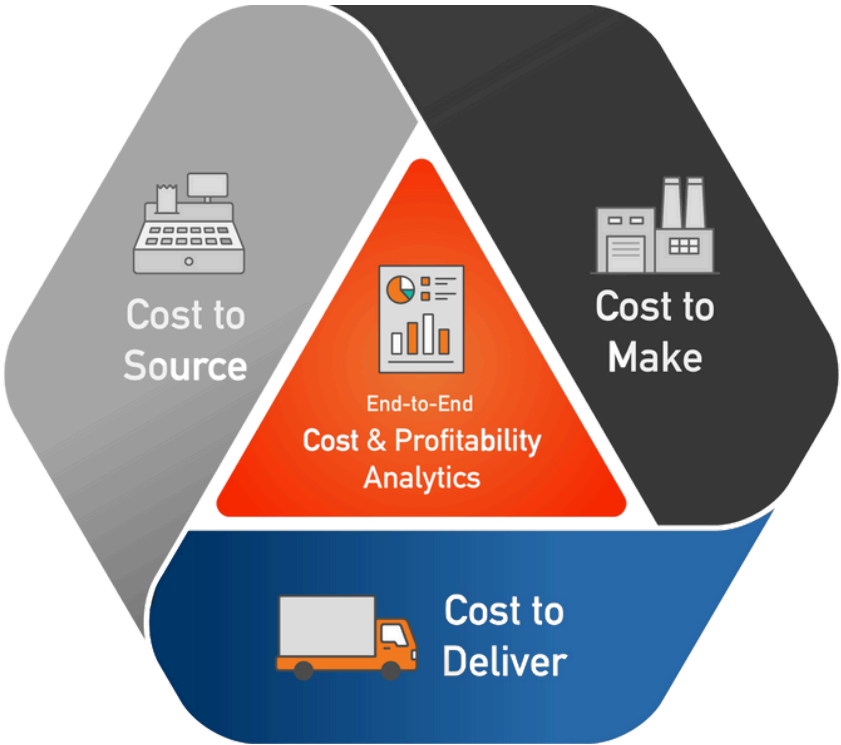


# Use Case 3: Customer Profitability & Cost-to-Serve Analysis





# Case Study: Customer Profitability & Cost-to-Serve Analysis



## Endries International Customer Profitability Results

- 3%** customers account for 85% of EBITDA
- 55%** customers with acceptable EBITDA margins
- 30%** customers with negative EBITDA
- 60%** customers are less than \$10k in revenue  
(30% of this group has negative EBITDA)
- 25%** customers between \$10k-\$100k in revenue  
(25% of this group has negative EBITDA)

Size (Revenue)	Customers	Revenue
>\$5M	12	\$153.1
\$1M-\$5M	55	\$138.0
\$100k-\$1M	222	\$74.3
\$10k-\$100k	471	\$16.5
<\$10k	1,121	\$2.8
Total	1,881	\$384.7

# Poll Question

What is a key benefit of conducting cost-to-serve analysis using a centralized platform like ImpactECS?

1. Provides visibility into all components of serving a customer
2. Simplifies supplier onboarding processes
3. Eliminates the need for financial audits
4. Focuses only on reducing direct manufacturing costs

# Turn Cost Complexity Into Strategic Advantage.

ImpactECS gives you the clarity to make smarter cost and profit decisions.



## One Integrated Platform

Access a single version of the truth for costing data that connects to existing systems and is secure and auditable.



## Enhanced Cost Visibility

Get a transparent view of cost build-ups, allocations, and other relevant cost attributes.



## Agile 'What-if' Simulations

Perform forward-looking business simulations to predict the impact of cost changes.



## Data-Driven Decisions

Identify risks and opportunities due to business or market changes.



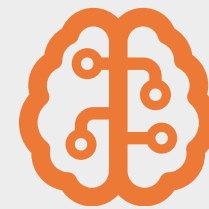
## History and Versioning

Track changes and maintain revisions of costs for analysis or comparison.



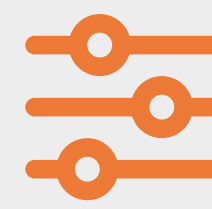
## Empowered Teams

Spend time evaluating results instead of managing data and spreadsheet.



## Tribal Knowledge Retention

Formalize existing costing processes to retain



## Improved Cost Controls

Use cost insights to predict profit changes.

# We're ready for your questions.

## Now

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Enter your questions in the chat.

## Later

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