

WHY MICROSOFT DYNAMICS 365 IS A GAME CHANGER

And How It Empowers Digital Transformation

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Introduction

A new day has dawned in the ERP market, and any organization considering an ERP or with an existing ERP needs to stop and take notice.

In the fall of 2016, Microsoft released the new Microsoft Dynamics 365, a comprehensive software suite that facilitates the fusion of CRM and ERP cloud services focused on a specific business process.

This integrated, cloud-based CRM and ERP solution offers intelligent Software as a Service (SaaS) applications that seamlessly integrate with Microsoft Office 365 and other Microsoft cloud-based technologies such as Flow, Power BI, Power Apps and Cortana Machine Learning.

MS Dynamics CRM 365 incorporates

leading-edge, module-based business processes in the Field Service, Sales, Project Service Automation, Customer Service, Marketing, Financials, and Operations. The operations suite incorporates advanced ERP functionality such as Manufacturing, HR, Project Accounting, Supply Chain Management, Procurement and Sourcing, Retail Operations, Point of Sale and Ecommerce.

Now you have a technical explanation of functionality, but **why** should you dig in and understand more? **One huge reason**, Dynamics 365 is a game changer in the ERP world.

The Old Way of Doing Things

Before Dynamics 365, the choice was to implement Dynamics AX and Dynamics CRM on premises. Let's look at an example of how this played out for a

The Difference between Dynamics AX and Dynamics 365

Dynamics 365 represents an entirely new model for delivering a combined ERP and CRM solution in a way that aligns with today's world of digital transformation. More importantly, it helps your organization more rapidly and cost effectively fit into this new world order, competing at an accelerated level.

Takeaways include understanding:

- *The tremendous cost savings that can be realized*
- *The competitive value Dynamics 365 will bring to your organization (and how)*
- *The efficiency gained through seamless integration with apps*
- *How the benefits of cloud services can impact your business*

fictitious company with \$1 to \$2 billion in annual revenue.

From a project perspective, it took an average business three to six months to get the ERP and CRM installed and ready to set up the company for configuration. The typical cost was:

- ▶ \$150,000 to \$250,000 on hardware and the virtualization platform (most often VMware VCloud or Hyper-V)

Dynamics 365 Business Process Support

Purpose-built business applications

 Business Development	Opportunity management	Social & business networking	Content collaboration	Mobile access	Planning & management	Intelligence		
 Client Care	Omni-channel	Portal	Client self service	Onsite service	Knowledge	Intelligence		
 Marketing *	+ 							
 Field Service	Scheduling and dispatch	Asset and warranty management	Service agreements	Inventory management	Mobile	Intelligence		
 Project Management	Opportunity management	Resource management	Time & expenses	Project planning	Team collaboration	Client billing	Intelligence	
 Finance	Financials	Revenue	Purchasing	Project accounting	Inventory	Reports	EOS scorecard	Intelligence

- ▣ \$250,000 to \$500,000 in server OS, database servers, application servers, SharePoint server and ERP licensing
- ▣ \$200,000 to \$400,000 in professional consulting services

Just to get to the setup stage, the company had already invested a significant amount of time and money, yet not one ounce of business value had been delivered – because the work wasn't done.

The remainder of the project took around 1 to 1.5 years to configure, customize, train and migrate the data. At the end of the project, the business walked away with complete, end-to-end management of processes through the ERP, from financials to supply and inventory, to sales and delivery of product, which is a win.

But those weren't the only costs. The consulting professional service fees tacked on an additional \$3M to \$10M, depending on the modules, level of customization, system integrations

and reporting. All told, it took about 1.5 to 2 years and \$3.5M to \$10M in costs before rolling out the system into production and realizing the business value/ROI.

Though the software delivered what was needed, it's easy to see why that model no longer works in this age of transformation. Digital technology has enabled customers to demand and receive what they want when they want it – instant gratification. At a time when customers' expectations are high, organizations must find ways to cut costs and do more with less in order to compete. Changing times calls for a new model of delivering ERP solutions. Enter Dynamics 365.

The New Way – a Solution for Today's Market

The beauty of the new Dynamics 365 is in the accelerated pace you gain in getting a return on your investment. The installation and initial server configuration can be completed in **one week** because everything is hosted in the cloud as SaaS. No

complicated hardware, server and database installation or configuration nightmares to contend with. The speed to get an environment ready and the component based agile implementation capabilities eliminates a tremendous amount of cost versus the traditional on-premises installation.

Dynamics 365 is no longer just an ERP. It's a cloud-based business platform that enables business to quickly revitalize their business processes and enable a fast path to digital transformation.

Dynamics 365 is Microsoft's new approach to end-to-end intelligent business applications in the cloud.

A Closer Look

Let's break down what you get from Dynamics. The business applications enable companies to do the following.

- ▣ **Start with what you need** – Dynamics 365 apps are designed to be easily and independently deployed. That means you can start small with the



WHAT DYNAMICS 365 DOES FOR BUSINESSES

Start with what you need



Start with the right fit for your business & grow at your own pace in the cloud

Productivity where you need it



Empower employees with productivity tools surfaced in context of processes

Intelligence built-in



Guide employees to optimal outcomes with intelligence embedded in processes

Ready for growth



Stay nimble & adapt in real-time with flexible, extensible applications & platform

right fit for your role, industry and business. You pay only for what you need. Dynamics 365 apps work together seamlessly and fit with your existing systems, so as your business demands, you can grow into additional capabilities with ease and run your entire business in the trusted Microsoft cloud.

- ▶ **Productivity where you need it** – Deep integration between Dynamics 365 and Office 365 connects the structured workflow of business applications and processes with the unstructured work of collaboration and productivity. So your employees are empowered with productivity tools surfaced in the context of their business processes. For example, a salesperson receives an email and can respond directly in Office with a quote created based on information from both the Finance and Sales apps, stored back to the right app, with right pricing, discounting, etc. All this is done without the user having to leave Outlook.

Another example: a sales rep works on an opportunity in Dynamics 365 Sales with embedded access to multiple productivity tools to more effectively progress the opportunity. The rep can collaborate with team members by sharing real-time updates in Yammer and across groups, compiling team notes and

input on the opportunity in OneNote, and seamlessly generating a quote in Word – all without leaving the context of the opportunity.

- ▶ **Intelligence built in** – With Dynamics 365, Microsoft is the only provider of business applications that infuses big data, advanced analytics and IoT into processes out of the box to proactively guide employees and customers to optimal outcomes with predictive insights, prescriptive advice and actionable next steps. Data and insights transformed into action for intelligence where it is needed. For example, Cortana Intelligence will enable cross-sell recommendations to help sales reps predict which products and services a customer will need. Access to IoT data inside Dynamics 365 for Field Service will enable preemptive action from field service agents by connecting asset monitoring and anomaly detection so they can take action before failures occur avoiding costly customer service issues.
- ▶ **Ready for growth** – Dynamics 365 enables companies to adapt and innovate in real time with nimble, adaptable applications so you can compose, modify and extend processes. Business users are empowered to change and adapt without IT. And you can reimagine your business model with a common

data model and flexible, extensible business application platform.

Conclusion

The phrase "game changer" is thrown around loosely, but Dynamics 365 is truly just that. It reduces startup and licensing costs and accelerates the agile implementation of business processes, enabling only the modules you need when you need them. Plus, the possibilities gained from leveraging the extensibility of the Microsoft Azure Cloud platform will result in driving your business forward and creating value for your customers. In short, you will no longer waste time focusing on IT tasks and instead focus on positioning your IT investment to drive value faster than ever before.



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