TAKE YOUR FINANCIALS

TO THE CLOUD

Enhance Cash Flow Management, Security, and Operational Efficiency with BDO

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Microsoft Partner

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2021/2022
INNERCIRCLE
for Microsoft Business Applications

BDO

Table of
CONTENTS

Enabling Your Business
FOR TOMORROW

Dynamics GP and NAV are evolving, *so should you*

Implementing a strong technology foundation is critical to carrying out your business strategy in today's digital landscape. Working with legacy software can be hindering your business' performance, and as such, a modern, cloud-enabled Enterprise Resource Planning (ERP) can make all the difference in accelerating your competitive advantage, enhancing security, and leveraging the latest AI tools.

In October 2019, Microsoft published a new lifecycle guidance for GP and NAV that came as a clear sign for business owners to start weighing alternative options. With less support and product development, now is the time to think ahead and consider the total business impact of a legacy ERP program. [1]

Why the Cloud, now?

Much of this shift can be attributed to the ability of providers to deliver new functionality more rapidly in a standardized SaaS offering, rather than an on-premise application that must deal with platform and operating system compatibility issues. A 2019 study looked at organizations that were shifting from on-premise to the cloud with the same provider. They cited enhanced functionality, increased usability, and a more robust user interface (UI) as the top drivers when migrating to a SaaS offering. [2]
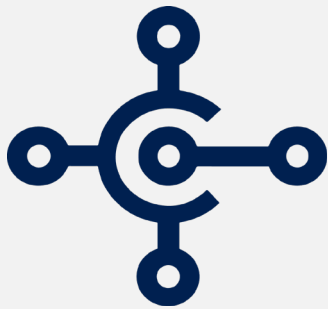
"By 2023, organizations that have successfully renovated their ERP platforms will achieve at least a **40% improvement in IT agility to deliver business outcomes**[3]"

What's Next For
MY BUSINESS?

Align cloud initiative outcomes with business goals

For your business to succeed, you must be able to keep pace in today's competitive landscape and ever-changing environment. However, your success is dependent on your ability to grow and evolve, building a foundation through a strategy that enables technology to create new opportunities.

Microsoft Dynamics 365
Business Central

Offers a scalable and comprehensive solution designed to help your business achieve its goals and objectives.

Business Central: Assembly Demo ▶

Business Central: MRP Overview ▶

Business Central: Job Functionality ▶

How should you and your business justify moving to D365 BC and the Cloud?

D365 CAPABILITIES[4]

- ✓ Adapt as your business grows
- ✓ Work smarter and faster
- ✓ Streamline financial management
- ✓ Accelerate sales processes
- ✓ Deliver exceptional customer service
- ✓ Facilitate project success
- ✓ Drive supply chain optimization
- ✓ Optimize warehouse management
- ✓ Provide optimal manufacturing outputs
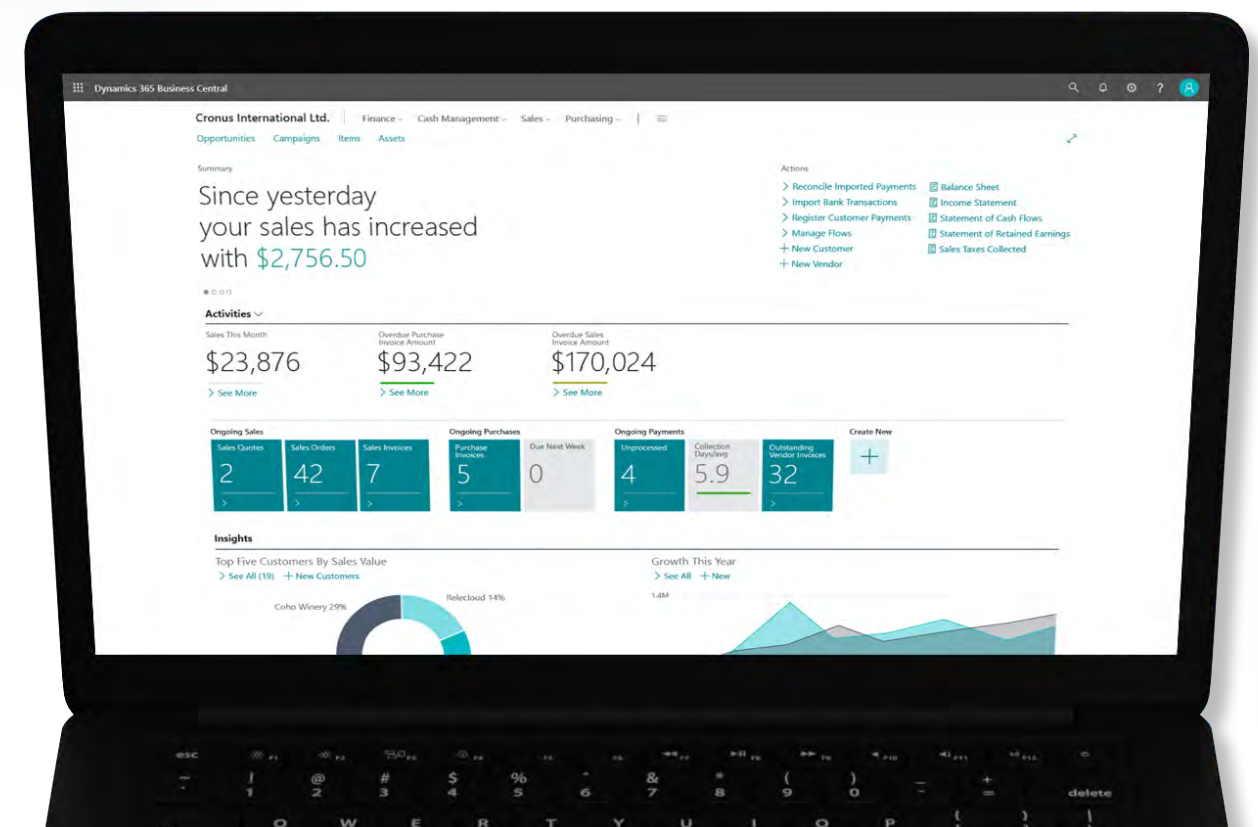
Adapt as Your Business Grows

- ▶ Take your business on the go
- ▶ Choose cloud or on-premise
- ▶ Be ready for growth
- ▶ Store and transmit data across systems
- ▶ Extend the solution with industry-specific apps
- ▶ Tailor the software to your needs

Work Smarter and Faster

- ▶ Get insights within the flow of business
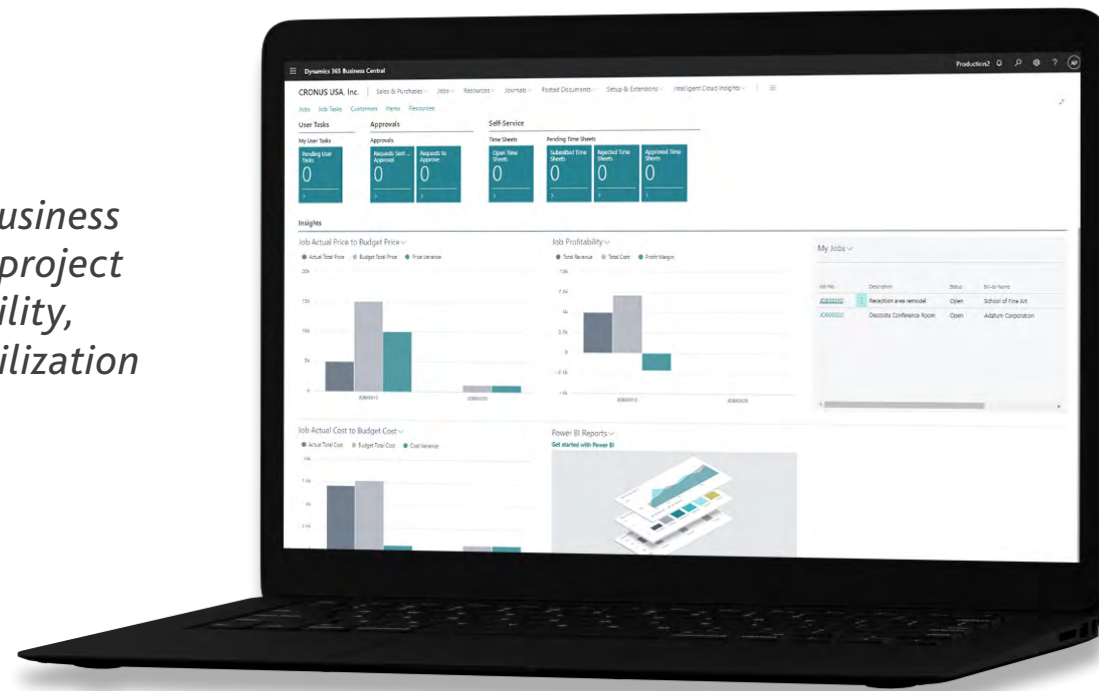- ▶ Drive continuous process optimization
- ▶ Automate workflows and processes
- ▶ Connect your data with Microsoft 365
- ▶ Respond to inquiries faster

Streamline Financial Management

- ▶ Take control of financial data
- ▶ Expand into global markets
- ▶ Accelerate financial closing and reporting
- ▶ Monitor financial performance
- ▶ Make more profitable financial decisions

Get real-time business intelligence on project status, profitability, and resource utilization metrics.

Accelerate Sales Processes
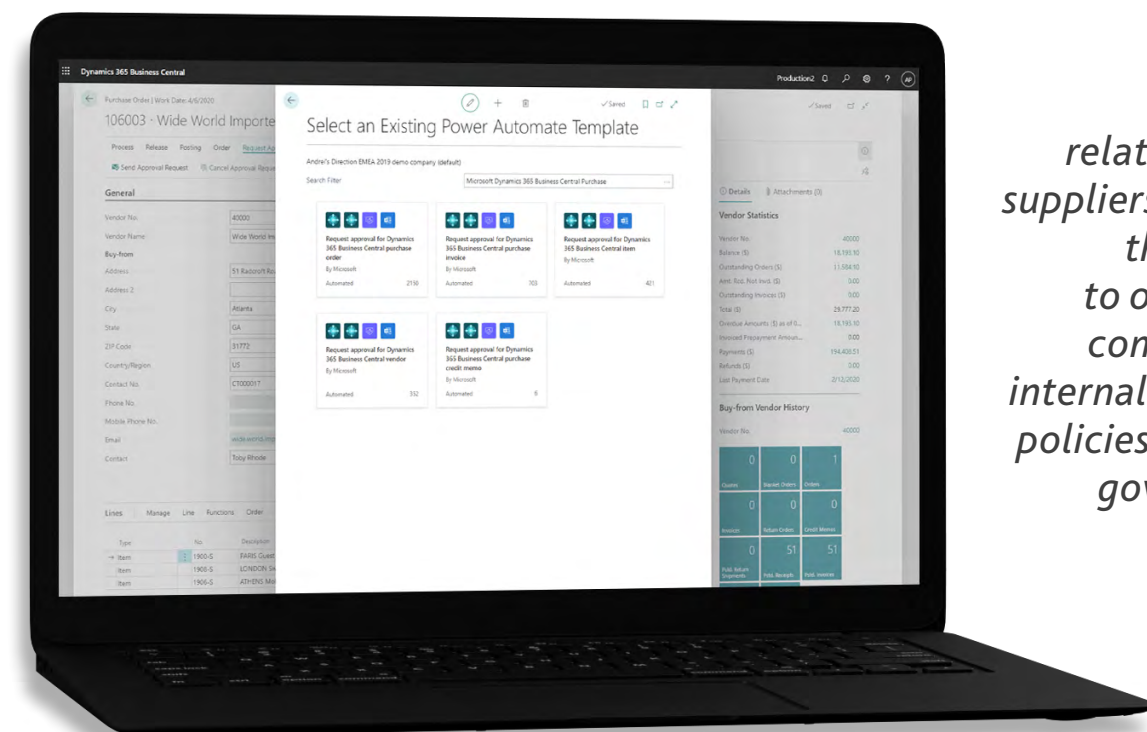
▶ Prioritize leads based on revenue potential

▶ Offer flexible pricing and discounting

▶ Deliver on promised customer outcomes

▶ Improve cash management

Deliver Exceptional Customer Service

▶ Ensure a smooth transition from sales to service

▶ Track customer returns and repairs

▶ Live up to your service promises

Facilitate Project Success

▶ Improve project costing and accounting

▶ Optimize resource levels

▶ Drive profitability with project insights

Drive Supply Chain Optimization

▶ Improve supplier engagement

▶ Get a holistic view of your inventory

▶ Predict stock replenishment

Optimize Warehouse Management

▶ Improve organization within storage facilities

▶ Streamline receiving and capacity

▶ Expedite docking and shipping

▶ Connect customers and operations

Provide Optimal Manufacturing Outputs

▶ Produce within supply and capacity constraints

▶ Create detailed bills of materials

▶ Support assembly-to-order

▶ Use production orders or more complex processes

Build better relationships with suppliers and convert the best offers to orders. Ensure compliance with internal and external policies with process governance and approvals.

The Ultimate
VALUE

Aligning benefits to all relevant stakeholders

By upgrading to Dynamics Business Central, the opportunity to deliver total-business value—with all relevant stakeholders—and create cost-saving opportunities increases significantly.

With most instances of GP and NAV, your business is working with an on-premise data center, system hardware and software that are owned/operated by the business and are therefore capital expenditures. By moving to Business Central, your organization can dramatically reduce said expenditures by removing the necessity to own the assets. This shifts the expense type from a capital expenditure (capex) to an operating expenditure (opex).

In this model, costs are measured according to service usage, like a utility. Executive leaders must ask the CFO to evaluate the impact of cloud initiatives on the organization's finance model.[5]

Who in my organization is a benefactor?

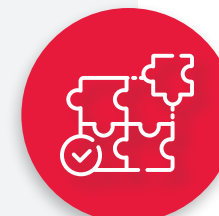### Considerations for Operations and Sales[6]

Interface & Usability

Many users praise the interface as modern and intuitive due to its customizable features, which makes for a pleasurable user experience.

Functionality

Business Central offers flexible and reporting-friendly dimensional account structures with its core financials. That comes along with Fixed Assets, eBanking, Inventory Tracking, Multi-Currency, Multiple Entities, Purchase Orders, Warehouse Management, and with the Premium licensing – Manufacturing and Services. Payroll must be through apps, but basic budget functionality is built in.

Unified Solution

Business Central is made to seamlessly integrate with Power BI for powerful, visual dashboards to help understand trends and make informed decisions. Aspects of CRM are built into the solution itself and can be extended further with additional sales, customer service, field service, and support apps in AppSource with minimal effort.
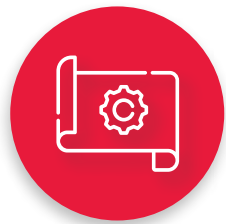
Optimize Performance

One of the biggest advantages of Business Central is that it offers automated and scheduled reconciliations, cash flow projects, and seamless integrations for warehousing capabilities with barcoding, handheld scanners, and shipping for simplified operations.

Considerations for I.T.[7]

Infrastructure & Cloud

One of the major advantages of moving to Business Central is the flexibility to have your data in the Microsoft Azure cloud. With this advancement, users can work from anywhere, at any time and not have to worry about VPN's or hardware issues. Additionally, Business Central offers your business enterprise-level security through features such as authorization, authentication, data encryption and auditing, to safeguard your application.

Implementation Process

It's important to understand that switching to Business Central is a re-implementation of a completely new product. It is an extensive solution that will have to be configured to match your unique business processes. As well, you'll need the support of an implementation partner to help set up the software so you can get the most out of your investment. Implementation of Business Central typically includes system setup and configuration, migration of your legacy data, and user training.

Upgrades

A significant benefit of Business Central is it is updated automatically by Microsoft twice a year, ensuring that your organization is always operating on the latest secure version. In comparison, with GP, you need to plan and execute a major upgrade every 18 months to two years. During the upgrade process, your operations will experience downtime, costing your organization time and money.

Considerations for CFO

Cost

Cost is a primary factor to consider when looking at ERP solutions. By migrating to Business Central, companies eliminate the costs associated with multiple solution licenses, infrastructures, and related support. Pricing is on a per-user, per-month basis which allows you to easily add or remove users as you expand your business.

Strategy Leading
TECHNOLOGY

Initiatives to transform and modernize organizations often focus on technology first, however when considering your move to the Cloud you must also consider a total re-implementation of your ERP. From business design to system implementation, development to deployment, working with a strong digital strategy that is designed to help your business prioritize their investments in technology ensures that these investments are aligned with the organization's overall business objectives.

While each transformation project is singular, there are common scenarios that often arise during the project strategy phase.

Here's what your project managers and stakeholders need to get right for a successful D365 BC transition[8]:

Leadership Projects

Often rely on the charisma and capability of leaders. Leaders in one department or organization may be unable to lead in another. Culture is a critical factor.

Stakeholders

Unique projects require unique approaches-especially those interdepartmental or multi-organizational. But, the lack of a single point of accountability for engagement can be a definitive issue.

Accountability

The project team often delivers to the business and leaves it up to the company to derive the benefits of the innovation initiative-a transition that is not well-handled. To ensure benefits and a return on investment, it's essential to continue to track the project's success (using established metrics) and hold the business accountable.

Change Management

Often the problem with the project is less with the technology itself and more about transforming the organization to take advantage of that technology.

Risk

Who is defining risk-tolerance levels? Are they collecting information and evaluating risks systemically? Have they focused only on costs and schedule rather than all project delivery risks?

(Dis)benefits

Benefits outlined early in a project, when the business case is built, aren't always achieved-often because the scope of the project shifted between system design and system deployment. The disbenefits that can emerge during mission-critical projects can also be substantial.

Costs

The costs of a multi-year, multi-million-dollar, multi-organizational project are often not accurately reported-sometimes because there is a lack of trust within an enterprise or between partner organizations.

There are three primary ways that you can move from Dynamics GP to Business Central[9]:

Implement Business Central From Scratch

With this option, you only import your master record and open transaction using import tools. This is the required method for upgrading to Business Central on Azure or on-premise, but can also be used for Business Central SaaS.

Update Master Records in GP, Then Migrate to Business Central

This is the preferred option for SMBs. With this option, you use Microsoft Cloud's Migration Tool to bring your master records, open transactions, and historical data into Business Central.

Direct Migration

This is the most straight-forward option. With this option, the system creates an initial environment for you by moving the data and the records.

To determine the optimal upgrade route strategy, organizations should ask themselves the following three questions[10]:

1

What is the reason for the upgrade?
▶ I have outgrown my GP software, and it is hindering the growth of my business
▶ I want to move my ERP solution to the cloud
▶ I am following Microsoft's or my GP partner's messaging

2

Is the primary motivation for a GP upgrade to move your on-premise implementation to the cloud?
▶ Locate your existing servers (or upgrades) in a co-hosting environment
▶ Move your GP to hosted servers
▶ Have your GP hosted by a company specializing in hosting your existing GP system

3

Is the primary motivation to upgrade to a new ERP platform?
▶ It is crucial to understand that there are no simple upgrades to a new ERP platform in the SMB world
▶ SMB's should make an incremental ERP move that addresses technical and functional issues

How can BDO add value to your
D365 MIGRATION PLAN

Why BDO?

BDO Canada is a leading provider of professional services to clients of all sizes in virtually all business sectors. Our national team delivers a comprehensive range of assurance, accounting, tax, and advisory services, complemented by a deep industry knowledge gained from 100 years of working within local communities.

More importantly, BDO Canada is positioned to help our clients tackle their most pressing business challenges and has worked with more than 500 clients to strategize, integrate and implement Microsoft Dynamic's solutions.

An Expanding Technology Practice

In 2020, BDO expanded its technology practice by acquiring Lixar; a provider of end-to-end AI and Data-driven solutions which include machine learning (ML), natural language processing (NLP), machine vision, data ingestion-to-data insights and more for its clients and partners.

LIXAR
Fueled by **BDO**

Read more about the acquisition here

Continually Adding Value

BDO's technology practice not only combines industry expertise with operational excellence to help our clients address business challenges, but also integrates with two other complementary areas of focus—Management Consulting and Risk Consulting—into a single, comprehensive portfolio of world-class services delivered efficiently and cost-effectively.

An Award Winning Mentality

BDO Canada's technology practice, including Lixar, continues to be recognized in a number of capacities for our excellence in services, solutions and client-centricity, including:

▶ 2020 Microsoft Data Platform Modernization Impact Award
▶ 2020/2021 Inner Circle Award Winner Business Applications
▶ 2019/2020 Inner Circle Award Winner Business Applications
▶ 2019 Microsoft AI Innovation Partner Award
▶ 14x Gold Certified in Major Categories

Microsoft Partner
Gold Cloud Platform
Gold Datacenter
Gold Collaboration and Content
Gold Data Analytics
Gold Application Development

■ Microsoft

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Learn more about how our team can support your software requirements and improve efficiencies:

Contact Us   **FAQ**

ABOUT BDO

BDO is a leading provider of professional services to clients of all sizes in virtually all business sectors. Our team delivers a comprehensive range of assurance, accounting, tax, and advisory services, complemented by a deep industry knowledge gained from nearly 100 years working within local communities. As part of the international BDO network, we're able to provide seamless and consistent cross-border services to clients with global needs.

BDO is an international network of public accounting, tax, and advisory firms that performs professional services under the name of BDO. With over 80,000 people working out of more than 1,500 offices in over 160 countries, the network generates worldwide revenue of US $9 billion.

ENDNOTES

1 "Microsoft Dynamics GP: Where It's Headed and What It Means for Your Business." BDO Canada, 2021

2 "How Executive Leaders Should Justify Moving to the Cloud." Gartner, 2020

3 "Critical Capabilities for Cloud ERP for Product-Centric Enterprises." Gartner, 2020

4 "Business Central Capabilities: Microsoft Dynamics 365." Microsoft

5 "How Executive Leaders Should Justify Moving to the Cloud." Gartner, 2020

6 "Should You Move From GP to Business Central." GP365, 2020

7 "Should You Move From GP to Business Central." GP365, 2020

8 "Enterprise Transformation: How to Avoid the 7 Most Common Project Fails." BDO Canada, 2021

9 "Top Benefits of Upgrading Dynamics GP to Business Central." ERP SoftwareBlog, 2021

10 "Microsoft Dynamics GP to BC Upgrades – Advanced Strategies." Menlo Technologies, 2020

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