



A Guide to Dynamics 365 Supply Chain Management

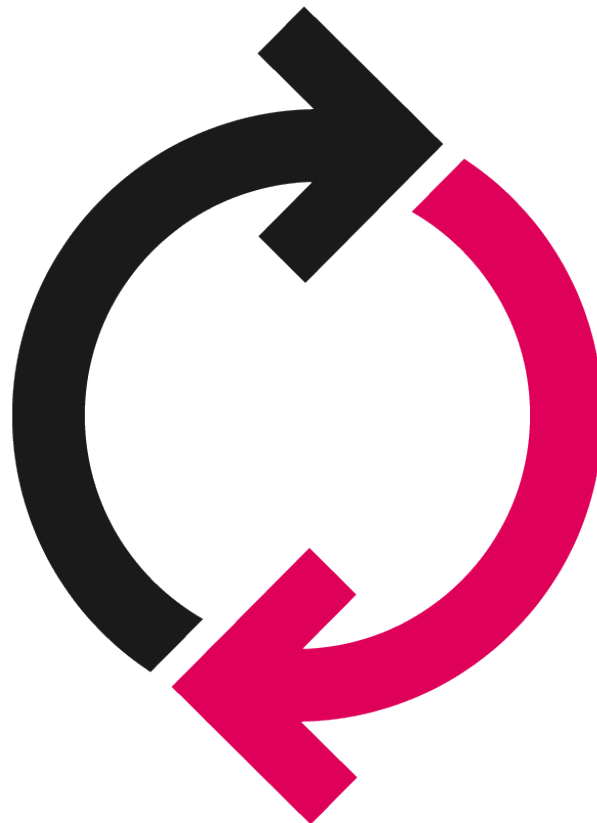
Enabling operations leaders to move
from reactive to proactive operations

A Guide to Dynamics 365 Supply Chain Management

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reactive to proactive operations

Contents

- Introduction
- How Dynamics 365 Supply Chain Management resolves operational challenges
- Supply Chain Management capability overview
- Dynamics 365 Supply Chain Management and cloud services
- The Dynamics 365 suite
- Integration and extensions
- Licensing
- Support and offers



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Introduction

The Microsoft supply chain management cloud application for medium to large organisations

We have compiled this guide to provide you with all the information you need on Microsoft Dynamics 365 Supply Chain Management (formerly called Dynamics 365 for Finance and Operations/Dynamics AX).

Dynamics 365 Supply Chain Management is Microsoft's supply chain management application for operations leaders in medium to large organisations. With real-time intelligent insights and an intuitive user interface, it helps you make smarter decisions and transforms operations processes with proven methodologies. Through the availability of the cloud, you can now offer your business users the flexibility to work anywhere, anytime, and on any device.

Dynamics 365 Supply Chain Management offers one evergreen solution to all customers, empowering them to leverage the most current capabilities and innovation in an environment that eliminates the cost and disruption that defined enterprise software upgrades in the past. It enables operations leaders to transform manufacturing and supply chain operations using predictive insights and intelligence from AI and Internet of Things (IoT) across planning, production, stock, warehouse and transportation management. These capabilities help to maximise operational efficiency, product quality and profitability.

What makes Dynamics 365 Supply Chain Management unique is:

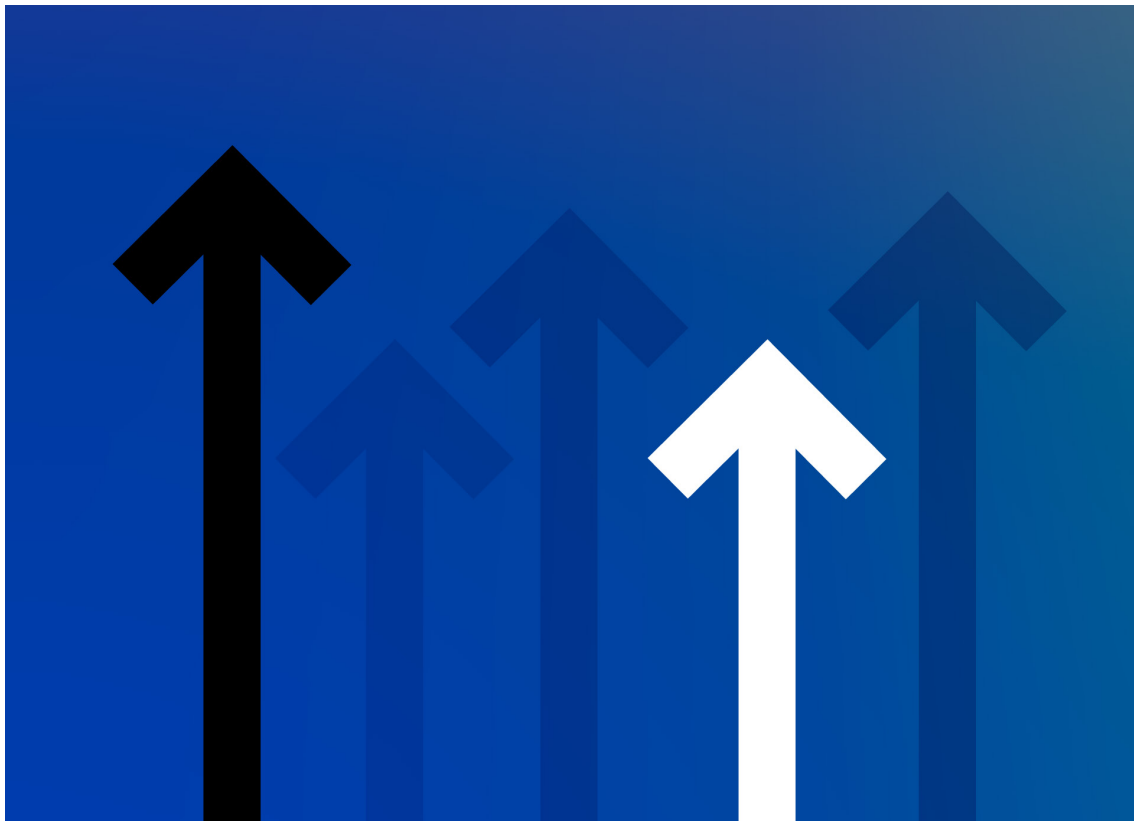
- It allows you to drive automation and reduce downtime using IoT intelligence across any type of manufacturing process—discrete, lean, process and mixed-mode.
- It uses machine learning-enhanced guidance that recommends more effective stock management
- It identifies potential machine issues, to prevent downtime, and increase product quality and yields, before problems occur
- You can extend the life and performance of your equipment. Use IoT and mixed reality to plan, predict, and perform asset maintenance with Asset Management
- It enhances the delivery of products and services with predictive analytics that helps you optimise planning and improve the fulfilment, material sourcing, and logistics of your supply chain
- It leverages powerful, flexible, and intelligent cloud ERP to grow your business knowing your information will be secure
- Works seamlessly with other Microsoft products, such as Excel, SharePoint and Power BI, to enhance and extend the functionality of the solution



Operations leaders challenges

Dynamics 365 Supply Chain Management helps operations leaders overcome challenges and drive growth. It provides them with a modern, adaptive and intelligent solution that supports their unique requirements. It enables operations leaders to adjust to continually changing business environments rapidly. An operation leaders goal is to make impactful day-to-day decisions that ultimately result in the profitability of their business. Operations leaders are faced with the following challenges:

- Gaining unified and accurate real-time insight on operations to identify excess costs, allocate resources, manage inventory, forecast orders and production needs
- Increase sales orders accuracy to reduce the risk of delays and errors, reducing the risk of cost overruns and lost profits
- Need to enhance inventory management to see exactly what inventory is present and where it is, helping to avoid excess ordering or shrinkage
- Ability to identify quality or production issues early to reduce risks of waste and delays
- Reduce production delays to minimise the risk of damaging a customer relationship and losing revenue



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How Dynamics 365 Supply Chain Management helps resolve operational challenges

Microsoft Dynamics 365 Supply Chain Management enables operations leaders to improve operational efficiency via business insights. Using insightful and real-time data, organisations can track the entire supply chain and production and identify issues, optimisation points and beyond. Ultimately, operations leaders can improve their profit margins through the functionality of operational improvements with Dynamics 365 Supply Chain Management.

- **Increase sales orders accuracy** - The procurement functionality in Dynamics 365 Supply Chain Management enables increased precision in ordering the right parts and materials and help the manufacturing, warehousing, and distribution channels to anticipate future work. Better planning reduces the risk of delays and errors, ultimately reducing the risk of cost overruns and lost profits
- **Enhance inventory management** - Dynamics 365 Supply Chain Management helps organisations see accurately what inventory they have and where it is, helping to avoid excess ordering or shrinkage
- **Identify quality or production issues early** - Business insights help operations leaders see in real-time when a specific production line is not performing correctly or when parts and materials from a vendor are failing at higher-than-expected rates. This empowers operations leaders to solve the problems immediately, significantly reducing the risk of waste and delays while also aiding vendor selection and negotiation
- **Accurately predict production and warehousing needs** - Historical and real-time data unifies to provide better forecasting, which allows production and warehousing teams to allocate their resources and optimise their operations as needed to meet timelines and avoid help over-capacity cost and stoppage issues
- **Reduce delays** - Better planning and quality reduces the risk of delays, helping to avoid overage costs like overtime and rush shipping.



Core Dynamics 365 Supply Chain Management capabilities

Dynamics 365 Supply Chain Management enables operations leaders to improve financial performance, drive strategic innovation and turn compliance into a competitive advantage. Below are the main capabilities Dynamics 365 Supply Chain Management offers.

Dynamics 365 Supply Chain Management Capabilities

<p>Cost management Work with the valuation and accounting of raw materials, semi-finished goods, finished goods, and work-in-progress assets.</p>	<p>Cost accounting Extensively analyse fixed and variable costs to give you an in-depth understanding of all the costs incurred in connection with your business activities.</p>	<p>Inventory management Increase visibility across your entire supply chain to reduce inventory costs and keep customers happy. Use built-in intelligence to predict when and what you need to replenish, ensuring inventory levels are maintained.</p>
<p>Transportation management Find the most efficient way to deliver goods to your customers by calculating the least expensive and fastest way. Identify vendor solutions for inbound and outbound orders.</p>	<p>Master planning Determine and balance the future need for raw materials. Understand raw materials and capacities available and future capacities to complete production.</p>	<p>Procurement and sourcing Configure procurement processes toward specific needs by defining purchasing policies and workflows.</p>
<p>Warehouse management Manage warehouse processes in manufacturing, distribution, and retail companies. It is fully integrated with other processes such as transportation, manufacturing, quality control, purchase, transfer, sales and returns.</p>	<p>Time and attendance Workers can enter different types of time registrations, e.g., clock in, clock out, register indirect activities, and absence registration. Use workflows to automate approvals.</p>	<p>Service management Use service management to establish service agreements and service subscriptions, handle service orders and customer inquiries, and to manage and analyse the delivery of services to customers.</p>
<p>Production control The Production control module is linked to other modules. This integration supports the information flow that is required to complete the manufacturing of a finished item.</p>	<p>Product information management Centrally manage information on products across supply chains. Use product-specific information and configuration to manage business processes related to specific products, product families, or product categories.</p>	<p>Sales and marketing Obtain, store, and use various types of data in the sales flow. Use marketing campaigns to find and build relationships with potential customers.</p>
<p>Vendor collaboration Get information about purchase orders, invoices, and consignment stock to external vendor users. Vendors can also reply to requests for quotation and view/edit basic company information.</p>	<p>Asset management Efficiently manage tasks related to operating and servicing many types of equipment, e.g., machines, production equipment and vehicles.</p>	<p>Formula-based production Bills of Materials and formulas specify the required materials or ingredients for a specific product. Formulas specify the co-products and by-products that are received in a specific production context.</p>

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Dynamics 365 Supply Chain Management and cloud services

Like most modern Microsoft applications, Dynamics 365 Supply Chain Management is a cloud-based solution that is accessible anywhere on any device. Microsoft operates a 99.9% SLA on Azure, so all you need is an internet connection.

Dynamics 365 Supply Chain Management is built on Azure and tightly integrated with **Office 365**, **Power BI**, and Microsoft **Power Platform** and other Dynamics 365 applications to offer secure, extensible business solutions at scale. In addition to the direct connections to machine learning services and the reporting power of Power BI, connections to **Power Automate** and Azure Logic Apps enable an endless array of integrations and automation. Cloud services benefits include:

Flexible deployment options

Get real-time information on almost any device, at any time. Leverage the unmatched rapid and scalable deployment options that offer you the best of both worlds (cloud and on-premises) to meet your global business requirements of today and have the flexibility and ease to change as your business needs evolve.

Scalability

Cloud deployments provide a cloud service that is easy to scale up or down as needed, as well as data centres that are fully managed by Microsoft. The time spent implementing Dynamics 365 Supply Chain Management can be significantly shortened, fewer customisations may be required, and the costs of IT hardware and infrastructure are lower.



Application lifecycle management

Cloud deployments include high availability, disaster recovery, sandbox environments, and application lifecycle management. These are combined with cloud-based systems of intelligence, infrastructure, compute, and database services, in a single offering. When needed, data failover in the cloud, automated deployment and continuous updates, and elastic compute capacity are available. Cloud deployment also provides data aggregation, financial reporting and intelligence.

Broad integration

The cloud service provides you with the greatest value, the broadest range of functionality, the best application lifecycle experience, the easiest and broadest integration with **Microsoft Azure** services, the best option for business insights and intelligence, and the most value for technology investments.

Cloud deployment services

Reduced deployment efforts and complexity. Native deployment to the Microsoft Azure public cloud and Improved self-service installation of in-store components to make configuration easier and more intuitive.

Globalisation and translation

30 country localisations, Arabic language support, user documentation in 24 languages.



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Integration and Extensions

Make supply chain management easier and more effective across your entire organisation by combining **Dynamics 365 Supply Chain Management** with other Dynamics 365 applications such as **Dynamics 365 Finance**, **Talent** or **Retail**.

Dynamics 365 Finance

Automate and modernise your global financial operations. Monitor performance in real time, predict future outcomes, and make data-driven decisions to drive business growth.

Dynamic 365 Retail

Create exceptional digital and in-store shopping experiences and simplify store management.

Dynamics 365 Talent

Help your people succeed, optimise workforce costs, and drive an agile, high-performance culture.

Dynamics 365 Supply Chain Management is configurable and gives you excellent capability out-of-the-box, but it does not stop there. You also get as standard, full integration with **Office 365**, **The Power Platform - Power Apps**, **Power Automate**, **Power BI**, and AppSource.

There are three main ways you can extend and integrate:

AppSource

Use pre-built solutions from Microsoft and its partners to extend the capability of Dynamics 365 Supply Chain Management. This provides you with capability for more specialist business processes or industry needs. There are thousands of solutions available and more getting added over time. It is the easiest way to extend capability.

Power Apps

Power Apps is Microsoft's No-code application development solution that allows you to build custom applications and connect them to Dynamics 365 Supply Chain Management via the common data service. This provides unlimited potential in ways you can extend your capability and capture and display data to your employees.

Custom Applications

It is easy to develop applications that work and integrate with Dynamics 365 Supply Chain Management with the robust APIs available and connect apps. You no longer customise the underlying code in the solution instead you can add features and more capability.

Intelligence and Reporting

Microsoft has embedded Dynamics 365 Supply Chain Management with built-in intelligence. This includes smart insights and analytics that are surfaced throughout the solution and automatic charts and graphs with a range of visualisation options. This makes it easy to gain organisational insight and take action. You can extend this capability with Power BI.

Dynamics 365 Supply Chain Management Licensing

On 1st October 2019, Microsoft changed its license structure for Dynamics 365 applications. Microsoft Dynamics 365 for Finance and Operations is now divided into two separate applications, Dynamics 365 Supply Chain Management and Dynamics 365 Finance.

If you purchase Dynamics 365 Supply Chain Management as a Base licence and need finance capability, you can easily add on, Dynamics 365 Finance, as an Attach license, for a heavily discounted price.

Dynamics 365 Supply Chain Management as a Base license is £135.70, and then an additional Attach license for Dynamics 365 Finance costs £22.60.

Base License

Dynamics 365 Supply Chain Management

£135.70 per user/mo

20 seat minimum

Attach License

Finance

£22.60 per user/mo

Activity £37.70

Device £56.60

Team members £6

Dynamics 365 Supply Chain Management support and offers

Licensing Lab

On October 1st 2019, Microsoft released a range of new licenses that will affect every user of Dynamics 365 Supply Chain Management (formerly Dynamics 365 for Finance and Operations). Organisations will have until their renewal date to come up with a new set of license criteria

Our one-day Licensing Lab provides organisations with the answers and support to untangle their licensing landscape and create a plan for moving forward with Dynamics 365 Supply Chain Management. [Find out more about the Licensing Lab.](#)

Dynamics 365 Supply Chain Management Demo and Briefing

Our free 2-hour demo and briefing will highlight the key functionality available from Microsoft Dynamics 365 Supply Chain Management and demonstrate the areas relevant to your organisation. We will contact you in advance to gather your requirements to tailor your session to suit your needs. Find out more about the [Dynamics 365 Supply Chain Management Demo and Briefing.](#)

About Incremental Group

We are a leading Microsoft Dynamics gold partner, with over 20 years' experience helping organisations drive digital transformation with Microsoft Dynamics 365, AX, NAV and GP solutions. We help organisations with new implementations, upgrades, project recovery, and ongoing support. We work with all sizes of organisations across a range of industries.

[Contact us](#) today to find out how we can help you.