A TELL-ALL, BEHIND THE SCENES LOOK AT DYNAMICS 365 IMPLEMENTATIONS

Insights from Sikich customers and consultants on moving to Microsoft Dynamics 365

The momentum for Microsoft Dynamics 365 in the Azure cloud is still building. Many more companies see the point of the improved agility, scalability, customer focus, business insight, and economy they can gain in the cloud. Sikich was the first consultancy to take a U.S. manufacturer live on Dynamics 365 and has performed fifteen successful ERP projects since then. In this ebook, we share some insights from a few of our clients and consultants. If you have been thinking about a cloud infrastructure for your company, their comments may be helpful for your planning. Companies we know achieve a broad range of great outcomes from their cloud transitions when they prepare well and set ambitious, yet realistic goals. Some of their results surpass by far what they initially expected.

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WHY COMPANIES **MAKE THE MOVE**

Businesses and the IT industry have come a long way from thinking about the cloud primarily as a cost-cutting and efficiency move. It's also understood that scalability in the cloud is practically endless, no matter whether you consider transactions, customers, physical and virtualized servers, or data storage. Looking at our experience so far in helping companies adopt Microsoft Dynamics 365, these are their top-three, strategic reasons for doing so:

01 | Managing growth.

M. Colleen Redington, Professional Services Manager at Sikich, says, *"Companies need to accommodate more customers, products, employees, and business activities. The scalability of the cloud is a great asset in this regard. Many business leaders are aware that the cloud can make it easier to incorporate additional business groups and operations following mergers and acquisitions. When they open new locations anywhere in the world, people there can access software functions and information in the cloud without any obstacles."*

02 | More strategic IT.

Most businesses are looking for greater and more sustainable returns from their investments in technology skills. Evert Bos, Solution Architect at Sikich, points out, *"The cloud can alleviate a large share of the day-to-day administrative tasks that take up so much time, freeing IT professionals to contribute at a higher level."*

"We're changing our role to become more like business process analysts who understand what a company does and how they can help it accomplish its goals."

**George Gindoyan,
VP of IT, Adamas**

"Companies need to accommodate more customers, products, employees, and business activities. The scalability of the cloud is a great asset in this regard."

**Colleen Redington
Professional Services Manager**

03

Greater customer value.

"Some companies' clients ask for simpler, more flexible, or more collaborative ways of engaging," notes Bos. *"Others are hoping for greater visibility of their vendors' compliance or quality management. On a cloud platform, collaborative workspaces and controlled access to resources and data can facilitate such requirements. Many Sikich customers expect that ERP and CRM capabilities in the cloud will effectively support engagements with clients anywhere in the world and help them in building long-term relationships with them."*

Other, often-voiced reasons why companies take to the cloud:

• A cloud platform is part of a comprehensive strategy for digital business transformation.

• Extensive cloud analytics and business insight tools bring greater intelligence into the business.

• Employees want less restrictive, more powerful and versatile software tools.

• The cloud presents an economical alternative to large expenses that loom when hardware refreshes are due or the end-of-life of operating systems and applications approaches.

• Today's cloud-based ERP and CRM capabilities are already more advanced than the latest on-premise systems – the future of software innovation is in the cloud.

• The initial ERP implementation wasn't entirely successful, and a software project can be faster and more efficient on Azure.

• When companies want to take advantage of the internet of things (IoT), gathering and storing IoT data masses in the cloud makes sense because of practically unlimited, low-cost storage, and cloud-based analytics help to create intelligence from that data.

• Cloud security and data protection are better than ever, beyond what most companies could afford to purchase or build on their own.

"The cloud can alleviate a large share of the day-to-day administrative tasks that take up so much time, freeing IT professionals to contribute at a higher level."

Evert Bos
Solution Architect

PREPARING **THE TRANSITION**

Clients and consultants had many suggestions for companies' planning as they get ready for Dynamics 365. Here are some of the highlights:

GAINING FAMILIARITY WITH AZURE, MICROSOFT DYNAMICS 365, AND THE CLOUD IN GENERAL

Be clear on the accountabilities.

Debbie Altham, Industry Director, Manufacturing at Sikich, recommends, *"Make sure you know what exactly you are responsible for and what is managed and handled by Microsoft, especially when it comes to data protection in the cloud. While Microsoft provides a sound infrastructure with enterprise-class security, you also need to take ownership of maintaining the integrity of information and applications."*

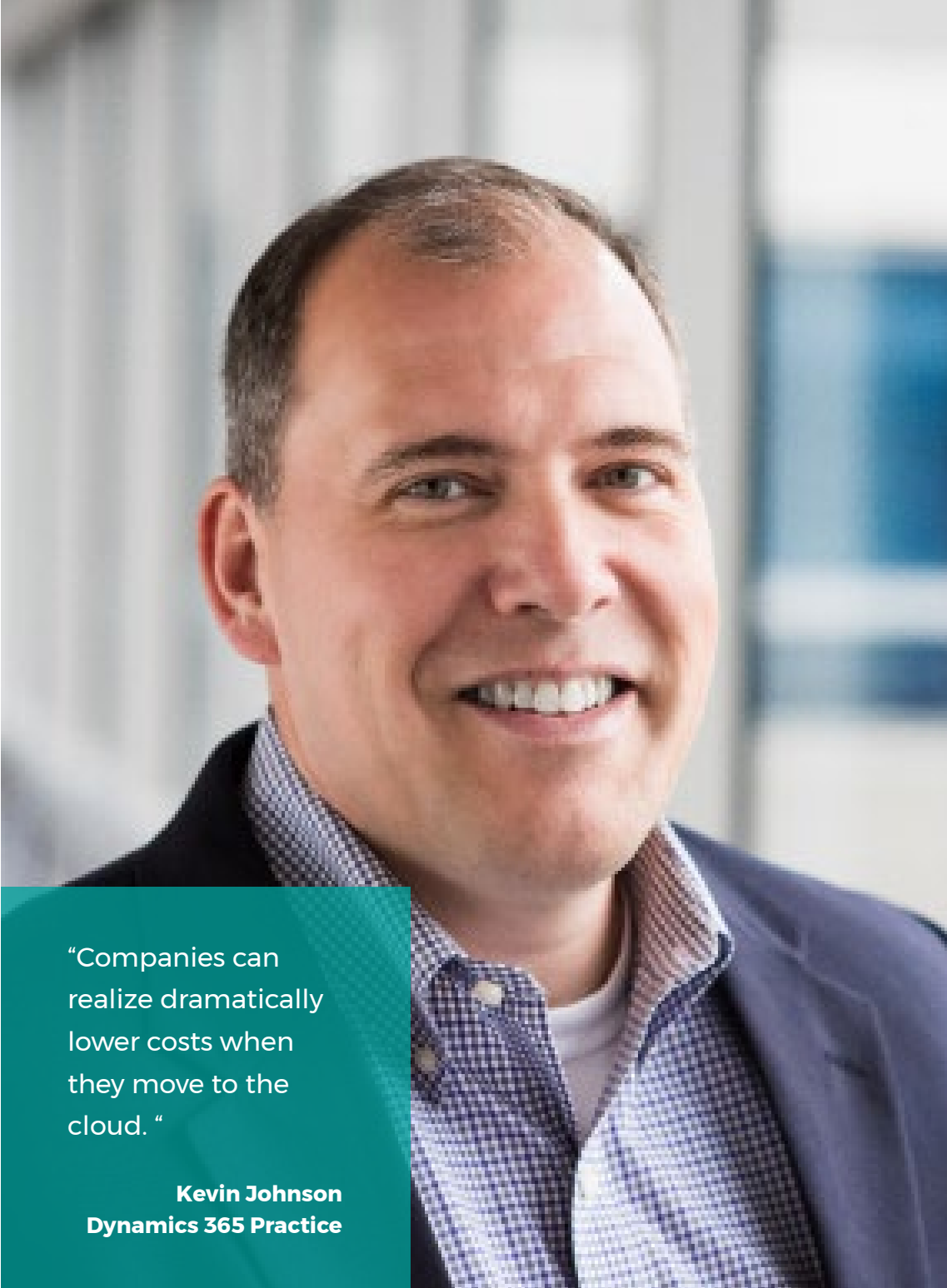### Understand the Azure platform.

It's worth your while to find out about the extensive R&D and resources Microsoft commits to cloud security and how the company's initiatives can serve your interests. *"Microsoft stakes its future on the Azure platform and will not tolerate any failures,"* says Redington. *"Keeping Azure and its universe of applications secure is mission-critical. Multiple layers of data protection and security protocols are foundational to Microsoft Dynamics 365 and Azure, delivering highly advanced information protection as part of your subscription. Microsoft helps companies minimize the risk of doing business. It also plays a key role in setting the standards for data protection in the cloud as the technology evolves."*

"Make sure you know what exactly you are responsible for and what is managed and handled by Microsoft, especially when it comes to data protection in the cloud."

Debbie Altham

Assess the territory.

Learn how cloud ERP is different from the ERP you used to know. Altham adds, *"Do your homework as regards the Microsoft Dynamics 365 solutions that are available and how they can support your various business workloads. You have a greater choice in what capabilities you implement, use, and pay for."*

Review the real cost differences.

Kevin Johnson, Dynamics 365 Practice Leader at Sikich, says, *"Run the numbers and get impartial expert help. Making the business case for the cloud, or understanding your total cost of technology ownership (TCO) in the cloud are challenging. Companies can realize dramatically lower costs when they move to the cloud. They might not immediately see why the initial subscription fees might be higher than they expect, compared to the traditional licensing model, but come to realize what is included beyond software when we help unpack the numbers. For instance, infrastructure, managed services, and application support all figure into these fees."*

"Companies can realize dramatically lower costs when they move to the cloud. "

Kevin Johnson
Dynamics 365 Practice

READYING YOUR **CLOUD PROJECT**

Aim high.

Robert Sawyer, PMP, Senior Engagement Manager at Sikich, says, *"Don't underestimate the potentially transformative impact of cloud technology and new ways of working. If you choose to focus only on cost savings and process efficiencies, you might not realize how ERP in the cloud can help you become a more competitive, faster-moving company."*

Ensure priority.

"Treat a cloud software project like other major, strategic undertakings," Sawyer recommends. *"It's a business initiative that uses technology. Ensure executive sponsorship and get all the right people from business and IT involved in seeing it through."*

Document your needs.

"The cloud is a great idea that makes intuitive sense," notes Johnson. *"To realize its benefits and put your business initiatives into practice, you still need to perform a detailed needs assessment where you define your goals and document necessary process improvements."*

Include the right people.

"It can make a big difference who participates in business process workshops and other team efforts that support your initiative," Sawyer points out. *"You can delay a project if you let the wrong people take ownership."*

"Don't underestimate the potentially transformative impact of cloud technology and new ways of working."

Robert Sawyer, PMP
Senior Engagement Manager

Get capable assistance.

Enlisting a competent partner can help you avoid errors and flawed decisions that compromise the value of your cloud ERP. Says Sawyer, *"Qualify consulting companies carefully. There will be some that are just beginning to gain experience and others where you can benefit from a wealth of expertise. The less skilled companies are, the more rigid their approach tends to be."*

IT PLANNING

Look for more value from IT. Altham recommends that companies elevate the strategic role of IT instead of pushing for quick efficiencies. She says, *"Don't rush to downsize your IT team as soon as you go live in the cloud. For one thing, you will still have ongoing user support and management issues to address, and, if you keep any applications on-premise, you need to take care of integrations and other support needs. It can also be of value to find ways for IT skills to contribute to the business with greater impact than handling routine administrative duties."*

Streamline integrations and migrations.

As Sawyer and several colleagues recommend, *"Plan and budget for the data migrations and systems integrations you will need. Consider standard, proven software tools to complete these tasks."*

Maintain the standard if you can.

Says Redington, *"Just like was the case with on-premise ERP, customizations will add to the cost and complexity of your infrastructure, not just initially but for the long term. Often, you can provide software capabilities to users in other ways, maybe by configuration or by deploying a standardized add-in. Customization should be your last resort."*

> *"Microsoft Dynamics 365 is the ideal foundation for our business technology strategy. We are impressed with the Sikich team and their approach to implementation and look forward to working with them to deploy Dynamics 365."*
>
> **Viswanath Ponraj, Director of IT, AMF Bakery Systems**

Understand that partner solutions work differently in Dynamics 365 than they did in on-premise Dynamics.

In addition, as Johnson points out, *"Using standard solutions from Microsoft partners together with Microsoft Dynamics 365 adds less complexity and implementation challenges than may have been the case in similar scenarios on-premise. ISV and VAR solutions are no longer embedded in Microsoft software and don't modify it. Instead of inserting code into the core application, they augment Dynamics by means of extensions. Developers today have to make sure they deliver top-quality code that keeps apace with how Microsoft evolves Dynamics 365 and Azure, or the usefulness of their solutions will be short-lived."*

Take a test drive.

Bos recommends, *"Reducing risk and verifying any assumptions is always advisable. Before you go ahead with an implementation, take advantage of a 30-day trial run of the software."*

Explore Lifecycle Services and Visual Studio Team Server integrations.

Redington draws attention to the fact that Microsoft Dynamics 365 integrates with Microsoft Dynamics Lifecycle Services and Microsoft Visual Studio Team Server. *"These integrations are definitely worth exploring, because they can streamline your cloud effort by making it easier to track project tasks and their modifications,"* she says.

Set a sustainable pace.

"You can keep risk and complexity out of your deployment if you don't try to accomplish too much all at once," Sawyer cautions. *"One advantage of cloud architecture is that you can phase a deployment and go live with cloud solutions for your top-priority processes first."*

WHAT SIKICH CUSTOMERS **ACCOMPLISH IN THE CLOUD**

Cloud ERP projects performed by Sikich for clients have resulted in many positive outcomes. Because companies are evolving and their cloud systems grow with them, they expect to generate additional benefits over time. The following are the kinds of outcomes we hear about the most:

Increased individual and organizational productivity.

Redington summarizes, *"Across the board, companies report that people are more productive in the cloud, also because they can accomplish more with mobility. Cloud-based processes and automation help some organizations accelerate invoicing, collections, invoice and purchasing approvals, and other finance management activities, in some cases reducing accounts receivable waits by as much as 50 percent."*

Easier management of organizational change and complexity.

Sikich client AMF Bakery Systems and others find it easier to provision and manage multiple business entities on a cloud platform. *"Completing mergers and acquisitions, syncing and consolidating teams and operations, and providing computing resources to additional users and business groups, all become easier in the cloud,"* explains Bos. *"However, spinning off business entities and quickly furnishing them with computing resources can also turn into a comparatively minor undertaking on the right cloud platform."*

Closer, more rewarding customer relationships.

When companies find more customer closeness in the cloud, this is often because they can share content and ideas in collaborative, secure workspaces. Others take advantage of the CRM capabilities in Microsoft Dynamics 365 together with cloud-based social listening and analytics tools to understand customers better.

"We were able to migrate from a manual control-driven organization to automated controls to a large extent. We could be very reliant on manual controls and successfully get through our SOX audits, but we felt it was important to migrate towards automated controls as we look to be the company we hope to become in the next short years."

Chris Prentiss, VP
Finance and Controller, Adamas

Better alignment of business and technology.

As Sawyer notes, *"Companies, including pharmaceuticals firm Adamas, see that frequent, simple software upgrades in the cloud continuously strengthen the functionality they rely on and provide them with enhanced capabilities to meet their changing needs. As time goes on, business enablement by IT, using the array of versatile cloud resources, becomes ever more effective."*

More cost- and resource-efficiency in IT.

As Johnson tells it, *"Sikich customer Hagler* **cut hardware costs by close to 70 percent.** *Shortening time-to-benefit, other companies* **reduced system deployment times by as much as 60 percent** *compared to their experience in on-premise projects. In addition, companies perform faster, more reliable data migrations, using standard cloud solutions."*

WIDEN THE SCOPE OF **POSSIBLE CLOUD BENEFITS**

Companies we work with give a lot of thought to the scalability, reliability, security, efficiency, and economy of the cloud, as they should. Microsoft Dynamics 365 delivers in each of these areas. However, as you think about moving to the cloud, we recommend that you also consider the following five topics. You don't want to leave potential benefits on the table.

01 Mobility makes more business sense in the cloud, where you can get to software capabilities and data from your browser-equipped device.

"If you want to change the business culture, empower people, or speed digital transformation, mobility supported by cloud resources is a great way to go," says Johnson. *"Today's enterprise mobility can take the fetters off any business process in Microsoft Dynamics 365."*

02 What kind of user experience does your company provide?

Bos asks, *"Do you enable a software environment that makes people look forward to work? Intuitive navigation and attractive screens in Microsoft Dynamics 365 are likely to change how successful employees can be and how they feel about their jobs. Software features like these can also support your recruitment and employee retention efforts."*

03 Moving beyond ERP and CRM.

Redington says, *"Microsoft Dynamics 365 provides all the functionality and more of what used to be separate software tools – ERP and CRM. A pesky integration and IT admin issue has completely disappeared. Even more important, think about what you could accomplish with the advanced relationship management resources that extend your ERP."*

04 Do you and the IoT have a future together?

"Without the scalable data storage, data management tools, and business analytics you find in the cloud, you probably need to make substantial investments to realize any benefits from the IoT," says Bos. *"Once companies move to the cloud, however, they can investigate the possible IoT use cases that could be to their advantage and keep such initiatives cost-efficient. On Azure, many more businesses could produce desirable outcomes with the IoT than is the case today."*

"You want to make sure the technology aligns with where the company is going, which means reviewing and adjusting your business processes before your move to the cloud so you don't just carry on business as usual."

**Colleen Redington**
Professional Services Manager

05 | Give priority to business processes.

"Implementing a cloud-based business platform is nowhere near the effort companies invested in on-premise systems, but it is still a major milestone in the life of your business," Redington comments. *"You want to make sure the technology aligns with where the company is going, which means reviewing and adjusting your business processes before your move to the cloud so you don't just carry on business as usual. The business process modeling capabilities in Microsoft Dynamics Lifecycle Services can be extremely helpful in this area."*

IT's new mission.

"Some routine administrative tasks will be assumed by Microsoft or turn into a shadow of their former workload in the Azure cloud," Altham notes. *"However, your IT team will still need to support users, resolve issues, align cloud-based and on-premise systems, and make sure technology performs to expectations. But, with their insight and skills, they can do more than that. There are cloud innovations and emerging technology trends – artificial intelligence (AI) has the most buzz right now – that can benefit your business. Your IT professionals should be in the forefront of exploring them in the context of your strategy."*
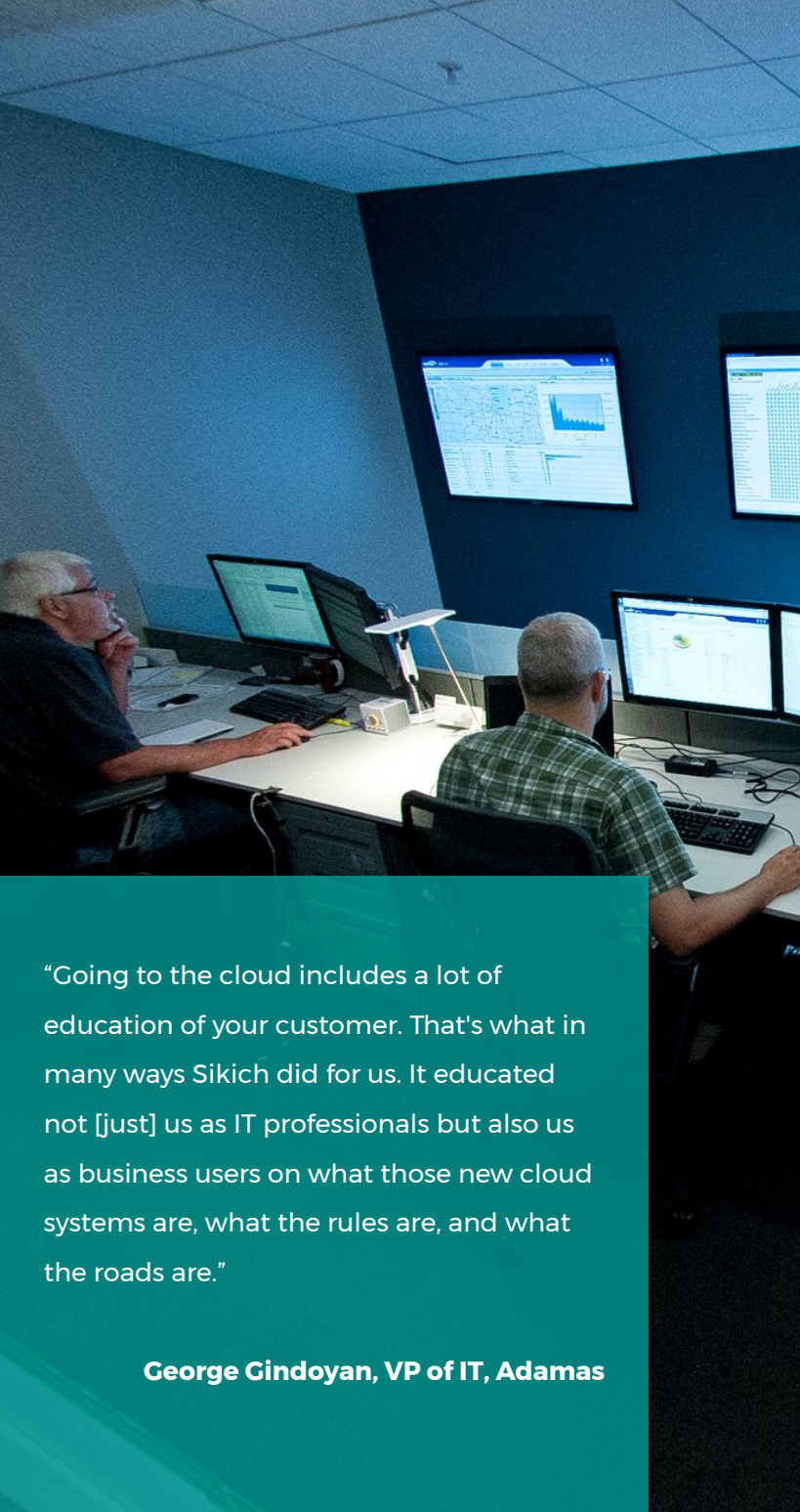
THE BUSINESS CASE FOR A CONSULTING TECHNOLOGY PARTNER

When the complexities and challenges of conventional on-premise software deployments drop away, is there still a need for a technology partner to help you strategize technology, oversee implementations, and help you adjust systems for best outcomes? While companies can accomplish much more on their own than they used to, faster and unproblematic implementations don't automatically translate into lasting business benefits.

Customers tell us that industry, process, and technology expertise can still be valuable. Bos comments, *"Similar to the IT departments in customer businesses adopting the cloud, Sikich teams are spending less time on day-to-day implementation and support tasks and dive more into the opportunities where they can make a difference for companies."*

Here are some areas where a trusted technology partner like Sikich can add value in the cloud era:

Profiting from experience.

A major technology change like an ERP deployment or moving an on-premise computing infrastructure into the cloud does not happen all that often in most companies. You set a new direction and then travel along it for some time. Says Altham, *"At Sikich, it's our business to perform these potentially career-defining projects for and with our clients. Over hundreds of services and technology projects that are similar to yours, we build our expertise and develop effective approaches to meeting companies' needs and resolving issues. That can mean a shorter time-to-benefit and a smoother tech evolution down the road. From our vantage point of getting to know many client businesses very well, we can also help you broaden your horizon and bring the right insight into your organization."*

Transforming companies and business processes.

"We have created 840 standard business processes that can become part of your cloud ERP implementation," notes Redington. *"If you want to step up from the current state of your company to become a more productive, agile organization, using such processes based on industry-best practices and transformative business models is a low-risk way to proceed. Your deployment can be faster, and you can also gain from the experiences of companies that overcame organizational gravity to embrace new technologies and a more fluid way of working."*

"Going to the cloud includes a lot of education of your customer. That's what in many ways Sikich did for us. It educated not [just] us as IT professionals but also us as business users on what those new cloud systems are, what the rules are, and what the roads are."

George Gindoyan, VP of IT, Adamas

Sawyer comments, *"Moving a company forward by means of technology involves more than a series of binary choices. Long before we discuss standard processes with you, we learn about the unique values, goals, and culture that distinguish your business, and think about ways to shape technology to support them."*

"We also keep in mind that people and relationships are what make organizations, business processes, and technology infrastructures be effective and successful – or not," he adds. *"Clients sometimes mention that consultants and technology vendors easily forget the emotional and relationship aspects of advanced ERP, cloud, or business transformation. Sikich team members know that chemistry, communications, and relationships are at least as important as powerful software solutions in helping you advance your business."*

Qualifying technology vendors.

Standard Microsoft Dynamics 365 will likely meet a large part of your business requirements. Like many companies, you may want to consider cloud solutions from Microsoft partners that can help you fill functionality gaps in, for instance, process manufacturing, public-sector project management, or collaborative product engineering. Microsoft is doing a great job of reviewing software providers and certifying their offerings for Dynamics 365 when they can effectively integrate and work with that platform.

Altham states, *"A listing on Microsoft AppSource isn't all you should look at when you consider partner solutions. You also want to make sure these providers are dependable, can support you for the long term, follow a roadmap that aligns with Microsoft's, and don't add complications to your cloud ERP. Based on our expertise and strictly impartially, we can help you pick the best matches for your business requirements."*

Making it all add up.

"Clients don't always understand the cloud subscription cost model, what exactly they're getting for it, and how it compares to their previous practice of acquiring technology," Johnson explains. *"Sikich has been through this many times with businesses of different sizes and diverse use cases. We can make sense of the cloud cost equation and help you decide on the next most advantageous step and its timing."*

Resolving technology challenges.

"In the cloud, many technology-related hurdles no longer plague deployment projects," Sawyer says, adding: *"Other issues may come up, not necessarily when your IT team expects them, and we help you address these. We ensure unproblematic data migrations and systems integrations. We show you how to coordinate with Microsoft in promoting code from development, to testing, to production. We know how problem-solving in a cloud environment works and what you need to look and prepare for."*

Altham notes, *"More strategically, we help our clients perform long-term technology planning that is cloud-inclusive and aware of industry trends, and which considers Microsoft's and other vendors' solution roadmaps."*

> *"We needed an implementation partner that understood the individuality of our business and was willing to create a plan that was as unique as we are. The partnership with Sikich has allowed us to continue to fulfill our promise to our customers and our employees."*
>
> **Chuck Cavaness, Chief Information Officer, Czarnowski**

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NEXT STEPS

Is Microsoft Dynamics 365 in the cloud a good fit for your business? Find out what your cloud ERP could look like and how Sikich can assist you in realizing its benefits.

Contact the Sikich consulting and managed services team at info@sikich.com

If you want to further research the potential of cloud ERP for your business, visit the Sikich ERP Comparison Center. This portal facilitates your learning and preparation with practical resources. Access a growing library of articles on cloud trends, solutions, and planning, commented and reality-checked by Sikich experts. Use readiness resources to determine whether it's time to move to the cloud and how best to prepare for this step.

You can also connect with Sikich on LinkedIn, Twitter, and YouTube, and send us an email with your questions or comments.