



THRIVE ON CHANGE:

**Migrate from AX to
Microsoft Dynamics 365
Like a Pro**

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INTRODUCTION

Microsoft has already announced the end-of-support for both Dynamics AX 2012 R2 and R3, on track for 2021 and 2023 respectively. Plan now to move your business into the next generation of technology innovation.

When Microsoft announces the end of mainstream support for any product, there is always ample time to plan to move to the next generation. Along with every end-of-support announcement date, there is usually an “extended” date to help those organisations that need a little extra time.

The trouble is that time has a habit of sneaking up on all of us.

In today's fast-paced world businesses have a tremendous need to be agile, to respond to competitive pressures while meeting or exceeding customer expectations. Running on old and unsupported technologies can cripple your ability to function. Consider the following:

- Legislative, regulatory or compliance concerns often require enhancements that cannot be implemented on a highly customized and unsupported technology platform.
- Software bugs appear that can no longer be fixed.
- Maintaining an ageing system becomes increasingly difficult and expensive.
- Critical security updates are lacking, potentially compromising platforms.
- A mission-critical platform that is no longer supported simply stops working.
- New features and benefits that customers begin to expect (mobility, data insights, customer self-service) are becoming the norm in your industry but are not often available on your unsupported technology platform.



This is why the time is now to begin seriously thinking about moving from your Dynamics AX platform to Dynamics 365 in the cloud.

While the end-of-life announcement is a helpful “nudge” in making the decision to move, the additional features, business intelligence and opportunities to reduce costs that come along with Dynamics 365, such as greater security, guaranteed up-time, seamless integration, near real-time data insights, better mobility and more, are the real reasons to explore this leading technology platform. With Dynamics 365, you will become a more agile, flexible and modern business – ready for anything in our fast-paced, ever-changing world.

At DXC Technology, we are global leaders in helping organisations move from Dynamics AX 365. We know it feels like it will be a big deal, but the big deal is not about a painful migration (we will eliminate that for you) – it is about the benefits you will get as a business on the other side.

In this eBook, we will explore some of the trends we are seeing that are accelerating why businesses are moving to the cloud, including a customer story, and then conclude with some best-practice tips to help you on your own migration journey.

Give us a call and let's talk. We'd love to help you get started.

DXC Dynamics 365 Migration Team

CHAPTER 1

More Problems, More Money

Picture this...

Gerald Ambronia's¹ chip manufacturing business was growing rapidly. With sales and distribution offices around the globe, he had recently added several OEM licensing agreements, which led to a fifty per cent increase in business.

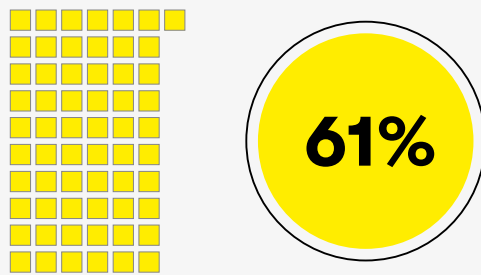
However, while his business grew, so did many inefficiencies. His financial software was running on an older on-premises version of Dynamics AX, which had been heavily customised (but not well documented) by a company that was no longer in business. Every upgrade usually required 3-6 months to re-write the needed customisations, which meant they rarely upgraded, leaving his company on a version of the software that was growing older by the day, didn't have critical security updates applied and didn't have the latest functional enhancements. His business continuity plans relied on tape back-ups, which took a minimum of 2-3 days to recover from an offsite location. Financials were siloed from sales and order entry, meaning that his reporting was always a manual end-of-month process to combine multiple spreadsheets into one. Logistics and shipping relied on a third-party plug-in that was not fully integrated and required separate logins and credentials. Customers could not self-serve to track their orders, which increased work for the inside customer service team. Very little data was available on mobile devices, so Gerald had to be in the office to have access to the information he needed to make solid business decisions.

In short, his technology was not keeping up with his pace of business. Something had to change.

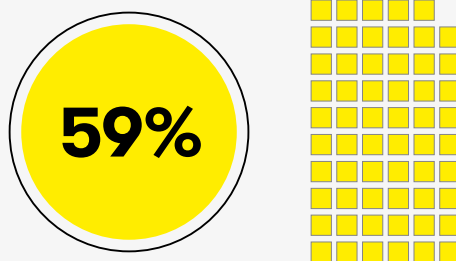
With his infrastructure hardware needing a big capital infusion to refresh, along with an announcement that Dynamics AX was reaching end-of-life, Gerald decided that he needed to take a step back and evaluate the value of moving to the cloud.

The future is cloud... and the future is arriving sooner than expected

In a recent survey, 61 per cent of global technical professionals plan to focus on cloud migration within the next 12 months.² Their organisations are accelerating migration, largely in response to delays in hardware supply chains and difficulties in accessing data centre facilities.



Fifty-nine per cent of respondents, when queried about recent global challenges, said they plan to bolster cloud use as a direct result of the disruptions.³



The reasons for cloud are evident. Financial savings, coupled with business agility, make a clear-cut case.

As organisations move more workloads to the cloud, they eliminate the expensive capital costs associated with maintaining traditional data centres. More than 50 per cent of enterprise workloads and data are expected to be in a public cloud within the next 12 months.⁴

For companies employing more than 1,000 people, those adopting managed cloud infrastructure services went from 29 per cent in 2017 to 68 per cent in the first quarter of 2020.⁵ The market for cloud applications has grown to more than \$266 billion yearly.⁶ Overwhelmingly, the cloud is seen as the safest and most convenient way to handle large amounts of data, allowing for clearer insights and long-term savings.

Microsoft's end to extended support for Dynamics AX will begin by October 2021. Time is of the essence. The shift to Dynamics 365 is critical to ensure that your organisation doesn't get left behind.

CHAPTER 2

Two Customer Stories

114 days to Transformation

“We knew our customer experience wasn’t always optimised because of how long it could take to complete tasks. Our CEO drove a digital transformation initiative to improve visibility to critical business information and make many of our older processes either redundant, or more efficient.”

Grant Taylor
Chief Digital Officer at Gough Group

The Gough Group employs more than 950 staff at 50 sites across Australia and New Zealand, and represents premium global brands. Its businesses include the sales and support franchise for heavy machinery brands CAT and Palfinger, national spare parts distribution, finance, and transport and logistics support solutions.



Transformation to Microsoft Dynamics 365 Drives Better and Faster Customer Service

The existing enterprise resource planning (ERP) system had failed to deliver the operational improvements originally expected. With extensive customisations to the core system, it was costly to run, difficult to manage and impossible to scale. The system would need expensive, continuous development to integrate with other new systems and processes that were being implemented across the business.

“Replacing the existing ERP system became an essential organisational imperative. Given the strategic importance of the new system, the proposed go-live date was scheduled with an aggressive deadline,” said Taylor.

Partnering with DXC, the Gough Group opted to go to the cloud with Microsoft Dynamics 365.

“Gough Group chose DXC to be our partner because they aligned with our values. We ran an extremely agile project, and DXC was able to provide quality consultants, best-practice thinking and deep solution knowledge to challenge us on our processes,” says Taylor.

Working with DXC, the Gough Group prioritised delivery of required functionality using Microsoft’s comprehensive out-of-the-box capabilities. Working in small teams, the Group rapidly identified the necessary functionality to go live and to meet the aggressive timeline. Together, DXC and the Gough Group identified 76 functionality gaps, which were systematically and collaboratively reduced to 14 gaps for launch. Prioritisation to maximise the use of the standard version of Microsoft Dynamics 365, along with the expertise of the DXC team, helped accelerate the Gough Group’s transformation.

Steps for Success

1. Use new out-of-box functionality – avoid costly and usually unnecessary customisations
2. Automate with PowerApps to accelerate functionality
3. Adopt a project approach that is most compatible with maintaining uninterrupted operations
4. Identify efficiency gaps and eliminate unnecessary steps to increase value and improve user adoption
5. Determine which functionalities are essential for go-live and which can be rolled out at a later stage – users can only manage so much change at any one time
6. Build your plan against a long-term strategy that ultimately enables seamless integration across every department
7. Have fun

The new system went live on schedule, 114 days after launch. The success of go-live was felt immediately, from Day 1, as the system was faster than the previous system. Within days of the rollout, the Group saw rapid, positive improvements to the customer experience. The team had better interactions, could serve customers faster and were able to locate stock more effectively. Customer orders took only 4 steps instead of 20 steps. In the first week, a report arrived from the warehouse showing that they were able to receipt products in just 25 minutes. Previously, the warehouse processes took an hour to receipt a product.

“The Microsoft Dynamics 365 solution architecture delivered a faster, less complex operating environment for customers and Gough team members, which helped improve the customer experience almost immediately. The Microsoft solution also supports our future digital transformation, innovation and

growth plans. Our next step is to do more with customer engagement. Power BI is a real game changer for delivering reporting on performance and insights to the business.

With Microsoft Dynamics 365 in the cloud, we did an upgrade only three weeks after go-live, which brought new functionality immediately. This puts IT into a regular rhythm, having new functionality and features that we can take back to the business to continue to deliver value,” says Taylor.

The new solution is being used to roll out a fully integrated and streamlined platform that includes a Human Resources Information System (HRIS), Demand Forecasting, Warehouse Management (WMS), Business Intelligence (BI), Field Service applications and a modern Point of Sale (POS) system.

Working with DXC

Liz Ward, group CEO of Gough Group, says, “We had a hard deadline to bring this strategically important project online. We have a large, diverse and complex business, so we needed a partner with exceptional problem-solving skills and an immaculate track record in rolling out Microsoft Dynamics 365 for larger businesses. We also needed a partner with an agile mindset to design a low-friction implementation, and that was willing and able to meet a challenging deadline. DXC was a very comfortable fit.”





Taking Our Business to the Cloud Our Way

“One of the big drivers of upgrading was that (Microsoft Dynamics 365) is hosted... it’s in the cloud.”

Paul McMullen

Finance & Operations Director, Yuasa UK

Who is Yuasa?

As one of the world’s leading battery manufacturers, GS Yuasa operates globally, with 14,000 employees driving nearly \$5 billion in revenues. Yuasa provides UPS power to hospitals, heavy industry and banks, along with countless other institutions and sectors.

What prompted Yuasa to upgrade to Microsoft Dynamics 365?

While the end-of-life announcement from Microsoft around Dynamics AX prompted Yuasa to look at moving to Dynamics 365, the real drivers were the advanced functionality, automation and the ability to completely eliminate all of their existing paper-based systems offered by Dynamics 365 in the cloud.

What were the business challenges prior to the migration?

- Manual processes were hindering the finance team, with a lot of work being completed outside of AX (in Excel, etc.). As an example, customer price lists needed to be manually updated every time a commodity price (such as lead) occurred, causing days of work each time.
- Business spikes impacted stock inventory levels, and were being forecasted and managed manually, which resulted in delays and errors.
- Customisations to the existing on-premises AX solution had reached a limit of what the software could do. This also impacted the ability to upgrade easily whenever Microsoft introduced new releases.
- Third-party software plug-ins to overcome Dynamics limitations were expensive to support and maintain.

How did the upgrade to Dynamics 365 impact their day-to-day business?

DXC built a migration timeline that completely adhered to Yuasa's need for minimal disruption in any day-to-day activities. Yuasa was clear that they wanted to go to the cloud their way, and didn't want artificial deadlines or a rushed experience.

What business benefits impacted the decision to migrate?

- Significantly improved stock management across all their sites.
- Much faster finance processing for end-of-month, with a reduction in manual processes.
- Enhanced communication with customers about the status of their orders.
- Greater scalability and flexibility as Yuasa grows their operations (recently expanded into Sweden).
- Office 365 is fully and flawlessly integrated into Dynamics 365 with no additional effort, making for a seamless customer experience.

Why DXC Technology?

A long and trusted relationship with DXC was the primary reason; however, our depth of experience as a global leader in Dynamics 365 implementations meant we were able to help them move through the envisioning and implementation process easily.



CHAPTER 3

What You Can Expect with Microsoft Dynamics 365

“As a cloud solution, Dynamics 365 is always up-to-date. This means that you always have a stable, competitive business platform without the need for expensive upgrades and extensive updates.”

Peter Merrild Hammerich

Senior Sales Executive, DXC Technology

Enhance Your Business Capabilities Beyond Your Wildest Dreams

“I can’t believe it. Here I am, on vacation, and I can see my sales forecast, my inventory levels and my dealer orders all from my mobile phone. My earned and booked revenues are aligned, and projections show that I will finish out the year with greater profits than expected. I can confidently let our leadership team know that our performance is right on track. Hope and gut instinct are no longer part of our business strategy.”

When Gerald, our chip manufacturer, decided to evaluate Dynamics 365 as a replacement for his ageing Dynamics AX system, he was shocked at what he discovered. Dynamics 365 would be a transformational leap forward, providing the foundation to support innovation, cost savings and aggressive growth.

The actual upgrade itself was completed quickly, much faster than his customized upgrades on older versions of AX, and Gerald was able to experience the advantages immediately. As soon as the upgrade occurred, he saw substantial benefits.

Suddenly, Gerald’s sales teams could check inventory and process orders on any device – including their iPhones or Android devices –

no matter where they were. His OEM dealers gained remote access into the order processes and no longer had to manually confirm stock levels. His entire team were fully integrated into the company’s CRM system, becoming aware of every point of contact that their customers had within the organisation. Customers could browse, pay and track their orders more easily on an accessible online platform. By gaining a 360-degree view of his clientele, Gerald was able to meet their requirements with greater ease.

Dynamics 365 made all updates for the new platform automatic, meaning there was no more time lost to addressing technology overhauls. On the financial end of Gerald’s business, things also became similarly automated: be it at the end of the month or the year, manual reporting was

eliminated. Dynamics 365 closed the books within hours, providing Gerald with up-to-the-minute insights into his business.

Since upgrading, Gerald is hiring more confidently, as he now has access to reliable projections. The AI-driven demand forecasting of Dynamics 365 is precision-like, surpassing the accuracy of previously used mathematical algorithms. Gerald can finally set the correct inventory levels of various product elements. His sales teams are closing deals at a higher rate because they have a greater understanding of their market and more insight into how they can maximize revenue.

Moving to Dynamics 365 gave Gerald peace-of-mind. He is now running current and supported technology on a highly secure platform with hundreds of new features. His organisation is ready for anything, including disaster. Microsoft's business continuity services have been tested and will be ready should Gerald need them.



While Dynamics 365 comes with thousands of enhancements, here are some of the big ones that your organisation can take advantage of:

- Mobile-ready – no longer tied to desktop machines, you can run your business from anywhere.
- Browser-based and device-independent means that a much wider range of technology can be used to access your systems.
- Google Android and Apple IOS compatible – AX2012 is only Windows-based, limiting access from the most popular BYOB devices.
- Power BI-Embedded workspaces – near real-time analysis at your fingertips for accurate information to drive better decision-making.
- User-definable and role-based makes it much easier for users to use and administrators to manage.
- Dual Writes – complex integrations into CRM are no longer required – everything is seamless.
- Power App-ready – extend the functionality of Dynamics 365 without customisation, and say goodbye to expensive and painful upgrades.
- Power Automate-ready – extend messaging and alerting of Dynamics 365, without customisation.
- Integrated with Dynamics 365 Sales, Marketing, Customer Service, Project Service Automation, Field Service and Human Resources to offer more functionality at any time.
- Built-in disaster recovery – no longer a headache for the business, your business continuity is managed by Microsoft and backed up by the security of Microsoft's Azure cloud.
- Performance managed by Microsoft – no hardware investment required, no data centre required, which frees up operating capital and allows your people to focus on high-value activities instead of IT support.
- Deep integration with Microsoft Dynamics Lifecycle Services (LCS) and Azure DevOps – everything is controlled via a portal, simplifying support.
- One Version compatible – always current, so there is no future big upgrade investment or disruption.
- No big upfront software investment – a monthly subscription makes budgeting easier.
- Easier to scale as your business grows – no need to re-invest in new hardware
- Easier to add ISV solutions to take advantage of innovative enhancements from a partner community of more than 300,000 Microsoft partners.

Endless Possibilities for Your Business

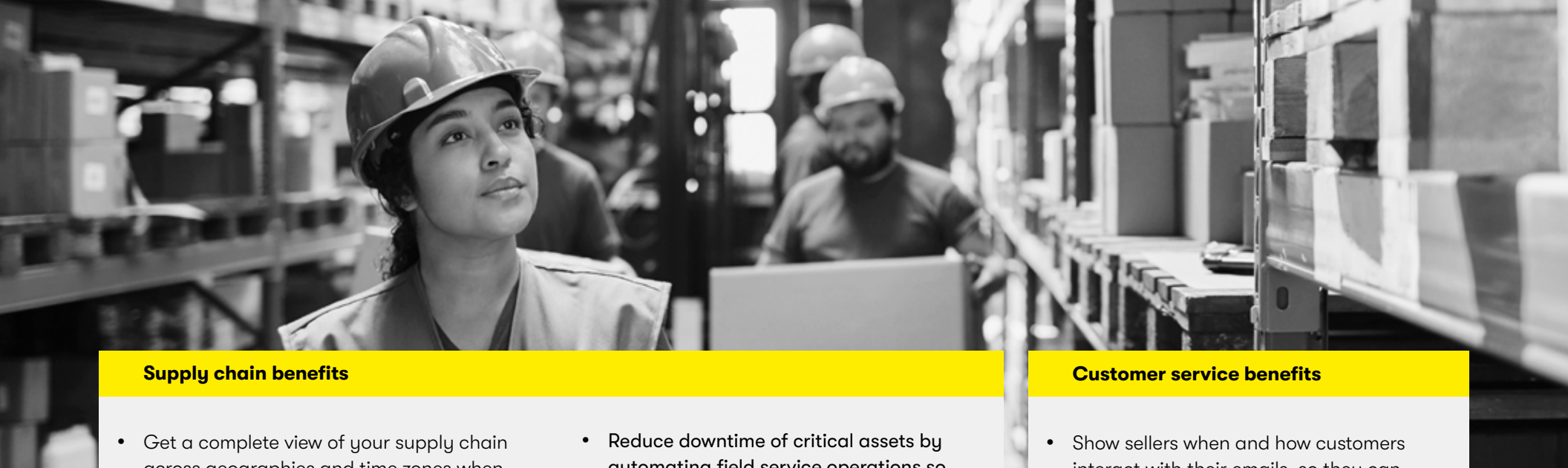
Enhancements, new features and leading innovation are rolled out regularly, making Dynamics 365 the leading ERP solution available today. The following is a list of some of the benefits that can transform how you do business today:

Platform benefits

- Improve agility by dissolving barriers between critical business platforms and making your data work together.
- Improve productivity by combining ERP, CRM, Microsoft Office and additional apps into a single, cloud-based experience.
- Create a connected business to drive smarter processes and operations. Take advantage of the Internet of Things (IoT), AI, Robotic Process Automation (RPA), machine-learning and mixed reality to optimise people, processes and equipment.
- Gain end-to-end visibility into your operations and inventory to effectively manage capacity and consumption.

Financial benefits

- Run your business more efficiently across business geographies with financial process automation, encumbrance, budget control and financial planning and analysis.
- Close books faster and simplify global financial management with in-depth reporting capabilities, financial intelligence and embedded real-time analytics. Activate flexible and agile financial reporting that supports multiple legal entities and currencies in a single instance, which natively handles foreign exchange, and shortens end-of month processes.
- Increase profits and improve cashflow with machine-learning predictive recommendations and proactive guidance for timely customer payments.
- Get more done with role-based workspaces, Office 365 integration and predictive insights that let you automate and prioritize fiscal tasks.
- Thrive in a subscription-based economy, with automated recurring billing to easily adapt to new revenue recognition standards, reduce audit costs and accurately calculate and report your financial statements.
- Easily adjust to changing global financial requirements using a flexible, guided, rules-based chart of accounts and dimensions. Manage frequently changing regulatory requirements with no-code configurable tax, e-invoicing, payment and reporting formats.
- Improve cash flow by rightsizing inventory levels based on changing customer demand and capacity constraints.



Supply chain benefits

- Get a complete view of your supply chain across geographies and time zones when you integrate sales and purchasing with logistics, inventory, production, warehouse and transportation management.
- Automate and improve resource management across any workload, and track and manage your workforce, products, solutions and more.
- Improve on-time delivery by performing production planning in real time. Account for changing customer-demand, material availability and capacity constraints across multiple sites and warehouses.
- Streamline your procurement processes by using a single application for procure-to-pay. Manage contracts, onboard vendors, monitor on-time delivery performance and collaborate with external vendors.
- Reduce downtime of critical assets by automating field service operations so that the right resources are available at the right place, at the right time, so they can be proactively maintained.
- Optimise fulfillment and reduce costs by synchronising logistics across sites, warehouses and transportation modes.
- Increase product quality and customer satisfaction with integrated quality-control capabilities, and quickly identify and resolve issues through real-time, predictive insights.
- Get real-time intelligence about the health of your business with Microsoft Power BI warehousing analytics.

Customer service benefits

- Show sellers when and how customers interact with their emails, so they can be more proactive and responsive in their email communications.
- Tailor engagement based on contextual insights that recommend personalised talking points and next-best actions.
- Increase response rates through warm introductions from colleagues who are already emailing, meeting and collaborating with prospects.
- Improve conversion and win rates with lead and opportunity scoring based on advanced scoring models, to help identify customers most likely to convert and buy.

CHAPTER 4

Getting Started with DXC Technology

Here for the journey, not just the moment

By getting Microsoft-certified Dynamics 365 and Azure cloud experts to lead a cloud transformation, half of the battle is already won; you free up time and resources to prioritise business development.

Dynamics 365-based solutions integrate cloud SaaS environments with existing on-premises systems and applications – there is no reckless slash-and-burn approach.

“We wanted more than a partner that could simply implement technology. We wanted a true partnership, with a team able to work with us on evolving the infrastructure that drives the business. DXC brought outstanding technical skill, the global reach we needed, excellent talent, and connections to Microsoft, which helped refine our five-year transformation strategy. We’re really happy with how DXC has helped us.”

Pravin Singh

Chief Information Officer, tna Solutions



Giving you confidence

Our envisioning and planning workshops are the first steps to deploying Dynamics 365 across your organisation. They allow for detailed discussions surrounding data security, information architecture, topology design and migration planning.



Only pay for what you need

By upgrading to Dynamics 365, you only pay for what you use. There is no risk of unnecessary licences being procured; services are provided only when they are actually needed. There is no investment in expensive hardware. This approach makes cloud transformations faster, more affordable and less disruptive.



Ensuring your success

Post-implementation, you won't have to struggle with your new platform. Our team runs and tests each Dynamics 365 update before implementing it, removing the risk of incompatibility. You will also receive daily support, as well as up to eight automatic updates each year. Testing and optimisation of platforms occur regularly; all Microsoft notifications regarding changes to Dynamics 365 are evaluated.

“Right after going live, we had an excellent and positive response from users. The teams loved the capabilities of Microsoft Power BI in creating an easy, intuitive interface to analyse information from Dynamics 365. When they saw the potential for insights and analytics, they asked for more detailed production reports to manage daily operations. Now they’re running reports on inventory holdings, production orders and a host of other key performance indicators to help optimise operations. Reporting is faster and easier than ever.”

Mark Jocumsen

Program Manager, Russell Mineral Equipment

Dispelling the financial and security myths of migration

Dynamics 365 offers multiple layers of security. Data is always copied somewhere else, meaning that it won't be lost if something happens to a data centre. Users are categorised and granted access based on their roles – they are only granted access to records that they do not own for specific collaborative efforts. Most importantly, as Dynamics 365 is hosted on Azure, it benefits from the more than \$1 billion that Microsoft invests in cyber-security each year.⁷

You won't risk losing any income during the shift to Dynamics 365. The DXC team only works in test environments – we take a copy of your production system and work on it in an offline environment. The Dynamics 365 solution is developed and tested separately so as not to create disruption. Post-design, the solution is applied to your development system, with data migration taking place over the course of a weekend. With the system already configured and tested, the actual swap takes only a few days.

With DXC, moving to the cloud will be a breeze.



Your Dynamics 365 Cloud Journey

Step One

Request a Dynamics 365 'envisioning' through your account manager. The envisioning introduces the key players in your organisation to all of the possibilities available to you within Dynamics 365. This session enables you to see how your business can take advantage of the hundreds of new features in the software.

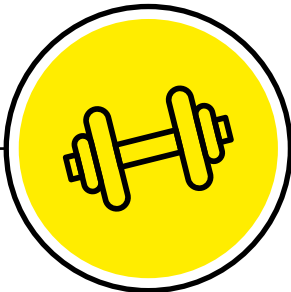
Step Two

We will assign an expert team to review your integration and

reporting requirements. They will conduct an analysis of your existing system, using Microsoft Dynamics Lifecycle Services (LCS) tools to examine all customisations. This allows us to scope the effort and associated cost that will be involved in implementing a cloud transformation.

Step Three

Once you decide to move forward, we do all the heavy



lifting. We simply require a small team of your in-house experts to help us understand how your existing systems are being used so that we can begin to design efficiencies, while understanding what software needs to be retired.

Step Four

We will walk you through each stage, including

recommendations for removing any existing customisations. Dynamics 365 is already equipped with many new features that you will want to take advantage of. We will also recommend process changes to further optimise and streamline organisational efficiencies.

There is full transparency throughout the process – there are no surprises. We will explore new options that will enable your business to take advantage of every benefit that Dynamics 365 and the cloud can offer as you complete your digital transformation.

Step Five

Build the new solution in an



off-line system and present it to your team. Gain buy-in and excitement prior to go-live. Complete knowledge transfer and migrate data.

Every Microsoft Dynamics on-premises customer is cloud-ready. With the journey being so simple, there's no point in waiting any longer to get started.

CONCLUSION

A Solution for Life

Dynamics 365 is for life. After it is implemented, there will be no need for a major migration again. The platform will continuously update and your organisation will always receive the latest releases and security features.

A few years ago, there were only minor differences between Dynamics AX and Dynamics 365 – the cloud was essentially the main distinction. Today, however, the differences are significant. The Dynamics 365 platform is vastly more secure and flexible, gathering and analysing enormous amounts of data while automating repetitive tasks. At the same time, the implementation of Dynamics 365 doesn't cause massive upheaval. It doesn't require onerous training. It is not a complete re-write – it is, simply, a necessary evolution.

DXC is your trusted partner in helping you evaluate whether Dynamics 365 is right for you. Contact us today to begin with a discovery session. Let's envision your future together.

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¹ Name changed

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⁶ Gartner

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