





It's only your entire enterprise.

What's the problem?



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You go. No, you go.

It's never easy to make the call, but sometimes moving business forward requires a great leap. Systems need to evolve to accommodate real-time demands for information. Change involves risk, and the potential for failure is a constant threat when implementing a new technology initiative. This is especially true in the complex environment of enterprise resource planning (ERP).

In a "need-it-yesterday" environment, your ERP technology has to deliver.

The right ERP solution for a dynamic organization is technology that delivers mission-critical data in real time, provides a platform to share knowledge, and simplifies collaboration, while being easy to use and to scale. The right solution helps employees drive the organization toward its goals, and in turn, helps build an even stronger team.

No one likes to take the leap.

The wrong solution? It's hard to miss: you'll be able to recognize it by the way it fails to communicate with existing systems, generate ROI, or, worse, by the way it's ignored by the very people who are supposed to use and support it.

FRP implementations are risky and complex, and perceived failure rates are high. Based on our interactions with clients, we estimate that 20% to 25% of ERP projects fail outright (late and/or over budget, failed to deliver any benefits, or abandoned). A further 50% to 60% are perceived as having failed because they are considered compromised by the organization in some way (did not achieve the stated goals of the business case, late, scope was limited or incorrect, or that it may be delivering benefits, but the benefits are unclear and cannot be measured). However, when properly managed and executed, ERP projects can be highly successful, mission-critical and beneficial to the organization by supporting the business strategy and achievement of specific outcomes.

ERP Steering Committees Do Matter — Make Yours a Success Factor 20 September 2013

Carol Hardcastle, VP of Research

Gartner

Enterprises like yours live and breathe by their ERP solution. You need it to be responsive and fully integrated, and give fast, real-time data to drive competitive advantage, support growth, and encourage user adoption. If implementing an enterprise-wide system can provide such huge returns, why do these projects tend to stall? Why is there so much fear around them?

→ It's because of the unknown—fears of cost and ongoing maintenance, of system disruption, of incompatible legacy systems. These are the real concerns that keep executives up at night; they are red flags that inhibit an enterprise IT plan from ever going forward.

What you need is fear mitigation: the ability to deploy solutions incrementally, according to your budget and business objectives. Think how much easier you can breathe with a system that actually supports your enterprise.



The megatrends your business can't ignore

Enterprises thriving in today's volatile business climate know that success is measured by an ability to respond and adapt to changing circumstances—whether physical, cultural, or technological. "Business as usual" is not an option. The key? It's how you pivot to accommodate change that makes the difference.

Enter the digital native

Here come your users, the digital natives. The next-generation workforce lives in a screen-centric world where personal and business life are blurred, and constant access to information is expected. Good user experience?

→ Products need to deliver a seamless experience from device to device; interfaces must be responsive, and intuitive.



Pivot or perish

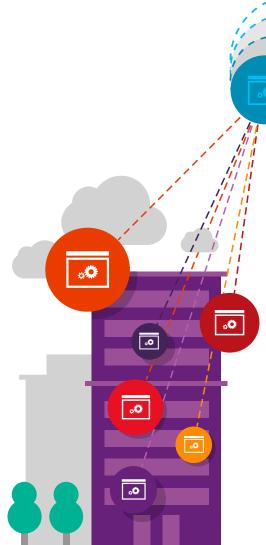
Risk and technology spend

New economic realities have changed how IT projects are scoped, sold, implemented, and deployed. There is no room, time, or appetite for risk. Instead, it's essential to show clear proof of time to value—shortening the time between initial expense and positive economic return. Instead of replacing entire systems generationally, technology tools should address operational areas or workloads sequentially. This "two tier" approach is an important trend in ERP, mitigating the unnecessary risk involved in a "rip and replace" solution.

The cloud: it's more than storage

Business is changing. The successful enterprise needs far more insights to compete these days. Fortunately, connected supply chains, powered by cloud hubs, add another level of efficiency in businesses operations. With cloud technology, businesses can analyze far more data than before, revealing insights that can drastically improve decision making. Today's cloud is not about storage at all, but rather a way of operating with connectivity and transparency.

How well is your organization prepared to pivot to accommodate the new realities of business?



Trends to watch: pace layering strategy

By actively deploying enterprise applications in smaller pieces, today's businesses achieve more rapid return on investment and more precise targeting of IT spend to areas that contain the most important opportunities or challenges for the business.

"Pace layering strategy" means recognizing that some parts of a business's application landscape must evolve more quickly than others.

There is no "try"

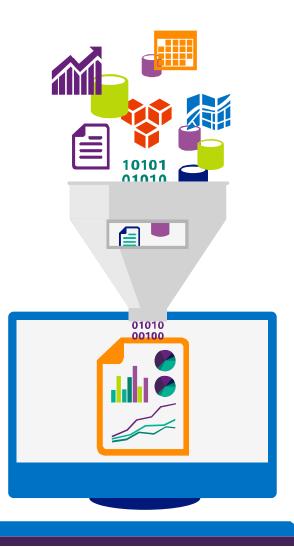
You have made it your mission not just to try, but to "do": to build the essentials that allow your organization to share and collaborate across respective jobs, and across geographies.

What you need is a business solution that helps your team engage on their terms, run simplified operations, and build value for your stakeholders.

There is no "try" with Microsoft Dynamics AX; it's the ERP solution that lets you "do". It's robust: including capabilities such as financial management, manufacturing, retail, business intelligence and reporting, supply chain management, and human capital management. It has comprehensive global business management features, yet also takes the risks out of implementation.

 \rightarrow "Do or do not. There is no try."

– Yoda, Star Wars, Episode V



Lower your risk

Truth:

Being a dynamic business means capturing opportunity in rapidly shifting conditions, and software that enables this is essential for true success. You have options.

Microsoft Dynamics AX is the ERP solution that lowers your risk.

Why? Because it is a complete solution, composed of workload services that are designed together but can be deployed independently to cover the full anatomy of the enterprise. The demands of an agile business require this kind of flexibility, and the ability to mitigate risk.



Choose your solution

A successful Microsoft Dynamics AX solution can be deployed to meet an organization's specific requirements:

- Compatibility with legacy systems: keep your existing solutions.
- Industry specialization: innovative, industry-specific functionality for manufacturing, distribution, retail, professional services, public sector, and other key industries.
- Customization: multiple integration scenarios to satisfy a range of business requirements with industry-specific operations scenarios.
- **Integration with existing systems:** tight technology integration across Microsoft products.

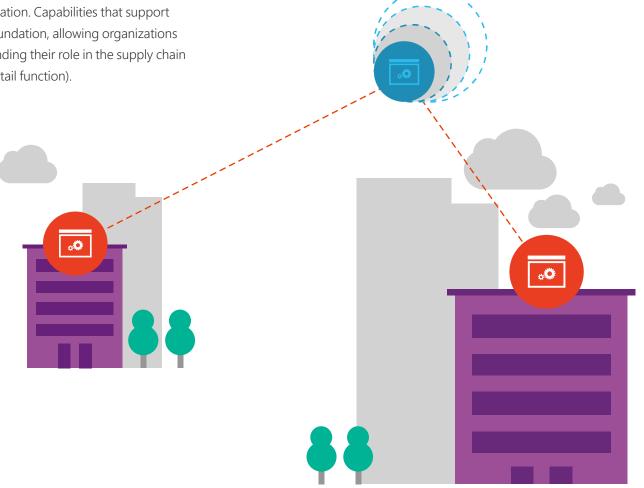
Instead of a "system of record," Microsoft Dynamics AX helps deliver a truly agile "system of engagement and opportunity"

No fear: choose your approach

A single, global ERP deployment

Organizations with multiple operations can replace numerous legacy applications with a single, centralized implementation of Microsoft Dynamics AX, lowering IT maintenance costs and reducing training time.

With a company-wide integrated ERP solution, organizations can provide flexible access to a wide range of users within the organization. Capabilities that support multiple industries are included in the industry foundation, allowing organizations the ability to evolve their business model by extending their role in the supply chain (for example, distribution companies can add a retail function).



No fear: choose your approach

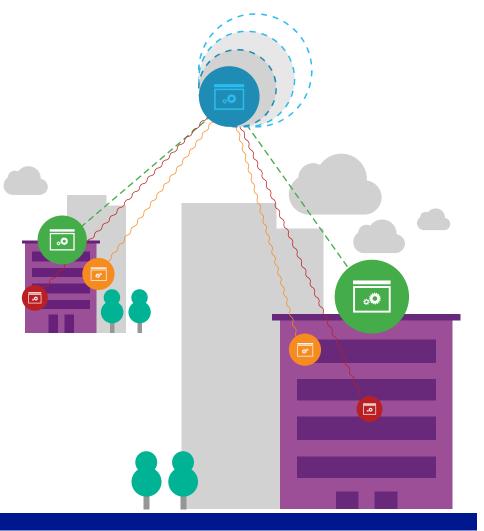
Two-tier ERP

Global organizations are increasingly considering a two-tier ERP strategy to serve diverse ERP needs across different divisions and subsidiaries. With a two-tier ERP strategy, global enterprises can combine the benefits of a single enterprise ERP solution that provides financial insights as the backbone for the enterprise, while using a more cost-efficient, flexible ERP application to serve the unique needs of different divisions and subsidiaries.

In addition, organizations can choose a more phased adoption, targeting their deployment of Microsoft Dynamics AX and the Microsoft application platform capabilities to address specific business processes and pain points.

Your implementation, your way

Microsoft Dynamics AX is ideally suited to support these different deployment strategies due to its extensible Microsoft service-oriented architecture, its global capabilities, and its ability to service different industry requirements on one common ERP platform.



Supporting the connected enterprise

Microsoft Dynamics AX has evolved to be the default ERP choice for many organizations. Our focus on innovation and business value to our customers has resulted in many accolades from the analyst community, including Ovum research, which recognizes Microsoft Dynamics AX as the overall preferred vendor for a company's next investment in ERP.

Today, the Microsoft Dynamics AX product community has grown to more than 17,000 customers with an extensive partner ecosystem across more than 40 countries

New customers and partners are joining every day. We believe this success is due, in large part, to three main factors:

- 1. The dedication, industry expertise, and solutions being delivered throughout our valued partner ecosystem.
- 2. The ongoing commitment by Microsoft to help protect customer investments by continuing to optimize Microsoft Dynamics AX for the targeted markets.
- An industry strategy that enables the ecosystem to create the solutions customers need, and our continued investment in industry-specific capabilities.

Looking ahead, we will continue to focus on these three factors by innovating, improving, and extending Microsoft Dynamics AX in the markets we serve today while enabling new scenarios that allow customers to improve time-to-value as well as adopt workloads targeted to address specific pain points.



"Our major reason for choosing Microsoft
Dynamics AX over other ERP systems was
that Microsoft Dynamics AX allowed us
to be flexible and agile. It also has robust
manufacturing capabilities and is backed by a
big ecosystem of partners that offer industry
solutions"

Biren Kumar, CIO, Rockwater Energy

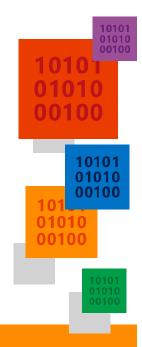
Industry-Specific solutions: we've got you covered!



Microsoft Dynamics AX includes industry capabilities for organizations in five industries:

- Manufacturing
- Distribution
- Retail
- Services
- Public Sector

Using a single architecture, customers can evolve their business model and optimize their supply chain as desired. For example, a retail apparel customer that fully outsources manufacturing could explore ways to take more control of the manufacturing and procurement process without owning the manufacturing function.



"We saw Microsoft Dynamics AX as the solution that would take us to the next level as a business," says Seymour. "It provided the range of modules we needed, so we wouldn't have to keep building point solutions, while also offering the flexibility to meet our industry requirements."

Brian Seymour, CIO, Keller Foundations

It's about agility

Microsoft Dynamics AX helps deliver enterprise-wide engagement with an integrated, adaptable business management solution that helps customers make business decisions with greater confidence. Microsoft Dynamics AX works like and with familiar Microsoft software, automating and streamlining business processes and connections with global customers, business partners, and subsidiaries in a way that helps drive business success.

Implementing a Microsoft Dynamics AX solution drives results:

Increased agility. With business solutions that allow fast configuration and reconfiguration and rapid deployment of new applications, your organization will be well positioned to support innovation and to capitalize on new opportunities without sacrificing visibility or transactional integrity.

Fast time to value. Microsoft Dynamics AX allows fast configuration (and reconfiguration) of business processes to help you launch new initiatives fast and to realize correspondingly rapid return on investment (ROI).

Happier, more productive users. A familiar, intuitive user interface and streamlined workflows minimize training and help ensure broad adoption of new solutions. Your people can be productive faster.

Lower total cost of ownership (TCO). Whether you extend your existing Microsoft licensing and support agreements or you choose a different licensing model, Microsoft Dynamics AX enables you to benefit from a standardized platform that allows you to reuse your Microsoft technology stack and skills. This helps you reduce cost and effort associated with implementing and maintaining your business application.



Forrester evaluates the true ROI of Microsoft Dynamics AX

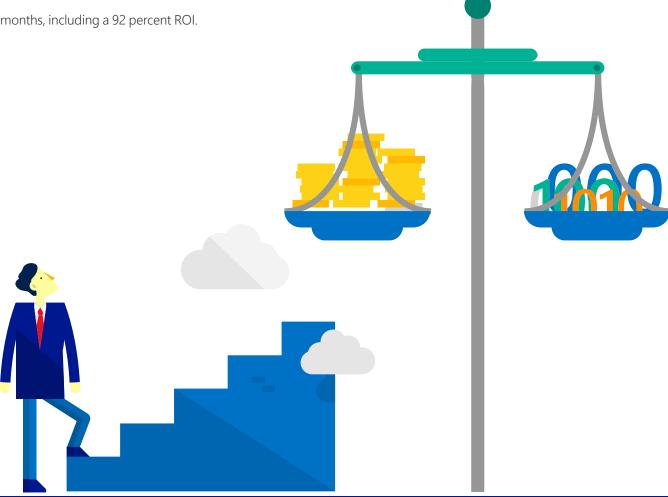
A new ERP system is a big investment for many organizations. You want to understand the potential return on investment before even accepting proposals. Microsoft engaged Forrester Consulting to research the total economic impact and ROI from implementing Microsoft Dynamics AX 2012.

Forrester found the average payback to be 21 months, including a 92 percent ROI. Other areas of savings include:

Systems licenses and maintenance

IT efficiencies

Higher productivity



By the numbers: quantifiable benefits

Eliminated system licenses and maintenance

On average, the companies interviewed and surveyed in the <u>Forrester Total Economic Impact study</u> (https://www.dynamicscafe.com/erpsolutionconsultants/) replaced six systems with Microsoft Dynamics. These multiple systems were a byproduct of acquisitions and autonomous, organic growth in different countries. In addition to license and maintenance savings, not having to support multiple systems reduces IT team effort.

Reduced IT team size

Transitioning to Microsoft Dynamics has resulted in a smaller, more-flexible IT organization. One interviewee said, "We can now move more quickly and are more agile. Dynamics has made supporting operations much easier."

The team size was able to be reduced because it no longer needs to support multiple systems, can centralize more operations and support, and can automate more activities.

Surveyed companies were able to reassign existing resources and avoid additional hires on the central IT team. Additionally, the level of support required at the large, remote locations was significantly reduced. Each of the eight locations had one FTE, and that effort could be reduced by 25 percent, on average. The smaller team is able to do more than the previous, larger team and focus more effort on activities "that make the company unique."

Increased business user productivity

The companies interviewed and surveyed described how Microsoft Dynamics has made business users more productive. One company said that "it is much easier to scale than in the past. Instead of adding 30 employees in customer service and accounting, we were able to achieve the same growth with 10 new employees." Another interviewee described how logistics staff could be decreased 25 to 50 percent in different facilities. This is achieved by providing business users with the tools they need to do their jobs more efficiently and by increasing process automation.



Team Dynamics

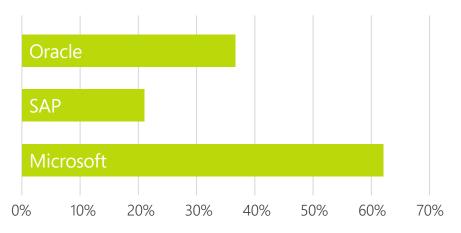
A recent survey by Ovum research reveals a significant trend in the ERP space: global enterprise organizations overwhelmingly identify Microsoft Dynamics as the preferred vendor for their next ERP investment.

Within the Ovum report, Lead Analyst Warren Wilson espouses the view that side-by-side ERP deployment is becoming the norm rather than the exception:

→ "Microsoft's strong showing in Ovum's ICT Enterprise Insights survey is hardly surprising. The company's Dynamics product line is an increasingly attractive option for organizations looking to augment their legacy ERP systems with capable enterprise applications that are easy to deploy and integrate."

Even companies that have invested heavily in SAP recognize that they can enhance and extend their legacy systems by adopting Microsoft Dynamics AX as a platform for operational ERP.

Overall Preferred Vendor for Next Investment in ERP



This chart is an excerpt of a study of 6,700 organizations across industries, geographies, and segments, from midmarket to enterprise, and shows Microsoft Dynamics ranked as the most likely option for future ERP investment.



Sound bites



Just how valuable is Microsoft Dynamics AX? Very, according to these customers:

"Since deploying Microsoft Dynamics AX, we have reduced IT manufacturing costs by 96 million. The Microsoft solution contributes approximately 50 million of those savings."

- Matt Griffiths, Executive Director of Manufacturing IT, Dell

"Our innovative use of technology and integration of Microsoft products into our fleet provides the personal service our customers expect."

- Joanne Smith, Senior Vice President In-Flight Service, Delta Air Lines

"Our goal is to improve the customer's overall shopping experience. At the end of the day, we want our customers to leave happy."

- Jeff Paynter, Vice President of Omni-Channel Retail Systems, Ashley Furniture Industries, Inc.

"We concluded that Microsoft Dynamics AX was the only true lean ERP solution available on the market."

- John Ramage, IT Manager, Talley Group

"Microsoft Dynamics AX has really changed the business in the sense that we can manage globally the things that we want to be global...but still be agile and flexible, the closer we get to the customer. So, we get the nice blend of global control and local flexibility."

- Bill Schlageter, Vice President and CIO, DENTSPLY



It's go time!

Microsoft Dynamics AX

Companies today are looking for a strong ROI of their IT investment. Microsoft Dynamics AX and the Microsoft application platform contain a rich set of business processes to help accelerate deployment of an ERP solution, delivering ROI more quickly.

A Microsoft Dynamics AX solution allows forward-thinking enterprises to thrive in today's fast-paced, quickly changing environment.

Across the operational ecosystem, Microsoft Dynamics AX helps deliver:



Fast time to value.



A flexible deployment model that supports business today—and tomorrow.



Ability to scale to meet global growth.



Ability to rapidly adapt to changing circumstances helps competitive advantage.



Productivity gains from working smarter and faster.



An easy-to-use, intuitive interface that makes it easy to get everyone on board.



Increased insights that help drive new business.



Integrated application tools that simplify collaboration and connectivity.



A simplified life cycle management that lowers TCO.



Pervasive interoperability that takes advantage of the power of the Microsoft platform.

Next steps

Every day, empowered organizations around the world are discovering what a Microsoft Dynamics AX solution can do to support operational objectives and bottom-line growth.

Join the growing community of companies that are choosing Microsoft as their go-to ERP partner. For more information on how Microsoft can be your ERP partner: Dynamics Cafe — industry insights.

