7 Top Tips: Incremental Digital Transformation While Using Microsoft Dynamics 365 Business Central ERP

At Endeavor4, we are relentlessly making your business applications work smarter and harder for you.

Microsoft Dynamics 365
Business Central

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INCREMENTAL DIGITAL TRANSFORMATION AND BUSINESS TRANSFORMATION is a journey. This white paper is designed to help you get more out of your current and past investments in Microsoft Dynamics 365 Business Central. As your business processes mature, Microsoft continues to introduce new AI Agents and ERP capabilities designed to support your continued improvement in financial controls, AI automation, and end-user productivity. To maximize value of these innovations, our Endeavor4 Microsoft consultants recommend that you continually review and evaluate new opportunities for improvement. As a cloud-based ERP with automatic updates and enhancements, Business Central enables organizations to consolidate systems, streamline operations, and take advantage of capabilities that were previously more complex or cost-prohibitive to implement. These include embedded AI agents, real-time data access, embedded analytics, scalable automation, and tighter integration across the Microsoft ecosystem.

> “The shift toward cloud ERP continues to accelerate, with many organizations already building on platforms like Dynamics 365 Business Central to support evolving business needs. As expectations grow, integrated AI, connected data, intelligent automation, and scalable infrastructure are becoming standard components of modern operations.
>
> At Endeavor4, we view this evolution not as a single milestone, but as an ongoing journey of transformation. Incremental Digital Transformation provides a practical path forward, allowing organizations to enhance capabilities step by step, align investments to business priorities, and realize value at each stage along the way. As this journey progresses, the following proof points highlight the practical considerations and measurable benefits that are guiding both immediate decisions and long-term ERP strategies.”

7 TOP TIPS: DIGITAL TRANSFORMATION WITH MICROSOFT DYNAMICS 365 BUSINESS CENTRAL ERP

“Technologies will come and go, so you need to be able to both ask and answer the question: What do you do as a company, why do you exist?”

Satya Nadella
CEO, Microsoft

1 REVIEW YOUR BUSINESS PROCESSES

Back to Basics: Individual Process Review and Time Studies.

The original use of time studies started during the beginning of the Industrial Revolution over 100 years ago. They focused on a worker's time spent on individual movements and tasks on a manufacturing line. Fast forward a century, and there continues to be several back-office tasks that can be accelerated, automated, or even eliminated based on additional business process analysis.

What to Look For:

- Manual data entry or keying in data.
- Opening, viewing, routing, sorting, saving, reattaching documents.
- Switching between applications, screens, tabs.
- Exporting information into Excel for analysis or processing.
- Sending and receiving documents and approvals.

How to Resolve:

- **Adopt a Digital-First Approach Across Processes:** Start digital and remain digital by identifying integration points between systems and encouraging customers and vendors to shift from paper-based to digital document exchange.

- **Identify and Act on Process Optimization Opportunities:** Continuously evaluate workflows for efficiency gains, leveraging internal reviews or external expertise to uncover opportunities for improvement and drive meaningful change.

- **Leverage AI to Reduce Manual Effort and Improve Decision Speed:** Utilize Microsoft Copilot within Business Central to automate routine tasks, ask questions, summarize data, and surface actionable insights in real time, reducing reliance on manual processes such as data entry and report creation.

- **Maximize Value from Built-In Business Central Capabilities:** Increase adoption of native Business Central features, many of which continue to evolve with enhanced usability, automation, and AI-driven functionality.

- **Strengthen User Proficiency Through Targeted Training:** Invest in additional Business Central training to improve utilization of key features such as EFT and digital payment processing and close operational gaps.

2 FURTHER AUTOMATE FINANCE PROCESSES

Follow the Bouncing Ball. Create a Process Map to Follow Key Documents and Touchpoints.

Take a special look at your financial processes, including your Order-to-Cash and Procure-to-Pay processes. Review and document how transactions are performed and what documents, decisions, audit trails, and data are captured. In addition to understanding the end-to-end process at a high level, it is recommended that an additional deeper analysis be conducted for scenarios that have higher volumes, or are more time-consuming, as these tasks often represent an opportunity for above-average savings.

Note, there is often a balance between security and controls vs convenience for users. The decisions around segregation of duties and division of labour may have been made in the past based on the individual needs or capabilities of previous staff members. By gaining additional data and visibility into these process flows, approval processes, and reporting inquiries, your Finance team should be able to identify common document flows that can be further optimized with Business Central, 3rd party tools, or Microsoft Copilot AI.

What to Look For:

- Email requests for authorizations to order, to spend, to pay that are repetitive or predictable.
- Transactions that are consistent on a replenishment basis or subscription basis, for example, certain utilities, office water cooler supplies and quarterly maintenance may align within pre-approval guardrails.
- Reporting and analytics related to month-end close that are repeated monthly.
- New hire onboarding, training and knowledge within your Business Central users.

How to Resolve:

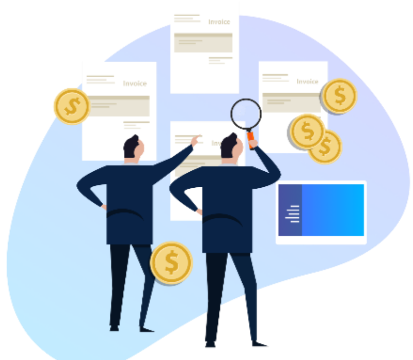
- **Standardize Finance Processes for Greater Consistency and Efficiency:** Refine finance processes, business rules, and reporting to improve consistency and repeatability, focusing on high-impact activities using an 80/20 approach.

- **Simplify Reporting Through Consolidation and Personalization:** Consolidate reports within Business Central to reduce manual effort and enable users to filter and analyze data based on their individual needs.

- **Streamline Approvals with Smarter Rules and Exception-Based Alerts:** Redesign approval workflows and thresholds to minimize repetitive approvals, shifting toward exception-based alerts and periodic summaries for routine transactions.

- **Leverage Built-In Workflow and Approval Automation in Business Central:** Maximize native approval and workflow capabilities, including integration with Microsoft Dataverse and Power Platform, to enable scalable, automated processes that continue to evolve through regular cloud updates.

- **Enhance Finance Processes with AI-Driven Insights and Automation:** Utilize Microsoft Copilot to ask for help, summarize month-end reporting, highlight variances, and support decision-making with real-time insights generated from financial data, reducing manual analysis and improving the speed and accuracy of close-cycle activities.



3 DESIGN & REBUILD ADDITIONAL LINE OF BUSINESS METRICS

Review of Business Value and Value-Added Functions - OKRs.

The need for analysis and metrics extends far wider than just the Finance team. True digital transformation looks at areas outside of finance that can automate other work processes. Sometimes there are apps and automation unique to specific departments and may require an additional focus or more technical review of data models. Often data capture and analytics are key skills that the Finance team can share with other operational teams.

Setting goals for desired Outcomes and Key Results (OKRs), formerly known as Key Performance Indicators (KPIs) can set some key measures for success. Some may be proactive and focus on unique value-added efforts, while others can be more reactive supporting accountability to specific performance expectations.

What to Look For:

- Departmental apps, forms, and reports that the Finance and IT teams can help to create and automate.
- Administrative tasks within departments that could be centralized or automated.
- Measurable outputs and metrics on a departmental basis that other teams rely on. Map out a value chain of interconnected metrics that could be used as a scorecard.

How to Resolve:

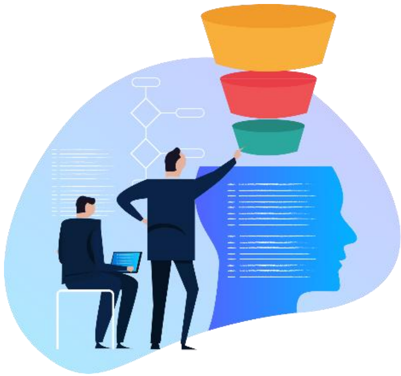
- **Leverage Data and Metrics to Drive Informed Decision-Making:** Identify opportunities within Business Central to capture meaningful data that supports dashboards, enabling trend analysis, leading indicators, and validation of key business assumptions.

- **Enable Cross-Functional Automation Through Collaborative Design:** Work with business units to identify and automate tasks and reporting, using cross-functional workshops to align processes and uncover automation opportunities.

- **Centralize Operations with Multi-Entity Management:** Utilize solutions such as Multi-Entity Manager to support centralized processing across multiple divisions or legal entities, enabling shared-services teams to streamline common tasks and improve operational efficiency.

- **Extend Business Central with Power Platform Integration:** Leverage Microsoft Power Platform, including Power Apps, Power Automate, Power Virtual Agents, and Power BI to build forms, reports, bots, dashboards, and workflows that integrate seamlessly with Business Central, Microsoft Dataverse, and a wide range of connected data sources.

- **Improved Analytics & AI-Powered Insights Using Copilot:** Utilize Microsoft Copilot to analyze data, create pivot tables, and generate insights using natural language queries, enabling faster, more intuitive decision-making without advanced reporting or technical expertise.



4 CONNECT BUSINESS CENTRAL WITH YOUR CRM

Create connections to synchronize data between customer-facing systems and Business Central.

Delivering an exceptional customer experience includes empowering front-line staff with information and context to help them perform their jobs. Business Central has built-in CRM functions for common Contact Management needs. There are also extensions available to improve the management of Leads, Opportunities, and Customer Support Cases. However, many Sales, Marketing, and Customer Service-centric teams prefer to use purpose built applications, such as Dynamics 365 Sales, Dynamics 365 Customer Service / Power Platform, Dynamics 365 Contact Center, or even applications from Salesforce.com and other providers.

To create a more seamless all-in-one ERP-CRM platform, use the pre-built connections to link Business Central with the Microsoft Dataverse, the foundation for Dynamics 365 (CRM) and Power Platform applications. Providing a unified set of process flows between sales and service with finance, inventory, and WMS management can provide a stronger foundation for data analytics and greatly benefit operational teams through stronger master data management and a strong foundation for advanced AI Agent adoption.

What to Look For:

- Inquiries made to Finance from Sales, Marketing, and Customer Service teams that may relate to systems and data that can be shared or synchronized for a greater level of end-user self-reliance.
- Build a common understanding of the data used within systems outside of Business Central that have common attributes, such as customer and vendor information, mailing addresses, shipping addresses, preferred products, repeat orders, and other demographic information.
- Customer-facing interactions that are performed by Finance professionals that could be shared with other teams, such as AR collections and credit checks.
- Key Business Central, or CRM field changes, and transactions that can serve as workflow automation triggers and/or email alerts that kick off additional process flows.

How to Resolve:

- **Establish Data Governance with a Defined Source of Truth:** Develop a decision matrix that defines which system governs each data set, ensuring consistency and clear resolution of synchronization conflicts between Business Central and connected systems.

- **Unlock Cross-Functional Insights from Transaction Data:** Leverage Business Central data such as sales orders and transaction history to surface key metrics (e.g., top products or services by customer) that support Sales, Marketing, and Customer Service initiatives.

- **Extend Financial Visibility into CRM Platforms:** Share key Finance-managed data such as credit limits, payment terms, AR status, and outstanding invoices into CRM environments to provide real-time visibility for customer-facing teams.

- **Streamline Integration with Dataverse and Workflow Automation:** Utilize the Business Central Dataverse connection to enable structured data synchronization with Dynamics 365, supported by Power Automate workflows that trigger actions based on key business events.

- **Deliver Unified Reporting with Embedded Power BI Dashboards:** Embed Power BI reports within Business Central and Dynamics 365 to provide shared, real-time dashboards that deliver a consolidated view of performance across systems.

- **Introduce AI-Guided Actions with Copilot and Copilot Studio Agents:** Use Copilot to summarize customer context across emails, records, and recent activity, and use Copilot Studio to deploy AI agents that can initiate follow-ups or guide users through next steps.

5 EXTEND SYSTEMS TO SUPPORT REMOTE SELF SERVICE

Set up integrated web portals and cloud apps for internal and external stakeholders.

As a cloud-based, browser-driven application, Business Central adapts to any screen size and offers built-in self-service capabilities across both Full User and cost-effective Team Member licenses. The primary purpose of the Team Member subscriptions are to support self-serve read-only inquiries including reporting and running pivot tables, along with modifying select fields that can be edited, such as customer, vendor and item record fields, quotes for Sales Orders, Purchase Requisition requests, and the ability to submit and/or approve timesheets.

Aligning with the recommendations in 'Business Central Tip 1', the adoption of self-serve portals can significantly reduce the manual data-entry needs of your Finance team while also saving others time on approvals and responding to ad-hoc inquiries. Hybrid and remote work models have increased demand for self-service access across a broader range of users and functions. Web portals can serve a variety of functions, including AP and Expense submissions, Purchase Requisitions, HR and Payroll, as well as extending access to self-serve reporting and analytics. When building a business case, consider implementation costs, training costs, ongoing subscriptions, and usage-based fees, which can add up to form a TCO (Total Cost of Ownership) calculation that should be compared with the value delivered to both Finance and the broader set of business users.

What to Look For:

- Expand remote submissions, reporting, and approvals to reduce administrative workload. Automating these processes allows managers to focus on higher-value activities such as coaching, mentorship, and strategic priorities, improving both morale and overall organizational performance.
- Look at key processes and develop assumptions around metrics for the time taken per task (i.e. invoices per day) and the frequency and prevalence of such tasks being performed across your organization (i.e., purchase requisitions, invoice approvals, employee expense management, report distribution, annual and quarterly budgeting processes, and resource management tasks).
- Rather than re-creating the wheel and trying to uncover processes suitable for self-service, look to the mature and emerging cloud application providers with apps that are solving common and proven market needs.

How to Resolve:

- **Email Extend Capabilities with Cloud-Based Portals and Applications:** Leverage cost-effective cloud extensions and external portals that integrate with Business Central to support key processes such as mobile access, self-service, and approval workflows.
  - AP/ PO automation, OCR data capture, and approvals
  - Purchase requisitions and PO approvals
  - Advanced invoice matching (POs, contracts, recurring transactions)
  - Online billing, payments, and collections management
  - Expense, time tracking, and leave management portals
  - Budgeting, forecasting, and financial planning tools
  - HR and Payroll portals for paystubs and tax slips
  - Cloud dashboards, reporting, and data visualization

- **Select the Right Integration Model: Portal vs. Native Extension:** Choose between external portals integrated via APIs or native Business Central extensions that leverage built-in workflow approvals, depending on process requirements and user experience needs.

- **Expand Approval Accessibility Across Microsoft Tools:** Enable workflow approvals through multiple interfaces including Business Central, Outlook, Power Apps, and Microsoft Teams to support flexible, real-time decision-making across the organization.

- **Unify User Experience with Multi-Process Platforms:** Where external portals are used, consider platforms that support multiple workstreams (e.g., requisitions, expenses, AP approvals) within a single interface to streamline adoption and standardize processes.

6 CREATE AN EXPANDED FOCUS ON COMMUNICATIONS

Leverage digital communications tools internally and with customers & vendors.

Providing an exceptional customer experience has been the mantra for many top consumer-focused organizations and is increasingly important for Business to Business customers (B2B), Direct to Consumers (D2C), and strategic vendors. Communications related to transactional items, such as notices, order confirmations, surveys, quotes, and invoices can all be sent through Business Central via integrated Microsoft 365 email for an enriched customer experience.

Internal inter-departmental communications are also important to help facilitate the automation of internal business processes. Workflow triggers can be set up to automatically send an email or Microsoft Teams message to individuals based on key field changes. These can be related to security changes, adding vendors, purchase requisitions, and payables approvals. Specific dollar thresholds can be set for when and to whom to send internal notices or approvals to, as well as designated or multi-step approvals triggered based on a defined approval chain.

What to Look For:

- Set up a quarterly cross-functional team tasked with coming up with ideas to improve customer and vendor communications. Included may be sales, marketing, and operational teams both at an executive level as well as those who have direct customer or vendor interactions.
- Review the types of communications that you receive from your vendors. These may be good examples for similar communications that you could send to your customers. Similarly, customer satisfaction surveys may be something to consider sending to your client and vendor communities related to the “ease of doing business” with your team.
- Documents that are printed and sent in paper format can often be sent digitally on an automated basis. The digital version may or may not eliminate the paper version, but in most cases will be faster and appreciated by the receiving party – your customer or vendor.
- Follow the flow of paper that is sent internally and reviewed by others. Are there specific initials, signatures, or approvals being captured? Or is the information merely for informative purposes?
- Beyond just the movement of paper, document retention and storage policies should also be reviewed. Often digital document storage is cheaper, more secure, and easier to retrieve when needed.

How to Resolve:

- **Centralize Communication with Shared Email Channels:** Utilize shared email accounts (e.g., AR, AP, Finance, Procurement, Supply Chain) to streamline document exchange and standardize communication across customer-facing functions.

- **Automate Approvals and Document Workflows via Email:** Enable automated approval processes using Business Central workflows or Power Automate, with documents linked from Business Central, SharePoint, or other cloud-based repositories.

- **Extend Communication and Workflow Automation with ISV Solutions:** Leverage third-party tools to support advanced email management, collections processes, and document handling, while enabling collaborative workflows for budgeting, requisitions, invoicing, and expense management.

- **Expand Communication Visibility with AI and Copilot:** Use Microsoft Copilot to summarize email threads, highlight key decisions, and generate context-aware responses using Business Central data. This supports greater response times, allowing internal teams to respond faster and maintain consistent messaging across customer interactions.

7 EMBED ANALYTICS THROUGHOUT YOUR PROCESSES

Business Central natively supports quick and affordable built-in Analytics.

The need for quality, trusted data as an input to making informed decisions rather than simply relying on a 'gut feeling' and past experience isn't a new concept. What is new, is the ease of use, quality of visualizations, and an overall increased ability to drive user adoption. Known as building a data-centric culture of business users, Microsoft wants to help you stay ahead of the curve (versus your competition), decision makers need to get tangible information in a format they can understand as quickly as possible.

Overall, the goal is to help your team "Make Smarter Decisions" and thus improve business performance. One of the aspects of smarter decisions is the creation of pivot tables, analysis slicers and data visualization. Data visualization helps people process large amounts of data by displaying it in a visual format the human brain can quickly comprehend. Data visualizations in the form of charts, graphs, dials, and other metrics help to make information easier and faster to digest than more traditional financial statements. Each metric can tell its own story and together with other related metrics on the same dashboard can tell a broader and more complete story, including storytelling elements such as timelines, cause-and-effect relationships, and a shared context.

What to Look For:

- Financial Reports in Business Central include standard statements such as the Balance Sheet, Trial Balance, and sales summaries, typically presented in column-based formats. Engage Finance, executive, and business users to understand how these reports are created, edited, and filtered with Pivot Tables and slicers used to drive decision-making. Also ask additional details about the context and baseline that is needed to better interpret performance and differentiate results.
- Challenge major strategic and operational decisions to validate whether those who influenced or made the decision used data and analytics as part of their decision criteria. Would there be value if a repeatable process was created to help surface similar data on a defined schedule?
- Look for expanded insights from a broader user community to uncover best practices for metrics and action. Knowing what good looks like will greatly accelerate user buy-in for the adoption of additional KPI/OKR metrics and associated development

How to Resolve:

- **Establish a Data-Driven Center of Excellence:** Build internal expertise by appointing champions to drive analytics adoption, deliver peer-to-peer training, promote data-driven decision-making, and surface meaningful trends and insights.
- **Improve Data Quality Through Structured Capture and Automation:** Enhance data reliability by enforcing required fields in Business Central and leveraging tools such as OCR and barcode scanning to ensure accurate, consistent data capture across processes.
- **Accelerate Insight with Built-In Analysis Tools:** Use Business Central Analysis Mode to perform pivot-style analysis directly within list views, enabling quick identification of trends through filtering, sorting, and export to Excel for further visualization.
- **Enable Real-Time Analytics with Embedded Power BI**: Leverage native Power BI integrations to deliver interactive dashboards within Business Central, with the option to embed custom reports tailored to specific roles and business needs.
- **Extend Financial Planning with Advanced Analytics Solutions:** Enhance forecasting, budgeting, and scenario planning through integrated third-party FP&A and performance management tools that support collaborative workflows and automated reporting distribution.
- **Accelerate Insight with AI-Powered Analysis Using Copilot:** Leverage Microsoft Copilot within Business Central to quickly analyze data, surface trends, and generate insights using natural language queries to enable faster, more intuitive decision-making without requiring advanced technical or reporting expertise.

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Future Considerations

Incremental digital transformation is a strategic approach that focuses on making continuous, small-scale improvements to your existing systems and processes. This method allows enterprises to adapt to changing market conditions, enhance operational efficiency, and drive innovation without the disruptions often associated with large-scale overhauls.

Our Approach to Incremental Transformation

Assessment and Planning: We begin by thoroughly assessing your current systems and identifying areas where incremental changes can deliver the most value. Our team of experts collaborates with you to develop a tailored transformation plan that aligns with your business goals.

Seamless Integration: Leveraging our deep expertise in Microsoft Dynamics 365, we integrate new functionalities and enhancements into your existing systems. This ensures a smooth transition and minimizes disruptions to your operations.

AI and Automation: By incorporating AI-powered agents, Power Apps, and Azure-based machine learning tools, we help you automate processes and optimize workflows. These intelligent solutions enable you to achieve greater efficiency and drive innovation incrementally.

Ongoing Support: Our premium support desk and managed services, combined with flexible service-level agreements (SLAs), provide ongoing support and maintenance. This ensures that your systems remain up-to-date and continue to deliver value over time.

Contact Endeavor4 for the next phase of your Incremental Digital Transformation while using Microsoft Business Central

AI & Advisory Services

Cross-industry Expertise

Microsoft Dynamics 365 Business Central | Copilot | Power Platform | Dynamics 365 | Azure | Microsoft 365

Knowledge. Integrity. Trust. Accountability.

About Endeavor4

Now is the time to further expand your investment in Microsoft Business Central through Incremental Digital Transformation. Endeavor4 has been supporting Microsoft Dynamics 365 for over 35 years across Canada and the USA. We are a proud Microsoft AI Cloud Solutions Provider for Business Applications with multiple Gold Certifications for Dynamics ERP, CRM, and Cloud including an Advanced Cloud specialization for Small and Midmarket Business Management.

At Endeavor4, our continued success is due to our focus on our Microsoft customers, our people, and our four core values of **Knowledge, Integrity, Trust, and Accountability.**

Our Top Endeavor4 Business Central Goals:

1. **Maximizing Resource Utilization Through Automation:** Reduce manual effort and administrative overhead by shifting from paper-based processes to streamlined, automated workflows.
2. **Increasing Visibility with Real-Time, Contextual Insights:** Enhance financial planning and operational decision-making by delivering accessible, end-to-end visibility across business processes.
3. **Unlocking Predictive Insights from Business Data:** Identify patterns and trends to transform raw data into actionable intelligence that supports forecasting and proactive decision-making.
4. **Supporting Incremental Digital Transformation:** Ensure long-term success by starting with a strong design and embracing a mindset for continuous improvement to help our clients Business Applications work smarter and harder.

With offices in Boston, Chicago, San Antonio, Halifax, Toronto, and Vancouver, our consultants support more than 1,200 active clients throughout North America, including clients using Dynamics 365 Business Central and Finance & Supply Chain. Over the years, Endeavor4 has been named multiple times to the Microsoft President's Club – the top 5% of Microsoft Partners Worldwide.

Making Your Business Applications Work

Smarter & Harder For You.