

Microsoft Dynamics 365 Business Central Solution Proposal Guide



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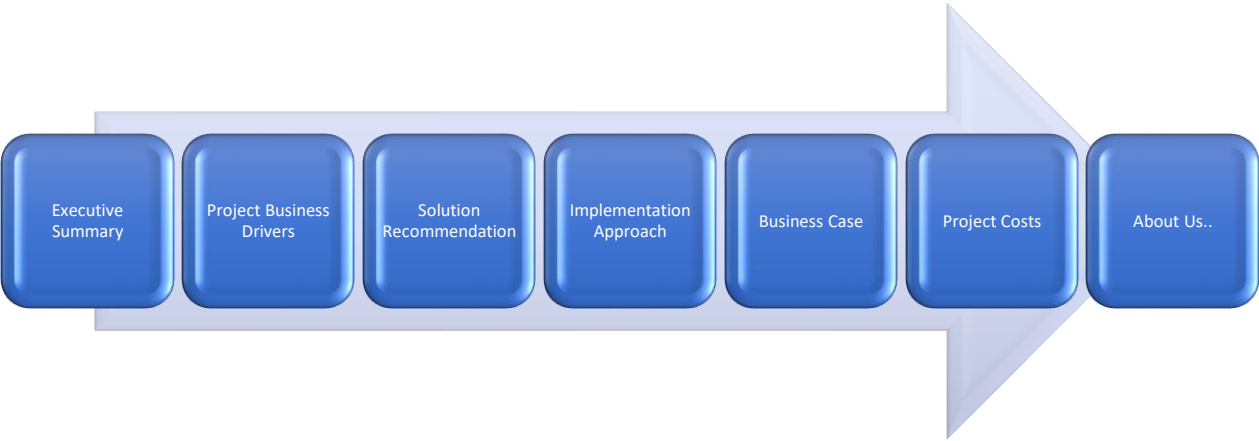
Eliminate the No Decision!

It is crucial to maintain opportunity 'momentum' after delivering your proposal presentation. When Business Decision Makers (BDMs) see the connection between their business challenges and a low-risk solution, especially one designed for their industry, they tend to move quickly. The solution proposal provides additional 'comfort', ensuring your prospect moves forward with both the project and your offer.

Send your solution proposal to the prospect BDM and Project Lead (PL) shortly after delivering your proposal presentation. It provides a greater level of detail than can be communicated during a 60-minute proposal presentation. Your solution proposal further confirms that you and your organization clearly understand your prospect's industry, business challenges, and project drivers.

Solution Proposal Structure

Much like the proposal presentation, the solution proposal is designed to guide the reader from one content block to the next in a logical manner, ultimately landing on the 'acceptance' page.



Executive Summary

The content and structure of the executive summary often dictates how much of the solution proposal is read, especially by busy executives. The executive summary must capture the essence of the challenges driving the project, and the negative implications of doing nothing. It should also highlight the economic benefits of moving forward with project funding. You must effectively condense the entire project into a single page, and arrange the content in the following order:

- summary of the project objectives
- examples of the prospect's current business challenges and their impact on key operating metrics
- measurable and defensible project benefits
- solution recommendation, timeline, and costs
- your organization's industry credentials

The purpose of the executive summary is to remind your prospect of their business pain. Compare their existing metrics to published industry averages. Quantify the economic and risk implications of doing nothing (no decision). Most importantly, end with the anticipated business benefits (revenue, profit, risk reduction, and control).

Business & Project Drivers

Organize your prospect's primary business and project drivers into four categories: (a) those that support revenue growth, (b) those that improve profitability, (c) those that reduce business risk, and (d) those that increase executive control.

The strength of this section will depend upon the quality of information you collect through the discovery process, and your understanding of your prospect's industry.

Manufacturing example:

Business & Project Drivers	
<p>Grow Revenue:</p> <p>Improve capacity utilization.</p> <p>Expand market reach (domestic and int'l).</p> <p>Extend existing capabilities and services to drive differentiation.</p> <p>Increase bid win-rate.</p>	<p>Improve Profitability:</p> <p>Increase inventory turns.</p> <p>Improve fill rate.</p> <p>Improve yield.</p> <p>Reduce labor costs.</p> <p>Reduce shipping/logistics costs</p>
<p>Reduce Risk:</p> <p>Improve OTD compliance.</p> <p>Mitigate risk of additional regulations for wastewater treatment and OH&S.</p> <p>Mitigate risk of increasing margin pressure from offshore competitors.</p> <p>Improve quality.</p>	<p>Increase Control:</p> <p>Improve accuracy and availability of management reporting.</p> <p>Improve supplier monitoring (quality and delivery).</p> <p>Reduce DSO.</p> <p>Increase DWC.</p>

Key Operational Challenges

Identify your prospect’s most significant operational challenges, and the measurable impact they have on business performance. Organize the operational challenges into industry Value Chain steps, so the reader is sequentially moved through their business processes, department by department. To highlight the severity of the operational challenges, and to prioritize these challenges, impact data must be collected throughout the sales cycle.

Value Chain Step	Operational Challenge	Business Impact
Project Estimate/Quote	<p>Manual estimating process.</p> <p>Excessive time spent tracking down printed copies of production reports, reviewing spreadsheets containing prior estimates, and meeting with production staff to discuss materials and labor consumption for similar projects.</p> <p>Inability to provide customized products and prototyping at a competitive price/cost.</p>	<p>Low bid win-rate.</p> <p>[CUSTOMER] ‘no-bid’ \$3,000,00 + of ‘winnable’ projects in 2014 due to sales/estimating team’s inability to meet RFP response timelines.</p> <p>YoY customer churn increased 6%.</p>
Procurement & Logistics	<p>Bar-coding errors at receiving dock.</p> <p>Inaccurate inventory.</p> <p>Inaccurate production costing.</p> <p>Inaccurate collection of shop-floor consumption data.</p>	<p>Stock-out of raw goods in >15% of production runs.</p> <p>Operations scheduling weekend (overtime) shifts to meet OTD commitments.</p> <p>Excess capacity being reserved to compensate for increasing stock-outs.</p> <p>Freight as % of revenue increasing due to expediting.</p>
Manufacturing	<p>Inefficient (Excel) production planning & scheduling.</p> <p>Operations scheduling weekend (overtime) shifts to meet OTD commitments.</p> <p>Manual collection of raw materials consumption.</p> <p>Backward infinite scheduling results in no visibility into production bottlenecks.</p>	<p>Gross margin declined 3% due to production inefficiencies.</p> <p>Order fulfillment rate dropped to 87%.</p>

Value Chain Step	Operational Challenge	Business Impact
Marketing Sales & Distribution	Sales order changes not automatically flushed through to the supply chain partners.	YoY customer churn increased 6%.
Service & Warranty	<p>No centralized system for tracking warranties (manual).</p> <p>Manual quality monitoring documentation process.</p>	<p>Lengthy process to confirm warranty claims.</p> <p>Increasing replacement of out-of-warranty products due to missing or bad data.</p> <p>Product recalls are 5% of invoiced value.</p>
Management Reporting	<p>Limited visibility into capacity availability.</p> <p>No visibility into individual product and project margin contribution.</p> <p>Limited regulatory compliance documentation.</p> <p>Manual OH&S training certification monitoring and enforcement.</p> <p>Disparate systems (AS400, spreadsheets, 3rd party logistics, etc.) undermine data integrity and availability.</p>	<p>Capacity utilization at 87%.</p> <p>Senior management makes forecasting, procurement and scheduling errors due to poor data quality.</p> <p>Incurred \$50,000 OH&S compliance violation fine.</p> <p>Inaccurate invoices consistently disputed by customers - DSO currently at 74 days.</p>

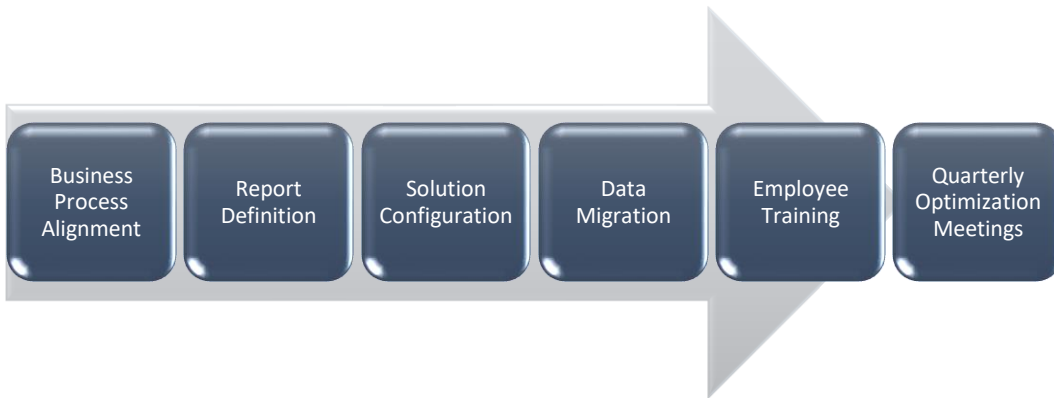
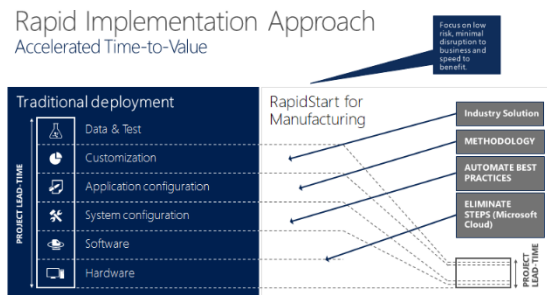
Solution Recommendation

Provide a brief overview of the primary CAPABILITIES (not modules, features, or functions) your prospect requires to address the operational challenges described above. Provide as much content as required to communicate a clear understanding of the prospect's issues. Use business language, and reference industry business processes as often as possible. Your prospect has already reviewed your solution and acknowledged it satisfies their project requirements. Less is more. Keep the descriptions precise and business-friendly.

Core Capability	Impact
Financial Management	<p>Make Better Decisions by connecting data across accounting, sales, purchasing, inventory, and customer interactions to produce an end-to-end view of the overall business.</p> <p>Accelerate Financial Close by streamlining accounts receivables/payables, and automatically reconciling accounts.</p> <p>Improve Forecast Accuracy by modeling and analyzing data across all dimensions of the business.</p>
Supply Chain Automation	<p>Optimize Inventory Levels by intelligently predicting when and what to replenish.</p> <p>Reduce Stock-Out by automatically calculating stock levels, lead times and re-order points.</p> <p>Improve Profitability by leveraging vendor discounts to avoid overdue penalties, and configuring workflow to prevent fraudulent purchases.</p>
Operational Optimization	<p>Improve the Forecast to Fulfillment Cycle by marrying sales forecasts and inventory data to automatically generate production plans and purchase orders.</p> <p>Improve Warehouse Efficiency by arranging bins based on warehouse layout and storage unit dimensions.</p> <p>Improve Capacity Utilization by calculating and optimizing manufacturing capacity and resources to improve production schedules.</p>
Visual Scheduling - (Partner IP/ISV)	Improve Operational Agility by quickly reacting to all unplanned incidents on the shop floor.
Estimating Workbench (Partner IP)	Increase Bid Win-Rates by centralizing all engineering drawings and applying workflow approval processes to all new estimates, change orders, and RFP responses.
Manufacturing Insight Manager (Partner IP)	Access Real-Time Production, Profitability and Sales Information , as well as other key operating and performance reports, from any device, anywhere, at any time.

Our Implementation Approach

Visually communicate your implementation approach, timeline, and key prospect activities. Prospects choosing industry-specific applications understand they will need to adjust some of their business processes to conform with the best practices embedded in your solution. Therefore, it is critical your implementation approach communicates a 'simple' message. Use charts, chevrons, or images to describe your rapid or accelerated deployment methodology.



Activity	Audience	Date	Partner Resources
Business Process Alignment	Business sponsor, controller, supply chain manager, operations manager, sales manager	September 1, 2018	Project manager, functional leads
Define Reports	Business sponsor, CEO, CFO, VP Manufacturing, VP Supply Chain	October 1, 2018	Reporting/BI lead
Configure Solution Functionality	Business process owners	September 14, 2018	Project manager, functional leads
Data Migrations, Conversions, Integrations	VP IT, business process leads	October 7, 2018	Technical lead
Pre-Go Live: QA, UAT, Walkthrough	Super user team	November 1, 2018	MFG training leader
User Orientation (Go-Live)	Full staff	November 15, 2018 kickoff	Online videos, self-serve documentation, Partner project lead
Post Go-Live: Support	Project manager	November 15, 2018	Manufacturing support lead
Optimization	Business sponsor	Quarterly	Optimization lead

Business Case

Summarize the project’s anticipated economic benefits. Only include benefits your prospect’s project team, and ideally the BDM, have acknowledged are achievable. This confirmation typically takes place during the proposal presentation.

Include benefits with hard measures (revenue, operating margin, inventory turns, DSO) that could be included in a business case. Include those that materially impact organizational performance (month-end close acceleration, OTD compliance). Craft a single benefit statement summarizing the measurable business impacts (revenue, cost savings, DWC), and insert it at the end of the business case table. If few (or no) benefits have been identified, this section should be removed from the solution proposal.

Key Metric	Current	Target	Economic Impact
Inventory turns	6.5	10	\$450,000 working capital increase
Unscheduled overtime	\$390,000	\$195,000	\$195,000 cost reduction
Expedited shipping	\$176,000	\$88,000	\$88,000 cost reduction
OTD penalties – 50% reduction of \$275K	\$275,000	\$137,500	\$137,500 penalty reduction
Capacity utilization	87%	93%	\$7.4M (revenue)
Bid win-rate	10%	20%	\$2.5M (revenue)
DSO	74 days	60 days	\$260,000 working capital increase
Month-end close	8 days	4 days	50% improvement

Combined, the above represents \$9.9M in additional revenue, \$420,500 in reduced operating costs, and a \$710,000 working capital improvement.

Project Costs

Summarize the licensing and project costs. Pricing should be displayed as simply as possible. Separate the up-front project fees from the ongoing subscription fees.

Proposal Element	Employees	One-Time Fee	Monthly Subscription
Microsoft Dynamics 365 Business Central Premium for Manufacturing	30		\$3,000
Microsoft Dynamics 365 Business Central Team Members (read, approve, reporting, self-serve)	50		\$400
Microsoft Power BI (executives & management)			\$350
Partner IP Manufacturing Insight Manager, Visual Scheduler, and Estimating Workbench	30		\$450
RapidStart for Manufacturing Implementation		\$50,000	
Partner Optimization Services & Support			\$800
Total		\$50,000	\$5,000

*Based on three-year term

Acceptance

Provide a simple acceptance page that enables the BDM to a commit to your proposal immediately.

About Us

Provide additional evidence that further establishes your organization as an industry 'expert'. Include relevant references to similar clients, strategic project team qualifications, industry awards, and technology certifications.

Many prospects will circulate a short-list of proposals to external board members, advisors, or accountants who often influence the final selection criteria. It is important to crisply summarize and credential your organization in case your solution proposal is distributed to a broader stakeholder group.

Sample credentialing summary:

[PARTNER] is a leading provider of business applications and communications solutions to the manufacturing industry.

[PARTNER] currently services and supports an ever-growing number of clients since its founding in [FOUNDING YEAR]. In a relatively short period of time, [PARTNER] has become the go-to Microsoft Dynamics and Office 365 firm for [DESCRIPTION OF SERVICES].

What's more, [PARTNER] has completed [NUMERICAL VALUE] successful and comparable projects.

Benefits of selecting [PARTNER] for this IT project include:

- ✓ Microsoft certified & trained Partner
- ✓ Cost-effective Cloud & mobile-ready solutions
- ✓ Extraordinary track record of improving client workflow and efficiencies
- ✓ Deep domain knowledge and expertise in [DESCRIPTION OF DOMAIN]
- ✓ Talented team with strong references

Final Thoughts

Your solution proposal will only influence a BDM if it lays out a compelling business narrative, supported by impact metrics collected during the prospect engagement cycle. For clarity, solution proposals do not win deals. However, they help prospects 'confirm' their decision to move forward with you.

Understanding what is required to craft a compelling solution proposal should shape and guide all your prospect conversations and communications. The Alignment Email, Demonstration Plan, and Proposal Presentation are used to consolidate and validate the information you need to create a compelling and convincing final argument; this is crystalized in your solution proposal.

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