proMX

Planning is key:
how to migrate to
Microsoft Dynamics 365

WHITE PAPER

Powered by
Microsoft

Content

Introduction

If you are considering migrating your business data from your current ERP or CRM system to Microsoft Dynamics 365, you probably have good reasons for doing so. But maybe you also have some insecurities: When is the best time to change? Is the migration doable within the planned timeframe? Will everything go smoothly without any downtime or data loss?

Migration projects always entail a certain risk. However, in this white paper, we will show you that it is often riskier (and more expensive) to maintain the status quo than to migrate to Microsoft Dynamics 365.

Reasons for migration

There are many reasons why you should replace your old CRM or ERP system with a new one:

01   You opted for the **wrong program** from the start. Maybe you didn't have the financial resources you would have needed to buy the solution that is 100 percent perfect. Or you didn't investigate the system sufficiently before implementing it. Soon after you started using it, you realized that it didn't fit your requirements, but you decided to keep it anyway because you didn't want to spend any more money. But now you have reached a point where you can tolerate the inefficiency no longer.

02   Your company has **outgrown the current system.** Over the years business models and business environments change and so do the requirements you have for software. As a consequence of growth or a change in business orientation, systems that were once the perfect fit are no longer suited to your needs.

03   Your **system is outdated**. Some providers disappeared from the CRM/ERP market, and companies that have been using their products neither get any more support nor are there any further updates to the solutions.

04   The software is **lacking key functionalities**. If you don't have the option to add them with little effort, it is probably better to replace the entire system.

05   It provides you with **insufficient or unreliable data.** Nowadays data is one of a company's most valuable resources. When you cannot trust generated reports and forecasts to be reliable, and thus cannot make decisions based on that information, it poses a problem.

06   **Connecting it to other important systems is complicated or not possible.** A CRM or ERP software often is the core system of a business but is usually not the only one. Whether specialized software for production or simple, frequently used applications like Word or Teams: data exchange with other programs mustn't take up too much time.

07   **No workflow automation** is included in the software. Do your employees still have to deal with tedious, time-consuming routine tasks, which could have been automated long ago? This is a clear sign that your system is not up to date anymore.

08   You **cannot access the software remotely**. The times when employees were required to come into the office are over. If you want to be perceived as an attractive employer, you need to create the technical prerequisites that offer employees the flexibility to work from anywhere.

09   **Increasing costs**: It is not only the inefficiency of an old or unsuitable system that can be expensive. Laborious customizations or additional third-party solutions costs can add up, too.

One thing is clear: Inefficient systems need to be replaced. You can tolerate them for some time, but if you wait too long, the migration will become harder and harder over time.

Why choose a system in the cloud?

Digital transformation doesn't work without cloud computing. It brings more flexibility, agility and resilience. That is why migrating to the cloud is considered a prerequisite for companies to be future-ready.

01

Security

There are still people who are skeptical of the cloud, in particular when it comes to its data security. In actuality, a cloud-based CRM or ERP system increases the level of security in many companies. That's because such software usually comes from large corporations – Microsoft, SAP, Salesforce – that think about the security of their solutions from the moment they develop them. These corporations also have the means to continuously maintain and improve security.

02

Costs

There are certain aspects of on-premises software that often give owners headaches and generate costs but are not an issue with cloud-based systems: the management of the infrastructure, the maintenance of the solution, the installation of new updates, the operation of backups, etc. All these tasks are taken care of by the software provider as part of the monthly subscription.

03

Updates

Continuous delivery of new functionality is one of the most compelling arguments for cloud systems. It ensures that your system is always state-of-the-art and based on the latest technologies – without you having to do anything or invest more.

04

Flexibility

Another great advantage of the cloud is its flexibility. Users can access a system from anywhere and with any device connected to the internet – from home via laptop, via phone while you are on the road or via tablet from a beach café in Bali. Administrators, meanwhile, enjoy increased flexibility since it is easier to adapt cloud software and connect it with other systems. Both facilitate employees' work and help increase productivity within the company.

Chances of migration

A migration project equals a lot of effort and comes with certain risks. At the same time, it also opens up unforeseen chances for your company.

Preparing and executing such a project requires companies to examine their processes, examine their data closely and think about how to improve processes. All these tasks are usually low priority in daily business, because they do not generate direct revenue and are therefore never tackled. However, they hold perhaps the most potential to increase productivity.

Arguments in favor of Microsoft Dynamics 365

Microsoft Dynamics 365 unites CRM and ERP functionality in a comprehensive, coherent series of business applications. The different Dynamics 365 apps cover all areas of a company and can be seamlessly integrated with each other as well as with other Microsoft products and hundreds of third-party applications without much effort.

Dynamics 365 Sales

Improve customer relationships and streamline sales processes.

Dynamics 365 Marketing

Create personalized customer journeys and centralize all marketing activities in one place.

Dynamics 365 Project Operations

Manage all your projects from sales to invoicing in one app.

Dynamics 365 Field Service

Efficiently coordinate your field service assignments and save time and costs.

Dynamics 365 Customer Service

Make use of AI and machine learning capabilities and self-service portals to provide excellent customer service.

Dynamics 365 Business Central

Manage all operations in your small or medium-sized company in an all-in-one solution.

Dynamics 365 Human Resources

Find, onboard and keep new talents with the help of this centralized solution.

Dynamics 365 Commerce

Deliver your customers a perfect shopping experience – in-store or online.

Dynamics 365 Finance

Oversee all your businesses' financials and make informed decisions.

Dynamics 365 Supply Chain Management

Establish an intelligent supply chain to ensure smooth production and delivery processes.

Employees of companies that have already been using Microsoft software will find their way around Dynamics 365 quickly. The user interface is familiar to them from other applications.

The frictionless interaction of the apps with each other and with other applications, the common database and the ability to access Dynamics 365 remotely leads to an improved collaboration (across departments) as well as to more efficiency in all areas of the company.

Microsoft Dynamics 365 stands out with five great advantages:

Timely updates

Every year there are two release waves in which Microsoft delivers new functionalities to their users and fixes bugs. These automated and free-of-charge updates ensure a constant improvement. Each organization can decide on the timing when an upgrade should be implemented.

01

Expandability and adaptability

The Dynamics 365 apps bring along lots of functionality by default, but you also get the opportunity to add more features easily. "Easily" means without having to alter the code, using, for instance, low coding options available through Microsoft Power Apps

In cases that do require programming, developers who know JavaScript or .NET will be able to quickly become familiar with the Dynamics framework. Moreover, Microsoft makes detailed documentations and learning paths available.

02

Additional functionality not always does have to be developed by one's own, though. In AppSource, Microsoft's online marketplace for business apps, you find all kinds of third-party applications that you can use right away with Dynamics 365.

Scalability and flexibility

Dynamics 365 is made up of modules. Companies are not forced to purchase applications that they don't need (yet). Licenses also can be bought according to your company's demand. They can be added or canceled as needed.

Thanks to its open software architecture, Dynamics 365 is highly flexible and offers many capabilities to integrate third-party applications.

Cost savings

All the aforementioned benefits of cloud applications in general and Dynamics 365 in particular enable you to allocate your IT resources in the best possible way. That is, for tasks for which their expertise is actually required. Everything else can be done by employees from the corresponding departments themselves or the tasks don't have to be dealt with at all, because Microsoft is taking care of them (e.g., maintenance or backups).

Security and reliability

In Dynamics 365 the integrity of your data is ensured due to high investments and Microsoft's contractual obligations. Microsoft hosts their own data centers. In Germany, for example, data is stored in the country and protected by an independent data trustee, who is bound by German law. Without a permit from the data trustee, not even Microsoft is granted access to its own data centers.

Among the data center's safety measures are 24-hours surveillance, physical barriers and comprehensive protective precautions against the forces of nature.

Challenges of migration projects

Migration projects of any kind – no matter from and to which system – are complex and come with various challenges. Being aware of these challenges will help you avoid them instead of suffering some severe consequences: data loss, long down times, broken workflows.

Data mapping and data cleansing:

Among the most complex migration efforts is preparing the data that needs to be transferred. Data mapping means that the fields from your current solution need to be connected to the ones in your future solution to bridge the differences between the systems or data models. Otherwise, data can show up in the wrong place in your new software. Before migrating data, it should also be corrected to reduce the mapping effort. That means you need to clean house first: delete old or outdated data and merge duplicates.

Lack of documentation:

If it makes sense, it's rarely documented. But what makes sense to individuals or a group of people at a certain time, doesn't necessarily mean anything to different people at a different time. Speaking of business software, often it is data relationships that aren't documented anywhere. If you have to migrate data, however, you'll desperately wish someone would have documented it. You'll have to make up for it, which takes up a lot of time.

Complexity:

CRM and ERP systems are complex solutions with many different data relationships, a complexity that can be frustrating to non-professionals. Elements like e-mails, activity protocols or product catalogues pose a challenge for people with little experience.

Migration tools:

There are tools that will take a lot of work off your hands when migrating data between systems. However, a CRM or ERP system may be too old to support certain apps. In that case you'll need to upgrade your current system first and transfer the data next.

Employee acceptance:

Whether a new software will be successful, entirely depends on your employees. If they're not convinced of the benefits of a solution before its introduction, they may lack motivation to use it effectively. Including all future users in the project from the very beginning, making it clear why a new system is necessary and accompanying the migration with effective change management are all crucial.

Employee skills:

A system like Microsoft Dynamics 365 may seem intuitive, but don't forget that your employees differ in skills, IT knowledge and age. If you want all users to work with your solution effectively, it's important to train them accordingly.

The questions that companies are most interested in regarding the migration to Dynamics 365 are:

- How long does a migration take?
- How much does a migration cost?
- When is the best time to migrate?

There is only one honest answer we can give you: it depends. But we can tell you what it depends on:

- **Duration:** The duration of a project depends on the requirements of the company, the number of available human resources, the number and complexity of data, deviation from standard modules and necessary APIs. Anywhere from a few months to several years is possible.
- **Costs:** The costs, in turn, depend on the duration of the project.
- **Time:** There's no right time for a migration, unless the business experiences some down time throughout the year.

How does migration work?

A migration project can be divided in two main phases: preparing the migration and the data migration itself.

Phase 1: preparing the migration

When it is time to switch from a CRM or ERP system to Microsoft Dynamics 365, there's one thing to remember: preparation is half the battle. The more thoroughly you think your migration through, the faster you can finish it, and the lower the risk of failure.

Preparation starts with thinking about the basics:

- What goals do you want to achieve by migrating?
- How does your business profit from using Dynamics 365?
- How and where do you save money?

If you're looking for answers, you should ask for feedback. Give different teams the opportunity to express their wishes, needs and challenges. The answers will help you measure the success of the project, too.

The next step is to clarify your needs. Ask yourself:

- What functionalities do we need?
- What have we missed thus far?
- What plug-ins or add-ons will become obsolete, because they are already included in Dynamics 365?

Become even more clear now and create a roadmap for your project and decide:

- when you want to migrate
- what your budget will be
- if you want support
- who should be involved in the project
- when you want to go live

Now take the time to evaluate what you have (your current system) versus what you are striving for (your Dynamics 365 environment). Answer the following questions:

- What business rules and automations will become obsolete with Dynamics 365?
- Which third-party products or homemade apps won't you need anymore?
- Which integrations will you have to keep?
- Which of them are compatible with Dynamics 365?
- What are the alternatives?

While you're at it, you should take a critical look at your data, too. We recommend migrating accounts, contacts, sales opportunities etc. after a certain date. Why? Because the more data that needs to be migrated, the greater the effort.

When preparing the migration, detailed data mapping is crucial. Sloppy work can result in the failure of your migration, if worst comes to worst.

Preparations also include bracing for bad news and the unforeseen. Create a backup plan if your company will be affected by downtime. How can your teams keep working then?

Plan some buffer time, too. In such a complex project it's rather unlikely for everything to go according to plan.
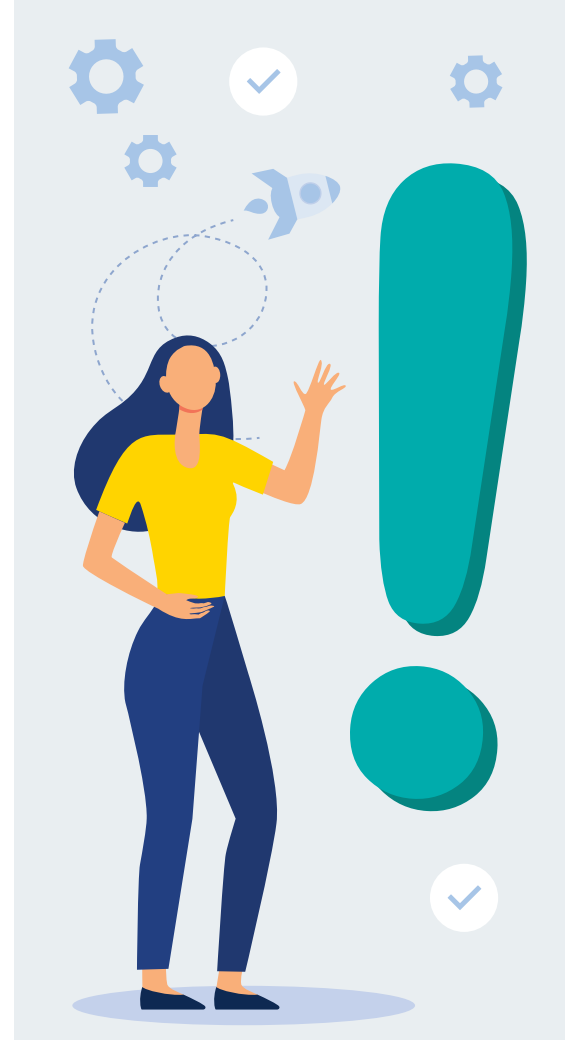
Phase 2: data transfer and adjustments

To be able to transfer data to Dynamics 365, the right environment needs to be installed and the respective app configured and personalized. When doing so, consider your previous system and data structure. This is what the second part of a migration project looks like.

Before migrating the data to the system that will be used later, normally you first need a test environment —that is, a copy of the Dynamics environment that'll let you test processes and functionalities.

One test scenario is a data migration. In your test environment, you are able to evaluate whether everything works as planned. For example, you can work with sample data to see whether any workflows produce an error.

After the test phase you need to determine a date for migrating the data from your old system to Dynamics 365. We recommend late at night (post working hours) or the weekend for the go-live. You also need to know when your old CRM or ERP system is supposed to shut down.

For the data migration, specific tools are used, for example the Dynamics 365 Data Import Wizard. It lets you import data step by step. Depending on the data source and technical task, proMX uses additional similar tools, among them our very own proMX Migration Tool.

Migration: in-house or with a migration partner?

There are three ways for businesses to migrate to Dynamics 365:

01

With the support of Microsoft

This opportunity isn't available to all businesses, though.

02

With the support of a migration partner

Make sure to choose an experienced company.

03

In-house

A potentially cheaper solution, although several employees will need to be pulled away from their day-to-day tasks during the project.

Usually, businesses consult a migration partner to help them. Although it generates further costs, it is more than recommendable – especially when you rely on the CRM or ERP system for your daily business.

Reasons for migrating with a migration partner

Experience

Migration projects are the day-to-day business of Dynamics partners. You will end up saving a lot of time by relying on the experience of a migration partner instead of letting your team make their own experiences (once will be enough).

Strategic support

A partner can help you identify your needs and requirements, as well as the right method to fulfill them.

Focus

Working with a partner means less project work for your own employees, allowing you to focus your resources on your daily business.

Challenges

Migration partners know where you may run into challenges and what to consider. By working together, you will avoid both costly mistakes and frustration.

Support

Following the migration, the plan is to work with your new solution for many years. Your migration partner can help you with all further questions and requirements, and train your employees, too.

Really though, what can go wrong if you migrate without external support? Nothing has to go wrong, but a lot can. The greatest dangers are data loss and the consequences of a system failure.

Further reading

If you'd like to learn more about digital transformation, Microsoft Dynamics and its possibilities, we recommend you read the following white papers by proMX:
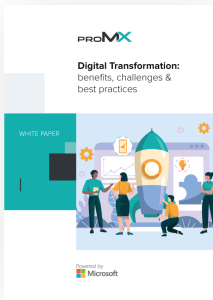
Digital transformation

Digital transformation is a continuous change process based on digital technologies and enabled by cloud computing. Learn more about the benefits, challenges and best practices of digital transformation in our white paper.
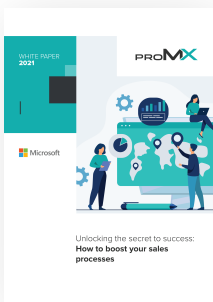
How to boost your sales processes

Sales teams that want to be successful face a wide range of challenges. How can they deliver predictable and scalable results in times of constant change? Unlock the key to success in our white paper.
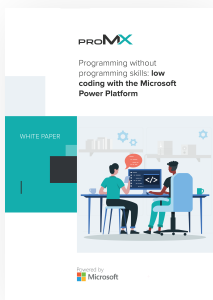
More power for Dynamics 365

Users without programming skills are able to analyze and visualize data, build custom business applications, automate recurring processes and more. How? With the help of the Microsoft Power Platform that is based on the low-code applications Power Apps, Power BI, Power Automate and Power Virtual Agents. In this white paper, you'll learn more about the concept of low code and its potential for enhancing Dynamics 365.
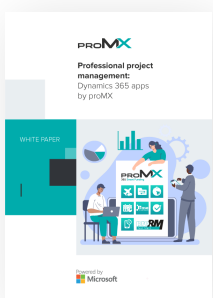
Custom-made apps for Dynamics 365

The project management solutions made by proMX were designed to meet specific business requirements. Learn more about them in our white paper.

We offer a helping hand in your digital transformation

The ideal digital transformation partner is not only an expert in theory and technology, but also in its customer's industry. Our consultants are familiar with the processes, priorities and challenges of different sectors. Contact us!

www.proMX.net

look@proMX.net

+49 (9 11) 81 52 3-0

+1 (786) 600-3688