

Dynamics 365 user guide to navigating AP solutions



Introduction

For many teams, despite all its use cases, their Dynamics ERP simply doesn't meet their needs when it comes to accounts payable –even when experienced consultants help them implement the software. Upgrades and migrations may cause disruptions and risks to daily operations. Ultimately, the ERP isn't designed to help with complex invoice processing and payments and you still end up working with paper and slogging through tons of manual steps in the process. This leads to researching a specialized solution that can improve your AP operations to be truly automated and efficient.

There's just one problem: How do you choose the right partner to get you there? Choosing an AP automation vendor takes more than a lunch break Google search. Don't worry – this guide will walk you through the most common AP solution types that Dynamics users seek out and helps you determine the right fit for your organizations needs.



Invoice processing features within Dynamics 365

There are basic invoice processing features available as part of the standard Dynamics 365 offering. Vendor invoices may be entered manually or through a data feed. Dynamics 365 offers support for a manual or semi-automated approval workflow as well as basic invoice matching capabilities for PO-based invoices.

PROS

Available off-the-shelf within Dynamics 365.

Basic workflow and automation capabilities that will cover the needs of organizations with low volume of and/or low complexity of vendor invoices.

CONS

No OCR or data capture service included so still need to implement an external solution for invoice data capture.

Occasional users of Dynamics (invoice approvers, buyers) may find the user experience clunky and slow down the process.

Cannot automate complex invoice matching scenarios, leaving many tasks still in the need of manual work for the AP team.

Invoice archive and search functionality is missing or limited, not supporting for example global search across all entities of a corporate group.

Reporting functionality to support the organization on process efficiency KPIs, bottleneck analysis as well as important financial metrics is missing or limited.



Built-in solutions

The second option is to install a built-in AP automation solution within your Dynamics 365 environment. This type of solution manages the invoice processing through an add-on module provided by an external party, i.e. not Microsoft. While there are a few different vendors offering this option, the below list summarizes the pros and cons of leveraging this integration technology rather than specific features.

PROS

Easy to add to existing Dynamics 365 environment.

Same interface as Dynamics 365, consistent user experience, which may help user onboarding and adoption.

CONS

Integrated within the Dynamics 365 source code hence adding complexity when it's time to upgrade D365. This kind of integration adds customizations to D365 and as such limits the benefits of a cloud ERP.

No OCR or data capture service included so still need to implement an external solution for invoice data capture.

Occasional users of Dynamics (invoice approvers, buyers) may find the user experience clunky and slow down the process.

Limited invoice matching capabilities which means complex matching scenarios cannot be automated, leaving many tasks still in the need of manual work for the AP team.

Reporting functionality to support the organization on process efficiency KPIs, bottleneck analysis as well as important financial metrics is missing or limited.



Stand-alone cloud solutions

Cloud-based AP automation solutions offer invoice data capture, workflow and automation capabilities in one streamlined solution. These are specialized solutions that can be connected to any ERP or business system to support the AP process efficiency.

The stand-alone solution needs to be integrated with Dynamics 365 in a way that master data and posting of vendor invoices can flow seamlessly between the two systems. Please note that the below list summarizes the pros and cons of leveraging this integration technology rather than specific solutions available on the market.

PROS

Best-of-breed AP automation functionality with a solution that focuses solely on the synchronization AP workflow.

Does not interfere with the Dynamics 365 standards or source code.

Product upgrades are available automatically without the need for upgrade projects.

Minimal support needed from internal IT, both for integration and maintenance.

User friendly and accessible (mobile) solution for invoice approvers and buyers.

End-to-end AP solutions offer invoice capture, workflow, matching and payment automation in one system and interface.

Can provide detailed reporting on the AP process performance and actionable insights to improve visibility and control across critical financial KPIs.

CONS

Requires a solid connector to Dynamics 365 to enable master data synchronization.

Frequent users (AP, Finance) will work in o different systems.



Recommendation

As the comparison above reveals, this guide strongly recommends Dynamics 365 users to select the stand-alone AP solution type. This recommendation is based on three main reasons:

- 1.** A stand-alone cloud solution is **ERP agnostic and does not interfere with the Dynamics 365 source code**. If future organizational changes, mergers or business priorities bring a shift towards non-Dynamics systems or multiple ERPs, the stand-alone AP solution's functionality will not be impacted, making sure vendor invoices get processed and paid without interruption. In addition, upgrades of the Dynamics 365 environment can be made without touching or impacting the AP solution.
- 2.** A stand-alone AP solution **focuses on the accounts payable process only** and hence all R&D investments by the solution provider will be concentrated on functionality that drives increased efficiency, usability and intelligent automation of the accounts payable process for maximum business value. Only a best-of-breed AP automation solution can offer the high levels of fully automated, touchless, invoice processing that your organization needs to scale your business operations and cope with the aggressive growth and competition in today's digital business world.
- 3.** A stand-alone AP solution can provide **AP-specific reporting functionality** that is not limited by reporting options within Dynamics 365. Users get access to detailed, relevant and accurate reports based on data that sits in the accounts payable process. AP process efficiency KPIs - such as touchless invoice processing rate, automatic distribution rate and total lead time - will help the AP team measure their performance and identify areas for improvement. In addition, easily accessible dashboards showing real-time data of cash flow, working capital, DPO and accruals will give the finance team better visibility and control of the current state of the organization's financials.

Only a best-of-breed AP automation solution can offer the high levels of fully automated, touchless, invoice processing that your organization needs to scale your business operations

A solid connector to Dynamics 365 enables higher automation rates for your business

It is important to understand that the quality of the integration between the AP solution and Dynamics 365 will determine the level of automation and efficiency possible to achieve in the accounts payable process.

The connection needs to allow for delta data synchronization and posting detailed invoice data to standard journals in Dynamics 365. This way only the AP solution can enable automatic matching of invoice data with vendor ledgers, purchase orders, contracts and payments. Some AP solution providers offer pre-packaged connectors allowing for a plug- and-play integration yet including the detailed data synchronization needed. Once the connector is in place, the organization can enjoy high levels of automated, touchless, invoice processing.

Cloud to cloud integration makes for a quick and smooth deployment

Long gone are the lengthy, resource-heavy and time-sucking IT projects associated with ERP integrations. Thanks to the cloud, the connection between a new AP solution and your Dynamics 365 can be deployed in days or weeks rather than months.

The cloud architecture implies a standardized product that can be configured to the specific organization's needs, rather than hard-coded customizations that require maintenance and support by the IT function. A standard product also means you can leverage integration templates and best-practice onboarding processes to get the solution, as well as the organizational users, up and running quickly. Once live with a cloud solution, new product features, functionality and bug fixes are automatically pushed to all cloud users without the need for upgrade projects or IT involvement.



MARC JACOBS

We met the entire team during the selling phase and they even brought us their tech spec document up front. This was very unique for a vendor to be so forthright and made our process of vetting much easier.

Maulik Patel, Sr. Manager of IT Applications, Marc Jacobs

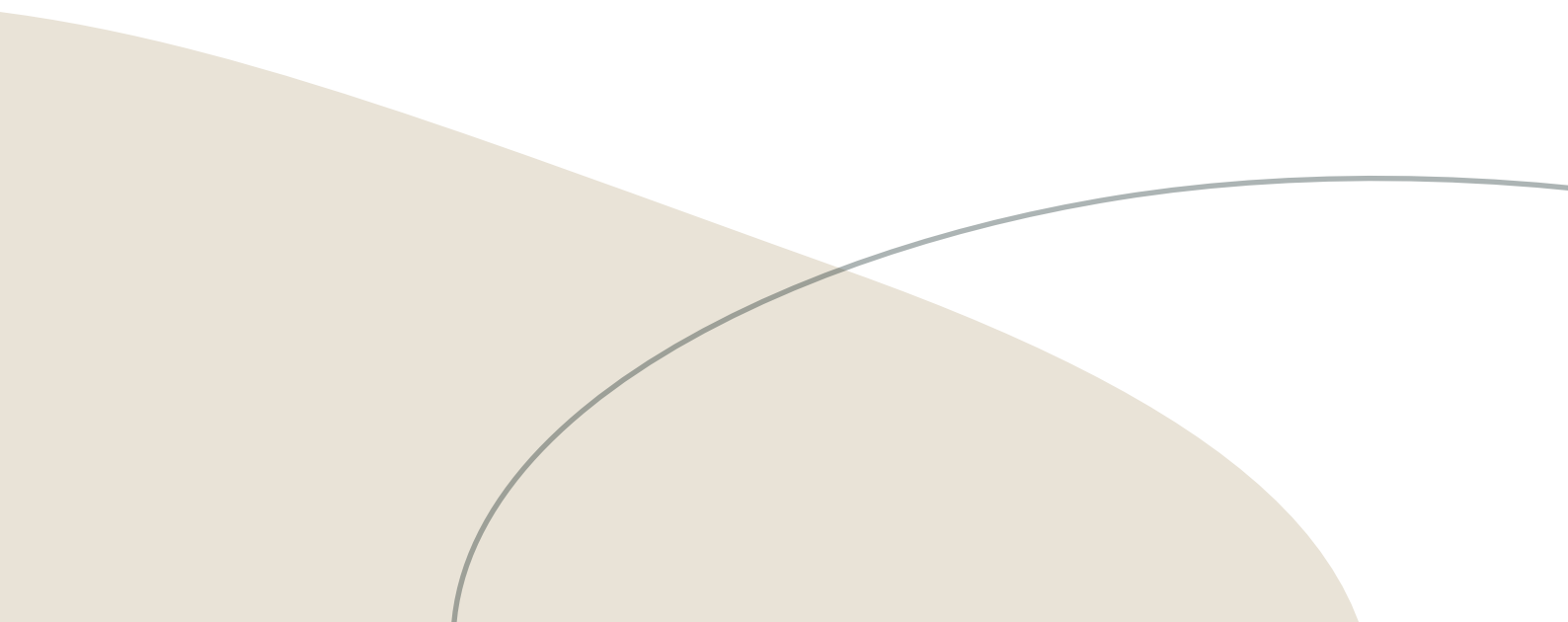
Checklist:

How to evaluate and find the best AP solution for your organization

Use this comprehensive checklist when evaluating different stand-alone AP solutions to connect to your Dynamics 365 ERP.

- ☐ Is the AP solution available on Microsoft AppSource? Is the solution provider a certified Microsoft Partner?
- ☐ Is there a pre-packaged connector to Microsoft Dynamics 365 for Finance and Operations?
- ☐ Does the solution provider have a proven track record of connecting the solution to Dynamics 365 for organizations similar to yours?
- ☐ Does the connector include synchronization of master data?
- ☐ Do you get access to comprehensive technical documentation and templates? Does the solution provide regular and automatic product upgrades?
- ☐ Does the solution offer intuitive user experience to support easy onboarding and adoption?
- ☐ Does the solution offer a mobile solution for invoice approvals on the go?
- ☐ Is the mobile solution browser based, eliminating the need for app downloads and updates?
- ☐ Does the solution include advanced invoice matching and automation capabilities?
- ☐ Does the solution provide you with comprehensive reporting to support the AP process improvements and month-end closings?
- ☐ Does the provider have an integrated payment solution to complete the invoice to pay process for full automation?

If the solution you are evaluating can check all the boxes above, then you should be in a good position to move to the next step and discuss more business specific requirements and needs.

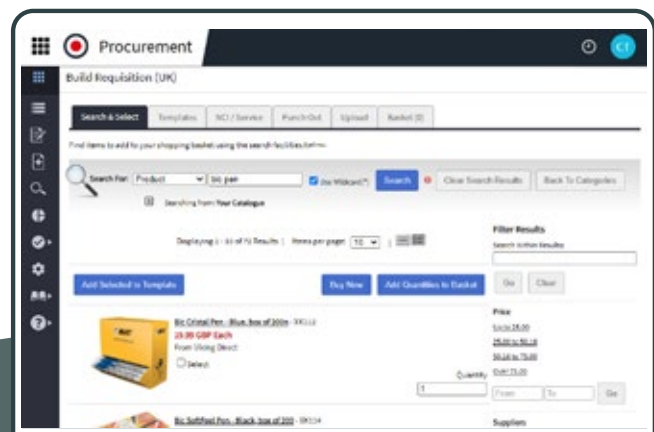


Medius AP Automation for Microsoft Dynamics 365

Medius AP Automation is the leading cloud- based solution for Dynamics users that automates the entire accounts payable process, enabling increased efficiency, touchless invoice processing as well as better financial visibility and control.

With Medius AP Automation for Dynamics 365, you'll get:

- A best-of-breed AP automation solution enabling a fast and streamlined AP process, plus tangible savings and a quick ROI.
- A true cloud solution, built on Microsoft Azure, offering the highest level of stability, security and scalability.
- A pre-packaged Dynamics 365 F&O connector that allows for master data synchronization without interfering with the Dynamics standard.
- Comprehensive technical documentation, integration process best practices and onboarding templates easily accessible on the Success Portal.
- AI powered invoice data capture and workflow automation to minimize manual work, improve quality and free up resources for more value adding tasks.
- Powerful invoice matching functionalities making fully automated – touchless – invoice processing possible.
- Access to process efficiency data - KPIs, dashboards and benchmarks - to help drive AP process improvements.
- Payment process automation removing manual steps associated with checks, bank transfers and cross-border payments.



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Managing AP and finance should be about strategy, not stress. You shouldn't have to sift through endless emails, PDFs or paper to get invoices confirmed, coded and paid, so you can (heaven forbid) go home. You shouldn't have to scramble to pay suppliers and keep them happy or cross your fingers no surprises land in your inbox that jeopardize the numbers you've presented to the boss and the board. You shouldn't have to worry about a fake invoice subjecting you to fraud. And you certainly shouldn't have to fret about finding a solution that is actually a solution - one that doesn't add expensive consultants and costs instead of speed and simplicity.

Let's replace all that worry and wondering with calm and confidence. Medius links all of AP together - from invoice capture and processing all the way through payment. With one look at a demo, you'll see how Medius takes you beyond basic automation and minor improvements to let Artificial Intelligence (AI) do most of the work for you, so you can get done, go home and rest easy. You'll know exactly what's paid, what's pending, and that your forecasts are spot on. And you won't have to worry about implementation and ongoing administration costs, because you'll start seeing the value immediately and the innovation won't stop.

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