

BUSINESS REQUIREMENTS DOCUMENT

Microsoft Dynamics 365 Business Central Implementation

TechGear Distribution Pte Ltd

Version 1.0

January 28, 2025

Prepared By: Lead Business Analyst

Project Code: TG-D365BC-2025-01

Document Control

Document Title	Business Requirements Document - D365 BC Implementation
Project Name	TechGear Multi-Channel ERP Transformation
Version	1.0
Date	January 28, 2025
Author	Lead Business Analyst
Classification	Internal - Confidential

Version History

Version	Date	Author	Changes
0.1	Jan 15, 2025	Lead BA	Initial draft
1.0	Jan 28, 2025	Lead BA	Stakeholder review incorporated, baseline approved

Document Control	2
Version History	2
1. Executive Summary	4
1.1 Business Context.....	4
1.2 Business Drivers.....	4
1.3 Project Objectives.....	4
2. Project Scope	6
2.1 In Scope	6
2.2 Out of Scope.....	6
3. Functional Requirements	7
3.1 Financial Management	7
3.2 Sales Management.....	8
4. Non-Functional Requirements.....	9
4.1 Performance	9
4.2 Security & Compliance	9
4.3 Availability & Disaster Recovery	9
5. Integration Requirements	10
6. Assumptions & Constraints	11
6.1 Assumptions	11
6.2 Constraints	11
7. Approval & Sign-Off.....	12
Appendix A: Complete Requirements Traceability	13

1. Executive Summary

This Business Requirements Document defines the functional and non-functional requirements for the implementation of Microsoft Dynamics 365 Business Central at TechGear Distribution Pte Ltd. The project aims to replace legacy systems (QuickBooks and Excel-based processes) with an integrated cloud ERP solution that supports multi-channel retail operations across Singapore and Malaysia.

1.1 Business Context

TechGear Distribution is a mid-sized electronics retailer and distributor operating three retail stores (two in Singapore, one in Malaysia), one central warehouse in Johor Bahru, an e-commerce platform powered by Shopify, and a B2B wholesale division serving corporate clients across ASEAN.

The current technology landscape consists of:

- QuickBooks for basic accounting
- Excel spreadsheets for inventory management
- Standalone POS systems at each retail location
- Shopify for e-commerce with manual order entry into QuickBooks
- Manual email-based communication for B2B orders

1.2 Business Drivers

The decision to implement D365 Business Central is driven by critical business pain points:

- **Inventory Accuracy Issues:** 18% variance between physical stock and system records, causing stockouts and overstocking
- **Manual Financial Close:** 5-day month-end consolidation process requiring significant overtime
- **Lack of Visibility:** No real-time view of stock levels, sales performance, or customer behavior
- **Compliance Gaps:** 12 SST filing errors in Malaysia in 2024 due to manual tax calculations
- **Channel Disconnection:** Retail, e-commerce, and B2B channels operate in silos with manual reconciliation
- **Scalability Constraints:** Current systems cannot support planned expansion to 2 additional retail locations

1.3 Project Objectives

The D365 Business Central implementation will achieve the following measurable objectives:

1. Reduce inventory variance from 18% to under 5% through real-time tracking and automated stock adjustments
2. Decrease month-end financial close from 5 days to 2 days via automated consolidation and intercompany eliminations
3. Enable real-time visibility into inventory levels, sales performance, and financial metrics across all locations

4. Achieve 100% compliance with Malaysia SST and Singapore GST regulations through automated tax calculations
5. Integrate all sales channels (retail POS, e-commerce, B2B) for unified order management and customer data
6. Establish a scalable platform supporting growth to 10+ locations within 3 years

2. Project Scope

2.1 In Scope

Core Modules:

- Financial Management (General Ledger, Accounts Receivable, Accounts Payable, Bank Reconciliation, Fixed Assets)
- Sales & Service (Sales Orders, Quotes, Invoicing, Credit Management, Returns)
- Purchasing (Purchase Orders, Vendor Management, Goods Receipt, Invoice Matching)
- Inventory & Warehouse (Multi-location Inventory, Transfer Orders, Stock Counts, Bin Management)

Integrations:

- Shopify e-commerce platform (bidirectional sync for orders, inventory, customers)
- LS Retail POS solution at all three retail locations
- Payment gateway integration for online payments
- Banking integration for automated bank feeds

Compliance Add-ons:

- Malaysia SST (Sales & Service Tax) Localization Module
- Singapore GST and Peppol E-Invoicing

Reporting & Analytics:

- Power BI integration with pre-built dashboards (Executive, Operations, Finance)
- Custom financial reports (P&L by location, consolidated balance sheet, cash flow)

2.2 Out of Scope

- Manufacturing or production planning modules
- Advanced warehouse management (WMS) features (barcode scanning, pick/pack/ship workflows)
- Human Resources or Payroll modules
- Customer Relationship Management (CRM) beyond basic customer master data
- E-commerce website redesign or customization (Shopify remains as-is)
- Mobile applications for field sales or delivery drivers

3. Functional Requirements

This section details the functional requirements organized by business area. Each requirement is assigned a unique ID and priority level (Critical, High, Medium, Low).

3.1 Financial Management

Req ID	Priority	Requirement	Business Justification
FIN-001	Critical	Multi-currency support for SGD, MYR, USD with daily exchange rate updates	B2B customers pay in USD; cross-border transactions require accurate FX
FIN-002	Critical	Automated intercompany transactions between Singapore and Malaysia entities with elimination entries	Required for consolidated group reporting and month-end close acceleration
FIN-003	High	Automated bank reconciliation with import of bank statements (MT940 format)	Reduce manual reconciliation time from 2 days to 4 hours monthly
FIN-004	High	Fixed assets register with depreciation calculation (straight-line, declining balance)	SGD 1.2M in IT equipment and store fixtures requiring automated depreciation
FIN-005	Medium	Budget vs. Actual reporting with variance analysis at department and cost center levels	Improve financial planning and cost control visibility for management

Note: A total of 28 financial requirements have been documented. The complete table is available in Appendix A.

3.2 Sales Management

The sales module must support multi-channel order processing with unified customer records, flexible pricing, and automated workflows.

Key Requirements Summary:

- Unified sales order entry for retail (POS), e-commerce (Shopify), and B2B channels
- Three-tier pricing structure (Retail, Wholesale, VIP) with customer group assignment
- Automated credit limit checks and payment terms enforcement
- Sales order fulfillment workflow with pick, pack, ship automation
- Returns and refunds processing with inventory restocking
- Sales commission calculation for B2B account managers

[Detailed requirements table omitted for brevity - see full BRD template]

4. Non-Functional Requirements

4.1 Performance

- System response time < 2 seconds for standard transactions (95th percentile)
- Report generation < 30 seconds for standard financial reports
- Support 20 concurrent users without performance degradation
- Monthly stock count processing for 8,000+ SKUs completed within 4 hours

4.2 Security & Compliance

- Role-based access control (RBAC) with segregation of duties enforcement
- Audit trail for all financial transactions with user ID, timestamp, and change history
- Data encryption at rest and in transit (TLS 1.2+)
- Compliance with Singapore PDPA and Malaysia PDPA for customer data protection
- Annual SOC 2 Type II certification for hosted environment

4.3 Availability & Disaster Recovery

- 99.5% uptime SLA during business hours (8am-10pm SGT, Mon-Sun)
- Daily automated backups with 30-day retention
- Recovery Time Objective (RTO): 4 hours
- Recovery Point Objective (RPO): 1 hour

5. Integration Requirements

The system must integrate with external platforms to enable seamless data flow and eliminate manual re-entry.

System	Data Flow	Frequency	Method
Shopify	Orders, Customers, Inventory	Real-time (orders), Every 15 min (inventory)	REST API
LS Retail POS	Sales Transactions, Inventory	Hourly sync	LS Retail Connector
Payment Gateway	Payment Confirmations	Real-time webhook	REST API
Bank (DBS, Maybank)	Bank Statements	Daily	MT940 file import

6. Assumptions & Constraints

6.1 Assumptions

- Microsoft Dynamics 365 Business Central cloud subscription will be procured directly from Microsoft CSP partner
- All users will have stable internet connectivity (minimum 10 Mbps) for cloud ERP access
- Existing Shopify and LS Retail systems will remain unchanged (integration only)
- Historical financial data will be migrated for 3 years (2022-2024)
- Dedicated project team resources will be available throughout 24-week implementation

6.2 Constraints

- Project budget: SGD 150,000 (cannot exceed)
- Go-live deadline: June 30, 2025 (start of FY2026)
- Limited internal IT resources (1 IT Manager, 1 IT Support)
- Retail operations cannot be disrupted (go-live must occur outside business hours)
- Dependency on Microsoft Partner for D365 BC configuration and support

7. Approval & Sign-Off

This Business Requirements Document has been reviewed and approved by the following stakeholders:

Name	Role	Signature	Date
David Tan	Chief Financial Officer		
Sarah Lim	Operations Director		
Michael Chen	IT Manager		
Jessica Wong	Project Sponsor		

Appendix A: Complete Requirements Traceability

The complete requirements traceability matrix linking all 127 functional and non-functional requirements to design specifications, test cases, and deliverables is maintained in a separate Excel document.

File: Requirements_Traceability_Matrix.xlsx

END OF DOCUMENT