# 

Statement of Work

Dynamics 365 Finance Solution Implementation

Prepared for

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This Statement of Work (SOW) and any exhibits, appendices, schedules, and attachments to it are made pursuant to Work Order 6SWE201-273714-325544 and describes the work to be performed (Services) by Microsoft (“us,” “we”) for (“Customer,” “you,” “your”) relating to Dynamics 365 Finance Solution Implementation (project).

This SOW and the associated Work Order expire 30 days after their publication date, unless signed by both parties or formally extended in writing by Microsoft.

Introduction

Microsoft Corporation, through its Microsoft Enterprise Services division, is pleased to assist with the implementation of Microsoft Dynamics 365 Finance and Supply Chain Management application. This SOW identifies the scope and activities we will deliver to fulfill the objectives identified in this document.

# Project objectives and scope

## Objectives

The overall objectives of this project are listed in the following table. These objectives are listed for the sole purpose of providing business context for the project and are not statements of scope or accountability. Project scope is specified and limited to that which is stated in the Project scope section 1.2.

| # | Description of objectives | |
| --- | --- | --- |
| 1. | The implementation of Dynamics 365 Finance Solution which will replace Customer´s existing ERP system. |
| 2. | Digitalize the finance platform to support the company strategic step towards the cloud implementation of business / financial systems, minimizing customer´s current challenges in Finance area. |
| 3. | Make sure the ERP solution fits into the overall application landscape. |
| 4. | Better data quality, more integration and automation. |
| 5. | Implement a new data centric architecture based on CDS. |

## Project scope

### General project scope

This engagement will be focused on a predefined set of business processes, and will include data setup and configuration, data migration, testing and deployment of Dynamics 365 for Finance and Supply Chain Management

Microsoft will provide Services in support of the following scope.

|  | Solution component | Description | Key scope assumptions |
| --- | --- | --- | --- |
| 1 | Legal entities | One legal entity | * Base currency: SEK * Base country localizations: Sweden * One Chart of Account |
| 2 | Languages | US English | Data elements and system application labels will be in US English |
| 3 | Sites and locations | One site | Stockholm, Sweden |
| 4 | Microsoft Dynamics 365 for Finance & Supply Chain Management production instances | A single cloud-based production instance | A single Microsoft Dynamics 365 for Finance & Supply Chain Management database and application for the one legal entity will be in-scope. |
| 5 | Microsoft Dynamics 365 for Finance & Supply Chain Management production infrastructure architecture | Azure Public Cloud | Microsoft Dynamics 365 for Finance & Supply Chain Management Public Cloud will be used. |
| 6 | Microsoft Dynamics 365 for Finance & Supply Chain Management preproduction infrastructure architecture | Azure Public Cloud | Microsoft Dynamics 365 for Finance & Supply Chain Management Public Cloud will be used. |
| 7 | Business processes | * Microsoft Dynamics 365 for Finance & Supply Chain Management supports numerous business processes. * This SOW incorporates only those processes that are listed to be in-scope as defined in the Process list in the Appendix   . | * Microsoft will setup and configure pre-scoped business processes. These processes are detailed in Section 5.1 * Any changes to the processes defined in the Process list in the Appendix will be subject to the Change management process. * Complexity levels are estimates only and are not a guarantee of the final complexity level that will be designed or developed. |
| 8 | Customizations | * Functional gaps are considered customizations or enhancements and are extensions or modifications to the Microsoft Dynamics 365 for Finance & Supply Chain Management functionality and logic. * Customizations require specific design, development, and testing activities. | * The customizations in scope are highlighted in section 5.2 * The focus will be to leverage Power platform to reduce customization within the system. * The number, type, and complexity of customizations might change as a result of the Build-Analysis and Build-Design activity sets and could therefore affect cost and schedule. Any changes to the complexity or number of customizations are subject to the Change management process. * Complexity levels are estimates only and are not a guarantee of the final complexity level that will be designed or developed. |
| 9 | Interfaces | * Interfaces are used to exchange data between (to or from) Microsoft Dynamics 365 for Finance & Supply Chain Management and other business transaction systems. * Interfaces are typically used to exchange data on periodically scheduled bases (batches) but can also be used as real-time transactional interchanges. | * The interfaces in scope are highlighted in section 1.2.9. * The interfaces assumed at the start of the project will be validated during the Build-Analysis and Build-Design activity sets. Any changes to the number, type, or complexity of the interfaces will be subject to the Change management process and might therefore affect cost and schedule. * Complexity levels are estimates only and are not a guarantee of the final complexity level that will be designed or developed. |
| 10 | Reports | * Reports refers to operational reports or the creation of files that can be loaded into another data store. * Microsoft provides an extensive library of reports that can be used for this purpose. * Customized reports can also be developed. | * Customized report is scope is highlighted in section 1.2.8. * A list of available out-of-the-box Microsoft Dynamics reports can be found on the Microsoft Customer Source webpage, which can be accessed by the Customer once software licenses have been purchased. * Reporting requirements are documented in the requirements list that will be produced during the Build-Analysis activities. * The number, type, and complexity of Customer reports assumed as in scope might change as a result of the Build-Analysis and Build-Design activity sets and therefore might affect the cost and schedule. Any changes to the complexity or number of custom reports are subject to the Change management process. * Complexity levels are estimates only and are not a guarantee of the final complexity level that will be designed or developed. |
| 11 | ISV | * ISVs have developed applications that extend Microsoft Dynamics 365 for Finance & Supply Chain Management functionality. * ISVs are typically used to provide functionality that might otherwise need to be custom developed. | * No ISV is included in-scope. |

### Software products and technologies

The products and technology that are listed in the following table are required for the project. The Customer is responsible for obtaining all identified licenses and products. Please review the latest system requirement and version updates here: <https://docs.microsoft.com/en-us/dynamics365/operations/dev-itpro/get-started/system-requirements>.

| # | Product/technology item | Version | Required by |
| --- | --- | --- | --- |
| 1 | Microsoft Dynamics 365 for Finance & Supply Chain Management core | Latest version | Prior to the project Initiation phase start date. Please refer to section 1.2.11 for specific environments and license requirements. |
| 2 | Azure subscription | Required for any environment deployments on the Azure platform. | Prior to the project Initiation phase start date |
| 3 | Reporting tools | Microsoft SQL Server 2012, Microsoft Power BI content packs for Microsoft Dynamics 365, and Microsoft Management Reporter | Prior to the project Initiation phase start date |
| 4 | Version control software | Microsoft Azure DevOps | Prior to the Build-Analysis activity set start date |
| 5 | Documentation tools | Microsoft Office 2013 or Office 2016 | Prior to the project Initiation phase start date |
| 6 | Data migration | Microsoft Dynamics 365 Data Import/Export Framework | Prior to the project Initiation phase start date |
| 8 | Office automation | Microsoft Office 2010, Microsoft Office 2013, or Microsoft Office 2016 | Prior to the project Initiation phase start date |
| 9 | Project planning tools | Microsoft Office Project or a PDF viewer | Prior to the project Initiation phase start date |

**Azure DevOps**

Azure DevOps is a Software as a service (SaaS) platform that provides an end-to-end DevOps toolchain for developing and deploying software. Azure DevOps is used as the development tool of choice in tracking tasks, resourcing, defects as well as the repository for technical documentation and completed code.

### Application modules and components in scope

The following Microsoft Dynamics 365 Finance and Supply Chain Management modules or components are in scope for supporting the implementation of the in-scope processes as defined in Section1.2.4. Inclusion of an in-scope module does not necessarily indicate that the entire module will be implemented. Only those portions that are required to support the in-scope processes will be included.

| # | Microsoft Dynamics 365 Finance and Supply Chain Management feature or module set | In scope | Out of scope | Scope assumption |
| --- | --- | --- | --- | --- |
| 1 | General ledger | X |  | Includes 1 legal entity, basic general ledger account setup, and exchange rates. |
| 2 | Accounts payable | X |  |  |
| 3 | Accounts receivable | X |  |  |
| 4 | Budgeting | X |  | Basic budgeting is in scope. |
| 5 | Cost management |  | X |  |
| 6 | Fixed assets | X |  |  |
| 7 | Cash and bank management | X |  |  |
| 8 | Cash flow forecasting |  | X | This does not apply to Microsoft Dynamics 365 Finance and Supply Chain Management. |
| 11 | Sales and marketing | X |  |  |
| 12 | Retail and commerce |  | X | Only sales transactions are in scope. Payments beyond cash or tender open-and-close functions are out of scope. |
| 13 | Procurement and sourcing |  | X |  |
| 14 | Product information management |  | X |  |
| 15 | Production control |  | X |  |
| 16 | Master planning |  | X |  |
| 17 | Inventory and warehouse management |  | X |  |
| 18 | Project management and accounting | X |  |  |
| 19 | Service management |  | X |  |
| 20 | Payroll |  | X | This does not apply to Microsoft Dynamics 365 Finance and Supply Chain Management. |
| 21 | Human resources | X |  | Basic employee setup for purposes of log-in, Microsoft Dynamics 365 Finance and Supply Chain Management security configuration, and basic workflow. |
| 23 | Organization administration | X |  | Limited to items such as organizational structure, number sequences, and calendars. |
| 23 | System administration | X |  | Creation of user accounts and basic management of employee information are in scope. |

### Processes in scope

A total of *92* specific processes have been identified as in scope as specified in the following table.

| # | Workstream | Number of processes |
| --- | --- | --- |
| 1 | Finance | 47 |
| 2 | Sales and marketing | 4 |
| 3 | Supply chain | 6 |
| 4 | Human resources | 8 |
| 5 | Project management and Accounting | 19 |
| 6 | System solutions | 8 |

The specific processes in scope for each area can be found in section 5.1. Microsoft assumes that the business processes listed in the appendix will be implemented as a standard out-of-the-box Microsoft Dynamics 365 for Finance and Supply Chain Management business process unless otherwise specified for customizations in the custom development section of this document. Any customizations not specifically identified in this SOW are considered out of scope and, if required, will be handled through the Change management process described in Section 2.12.

### Data migration

Microsoft will load the data that is specified in the following table into one legal entity three times to test the data migration load process and scripts. The Customer will assign the required functional or technical resources to assist and shadow Microsoft functional or technical resources and learn about the data conversion tools and processes. The Customer is responsible for validating the converted data after each test data load and for making the necessary corrections associated with each test data load.

There will be three test loads performed by Microsoft. All data loads thereafter are to be performed by the customer as required for process, end-to-end, remediation, and user acceptance testing (UAT) activities. If more than three test runs are required by Microsoft due to defects in the data-loading scripts developed by Microsoft, additional runs will be performed to address the identified defects. If more than three test runs are required due to Customer data problems, additional test runs performed by Microsoft would be subject to the Change management process defined in Section 2.12. Upon completion of the production data migration load, the results will be deemed accepted.

The following data migration is in scope.

| # | Data source or entity | Data type | Migration mechanism | Responsibility and assumptions | Complexity |
| --- | --- | --- | --- | --- | --- |
| 1 | Main accounts or chart of accounts | Master | Data Import/Export Framework for Microsoft Dynamics AX | Microsoft—with Customer validation | Simple |
| 2 | Ledger balance summary | Balance | Data Import/Export Framework for Microsoft Dynamics AX | Microsoft—with Customer validation | Simple |
| 3 | Products/items – Service Items | Master | Data Import/Export Framework for Microsoft Dynamics AX | Microsoft—with Customer validation | Simple |
| 4 | Employees | Master | Data Import/Export Framework for Microsoft Dynamics AX | Microsoft—with Customer validation | Simple |
| 5 | Vendors | Master | Data Import/Export Framework for Microsoft Dynamics AX | Microsoft—with Customer validation | Simple |
| 6 | Open accounts payable invoices | Transaction | Data Import/Export Framework for Microsoft Dynamics AX | Microsoft—with Customer validation | Simple |
| 7 | Customers | Master | Data Import/Export Framework for Microsoft Dynamics AX | Microsoft—with Customer validation | Simple |
| 8 | Open accounts receivable balances | Transactional data | Data Import/Export Framework | Microsoft will import, Customer will provide and validate data | Simple |
| 9 | Fixed assets | Master | Microsoft Data Import/Export Framework | Microsoft—with Customer validation | Simple |
| 10 | Project records (assumption that this will be used for contracts, to be validated) | Master | Microsoft Data Import/Export Framework | Microsoft—with Customer validation | Simple |

The data migration scope as stated in the previous table will be reassessed after the Build-Analysis and Build-Design activity sets and any changes, including but not limited to the list of entities, estimated complexities, and migration mechanisms as specified in the previous table, are subject to the Change management process as specified in Section 2.12.

Migrating data requires close collaboration between Microsoft and . The following table specifies the relative responsibilities.

| # | Task | Microsoft | Customer | Required by | |
| --- | --- | --- | --- | --- | --- |
| 1 | Definition of the data migration business requirements |  | X | The end of the Build-Analysis activity set |
| 2 | Collaboration on data migration strategy development and alignment with the product roadmap | X |  | The end of the Build-Analysis activity set |
| 3 | Definition of the initial data migration strategy | X | X | The end of the Build-Analysis activity set |
| 4 | Production of representative sample data |  | X | As early as possible; no later than the midpoint of the Build-Analysis activity set |
| 5 | Provision of training related to the out-of-the-box Microsoft Dynamics 365 Finance and Supply Chain Management data migration tool set | X |  | The end of the Build-Design activity set |
| 6 | Extraction from legacy systems |  | X | The end of the Build-Design activity set |
| 7 | Data cleansing |  | X | The end of the Build-Design activity set |
| 8 | Data mapping (legacy to new) | X | X | The end of the Build-Design activity set—Microsoft will provide Microsoft Dynamics 365 Finance and Supply Chain Management field-mapping knowledge. The Customer is responsible for providing legacy data knowledge. |
| 9 | Development of format templates and the form that data should take | X |  | The end of the Build-Design activity set |
| 10 | Provision of 3 data test loads | X |  | Prior to process testing |

### Security

will use existing Microsoft Dynamics security roles that are available in the standard software and will map existing organization roles into the standard roles in Microsoft Dynamics 365 Finance and Supply Chain Management. Microsoft will assist with the mapping of up to ’s 5 roles to Microsoft Dynamics 365 Finance and Supply Chain Management standard roles. The creation of custom roles, duties, privileges, or permissions is outside of the scope of this effort.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| # | Security implementation responsibilities | Microsoft | Customer | Activity phase | |
| 1 | Provide guidance related to the standard roles, duties, and privileges in Microsoft Dynamics 365 Finance and Supply Chain Management. | X |  | Solution Modeling phase |
| 2 | Provide guidance related to the use of standard Microsoft Dynamics 365 Finance and Supply Chain Management–based tools within the software for configuration and management of security. | X |  | Solution Modeling phase |
| 3 | Provide guidance in the mapping of organizational roles to the Microsoft Dynamics 365 Finance and Supply Chain Management role set. | X |  | Solution Modeling phase |
| 4 | Identify existing organizational roles and responsibilities. |  | X | Solution Modeling phase |
| 5 | Provide a description of the desired duties to be allowed for each role. |  | X | Solution Modeling phase |
| 6 | Collaborate with Microsoft to map roles and responsibilities to Microsoft Dynamics 365 Finance and Supply Chain Management standard roles and duties. |  | X | Solution Modeling phase |
| 7 | Configure system users within their appropriate security roles. |  | X | Build phase |
| 8 | Design, install, configure, and manage network security. |  | X | Build phase |
| 9 | Design, install, configure, and manage platform and Active Directory–based security. |  | X | Build phase |
| 10 | Take responsibility for, and manage, the physical security of Customer sites. |  | X | Build phase |

### Custom development

Customizations are used to fill specific business requirements that are not met by the standard out-of-the-box solution and therefore entail custom development and coding. The functional requirements that would require customizations or enhancements are listed in the following table. Customizations are considered in the scope of work to be delivered as part of this SOW.

These requirements will necessitate custom design, development (coding), unit testing, and build testing. Estimates for these customizations will be based on their respective level of complexity as stated in the table. The number, type, and complexity of customizations, and the associated assumptions can change as a result of analysis and design-based activities and will be addressed through the Change management process specified in Section 2.12.

This SOW has included an estimate of the effort to perform these activities. As stated previously, any additional effort that might be required as a result of the analysis and design activities in the Build phase will be addressed through the Change management process described in Section 2.12.

The details of the customizations in scope for each area can be found in section 5.2.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| # | Requirement title  and description | Type | Complexity | Description of scope and assumptions |
| 1 | Project Contracts to be enhanced | Enhancement | Complex | Intention will be to leverage power platform reducing customizations with D365 by adding a PowerApp to hold additional contract data |
| 2 | Early Warnings | Enhancement | Medium | To be seen in context with the above – and introducing Power Automate to provide specific messages and warning – based on contract and actual consumptions |
| 3 | Price model and Indexing of prices for customer trade agreements | Enhancement | Simple | To be seen in context of the above. Prices are indexed periodically, and a mechanism to support that needs to be developed |

The following table describes the activities and accountabilities that relate to customizations.

| # | Task | Microsoft | Customer | Required by | |
| --- | --- | --- | --- | --- | --- |
| 1 | Schedule design workshops | X |  | The end of the Build-Analysis activity set |
| 2 | Conduct design workshops | X |  | The end of the Build-Design activity set |
| 3 | Create the functional design documents (FDDs) | X |  | FDDs will only be written for Customer-approved customizations. FDDs will be completed and must be approved by the Customer by the end of the Build-Design activity set. |
| 4 | Approve the FDD |  | X | Within 5 days of receiving the document from Microsoft |
| 5 | Create the TDD | X |  | TDDs will be developed during the Build-Design activity set but will not be approved by the Customer. |
| 6 | Define development unit test scripts | X |  | Upon completion of the FDD |
| 7 | Run development unit test scripts | X |  | Upon completion of the development work for the specified FDD or TDD |
| 8 | Run the build test | X |  | Upon completion of each development code drop |
| 9 | Create functional tests |  | X | Functional tests are required for fits and gaps and are expected to be written by the client by the of the Build-Analysis activity set. |
| 10 | Conduct the functional tests |  | X | Requirement test performance is required for fits and gaps and is expected to be conducted by the client. |
| 11 | Perform all code development and testing for systems outside of Microsoft Dynamics 365 Finance and Supply Chain Management |  | X | Prior to the start of process testing |

| # | Assumption | Comments | |
| --- | --- | --- | --- |
| 1 | FDDs will only be written for Customer-approved customizations. | This must be completed before the end of the Build-Design activity set for each iteration. |
| 2 | Performance of functional tests as it relates to customizations is required within 3 days of the code being delivered to the Customer. | This must be completed before the end of the Build-Iteration Testing activity set for each iteration. |

### Custom reports

The following report requirement has been identified as in scope for the project but is not supported by the standard software. This requirement will require custom design, development (coding), unit testing, and build testing. Custom report activities will be re-estimated after the report design document (RDD) is created. Any additional hours that might be required as a result of the re-estimation, or any changes in the assumptions will be addressed through the Change management process defined in Section 2.12.

| # | Report title or description | Report type (SSRS or Management Reporter) | Complexity |
| --- | --- | --- | --- |
| 1 | Layout change: Customer invoice report | SSRS | Simple |

| # | Task | Microsoft | Customer | | Required by | |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | Schedule report design workshops. | X |  | End of the Build-Analysis activity set | |
| 2 | Conduct report design workshops. | X |  | End of the Build-Design activity set | |
| 3 | Create an RDD for the report. | X |  | The RDDs will be written for customizations as they are approved by the client. Although RDDs will be written throughout the Build-Analysis and Build-Design activity sets, it is assumed all RDDs will be completed and approved by the Customer by the end of the Build-Design activities. | |
| 4 | Approve RDDs. |  | X | Within 3 days of receiving the document from Microsoft | |
| 5 | Create TDD for reports. | X |  | As RDDs are completed and approved by the Customer. TDDs are not required to be approved by the client. Completed TDDs will be moved immediately into development. | |
| 6 | Define development unit test scripts for reports. | X |  | Upon completion of the RDD | |
| 7 | Run development unit test scripts for reports. | X |  | Upon completion of the development work for the specified RDD or TDD | |
| 8 | Run build test scripts. | X |  | | Upon completion of each development code release |
| 9 | Create functional tests for reports. |  | X | Functional tests are required for fits and gaps and are expected to be written by the client as a result of Build-Analysis activities. | |
| 10 | Run functional tests for reports. |  | X | Functional test implementation is required for fits and gaps and is expected to be performed by the client. | |
| 11 | Complete all code development and testing for reporting systems outside of Microsoft Dynamics 365 Finance and Supply Chain Management. |  | X | Prior to the start of process testing | |

| # | Assumption | Comments | |
| --- | --- | --- | --- |
| 1 | FDDs will only be written for Customer-approved customizations. | FDDs must be completed before the end of the Build-Design activity set for each iteration. |
| 2 | The completion of functional tests that are related to customizations will be completed within 3 days of the code being delivered to the Customer. | The testing must be completed before the end of the Build-Iteration Testing activity set for each iteration. |

### Integration and interfaces

The following system integrations are in scope. Custom coding activities will be re-estimated after the TDD is created. This SOW has estimated the effort to perform these activities for interfaces listed in the following table. Any additional hours that might be required as a result must be handled through the change managed process as defined in Section 2.12. For the testing of interfaces, the Customer will provide a test environment that has all line-of-business systems and required credentials for authentication installed and is a replica of the production environment.

The details of the integrations in scope for each area can be found in section 5.3.

| # | Interface name | Type (such as transactional, file exchange, batch, or real-time) | Level of complexity | Assumptions |
| --- | --- | --- | --- | --- |
| 1 | Vendor integration, Logital & Palette | Batch | Simple | Interface configuration with Standard out of box Data Entity |
| 2 | Invoice integration, Palette | Batch | Medium | Interface configuration with Standard out of box Data Entity |
| 3 | Integration, catalogs, Logital | Batch | Medium | Interface configuration with Standard out of box Data Entity |
| 4 | Integration PO, Logital | Batch | Medium | Interface configuration with Standard out of box Data Entity |
| 5 | Integration PO - deliveries, Logital | Batch | Simple | Interface configuration with Standard out of box Data Entity |
| 6 | Export to Pagero (Peppol format to be adjusted – Pagero) | Batch | Simple | Interface configuration with Standard out of box Data Entity |
| 7 | Payroll Integration | Batch | Simple | Interface configuration with Standard out of box Data Entity |
| 8 | CE Integrations | Batch | Complex | Interface using common data services or dual write |

| # | Task | Microsoft | Customer | | Required by | |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | Schedule integration design workshops. | X |  | End of the Build-Analysis activity set | |
| 2 | Conduct integration design workshops. | X |  | End of the Build-Design activity set | |
| 3 | Create an FDD for integrations. | X |  | FDDs will be written for integrations as they are approved by the client. | |
| 4 | Approve the FDD for integrations. |  | X |  | |
| 5 | Create a TDD for integrations. | X |  | As FDDs will be completed and approved by the Customer. TDDs are not required to be approved by the client. | |
| 6 | Define development unit test scripts. | X |  | Upon completion of the FDD | |
| 7 | Run development unit test scripts. | X |  | Upon completion of the development work for the specified FDD or TDD | |
| 8 | Create functional tests. |  | X | Functional tests are required for integrations and are expected to be written by the client as a result of Build-Analysis activities. | |
| 9 | Conduct the build test. | X |  | | Upon completion of each development code drop |
| 10 | Conduct functional tests. |  | X | Functional test completion is required for integrations and is expected to be performed by the client. | |
| 11 | Complete all code development and testing for systems outside of Microsoft Dynamics 365 Finance and Supply Chain Management. |  | X | Prior to the start of process testing | |

|  |  |  |  |
| --- | --- | --- | --- |
| # | Assumption | Comments | |
| 1 | FDDs will only be written for Customer-approved customizations. | FDDs must be completed before the end of the Build-Design activity set for each iteration. |
| 2 | Completion of functional tests as it relates to customizations is required within 3 days of the code being delivered to the Customer. | Testing must be completed before the end of Build-Iteration Testing activity set for each iteration. |
| 3 | Although FDDs will be written throughout the Build-Analysis and Build-Design activity sets, it is assumed all FDDs will be completed and approved by the Customer by the Build-Design activity set. | This must be completed before the end of Build-Design activity set for each iteration. |
| 4 | Completed TDDs will be moved immediately into development. | This must be completed before the end of the Build-Design activity set for each iteration. |

### Build management

Build management refers to the activities related to packaging and deploying the code artifacts that are developed as a part of this implementation. Build management does not include the management of non-developed components, which include, but are not limited to:

* Operating system versions, updated service packs, or hotfixes
* Microsoft Dynamics 365 version updates, update rollups, or hotfixes
* Other server or client framework component versions, updated service packs, or hotfixes

| # | Task | Description | Assumption | Responsibility | Shadow Responsibility |
| --- | --- | --- | --- | --- | --- |
| 1 | Build creation—in-scope components | Management of the selection and transfer of code from a version control system to the build environment | SOS-ALARM with support from Microsoft, is responsible for all build management activities. | Microsoft | SOS-ALARM |
| 2 | Build compilation—in-scope components | Management of the compilation of code and the coordination of compile-error resolution that results in the creation of model stores | Microsoft assumes that there will be 1 production level builds created and deployed as part of this implementation, as specified in this SOW. | Microsoft | SOS-ALARM |
| 3 | Build deployment—in-scope components | Deployment of builds through the environments within the scope of this document. | Microsoft also assumes that the SOS-ALARM team will include a build manager who will manage the build management tasks listed in the preceding table. | Microsoft | SOS-ALARM |
| 4 | Build Deployment to Production environments – In Scope Components | Deployment of builds through packages via LCS to Production Environment. | Microsoft will be in a supporting role for all the activities listed in the previous table. | SOS-ALARM | Microsoft |
| 5 | Build coordination and communication—in-scope components | Scheduling of environmental outages and the communication of build content to the implementation team and system users | Build management—out of scope components include the following:  Build creation  Build compilation  Build promotion  Build coordination, communication, and documentation | SOS-ALARM |  |

### Environments and installation

The environments listed in the following table will be needed to deliver this project. Installation responsibility pertains to the installation of Microsoft Dynamics 365. The latest Microsoft Dynamics 365 implementation guide outlines system requirements that are SOS-Alarm responsibilities (such as acquiring the necessary licenses and making sure they are available before the project initiation).

Additionally, it is SOS-Alarm’s responsibility to verify that the hardware and software required to set up the environments have been procured and set up in time to meet the schedule set forth in the project plan. Any delays to the project schedule caused by delays in availability of hardware or software are subject to the Change management process described in Section 2.12 of this SOW..

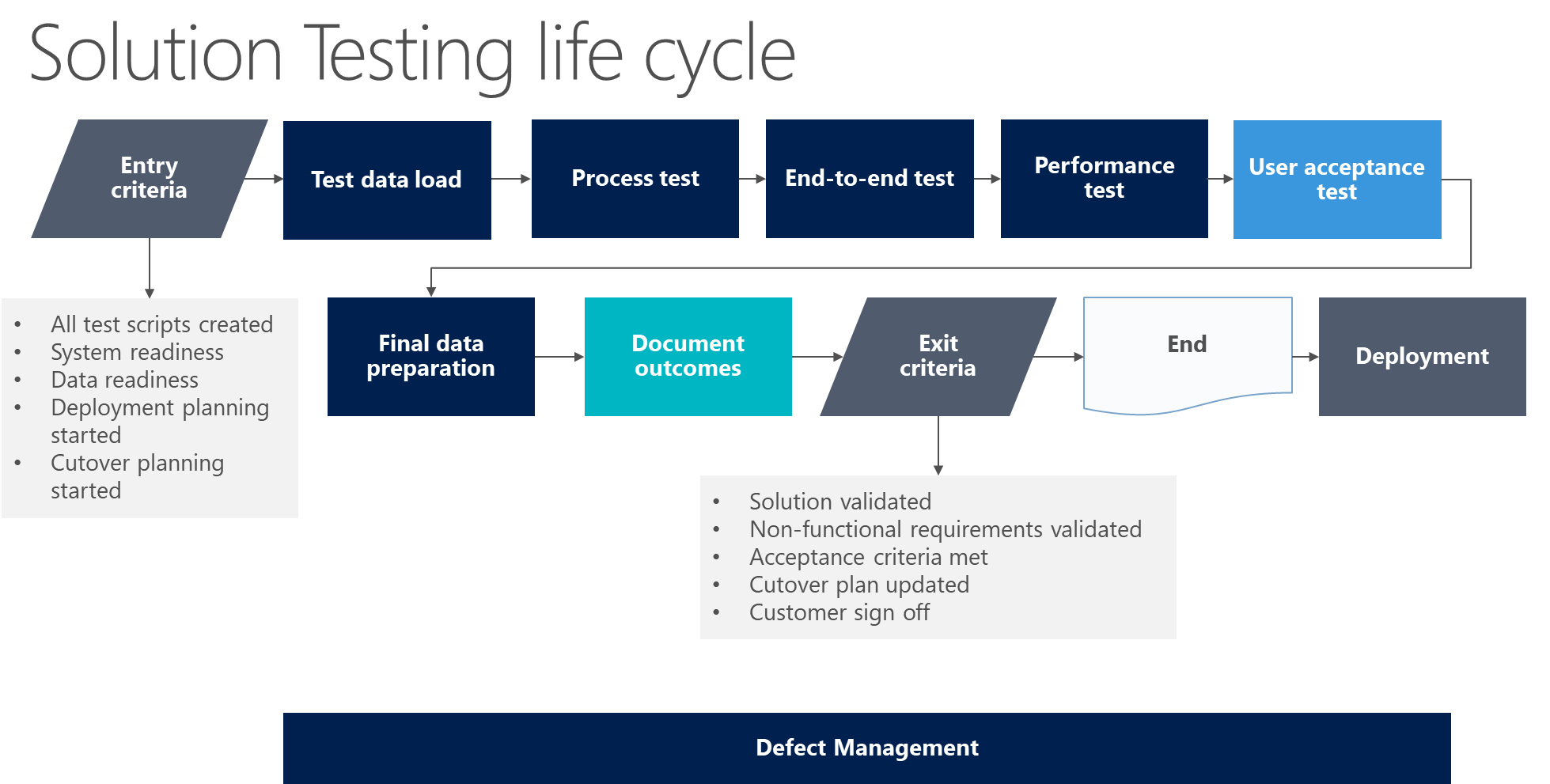
It is also SOS-Alarm’s responsibility to support the environments with regards to backups and operating system maintenance. Microsoft will set up and configure Microsoft Dynamics 365 and ISV solutions as applicable.

Microsoft will work with SOS-Alarm’s IT staff to complete the sizing exercise for the Production environment during the Solution Modelling activity set. The sizing recommendation for the environments will be based on the development environment configuration and quantity. This is an indicative list and the number of environments will be further planned during mobilization and initiation phases.

|  | Environment | Tier and licenses | Primary installation responsibility | Shadow responsibility | Environment purpose | Ready by |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | Master Config | Tier 2 | Microsoft | SOS-ALARM | Base system reference | 1 week prior to the start of the Solution modeling |
| 2 | Sandbox | Tier 2  Included in the license | Microsoft | SOS-ALARM | Testing of configurations that might be disruptive to the primary test activities | 1 week prior to the start of the Solution modeling |
| 3 | CONSTEST | Tier 2 | Microsoft | SOS-ALARM | Consultant build verification | 1 week prior to the start of the Solution modeling |
| 4 | Data test | Tier 2 | Microsoft | SOS-ALARM | Data migration or testing | Within 4 weeks of start date |
| 5 | Development environments with Azure DevOps | Tier 1 (Dev) | Microsoft | SOS-ALARM | Code development | 2 weeks prior to the start of the Build-Development activity set |
| 6 | Build environment | Tier 1 (DevTest)  Included in the license | Microsoft | SOS-ALARM | Compilation and generation of model stores | 2 weeks prior to the start of the Build-Development activity set |
| 7 | Master or staging | Tier 1 | Microsoft | SOS-ALARM | Repository for approved setup or configuration | End of Build-Analysis activities |
| 8 | Process test | Tier 2 | Microsoft | SOS-ALARM | Requirements analysis and functional testing  Process and E2E testing | 2 weeks prior to process testing and 2 weeks prior to E2E testing |
| 9 | E2E testing and UAT | Tier 2 | Microsoft | SOS-ALARM | UAT | 2 weeks prior to E2E testing |
| 10 | Production | NA  Included in licenses | Microsoft | SOS-ALARM | Production environment | 8 weeks prior to the go-live date |

### Testing

The following diagram outlines the testing framework that is a part of the Sure Step 365 methodology.



As the diagram shows, many tests will be performed throughout the project phases to confirm that the Solution is meeting the approved requirements and that it is performing satisfactorily.

The different tests are divided into functional tests and technical tests.

| Functional tests | | |
| --- | --- | --- |
| **Test type** | **Description** | **Characteristics** |
| Functional testing | * Test scripts will be written during the Build phase and will be based on process analysis workshops. * The running of requirements tests begins during the Build-Design activity set. * Such testing can make results more consistent. * Such testing provides validation and clarity of requirements. | * Such testing includes all steps within a process that are required for the business to operate * Such testing includes combinations and permutations. |
| Process testing | * Such testing will be used to examine both internal and external components of the process. * Such testing will be used to examine process controls or security when applicable. * Such testing will be used to examine migrated data, if available. * Such testing will be used to establish a basis for custom user documentation. | This process within a master process includes items such as:   * Creation of a quote * Managing updates to quotes * Creating and approving requisitions |
| E2E testing or system integration testing | * Such testing will be used to verify the security setup across multiple functional areas. E2E testing uses multiple logons for each appropriate function in order to finalize security settings. * Such testing will be used to perform the final validation of data migration * Such testing will be used to verify contact points between processes (such as procure to pay and order to cash) and contact points with outside systems within these processes | Brings together 2 or more processes to be tested. For Example:  Month-end closing  Order to cash  Procure to pay  Demand to available |
| UAT | * Such testing can be used to verify security, data, and functionality to a much more complex extent than controlled E2E testing can. * During such testing, the Solution will be presented to the user community. | * Such testing can be used to teach the end user how to use the system. * Such testing can be used to obtain user adoption. |

| Technical tests | | |
| --- | --- | --- |
| **Test type** | **Description** | **Characteristics** |
| Unit testing | * These tests will be included in the FDD that will be used for consultant unit testing. * Developers and development testers will perform specific unit tests. * Unit tests are designed to test specific independent components of the Solution and typically are associated with development efforts, data migration, security, and performance. | * Applies to all developed modifications * Such processes will be used for the following testing:   + Data migration   + Security   + Complex configured workflows |

The following testing is in scope.

#### Testing scope

| # | Test type | Description | Responsible | Provides test data or cases | Guidance and support | Environment |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | Unit testing | Documenting and completing unit test cases is the responsibility of the developers. Test cases are based on the functional specification document. | Microsoft | Microsoft | Customer | Development |
| 2 | Functional testing | Functional testing focuses on functionality meeting the design. Test cases are based on the functional specification document. | Microsoft | Customer | Customer | Development |
| 3 | Process testing | The Customer will write, run, and approve each process test script for confirmation of the business processes included in the SOW. | Customer | Customer | Microsoft | Process test |
| 4 | Integration testing | Integration testing focuses on integration and interaction with external or third-party components. Test cases are based on the functional specification document. | Customer | Customer | Microsoft | Test |
| 5 | E2E testing or system integration testing | The Customer will write, run, and approve each E2E test script for confirmation of the business processes included in the SOW. | Customer | Customer | Microsoft | UAT |
| 7 | UAT | Testing and validation of E2E business processes using production-ready data will be used to validate user acceptance of the solution. UAT focuses on day-in-a-life user scenarios.The duration of the activity is time-boxed to 2 weeks . | Customer | Customer | Microsoft | UAT |

For Continuous updated process as mentioned in section 1.2.14, MCS will be able to assist SOS-Alarm to setup and run Automation testing (RSAT). However the effort for the same is not included in the SOW and can be accessed during solution modelling through change management process.

During testing, the Customer and Microsoft will jointly diagnose Solution-related defects and their severity. The Microsoft team will fix all in-scope S1 and S2 defects. Defect severity is defined in the following table.

##### Defect severity

|  |  |
| --- | --- |
| Defect severity | Severity definition |
| S1 | Showstopper defect. Development, testing, or production launch cannot proceed until the defect is corrected. Must fix as soon as possible. Defect is blocking further progress in this area.  Solution cannot ship, and the project team cannot achieve the next milestone. |
| S2 | Defect must be fixed prior to moving to production. Does not affect test plan implementation. |
| S3 | It is important to correct the defect. However, it is possible to move forward into production using a workaround. Does not impact functionality as designed. |
| S4 | Feature enhancement or cosmetic defect. Design change from original concepts. |

Note: S3 and S4 defects will be logged and the Customer can choose to schedule their remediation either by change request through the Change management process described in Section 2.12. of this SOW. S3 and S4 defects, however, will not be corrected by default as part of this SOW.

Note: product bugs and design change requests are not in the scope of this SOW. Product-related problems must be addressed separately through a Premier support agreement. SKJ: This project assumes that a Premier agreement has been signed by the customer prior to the beginning of the build phase. Please see assumptions in section 4.2 of this Statement of Work

| Priority | Description | Remediation in scope? |
| --- | --- | --- |
| P1 | **Blocking defect**  Development, testing, or production launch cannot proceed until this type of defect is corrected. A defect of this type blocks further progress in this area. The Solution cannot ship, and the project team cannot achieve the next milestone until such a defect is corrected. | Yes |
| P2 | **Significant defect** This type of defect must be fixed prior to moving to production. Such a defect, however, will not affect test plan implementation. | Yes |
| P3 | **Important defect** It is important to correct this type of defect. However, it is possible to move forward into production through the use of a workaround. | No; the problem will be logged. Remediation will be performed through an agreed-upon change request only. |
| P4 | **Enhancements and low priority defects** P4 defects consist of feature enhancement and cosmetic defects. These include design requests that vary from original concepts. | No; the problem will be logged. Remediation will be performed through an agreed-upon change request only. |

| # | Assumption | Comments | |
| --- | --- | --- | --- |
| 1 | UAT will be done by with Microsoft oversight and issue triage; all UAT cases will be prepared by and will be shared with Microsoft before the end of the Build phase. |  |
| 2 | will validate and sign off on all test cases before the commencement of UAT. |  |
| 3 | Test data will be provided by before the Solution Testing phase begins; will be responsible for providing scrubbed representative data. |  |
| 4 | Testing will be performed on 1 operating system and 1 browser and only versions defined in Section 1.2.2, Software products and technologies, will be used. explorer |  |
| 5 | Multilingual testing is out of Microsoft scope and will be performed by . and validation of field content correctness is not in scope; will be responsible for verifying the accuracy of all translations. |  |
| 6 | Testing related to authentication will happen directly onsite because Active Directory Federation Services (AD FS) will not be set up locally; for local testing, Active Directory Domain Services (AD DS) will be configured as a user store for AD FS. |  |
| 7 | UAT will run for up to 2 weeks, in which Microsoft will provide 1 functional resource to support with technical knowledge, support, and triage. |  |
| 8 | An offshore Microsoft test team will perform E2E system testing on the development environment. |  |
| 9 | The test environment should be a replica of the real-time Customer environment. |  |
| 10 | The offshore Microsoft team will be provided with virtual private network access to the Customer UAT environment. |  |

### Training and knowledge transfer

Aside from the standard training materials available from Microsoft, no custom training materials will be developed or delivered by Microsoft for this engagement. Any additional involvement by Microsoft required to address customers training needs will be handled per the Change management process described in this document.

### Continuous Updates

In accordance with Microsoft’s [One Version](https://docs.microsoft.com/en-us/dynamics365/unified-operations/dev-itpro/lifecycle-services/oneversion-overview) and [Modern Lifecycle Policies](https://docs.microsoft.com/en-us/dynamics365/unified-operations/dev-itpro/migration-upgrade/versions-update-policy), Microsoft will release regular performance and reliability improvement updates. Implementation team (Microsoft and SOS-Alarm) will decide (within the limits of above policies) about the cadence of applying those updates in project’s release plan.

The scope of Continuous Update is a time-boxed total effort of 48 hours for the duration of the project. One technical resource such as will provide guidance and support for 3 updates during the course of the project.

Dynamics 365 Finance and Supply Chain Management is updated continuously, and updates are always backwards compatible. If any feature or module is deprecated there is a minimum 12-month notice period. The solution developed will at least be compatible with product updates to standard D365 F&O for the next 12 months.

Any additional days required will be handled through the change management process.

### Time-boxed items in scope

The following table represents the scope items that are time-boxed. The effort shown in the following table will be set as an upper limit for performing activities related to these scope items. Any additional effort required to complete the activities beyond the effort shown in the following table will result in a change request.

|  | Item | Time-boxed effort (hours) | Comments |
| --- | --- | --- | --- |
| 1 | One Version: Technical Update process | 48 | 3 updates in scope, estimated 16 hours for each update |
| 2 | UAT support | 2 weeks (80 hours of functional support) | UAT oversight to SOS- Alarm and issue resolution. In case UAT is elongated, it will have an impact on Solution Testing timeline and overall project timeline and will be handed through change management. |

## Areas out of scope

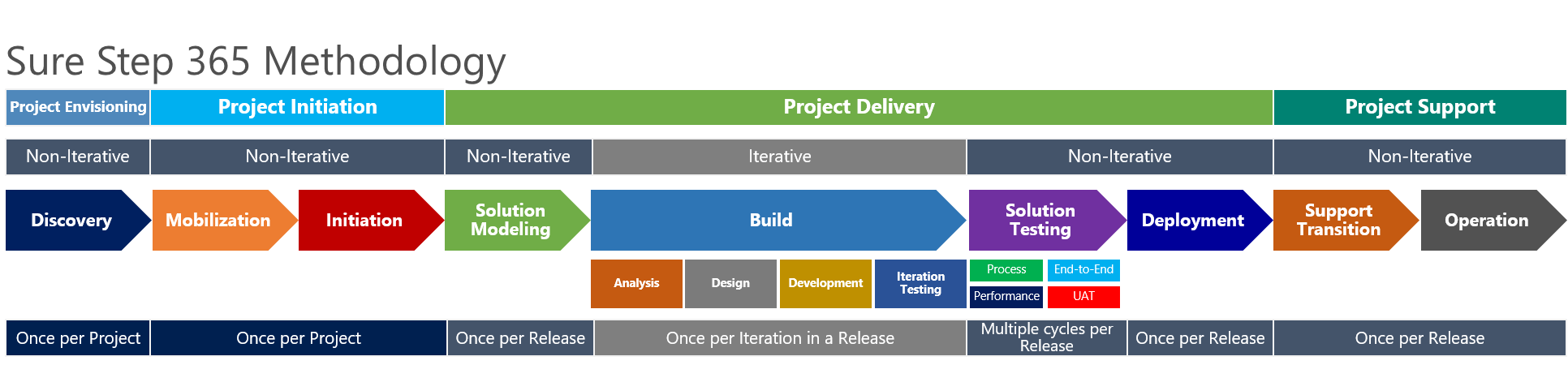
Any area not explicitly included in the Project Scope section is out of scope for Microsoft during this project. Areas out of scope for this project are listed in the following table.

| Area | Description |
| --- | --- |
| Product licenses | Product licenses (whether Microsoft or non-Microsoft) will not be provided as part of this SOW. The Customer is responsible for acquiring all product licenses required as a result of this SOW. |
| Hardware | Hardware will not be provided under this SOW. The Customer is responsible for acquiring all necessary hardware. |
| Infrastructure setup | Infrastructure setup (required hardware and software) including setup of high availability, disaster recovery, or load-balanced environments is not in the scope of this SOW. |
| Legacy systems | Microsoft will not be responsible for supporting legacy client systems. |
| Integration with third-party software | Microsoft will not be responsible for integration with third-party software. |
| Source code review | The Customer will not provide Microsoft with access to non-Microsoft source code or source code information. Source code reviews will not be performed. |
| Requirements gathering | Microsoft will analyze the requirements documented for processes identified as in scope; gathering of requirements is not in scope under this SOW. |
| Documentation | Preparation of documentation regarding existing processes, previous standards, policies, or existing guidelines is out of the scope of this SOW. |
| Customizations of, or modifications to, the out-of-the-box functionality | Any identified customizations, including custom reporting, are out of scope for this engagement. This engagement fulfills the purpose of the out-of-the-box Microsoft Dynamics 365 configuration. |
| Process  reengineering or process mapping | The design of functional business components of the Solution, unless specifically included as in scope and delivered by MCS staff, is out of scope.  Process engineering or reengineering activities are outside of the scope of the Microsoft responsibilities and will be assumed to have been completed by the Customer prior to the start of the Build-Analysis activity set. |
| ACM | Design or redesign of the Customer’s functional organization, unless specifically included in scope and delivered by MCS staff, is out of scope. |
| Updates, patches, and fixes | Upgrades, updates, fixes, and patches are not included in this scope of work, specifically:  Operating system versions, updated service packs, or hotfixes.  Non- Microsoft Dynamics 365 Finance and Supply Chain Management component versions, updated service packs, hotfixes, or design change requests.  Other server or client framework component versions.  If a fix or patch is identified as required after the start of the project, an assessment will be made by the project management team from Microsoft and the Customer as to the need for such a fix. If the fix is deemed needed by both parties in order to implement the functionality required by the Customer, the change will go through the change management process. Custom coding to avoid the application of hotfixes is out of scope.  If the fix or patch is needed because of defects in the Microsoft software, the Customer will use its Microsoft Premier contract or third-party support provider to apply the fix or patch. |
| Global Solution needs | Language implementations that are not part of the core product will not be applied as part of this SOW. |

# Project approach, timeline, and deliverable acceptance

## Approach

This project will make use of the Sure Step 365 methodology to complete this SOW. This SOW covers the following phases: Discovery, Mobilization, Initiation, Solution Modeling, Build (Analysis, Design Development, and Iteration Testing), Solution Testing, Deployment, Support Transition, and Operation.



## Discovery phase

The Discovery phase occurs before the actual implementation of the Solution begins. This phase helps the Customer and implementation team clarify the Solution roadmap and improve project estimations. This phase serves as an envisioning phase for the solution and is highly recommended.

As described in Section 2.1.1, a decision will be taken at the end of this Phase as to the scope deviation and its impact on the project.

The goals of the Discovery phase are to:

* Understand the Customer’s solution vision
* Validate Solution scope and requirements
* Clarity between the Microsoft Discovery team and Customer on the Solution vision and scope
* Validate implementation approach and timeline to define a project organization with roles and responsibilities.

## Mobilisation phase

There are critical prerequisites that must be completed before the project starts. This includes the assignment of project resources, the establishment of work team locations and facilities, facilitation of physical access and network access to system and resources, and the establishment of project team work practices and collaboration environments. Microsoft and Customer leadership will work collaboratively prior to the initiation of the project to complete the following activities:

* A mobilisation call to initiate team formation and communicate expectations
* Establishment of project launch prerequisites using the Sure Step 365 methodology and input from the SOW
* Assignment of responsibilities for project initiation and launch prerequisites to accountable leadership
* Establishment of target dates for the completion of launch prerequisites
* Tracking the status of launch prerequisites and adjusting the Initiation phase start date accordingly

## Initiation phase

The project Initiation phase represents the official start of the project. This phase defines the activities required to initiate and effectively prepare and plan the project with the Microsoft and Customer team members. This is the planning phase of the project in which the Microsoft and Customer teams will individually prepare and then come together to align on the methodology and project plan, and validate the scheduling of requirement workshops.

Successful delivery and adherence to the schedule defined in the approach section requires the following activities to be completed prior to project kickoff.

| Category | Description |
| --- | --- |
| Microsoft activities | * Conduct Project Initiation call with * Draft Project Kick-Off Presentation and Communication Plan * Conduct Project Kick-Off Meeting * Draft Initial Project Plan * Setup initial Microsoft Dynamics 365 Environments as specified in the SOW * Setup DevOps * Plan the workshops for Solution Modeling * Define project governance and ways of working |
| Customer activities | * Participate in the workshops * Review, and contribute to, the project kickoff presentation. * Identify business SMEs that will participate in the workshops and confirm their availability. * Review and approve the requirement workshop schedule. * Shadow Microsoft workers during the installation of environments specified in this SOW. * Contribute to, and review, the project governance and ways-of-working processes. |
| Exit criteria | * Microsoft Dynamics 365 environments installed and operational * DevOps installed and operational * Project kick off completed * Project governance agreed |
| Key assumptions | * Microsoft project team preparation will be conducted independently of the client team either in a Microsoft office facility or at a client facility that meets Microsoft team needs. * Workshops will be conducted on the client site in Stockholm, Sweden. * Client resources will be available for scheduled workshops, and the project kickoff. * The project schedule that was created during the Initiation phase will include detailed activities, timing, and resource assignments through the Solution Modeling and Build phases. The plan will be progressively elaborated on with this level of detail for future phases at the end of each phase. |

### **Initiation phase workshops**

With Customer participation, the following workshops will be led by Microsoft during this phase; they will cover the topics listed. Each session will be conducted for up to the number of hours listed for each session.

| Activity | Workshop description | Average hours per session | Number of sessions |
| --- | --- | --- | --- |
| Project kickoff | Microsoft will define the activities required to prepare the team to deliver the project by aligning methodology, individual methods, tools, schedules, and governance.  Microsoft will finalize the Build-Analysis activity set workshop schedule, attendees, and logistics. | 6 | 1 |
| Executive meeting kickoff | Microsoft will provide project Briefing to executive stakeholders for the purpose of aligning expectations regarding how the project will progress.  Microsoft will baseline expectations regarding project governance and related decision-making accountabilities. | 1-2 | 1 |
| Test strategy workshop | The test strategy workshop provides an overview of the testing phases that will be completed during the project and directs specific attention to the functional or requirement test script writing that will be required by the client as a part of the Build-Analysis activity set. | 4 | 2 |
| Project Governance Workshop | Workshop to cover tools and detailed way-of-working identifying and scheduling project specific reporting and meeting requirements | 4 | 1 |

### Solution Modeling phase

Solution Modeling helps the project team align the core capabilities of Microsoft Dynamics 365 with the Solution. During this phase, the team will review the project scope and model the Solution using functionality built into the product in order to drive a configure-first approach. As described in Section 2.1.1, a decision will be taken at the end of this Phase as to the scope deviation and its effect on the project.

The following activities will be conducted during this phase:

| Category | Description |
| --- | --- |
| Microsoft activities | * Conduct the Solution Modeling phase kickoff. * Identify process scenarios for the release. * Conduct process modeling workshops (Microsoft Dynamics 365 Finance and Supply Chain Management). * Review fit requirements (Microsoft Dynamics 365 Finance and Supply Chain Management). * Conduct a high-level customization workshop (Microsoft Dynamics 365 Finance and Supply Chain Management). * Load Solution Modeling information into Azure DevOps. * Create the baseline configuration. * Load the required Customer data. * Demonstrate the baseline configuration. * Document outcomes [update the Solution Design Document (SDD)]. |
| Customer activities | * Participate in the workshop activities. * Review the product functionality that is demonstrated in the Solution Modeling workshops to validate that customizations can be reduced by adapting standard out-of-the-box functionality. * Identify business SMEs that will participate in workshops and confirm their availability to attend. * Provide and document business reasons for not adapting out-of-box functionality. |
| Exit criteria | * The business process list has been validated. * The requirement list has been validated. * The out-of-the-box baseline system has been configured. * A fit demonstration has been conducted with the Customer to demonstrate how the Microsoft Dynamics product works. * The SDD has been updated. |
| Key assumptions | * The Microsoft project team will create a Solution model that is based on the scope described in this SOW. Any other process or functionality requirements will be addressed using the Change management process defined in Section 2.12. * Workshops will be conducted at the client site in Stockholm, Sweden. * Client resources will be available for scheduled workshops and activities. * The client will provide the information and data required to develop the Solution model. |

### Build phase

The Build phase is an iterative phase during which the Solution gaps will be developed and tested. The Build phase consists of the following activity sets:

* Analysis
* Design
* Development
* Iteration Testing

During this phase, a defined set of functionalities will be completed in a parallel, iterative, and repetitive manner that enhances quality and consistency. The Build phase follows the iterative mitigation of gaps based on solution layering.

The goals of the Build phase are to:

* Validate that all gaps have been analyzed, developed, and iteration-tested.
* Provide the Customer with the opportunity to test smaller blocks of functionality in order to improve defect management and Solution acceptance.
* Provide the Customer with the opportunity to prepare for training and to transition the rest of the organization to the new system.

The following sections describe the activity sets of the Build phase:

#### Build-Analysis activity set

The Build-Analysis activity set defines the activities required to gather, structure, and prioritize the requirements needed for the design of the Solution.

| Category | Description | |
| --- | --- | --- |
| Microsoft activities | * Review workshop and business process information. * Prepare the Build-Analysis workshop. * Conduct the requirements workshop. * Capture and analyze requirements. * Perform requirement categorization. * Demonstrate additional fits (Dynamics 365 for Finance and Supply chain management). * Document the outcomes in a business requirements document (BRD) or an SDD, if required. * Conduct the data migration requirements workshop. * Conduct the integration requirements workshop. * Review test scripts * Conduct the reporting workshop. * Conduct the security requirements workshop |
| Customer activities | * Attend all scheduled workshops. * Write test scripts. * Review and approve the workstream BRD. * Begin planning and activities for data extraction and cleansing from the legacy system. * Assist with, and participate in, the preparation of the initial data migration strategy document. * Prioritize and approve gaps. * Run test scripts. |
| Exit criteria | * The client has approved BRDs for each workstream. * A gap list that includes gap disposition has been completed and prioritized. * Environments have been installed and are operational. * The initial data migration strategy has been agreed upon. * An architectural review board has been set up and is functioning. * The Solution has been aligned. * The SDD has been updated. |
| Key assumptions | * Workshop schedules are based on 8-hour days. * Workshops will be conducted at the client site in Stockholm, Sweden. * Client resources will be available for scheduled workshops. * Client resources will assist with scribing and taking notes during the workshops. |

**Build-Analysis workshops**

With Customer participation, the following workshops will be led by Microsoft. Each session will be conducted for up to the number of hours listed for each session and will be conducted based on the agreed-upon schedule created during the project Initiation phase. The schedule will provide time for:

* Workshop preparation
* Conducting the process requirement workshop
* Initial Microsoft Dynamics 365 out-of-the-box configuration
* A review of the in-scope processes that uses standard Microsoft Dynamics 365 functionality

Documentation of workshop requirement results in the BRD, Azure DevOps, or agreed-upon project operations tool

| Activity | Workshop description | Average hours per workshop | Number of sessions |
| --- | --- | --- | --- |
| Customizations, integration and report design requirements workshop | The workshops will be finalized at the end of solution modelling. A tentative estimation on the number of workshops and average hours have been provided here. | 4 | 10 |
| Systems integration strategy workshop | The systems integration strategy workshop will be used to provide definitions of the systems integration scope, the approach, tools, and plans. | 8 | 1 |
| Client review workshop | This consists of a review of the initial configuration of processes in the system. | 4 | 1 |
| Data migration strategy workshop | The data migration strategy workshop will be used to define data migration requirements, tools, and plans. | 4 | 2 |

**Build-Analysis activity set outputs**

The Customer will provide the following items.

| Name | Description |
| --- | --- |
| Documented tests | A documented tests for functionality, processes, and any variation of the processes related to the scope. Documented tests will be created and maintained in Azure DevOps. |

Microsoft will provide the following service deliverables. Those that require formal review and acceptance under the process described in Section 2.3 Deliverable acceptance process are specified in the Acceptance required (Y/N)? column in the following table.

| Name | Description | Acceptance required? |
| --- | --- | --- |
| BRD | A BRD for each workstream  The BRD will document requirements for each process listed as in scope. | Yes |
| Fit-gap list | A list of the gaps identified during the various workshops  The client is responsible for prioritizing and approving gaps in order to move forward into design activities. | Yes |
| Data migration strategy | An initial data migration strategy document that describes the data to be migrated and the tools to be used for each migration approach that will be used to map data to the new system and data volumes | No |
| Initially configured Microsoft Dynamics application | An initial configuration of an application that uses the test environment  This configuration will be used to validate business processes and requirements.  No documentation of the configuration will occur during this phase. | No |
| Test strategy | An outline of the testing approach plan | No |
| Systems integration strategy | An outline of integration approach for integrations with internal and external subsystems  The strategy should include security and data governance integration approaches. | Yes |

#### ****Build-Analysis activity set checkpoint****

Microsoft and the Customer will compare the project baseline established by the SOW (and any approved change requests) with the current project plan (scope, timeline, budget, and assumptions) and determine if adjustments should be made in future phases and activities.

#### Build-Design activity set

The goal of the Build-Design activity set is to define how to implement the business processes and related requirements. The phase includes additional configuration of the overall Microsoft Dynamics Solution and the design of specific customisations or process changes that are necessary to satisfy business requirements identified during the Build-Analysis activity set. Project scope will be finalised and Customer sign-off on the design elements will be obtained.

| Category | Description | |
| --- | --- | --- |
| Microsoft activities | Conduct the Build-Design activity set kickoff meeting.  Prepare the Build-Design workshop.  Conduct core Microsoft Dynamics team training related to in-scope processes.  Conduct the following workshops:  Approved gap and functionality design workshops  A solution design walk-through with the client  Create an approved gaps and functionality FDD (the document should include enhancements, integrations, and reports).  Create an approved gaps and functionality TDD (the document should include enhancements, integrations, and reports).  Update configurations (Dynamics 365 for Finance and Operations).  Update the SDD.  Create data migration mapping.  Provide 8 hours of functional support for process test script writing. |
| Customer activities | Create the production architecture design.  Run test scripts (Dynamics 365 for Finance and Operations).  Attend all scheduled workshops.  Client resources will help scribe and take notes during the design workshops.  Shadow Microsoft consultants during initial setup and configuration of the master (staging) environment.  Review and approve the FDD.  Update process flows as needed. These updates will be based on design decisions.  Provide necessary data or data decisions that support the setup and configuration of the test and master (staging) environments.  Complete data extraction and cleansing.  Write test scripts for in-scope processes. |
| Exit criteria | * The client core team training has been completed. * The FDD has been approved. * A review and walk-through of the Solution design has been completed. * Initial data migration templates based on core system fields have been provided. |
| Key assumptions | Workshop schedules are based on 8-hour days.  The workshops will be conducted at the client site in Stockholm, Sweden. |

**Build-Design activity set workshops**

The following workshops will be completed during this activity set. Each session will be conducted for up to the number of hours listed for each session and will be repeated based on the number specified.

| Activity | Workshop description | Average duration per workshop | Number of sessions |
| --- | --- | --- | --- |
| Solution design walk-through | A PowerPoint presentation co-presented by the client and Microsoft core project team to the steering committee to review the Solution’s final design. The design to be deployed will be based on the scope and objectives of the project.  The presentation will be based on components of the SDD. | 6hrs | 2 |

**Build-Design activity set outputs**

The Customer will provide the following items.

|  |  |  |
| --- | --- | --- |
| Name | Description | |
| Process test scripts | The Customer will document test scripts for each in-scope process. These test scripts address the Customer’s critical and normal daily business operations plus any variations of these processes. |

Microsoft will provide the following service deliverables. Those that require formal review and acceptance under the process described in Section 2.3 are specified in the Acceptance required (Y/N)? column in the following table.

| Name | Description | Acceptance required? | |
| --- | --- | --- | --- |
| FDD | A design document for each in-scope gap:  Some gaps might be combined into 1 FDD if it is recommended by the Microsoft delivery architect. | Yes |
| Initial master (staging) environment configuration | A configuration that is based on in-scope processes that are a fit to the Solution | No |
| SDD | A document that describes the Solution design:  The document should include the technical infrastructure design, integration and interface design, and security design. | No |
| TDD | A TDD that describes the development (code) approach to meeting FDD requirements | No |
| Data migration strategy document and mapping templates | A document that describes the final data migration strategy, tools to be utilized, and the completed data mapping between the legacy system and Microsoft Dynamics 365 Finance and Supply Chain Management  The Customer is responsible for legacy data mapping knowledge. | No |

**Build-Design activity set checkpoint**

Microsoft and the Customer will compare the project baseline established by the SOW (and any approved change requests) with the current project plan (scope, timeline, budget, and assumptions) and determine whether adjustments should be made in future phases and activities.

#### Build-Development activity set

The goal of the Build-Development activity set is to complete the Solution build and test the system components that were defined and approved in the design activity, including developing customisations, integrations and interfaces, and data migration processes.

| Category | Description |
| --- | --- |
| Microsoft activities | Conduct the Build-Development activity set kickoff meeting.  Review development standards.  Review and update unit test scripts (developer activity).  Develop functionality based on scope.  Perform unit testing for code (developer activity).  Conduct code reviews.  Perform code merge (Dynamics 365 for Finance and Operations).  Perform build activities.  Conduct the functionality walk-through.  Conduct process test workshop (or workshops).  Assist with the completion of the system configuration.  Update TDDs as needed.  Develop custom development as defined in Section 1.2.7.  Develop custom reports as defined in Section 1.2.8.  Develop integrations as defined in Section 1.2.9.  Conduct an internal functional build test for custom components.  Conduct unit testing for customizations and interfaces.  Provide 8 hours of functional support for process test script creation.  Triage test results. |
| Customer activities | Complete data migration testing.  Run test scripts.  Run process test scripts.  Develop E2E or system integration test scripts.  Develop UAT scripts.  Set up the production and training environments.  Develop user training materials. |
| Exit criteria | System configuration has been completed.  Report development has been completed.  Custom coding has been completed.  Interface development has been completed.  Functional testing has been completed.  Process testing has been completed.  E2E or system integration testing has been completed.  User acceptance test scripts have been completed.  Training environment setup has been completed. |
| Key assumptions | Solution component dependencies will be identified as a part of iteration planning. Code components that are developed in an iteration should not be dependent on a future iteration. |

**Build-Development activity set outputs**

The Customer will provide the following items.

|  |  |  |
| --- | --- | --- |
| Name | Description | |
| System configuration | The final system configuration |
| User acceptance test scripts | Test scripts that will be used for UATs |
| Training material | User training materials |
| Production and test environment | Environmental readiness for UAT and production |

Microsoft will provide the following service deliverables. Those that require formal review and acceptance under the process described in Section 2.3, Deliverable acceptance process, are specified in the following table.

|  |  |  |  |
| --- | --- | --- | --- |
| Name | Description | Acceptance required? | |
| Final system configuration | An Excel spreadsheet that documents the parameters and configuration settings of the Microsoft Dynamics 365 Finance and Supply Chain Management system | Yes |
| Unit-tested custom developments | Unit-tested, custom-developed source code and unit test results | No |
| Validated build | Functionally validated, custom-developed source code and test results | No |
| Cutover plan | A step-by-step cutover to production plan | No |

#### Build-Iteration Testing activity set

The goals of the Build-Iteration Testing activity set are to:

* Conduct tests for functionality delivered during the iteration.
* Perform configuration changes, as required and based on testing outcomes.
* Document outcomes, manage defects, and fix defects (the need to make such fixes will be based on defect severity).
* Update necessary documentation.

The following table shows the Build-Iteration Testing activities.

| Category | Description |
| --- | --- |
| Microsoft activities | Create and update test scripts.  Create and import testing data.  Create and update the testing plan.  Run the test scripts.  Log results and manage outcomes.  Update and document configuration changes. |
| Customer activities | Run test scripts.  Develop E2E or system integration test scripts.  Develop UAT scripts.  Develop user training materials. |
| Exit criteria | Testing that is related to the iteration has been completed.  Outcomes have been documented.  Defects have been documented.  Configurations have been updated.  The SDD has been updated. |
| Key assumptions | All activities for each iteration are complete before the iteration testing is completed for that iteration. |

### Solution Testing phase

The Solution Testing phase focuses on the entire Solution and not on individual iterations. The primary goals of the Solution Testing phase are to validate Solution quality, process compliance, and tested process performance. The phase will also be used to validate that the application has been configured and customized to meet the Customer’s overall requirements and align with the SOW. Users should be adequately trained to adopt the system at the end of this phase. The application should be ready to go live upon approval from the Customer, based on acceptance criteria in the SOW.

The goals of the Solution Testing phase are:

* A tested Solution that matches the Customer’s requirements
* Trained users who can perform testing
* The completion of updates to all design documents
* The completion of standard operating procedures and training materials
* Validation of production-ready data
* Completion and testing of defect fixes

| Category | Description |
| --- | --- |
| Microsoft activities | * Conduct the Solution Testing phase kickoff meeting. * Conduct testing strategy workshops. * Provide 8 hours of functional support for process test script completion. * Provide 40 hours of functional support for system integration testing (SIT) or E2E test script development. * Provide40 hours of functional support for SIT or E2E test implementation. * Triage test results. * Create the cutover plan. * Conduct the cutover sign-off meeting. * Conduct a go-or-no-go review meeting to finalize the decision to move into production. * Deploy the data package to the Microsoft Dynamics 365 environment. * Provide functional and technical support for the data migration. * Provide functional and technical support for the production cutover. |
| Customer activities | * Create test scripts. * Create and update the testing plan. * Deploy an approved build to the Solution Testing environment. * Migrate test data. * Run process test scripts. * Run E2E test scripts. * Conduct user acceptance tests. * Perform user training. * Prepare the production operations guide. * Participate in the go/no-go review meeting and decide whether to move into production. * Perform the final data migration tests. |
| Exit criteria | * The Microsoft Dynamics 365 application has been configured. * UAT has been completed and signed off by the Customer. * User training has been completed. * Training material development has been completed. * Cutover plan development has been completed. * Production environment setup has been completed. * The production operations guide has been completed. * ACM activities have been completed and signed off by business users. * Data has been migrated according to the data migration strategy or plan. |

### Deployment phase

During the Deployment phase, the efforts of the project team come together for a transition to the new Microsoft Dynamics 365 Finance and Supply Chain Management Solution. Key activities in this phase include UAT, training, and the cutover to the new production environment.

| Category | Description |
| --- | --- |
| Microsoft activities | * Deploy the Microsoft Dynamics 365 Solution. * Deploy Data Package to Microsoft Dynamics 365 Environment. * Provide 8 hours of deployment activity functional or technical support. * Review production operations guide as applicable. * Conduct a go-or-no-go review meeting to finalize the decision to move into production, if applicable. * Provide functional and technical support for the migration. * Provide functional and technical support for production cutover. |
| Customer activities | * Create the final build and run consistency checks. * Upload the build to the deployment platform. * Deploy the build to the production environment. * Update the production operations guide. * Participate in the go-or-no-go review meeting and decide whether to move into production. * Perform final data migration. * Validate the final application configurations. * Perform smoke (validation) testing. * Validate security settings. * Run deployment checklist activities. * Cut over to production. |
| Exit criteria | User acceptance testing has been completed and has been signed off by the Customer.  The production operations guide has been completed.  Data has been migrated according to the data migration strategy or plan.  The system is in production. |
| Key assumptions | Go-live cutover has been completed  All required subsystems and their deployments have either been completed or planned as a part of the deployment activities. |

Microsoft will provide the following service deliverables. Those that require formal review and acceptance under the process described in Section 2.3 are specified in the following table.

|  |  |  |  |
| --- | --- | --- | --- |
| Name | Description | Acceptance required? | |
| Go-live review | A document outlining what is recommended to be ready for go-live. The go-or-no-go decision should be documented and mutually agreed upon. | No |

### Support Transition phase

The Support Transition phase occurs after the deployment of the Solution (when the application is live). The Support Transition phase is focused on providing transitional support from the implementation team to the long-term care team, including Solution support, knowledge transfer, and defect remediation. While providing immediate transitional support, the implementation team will work with the Customer support team to define the long-term support approach and conduct transition activities. Both teams must be aligned on support expectations. At the end of this phase, the implementation team will hand over support processes to the Customer.

The goals of the Support Transition phase are to:

* Provide transitional application support by assisting with Solution management, defect remediation, and knowledge transfer.
* Verify successful application, Solution management, and functional knowledge transfer.
* Promote an understanding of support processes.
* Hand off support processes from the implementation team to the Customer team.

| Category | Description |
| --- | --- |
| Microsoft activities | Provide8 hours of functional or technical support for Support Transition phase activities.  Conduct a system and infrastructure configuration walk-through.  Conduct an application configuration walk-through.  Conduct a critical-issue support incident walk-through.  Conduct a full Solution deployment in the preproduction environment.  Conduct a defect identification process walk-through.  Conduct a mock financial closing (Dynamics 365 for Finance and Operations).  Conduct a support hand-off meeting. |
| Customer activities | Review the incident management process.  Review the defect management process.  Review the configuration update process.  Review the security management process.  Review the application security management process.  Review the data management process.  Update the system operations manual.  Approve all hand-off processes. |
| Exit criteria | The system transition knowledge transfer has been completed.  The transition plan has been documented.  Conditions of satisfaction have been signed off.  The implementation team has received sign-off on all transition and support processes.  The system is being managed by the Customer. |
| Key assumptions | All transition activities will either be conducted by the Customer as the lead or in a shadow capacity. |

### Operation phase

During the Operation phase, activities related to closing the release project scope will be completed. Support will be officially handed over to the Customer, and the implementation team will roll off. In a multi-release project, the planning for the next release will occur during this phase.

The goals of the Operation phase are to:

* Verify that all project, release, and contract closure activities have been completed (as required).
* Verify that the client takes responsibility for application and Solution management.
* Verify that the implementation team successfully rolls off and that all support process responsibilities have been assumed by the Customer.
* Verify that the Premier team is ready to support the client on a long-term basis.
* Initiate planning for additional releases.

| Category | Description |
| --- | --- |
| Microsoft activities | Create a project closure report.  Conduct the post-production support transition.  Provide functional or technical support post go-live for a period of 1 week after go-live for 40 hours.  Provide functional or technical support post-go-live for first month-end closing for a period of 2 weeks after go-live for 40 hours. |
| Customer activities | Review and accept the project closure report.  Accept operational responsibility for the Solution.  Support and prepare the user community. |
| Exit criteria | The project closure report has been signed off. |
| Key assumptions | Support agreements and processes have been reviewed and completed before the start of this phase. |

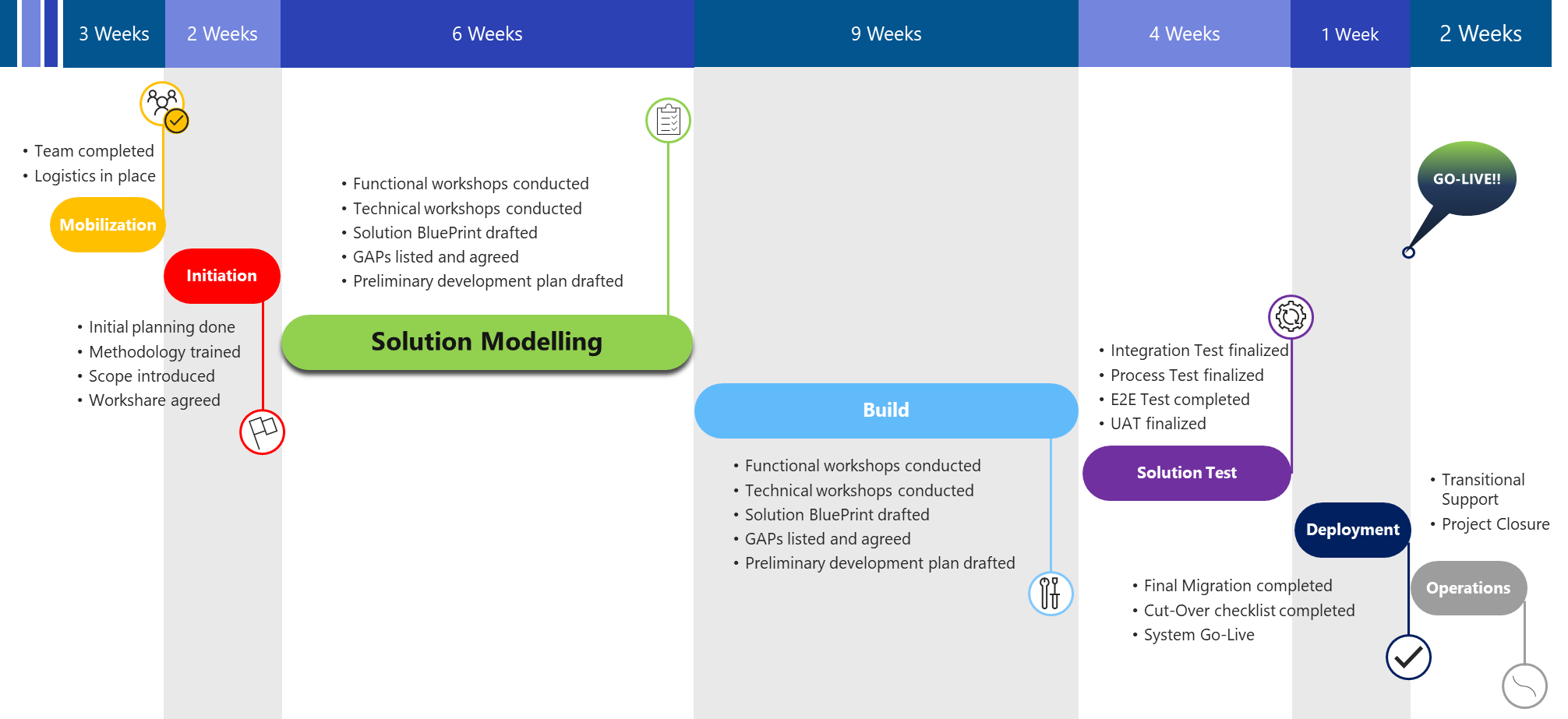
**Operation phase outputs**

Microsoft will provide the following service deliverables. Those that require formal review and acceptance under the process described in Section 2.3 are specified in the following table.

|  |  |  |  |
| --- | --- | --- | --- |
| Name | Description | Acceptance required (Y/N)? | |
| Project closure report | Customer’s acknowledgement of project completion and acceptance of exit criteria by phase | Y |

## Timeline

During project planning, a detailed timeline will be developed. All dates and durations are relative to the project start date and are estimates only.



Support and Operations is provided to assist in securing a smooth handover of the solution.  Should the proposed time be insufficient to fulfil the objectives of these Phases, the additional time will be managed through the Change process defined in Section 2.11.

## Deliverable acceptance process

During the project, Microsoft will submit certain deliverables (listed in the Approach section as deliverables with Acceptance required? equal to Y) for the Customer’s review and approval.

Within three business days of the date of submittal, the Customer is required to:

* **Accept the deliverable** by signing, dating, and returning a service deliverable acceptance form, which can be sent by email, or by using (or partially using) the deliverable

Or

* **Reject the deliverable** by notifying Microsoft in writing; the Customer must include a complete list of reasons for rejection.

Review and acceptance of the solution or custom source code is based on completion and acceptance of UAT as described in the Solution Testing phase (Section 2.4.4).

Deliverables shall be deemed accepted unless the written rejection notification is received by Microsoft in the specified time frame.

If a rejection notification is received, Microsoft will correct problems with a deliverable that are in scope for the project (and documented in this SOW), after which the deliverable will be deemed accepted. All re-work will be billed as actual.

Problems that are outside the scope of this SOW, and feedback provided after a deliverable has been accepted, will be addressed as a change request and managed as described in the Change management process section.

## Document deliverables

The review and approval of documents will be governed by the following:

* The Microsoft project manager, or his or her designee, will prepare a service deliverable acceptance form and forward it with the document deliverable in question to the Customer project manager or Customer designee for review and acceptance.
* The Customer project manager will be responsible for the distribution of documents, organizing internal reviews, and collating feedback into a single document. The Customer is required to complete all reviews and comments with change tracking activated in the original document.
* Customer and Microsoft will review the comments within two business days and reach agreement on which parts of the document need to be changed.
* Microsoft will change the document in line with the agreement and resubmit the updated document within two business days for final sign-off.
* A single formal review of the resubmitted documents by the Customer is assumed. It is also assumed that minimal rework and editing will be required as a result of this review because familiarization of the content will have occurred in advance. It is further assumed that the time needed to reread the document for approval of minor changes and edits will be limited to one day, after which full approval will be provided. In the event that major rework is required as a result of the formal review period, it will need to be handled as a change request to this project, and additional effort will be required.
* In the absence of any comments or feedback from the Customer, documents submitted for review and acceptance will be deemed approved within three business days of submission.
* All re-work will be billed as actual.

### **Document acceptance classification and criteria**

* Major—an error in understanding or design that will prevent the Solution from working.
* Minor—an item or error that will not have a major impact and can be corrected in the following design documents.
* Cosmetic—incorrect spelling, grammar, or formatting.

Any document that has no major items and fewer than two minor or 10 cosmetic items will be accepted.

### **Solution approval and turnaround time**

* All Solution deliverables will be submitted as releases to the Customer for review and acceptance by the agreed-upon date. The Customer will review the deliverable within two business days and provide feedback through the logging of defects.
* The Customer project manager will be responsible for organizing internal reviews and collating feedback into a single document. This will include making test scripts, test files, and testing staff available.
* Microsoft and the Customer will review the defects within two business days and agree on the potential impacts and their priorities. The agreed-upon bugs will be corrected according to priority. Those agreed-upon changes will be submitted into the change control process.
* Once a bug has been resolved, the originator will be informed of its resolution and will have an additional three business days to provide feedback or to confirm that the bug has been resolved. Additional feedback that requires resolution will be added as part of the ongoing project management.

### **Solution error classification**

Section 1.2.13 defines the solution error classifications and the severity of defects or issues. During testing, the Customer and Microsoft will jointly agree on Solution-related defects and their priorities. The Microsoft team will triage and fix all in-scope defects as described in Section 1.2.13.

“Workaround” means a change in operating procedures reasonably acceptable to the Customer whereby a user can avoid the harmful effects of an error.

### **Solution acceptance criteria**

Any Solution deliverable (code, application, or configuration) with zero critical bugs will be accepted.

### **Iterative development acceptance**

The Customer’s acceptance and sign-off of an iteration represents the following:

* The work for that iteration has been completed successfully either as planned or as modified during that iteration.
* Acceptance of the iteration does not signify acceptance of the complete Solution, which will be accepted using the deliverable acceptance process, defined previously, at the conclusion of the project.

## Project governance

The project will be managed by a full-time Microsoft Project Managers who will work with the project manager. The Microsoft Project Managers will be responsible for the overall delivery of Microsoft Services. The project managers will report to the project management office or the steering committee, which will consist of the Customer sponsors, Customer program manager, Microsoft Project Manager, and the Microsoft delivery leader.

The governance structures and processes the team will adhere to for the project are described in the following sections.

## Project communication

The following will be used to communicate during the project:

* **Communication plan**: this document will describe the frequency, audience, and content of communication with the team and stakeholders. It will be developed by Microsoft and the Customer as part of project planning.
* **Status reports**: the Microsoft team will prepare and issue regular status reports to project stakeholders per the frequency defined in the communication plan.
* **Status meetings**: the Microsoft team will schedule regular status meetings to review the overall project status, the acceptance of deliverables, and review open problems and risks.

## Risk and issue management

The following general procedure will be used to manage active project issues and risks during the project:

* **Identify**: identify and document project issues (current problems) and risks (potential problems that could affect the project).
* **Analyze and prioritize**: assess the potential impact and determine the highest-priority risks and problems that will be actively managed.
* **Plan and schedule**: determine the strategy for managing priority risks and issues and identify a resource who can take responsibility for mitigation and remediation.
* **Track and report**: monitor and report the status of risks and problems.
* **Escalate**: escalate to project sponsors the high-impact problems and risks that the team is unable to resolve.
* **Control**: review the effectiveness of risk and issue management actions.

Active issues and risks will be regularly monitored during the project.

## Business governance

During the project, the Customer will be required to decide whether to accept the customization of out-of-the-box Solution functionality in order to address business requirements. This will require detailed understanding and evaluation of the business need that drives the request for customization and the cost and possible impact to the project if the customization is accepted. The evaluation and acceptance of the customization as it is compared to alternatives to modifying business processes or implementing process workarounds is a Customer responsibility. The business governance steps are:

* The Microsoft project team will identify the request for customization as work over and above the requirements stated in this SOW.
* The Microsoft project team will provide estimates in alignment with the Change management process defined in this document and will provide alternatives in the form of process modifications or workarounds that will make the use of out-of-the-box functionality possible.
* The Customer business process lead or analyst will perform a business case evaluation of the potential benefits of the customization vs. cost and evaluate the alternatives.
* The Customer project sponsor will determine who at the appropriate level of the Customer organization has the authority to approve business cases and accept the customization at the start of the project.

## Change management process

During the project, either party is able to request modifications to the Services described in this SOW. These changes only take effect when the proposed change is agreed upon by both parties. The change management process steps are:

* **The change is documented**: all change requests will be documented by Microsoft in a Microsoft change request form and submitted to the Customer. The change request form includes:
  + A description of the change.
  + The estimated effect of implementing the change.
* **The change is submitted**: the change request form will be provided to the Customer.
* **The change is accepted or rejected**: the Customer has three business days to confirm the following to Microsoft:
  + Acceptance—the Customer must sign and return the change request form.
  + Rejection—if the Customer does not want to proceed with the change or does not provide an approval within three business days, no changes will be performed.

During the project, either party can request, in writing, additions, deletions, or modifications to the Services described in this SOW (“change”). Approved changes will be managed through amendments and could lead to additional costs and schedule impacts. We shall have no obligation to commence work in connection with any change until the details of the change are agreed upon in an amendment signed by the authorized signatories from both parties.

Within three consecutive business days of receipt of the proposed amendment, you must either indicate acceptance of the proposed change by signing the amendment or advise us not to perform the change. If you advise us not to perform the change, we will proceed with the original agreed-upon Services only. In the absence of your acceptance or rejection within the previously noted time frame, we will not perform the proposed change.

At the discretion of Microsoft, the time required to research and document Customer-originated change requests will be billed at the standard rates specified in the project Work Order.

## Executive steering committee

The executive steering committee provides overall senior management oversight and strategic direction for the project. The executive steering committee for the project will meet according to the frequency defined in the communication plan and will include the roles listed in the following table. The responsibilities for the committee include:

* Making decisions about project strategic direction.
* Serving as a final arbiter of project issues.
* Approving significant change requests.

| Role | Organization |
| --- | --- |
| Project sponsor | Customer |
| Delivery manager | Microsoft |

### Escalation path

The Microsoft project manager will work closely with the Customer project manager, sponsor, and other designees to manage project issues, risks, and change requests as described previously. The Customer will provide reasonable access to the sponsor or sponsors in order to expedite resolution. The standard escalation path for review, approval, or dispute resolution is as follows:

* Project team member (Microsoft or the Customer)
* Project manager (Microsoft and the Customer)
* Microsoft delivery manager
* Microsoft and the Customer project sponsor
* Executive steering committee

**Critical path decisions**

Throughout the project, Microsoft will submit requests for decisions that the Customer must make. Decisions are assigned due dates, and it is assumed that the Customer will provide the required feedback or make decisions either by the agreed-upon due date or within three business days of submittal.

Some requested decisions will be determined by Microsoft to be critical path decisions with key dependencies; these will be submitted with a written notice of decision (NOD) request. If the NOD request is not acted on by the due date, it might affect the project critical path and will be addressed as a project change request and submitted through the Change management process.

## Project completion

Microsoft will provide Services defined in this SOW to the extent of the fees available and the term specified in the Work Order. If additional Services are required, the Change management process will be followed and the contract modified. The project will be considered complete when at least one of the following conditions has been met:

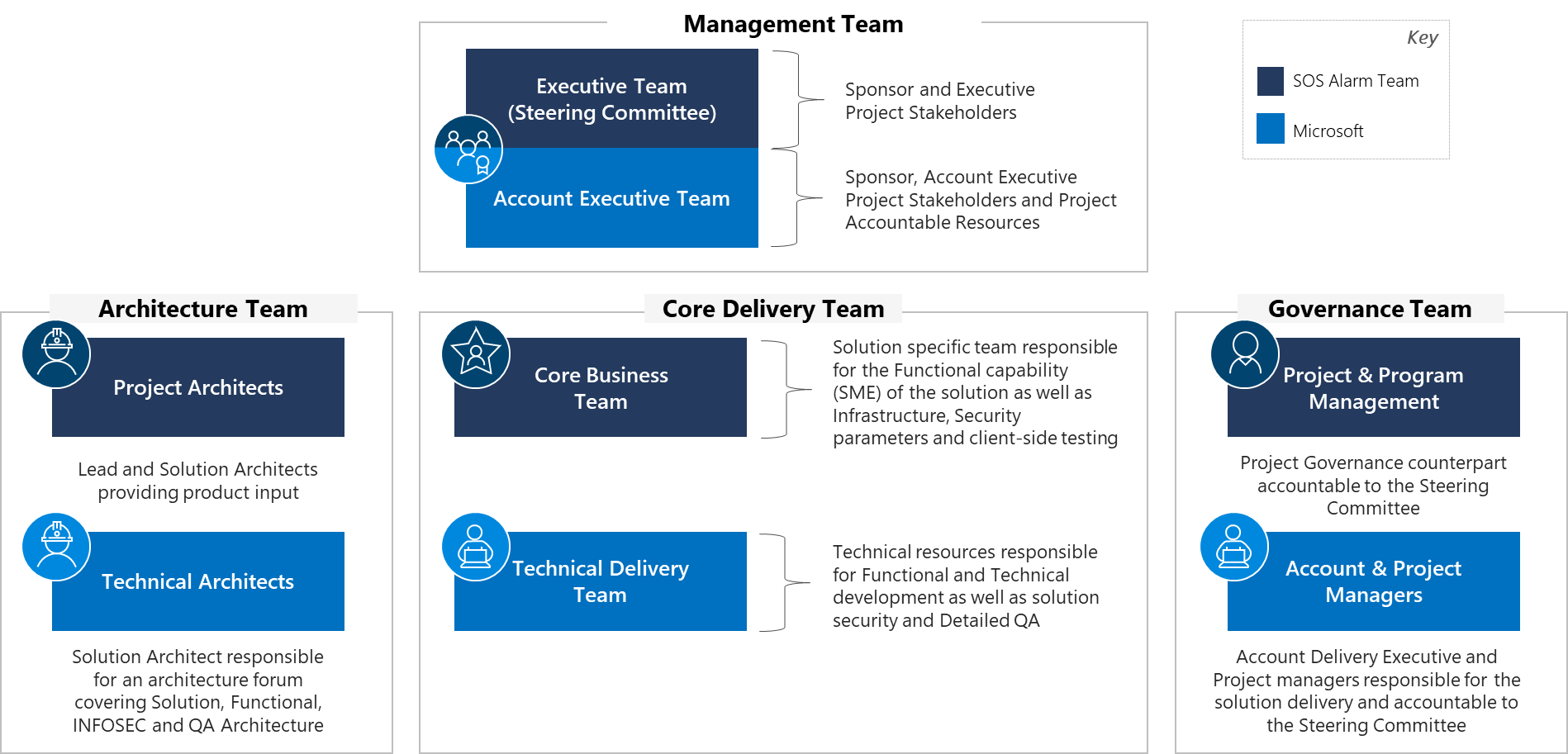
* All fees available have been utilized for Services delivered and expenses incurred.
* The term of the project has expired.
* All Microsoft activities and in-scope items have been completed.
* The Work Order has been terminated.

# Project organization

## Project organization structure

This section describes the overall project organization structure, reporting relationships, and key project roles.

The project will be organized as depicted in the following diagram.



## Project roles and responsibilities

This section describes the Project Roles required to be fulfilled by and the associated time allocation expectation. The fulfillment of these roles offer the Project the best opportunity for success and ensure that business information is shared on time.

### Customer

| Role | Responsibilities | Project commitment |
| --- | --- | --- |
| Customer project sponsor | * Make key project decisions, serve as a point of escalation, and clear project roadblocks. * Provide the estimated project commitment: an as-needed basis. | Part-time—20% |
| Customer project manager | Serve as primary point of contact for the Microsoft team.  Manage and coordinate the overall project to deliver it on schedule.  Take responsibility for Customer resource allocation, risk management, project priorities, and communication with executive management.  Coordinate decisions within 3 business days, or within an otherwise agreed-upon timeline. | Full-time |
| Technical lead or technical manager | * Serve as primary technical point of contact for the team. * Take responsibility for technical architecture and code deliverables. * Take responsibility for system provisioning, installation, administration and maintenance. * Take responsibility for security implementation and administration. * Take responsibility for database administration. * Take responsibility for overall system quality assurance and testing, including coordination and oversight of testing process and resources. * Take responsibility for test script development and quality assurance testing. * Take responsibility for the training and knowledge transfer necessary to take over code reviews and deployments, Azure DevOps administration, configuration, and maintenance. | Full-time |
|  |  |  |
| Lead process lead or lead business analyst | * Serve as primary functional point of contact for the team that is responsible for functional business analysis. * Make decisions regarding Solution processes, customizations, and workarounds. * Serve as a liaison to the broader team; take responsibility for streamlining and standardizing processes. * Develop test scripts and scenarios, and perform tests. * Advise the project team on technical processes, workflows, and requirements. * Partner with the business lead to liaise with the broader team to harmonize and standardize processes. * Partner with the data migration developer or analyst to assist with data migration; coordinate testing and valuation. * Develop test scripts and scenarios, and conduct tests. | Full-time |
| Business process owners or business analysts | Provide advice to the project team related to technical processes, workflows, and requirements.  Work with the business lead to liaise to the broader team; take responsibility for streamlining and standardizing processes.  Partner with the data migration developer or analyst to assist with data migration and to coordinate testing and valuation.  Develop test scripts and scenarios, and perform tests. | Full-time |
| SMEs | Advise the project team on business processes, workflows, and requirements.  Develop test scripts and scenarios, and perform testing. | Full-Time |
| Security administrator | Take responsibility for security implementation and administration. | Part-time—20% |
| Database administrator | Take responsibility for database administration. | Part-time—20% |
| Quality assurance or testing lead | Take responsibility for overall system quality assurance and testing, including coordination and oversight of testing process and resources. | Full-time |
| Testers | Take responsibility for test script development and quality assurance testing. | Part-time—20% |
| Developers | Develop customizations, including form enhancements, personalization, and custom logic. | Part-time—20% |
| Report developers | Take responsibility for modification and development of reports, queries, analytics, analysis cubes, and business intelligence. | Part-time—20% |
| Integration analyst or developer | Take responsibility for interface development and unit testing.  Take responsibility for administration, configuration, development, and maintenance of ancillary applications needed to support integration with Microsoft Dynamics 365 for Customer Engagement. | Part-time—40% |
| Build and release manager | Take responsibility for the training and knowledge transfer necessary to take over code reviews and deployments, and TFS server administration, configuration, and maintenance. | Part-time—20% |
| Data migration lead | Take responsibility for data migration development and unit testing. | Part-time—40% |
| Data analyst or  data migration developer | Take responsibility for:  Development of tools and the completion of the processes necessary to perform data extraction from legacy systems  Data cleansing  Loading data to staging tables  Validation | Full-time |
| Integration lead | Take responsibility for interface development and unit testing.  Take responsibility for administration, configuration, development, and maintenance of ancillary applications needed to support integration with Microsoft Dynamics 365 Finance and Supply Chain Management. | Part-time—20% |
| Security administrator | Take responsibility for providing requirements and oversight of system design and testing of the system as it pertains to process controls and security. | Part-time—10% |
| Electronic Data Interchange (EDI) developer | Take responsibility for EDI mapping and unit, process, and E2E testing.  Take responsibility for administration, configuration, development, and maintenance of any ancillary applications needed to support EDI functions. | Part-time—40% |

### Microsoft

| Role | Responsibilities |
| --- | --- |
| Microsoft project sponsor | Make key project decisions, serve as a point of escalation, and clear project roadblocks. |
| Account delivery executive | Serve as the primary point of contact for overall satisfaction and concerns related to Microsoft Services.  Serve as the single point of contact for billing issues, personnel matters, and contract extensions.  Facilitate project governance activities and participate as a key member of the executive steering committee. |
| Program manager | Align Microsoft-recommended project and engagement practices across Microsoft Dynamics engagements.  Communicate and advise Microsoft and Customer executive leadership regarding project risks and mitigations, develop delivery strategies, and effect collaboration and communication between executive stakeholders.  Manage the escalation process and interact with the stakeholders who will have responsibility for the overall program.  Validate that the project has been fulfilled within established standards across both partner and Microsoft resources. |
| Project manager | Manage the Microsoft project delivery and coordinate the overall project to deliver it according to schedule.  Serve as the primary point of contact for Microsoft team.  Take responsibility for issue and risk management, change management, project priorities, weekly status communication, and the weekly status meeting.  Coordinate MCS resources and partners subcontracted to MCS, including staffing, task assignments, and status reporting.  Report on project status on a weekly basis.  Coordinate decisions within 3 business days or within an otherwise agreed-upon timeline. |
| Architect (delivery) | Verify that Microsoft-recommended practices are being followed.  Serve as architectural lead for the project with overall Solution design responsibility.  Escalate technical issues for resolution.  Provide knowledge transfer to Customer resources. |
| Infrastructure consultant | Take responsibility for Solution infrastructure design and the creation of related deliverables.  Provide knowledge transfer to Customer infrastructure resources. |
| Architect (Solution) | Provide technical oversight.  Verify whether Microsoft-recommended practices are being followed.  Coordinate overall Solution design.  Escalate technical issues for resolution.  Provide knowledge transfer to Customer resources. |
| Functional consultants or functional leads  (Finance, supply chain management, or order to cash) | Participate in every aspect of the implementation, from analyzing the Customer’s business requirements to configuring the Microsoft Dynamics 365 Finance and Supply Chain Management application.  Assist the Customer with the planning and implementation of the test strategy, including integration tests, data migration tests, user acceptance tests, and delivery of core team training. |
| Release manager | Track and control Solution code versions through the test and production environments.  Plan and perform Solution and customization code changes. |
| Technical lead | Coordinate the assignment of Microsoft technical consultants.  Take responsibility for the overall quality of all technical activities, including Customer development, infrastructure, interfaces, and Solution performance. |
| Development lead | Coordinate Customer, project team, and offshore development resources.  Take responsibility for overall development quality, processes, and tracking.  Coordinate with the release manager and other roles on workstream tasks and dependencies. |
| Data migration lead | Support the Microsoft activities related to data migration. |
| Test lead | Take responsibility for defining the test strategy jointly with .  Take responsibility for jointly identifying test scenarios with test or functional lead.  Manage Microsoft test team activities.  Conduct testing.  Provide UAT support to . |
| Test consultants | Build test scripts.  Conduct testing.  Provide UAT support to . |
| Developers | Write and unit-test coded customizations. |

# Customer responsibilities and project assumptions

## Customer responsibilities

In addition to Customer activities defined in the Approach section, the Customer is also required to:

* Provide information:
  + This includes accurate, timely (within three business days or as mutually agreed upon), and complete information.
* Provide access to people and resources.
  + This includes access to knowledgeable Customer personnel, including business user representatives, and access to funding if additional budget is needed to deliver project scope.
* Provide access to systems.
  + This includes access to all necessary Customer work locations, networks, systems, and applications (remote and onsite).
* Provide a work environment.
  + This consists of suitable work spaces, including desks, chairs, and Internet access.
* Manage non-Microsoft resources.
  + The Customer will assume responsibility for the management of all Customer personnel and vendors who are not managed by Microsoft.
* Manage external dependencies.
  + The Customer will facilitate any interactions with related projects or programs in order to manage external project dependencies.

## Project assumptions

The project scope, Services, fees, timeline, and our detailed Solution are based on the information provided by the Customer to date. During the project, the information and assumptions in this SOW will be validated, and if a material difference is present, this could result in Microsoft initiating a change request to cover additional work or extend the project duration. In addition, the following assumptions have been made:

* Work day:
  + The standard work day for the Microsoft project team is between 8 AM and 5 PM, Monday through Friday.
* Standard holidays:
  + Observance of consultants’ country-of-residence holidays is assumed and has been factored into the project timeline.
* Remote working:
  + The Microsoft project team may perform Services remotely.
  + If the Microsoft project team is required to be present at the Customer location on a weekly basis, resources will typically be on site for three nights and four days, arriving on a Monday and leaving on a Thursday.
* Language:
  + All project communications and documentation will be in English. Local language support and translations will be provided by the Customer.
* Staffing:
  + If necessary, Microsoft will make staffing changes. These can include, but are not limited to, the number of resources, individuals, and project roles.
* Informal knowledge transfer:
  + Customer staff members who work alongside Microsoft staff will be provided with information knowledge transfer throughout the project. No formal training materials will be developed or delivered as part of this informal knowledge transfer.
  + Customer Staff will have preexisting training on the Microsoft Dynamics Products before the commencement of the project.
  + SKJ: This project assumes that the customer has signed a Premier Agreement prior to the beginning of the build phase. Should the customer fail to procure such agreement on time, Microsoft reserves the right to issue a change request to provide the additional services required to support the management of potential product defects.

### Infrastructure assumptions

* Existing systems or programs upon which the project deliverables depend are stable and will not change during the term of this project.
* will provide servers with a base Windows operating system that has the latest patches and other required software, such as antivirus protection, installed.
* The Microsoft Dynamics 365 for Customer Engagement Online development environment and any required Azure environment will be provisioned and made accessible to Microsoft before the start of the Build-Development activity set.
* Timely availability of the hardware, software, and physical space for the Solution environments is essential. Failure to complete site-readiness activities that are required for Microsoft to deliver its Services according to the agreed-upon project schedule might result in project delays requiring change orders to this SOW and additional project costs.
* already has AD DS set up and active, and access to the required infrastructure that will be used by this Solution through correct security zones and firewall control has been configured.
* The Solution will be deployed to a single data center.

### General technical assumptions

* No part of the Solution will be supported on operating systems other than Windows 7 and above.
* For custom code, testing will be done on Internet Explorer version 10 32-bit only.
* The application will be accessible over the ’s corporate intranet, exposing data on 's secure network. is responsible for configuring secure extranet infrastructure, if required.
* will provide 24-hour-a-day, 7-day-a-week access to its development and testing environments to both onsite and offshore consultants in order to carry out work on the project.
* Any bugs arising in any third-party tools are the responsibility of each vendor and will not be fixed by Microsoft.

### Testing assumptions

|  |  |
| --- | --- |
|  | Assumption |
| 1 | UAT will be done by with Microsoft’s help and issue triage; all UAT cases will be prepared by and will be shared with Microsoft before the end of the Solution Modelling phase. |
| 2 | will validate and sign off on all test cases before the commencement of UAT. |
| 3 | Test data will be provided by before the Solution testing phase begins; will be responsible for providing scrubbed representative data. |
| 4 | Testing will be performed on 1 operating system and 1 browser, and only versions defined in Section 4.2.2 Software products and technologies will be used. |
| 5 | No multilingual testing will be performed by Microsoft, and validation of field content correctness is not in scope; will be responsible for verifying the accuracy of all translations. |
| 6 | Only sample base testing will be performed on the latest supported versions of third-party Firefox and Google Chrome browsers. |
| 7 | Testing related to authentication will happen directly onsite because Active Directory Federation Services (AD FS) will not be set up locally; for local testing, AD DS will be configured as a user store for AD FS. |
| 8 | Microsoft UAT support will run for up to twoweeks, where 24 hours’ worth of support, with technical knowledge, and triage is provided. |
| 9 | An offshore Microsoft test team will perform E2E system testing on the development environment. |
| 10 | The test environment should be a replica of the real-time Customer environment. |
| 11 | The offshore Microsoft team will be provided with virtual private network access to the Customer UAT environment. |
| 12 | As a part of end to end testing and UAT, will provide confirmation from a performance perspective |

# Exhibits

## Business processes in scope

Below, a list of in-scope business processes is shown. Any changes to the business processes to be covered will be handled through the change request process.

|  |  |  |  |
| --- | --- | --- | --- |
| **Execution sequence** | **Business Process Category** | **Business Area** | **Process Name** |
| 1 | 20. Procure To Pay | 20.10 Vendor Relationship Management & Sourcing | 20.10.010 Create and Manage Vendor |
| 2 | 20. Procure To Pay | 20.45 Invoicing & Accounts Payable | 20.45.030 Post Invoice Non-PO |
| 3 | 60. Hire To Retire | Placeholder Payroll integration | Placeholder Payroll integration |
| 4 | 20. Procure To Pay | 20.45 Invoicing & Accounts Payable | 20.45.035 Reverse Posted Vendor Invoice |
| 5 | 20. Procure To Pay | 20.45 Invoicing & Accounts Payable | 20.45.045 Process Debit Memo Non-PO |
| 6 | 20. Procure To Pay | 20.45 Invoicing & Accounts Payable | 20.45.050 Pay Vendor |
| 7 | 20. Procure To Pay | 20.45 Invoicing & Accounts Payable | 20.45.055 Void Vendor Payments |
| 8 | 30. Prospect To Quote | 30.15 Customer Relationship Management (SAM Module) | 30.15.015 Create and Manage Customers |
| 9 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.015 Close or Block Customer Account |
| 10 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.065 Process Credit Memo |
| 11 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.080 Process NSF Payments |
| 12 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.055 Create Free Text Invoice |
| 13 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.060 Setup Free Text Template, Create Billing Code and Billing Classification, Process, and Post Recurring Invoices |
| 14 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.075 Receive Free Text Invoice Payments |
| 15 | 35. Order To Cash | 35.45 Collections Management | 35.45.005 Setup Collections Management |
| 16 | 35. Order To Cash | 35.45 Collections Management | 35.45.010 Process Customer Statements and Collections |
| 17 | 35. Order To Cash | 35.45 Collections Management | 35.45.020 Process Write-Off AR Bad Debts |
| 18 | 55. Acquire To Dispose | 55.10 Capital Asset Acquisition | 55.10.005 Acquire Fixed Asset; AP Journal |
| 19 | 55. Acquire To Dispose | 55.25 Capital Asset Record Management | 55.25.005 Update Fixed Asset |
| 20 | 55. Acquire To Dispose | 55.25 Capital Asset Record Management | 55.25.010 Revalue and Adjust Fixed Asset |
| 21 | 55. Acquire To Dispose | 55.25 Capital Asset Record Management | 55.25.015 Update Replacement Cost and Insured Value |
| 22 | 55. Acquire To Dispose | 55.25 Capital Asset Record Management | 55.25.020 Reclassify Fixed Asset |
| 23 | 55. Acquire To Dispose | 55.30 Depreciation and Amortization | 55.30.005 Depreciate and Amortize Fixed Assets |
| 24 | 55. Acquire To Dispose | 55.35 Asset Transfer, Retirement & Disposal | 55.35.005 Transfer Fixed Asset |
| 25 | 55. Acquire To Dispose | 55.35 Asset Transfer, Retirement & Disposal | 55.35.010 Dispose of Fixed Asset |
| 26 | 65. Record To Results | 65.10 Corporate Structure, Legal Entity & Chart of Accounts | 65.10.001 Corporate Structure and Legal Entities |
| 27 | 65. Record To Results | 65.10 Corporate Structure, Legal Entity & Chart of Accounts | 65.10.005 Create Financial Dimension |
| 28 | 65. Record To Results | 65.15 Statutory, Tax & Localization Management | 65.15.005 Create or Update Sales or VAT Tax |
| 29 | 65. Record To Results | 65.15 Statutory, Tax & Localization Management | 65.15.010 Manage Sales Tax Exemption |
| 30 | 65. Record To Results | 65.15 Statutory, Tax & Localization Management | 65.15.020 Pay Tax Authority |
| 31 | 65. Record To Results | 65.20 Currency & Foreign Exchange Management | 65.20.005 Maintain Exchange Rates |
| 32 | 65. Record To Results | 65.20 Currency & Foreign Exchange Management | 65.20.010 Currency Revaluation |
| 33 | 65. Record To Results | 65.25 Budget Management | 65.25.005 Setup General Ledger Budgeting, Basic |
| 34 | 65. Record To Results | 65.25 Budget Management | 65.25.010 Create and Maintain General Ledger Budgets, Basic |
| 35 | 65. Record To Results | 65.30 Bank & Treasury Management | 65.30.010 Reconcile Bank Account, Manual |
| 36 | 65. Record To Results | 65.30 Bank & Treasury Management | 65.30.015 Reconcile Bank Account, Automated |
| 37 | 65. Record To Results | 65.40 Corporate Operations & Affairs | 65.40.005 Adjust General Ledger |
| 38 | 65. Record To Results | 65.40 Corporate Operations & Affairs | 65.40.015 Process Intercompany Transactions; Finance |
| 39 | 65. Record To Results | 65.40 Corporate Operations & Affairs | 65.40.025 Close Month End |
| 40 | 65. Record To Results | 65.40 Corporate Operations & Affairs | 65.40.030 Close Year End |
| 41 | 65. Record To Results | 65.45 Consolidated Financial Reporting | 65.45.005 Consolidate Ledgers |
| 42 | 65. Record To Results | 65. 10 Corporate Structure, Legal Entity & Chart of Accounts | 65.10.020 Setup Financial Reports |
| 43 | 65.Record To Results | 65.10 Corporate Structure, Legal Entity & Chart of Accounts | 65.10.010 Create Ledger Account |
| 44 | 20. Procure To Pay | 20.45 Invoicing & Accounts Payable | 20.45.025 Post Invoice PO, Services |
| 45 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.005 Set credit limit; terms |
| 46 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.010 Update credit limits; terms |
| 47 | 55. Acquire To Dispose | 55.10 Capital Asset Acquisition | 55.10.020 Create and Manage Capital Projects |
| 48 | 60. Hire To Retire | 60.20 Employee Lifecycle Management | 60.20.025 Update Employee Records |
| 49 | 60. Hire To Retire | 60.20 Employee Lifecycle Management | 60.20.005 Setup and Hire an Employee |
| 50 | 60. Hire To Retire | 60.50 Travel & Expense | 60.50.005 Pre-Travel Approval |
| 51 | 60. Hire To Retire | 60.50 Travel & Expense | 60.50.015 Import Credit Card Transactions |
| 52 | 60. Hire To Retire | 60.50 Travel & Expense | 60.50.020 Dispute Credit Card Charge |
| 53 | 60. Hire To Retire | 60.50 Travel & Expense | 60.50.025 Assign Delegate to Submit Expenses |
| 54 | 60. Hire To Retire | 60.50 Travel & Expense | 60.50.030 Enter and Submit Travel Expenses |
| 55 | 60. Hire To Retire | 60.50 Travel & Expense | 60.50.035 Review and Approve Expenses |
| 56 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.035 Invoice Projects, Time and Materials |
| 57 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.040 Invoice Projects, Fixed Price |
| 58 | 40. Project To Profit | 40.20 Project Information Management | 40.20.015 Create Project Contract |
| 59 | 40. Project To Profit | 40.20 Project Information Management | 40.20.016 Manage Project Contract Funding |
| 60 | 40. Project To Profit | 40.20 Project Information Management | 40.20.020 Create Project, External |
| 61 | 40. Project To Profit | 40.20 Project Information Management | 40.20.025 Create Project, Internal |
| 62 | 40. Project To Profit | 40.20 Project Information Management | 40.20.030 Create a fee journal |
| 63 | 40. Project To Profit | 40.25 Project Requirement Planning & Scheduling | 40.25.015 Create Project Budget and Forecast |
| 64 | 40. Project To Profit | 40.25 Project Requirement Planning & Scheduling | 40.25.020 Update Budget and Forecast |
| 65 | 40. Project To Profit | 40.25 Project Requirement Planning & Scheduling | 40.25.025 Assign Project Categories |
| 66 | 40. Project To Profit | 40.25 Project Requirement Planning & Scheduling | 40.25.021 Allocate Project Budgets |
| 67 | 40. Project To Profit | 40.30 Project Supply Chain Management | 40.30.005 Procure or Sell Products and Services |
| 68 | 40. Project To Profit | 40.35 Project Monitoring & Controlling | 40.35.005 Time Entry; Project Labor |
| 69 | 40. Project To Profit | 40.35 Project Monitoring & Controlling | 40.35.010 Enter Expenses, Project |
| 70 | 40. Project To Profit | 40.35 Project Monitoring & Controlling | 40.35.015 Execute and Manage Projects, Fixed Price |
| 71 | 40. Project To Profit | 40.35 Project Monitoring & Controlling | 40.35.020 Execute and Manage Project, Time and Materials |
| 72 | 40. Project To Profit | 40.35 Project Monitoring & Controlling | 40.35.022 Create a project adjustment |
| 73 | 40. Project To Profit | 40.10 Project Quotations and Budget | 40.10.010 Create a project quotation |
| 74 | 60. Hire To Retire | 60.50 Travel & Expense | 60.50.045 Create timesheet approval workflow |
| 75 | 35. Order To Cash | 35.40 Billing & Accounts Receivables | 35.40.090 Generating invoices |
| 76 | 35. Order To Cash | 35.20 Sales Order / E-Commerce Management | 35.20.022 Create sales order, EDI |
| 77 | 35. Order To Cash | 35.10 Pricing, Contracts & Trade Agreements | 35.10.015 Create trade agreement, customer |
| 78 | 35. Order To Cash | 35.10 Pricing, Contracts & Trade Agreements | 35.10.020 Update trade agreement, customer |
| 79 | 20. Procure To Pay | 20.10 Vendor Relationship Management & Sourcing | 20.10.015 Close or Block Vendor Account |
| 80 | 20. Procure To Pay | 20.20 Procurement Catalogs | 20.20.005 Create and Manage Procurement Catalogs |
| 81 | 20. Procure To Pay | 20.30 Direct Procurement | 20.30.010 Create Purchase Order; Manual |
| 82 | 20. Procure To Pay | 20.30 Direct Procurement | 20.30.015 Create Purchase Order; Master Planning |
| 83 | 20. Procure To Pay | 20.30 Direct Procurement | 20.30.027 Update Purchase Order |
| 84 | 20. Procure To Pay | 20.20 Procurement Catalogs | 20.20.002 Manage Vendor Procurement Profile, Vendor Collaboration workspace |
| 85 | 95. System To Framework | 95.15 User Features | 95.15.015 Update my user options |
| 86 | 95. System To Framework | 95.15 User Features | 95.15.020 Configure Microsoft Excel workbooks |
| 87 | 95. System To Framework | 95.15 User Features | 95.15.025 Configure document templates |
| 88 | 95. System To Framework | 95.15 User Features | 95.15.035 Setup and manage document branding |
| 89 | 95. System To Framework | 95.80 Feature Configurations | 95.80.010 Create record templates for master records |
| 90 | 95. System To Framework | 95.80 Feature Configurations | 95.80.025 Setup electronic signature |
| 91 | 95. System To Framework | 95.80 Feature Confirmations | 95.80.030 Configure system to allow documents to be attached to records |
| 92 | 95. System To Framework | 95.80 Feature Confirmations | 95.80.035 Setup and manage numbering of master data and transactions |

## Customizations in scope

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Sequence No** | **Workstream** | **Business Process reference** | **High Level Solution Approach / Comments** | **In Scope** | **Sub Tasks** | **Level of Complexity** |
| 1 | Project Accounting | 35.40.035 Invoice Projects, Time and Materials | Project Contracts to be enhanced | Yes | Create New/Modify Existing Table/Class/Form +Microsoft Power Platform | Complex |
| 2 | Sales & Marketing | 35.10.015 Create trade agreement, customer | Early Warnings | Yes | Create New/Modify Existing Table/Class/Form+ Microsoft Power Platform | Medium |
| 3 | Sales & Marketing | 35.10.020 Update trade agreement, customer | Price model and Indexing of prices for customer trade agreements | Yes | Create New/Modify Existing Table/Class/Form | Simple |

## Integrations in scope

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Sequence No** | **Workstream** | **Business Process reference** | **High Level Solution Approach / Comments** | **In Scope** | **Sub Tasks** | **Level of Complexity** |
| 1 | Finance | 20.10.010 Create and Manage Vendor | Vendor integration, Logital & Palette | Yes | Interface configuration with Standard out of box Data Entity | Simple |
| 2 | Finance | 20.45.030 Post Invoice Non-PO | Invoice integration, Palette | Yes | Interface configuration with Standard out of box Data Entity | Medium |
| 3 | Finance | Placeholder Payroll integration | Payroll integration | Yes | Interface configuration with Standard out of box Data Entity | Simple |
| 4 | Project Accounting | 40.20.015 Create Project Contract | Placeholder for generic interface to CE | Yes | Interface configuration with Data Integrator/Dual Write | Very complex |
| 5 | SCM | 20.20.005 Create and Manage Procurement Catalogs | Integration, catalogs, Logital | Yes | Interface configuration with Standard out of box Data Entity | Medium |
| 6 | SCM | 20.30.015 Create Purchase Order; Master Planning | Integration PO, Logital | Yes | Interface configuration with Standard out of box Data Entity | Medium |
| 7 | SCM | 20.30.027 Update Purchase Order | Integration PO - deliveries, Logital | Yes | Interface configuration with Standard out of box Data Entity | Simple |
| 8 | Sales & Marketing | 35.20.022 Create sales order, EDI | Peppol format to be adjusted - Pagero | Yes | Interface configuration with Standard out of box Data Entity | Simple |

## Example RACI matrix with iterative approach

| Tasks | Engagement manager (Microsoft) | Program manager (Microsoft) | | Lead architect (Microsoft) | Facilitator Customer | Product owner (Customer) | Program manager (Customer) | Joint  project team |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Project initiation and planning** | | | | | | | | |
| Project initiation and planning  Project organization structure  Project planning (tasks and dates, milestones, and dependencies)  Resource management  Communications plan and reporting rhythm scheduling  Risk and issue management  RACI matrix  Change management plan and process (functional)  Project kickoff  Additional tasks | C | C | C | | C | C | R/A | C |
| Identify and allocate resources with appropriate skills to the project | A | R | I | | I | A | R | C |
| Resource management (for example, on-boarding, holidays, vacations, and replacements) | I | R A | C | | C | A | R | C |
| Project team status reporting meeting agenda and minutes | C | R | C | | C | A | R | I |
| Project status reporting | C | R | C | | C | A | R | I |
| Organize the SharePoint site to house all project documents | I | R | C | | C | A | R | I |
| Risk management (risk log, risk assessment, and mitigation planning) | I | R | C | | C | R | A R | I |
| Issue management | I | R | C | | C | A | R | C |
| Project plan (tasks and dates, milestones, and dependencies) | I | R | C | | C | A | R | I |
| Change management plan and process (functional) | I | R | C | | C | A | R | I |
| Toll gate reviews | C | R | C | | C | A | R | I |
| Training plan |  | C | R | | C | A | C | I |
| Test plan and schedule | A | R | C | | C | A | R | I |
| **Project financials and Customer management** | | | | | | | | |
| Stakeholder management and executive meeting | R A | C | C | | C | C | C | I |
| Microsoft internal reporting | A | R | C | |  |  |  |  |
| Report project actuals | A | R | C | | C I | C I | R | C I |
| Project forecast | C | R A | C | | C | C | R A | I |
| Customer satisfaction key performance indicators (KPIs) (conditions of satisfaction) | A | R | R | | C | C | R |  |
| Timesheet submission | A | R | C | | C | I | R | I |
| Invoicing | R A | C | C | |  |  | C |  |
| Organize and conduct steering committee meetings | A | R | C | | C | R | R |  |
| Organize, conduct, and facilitate the steering committee | A | R | C | | C | R | R | I |
| Validate compliance with project management office processes | C | R A | C | | C | C | R A | I |
| Customer–vendor relationship management | R A | C | C | | C | C | C | I |
| **SOLUTION AND SPRINT OR ITERATIONS** | | | | | | | | |
| Provide vision, roadmap, goals, and product requirements |  | I | C | | F | A | F | R |
| Create use cases  or user stories |  | I | C | | C | A | I | R |
| Approve use cases  or user stories |  |  | I | | I | R A |  | C |
| Take responsibility and manage the backlog (sprint and release scope) |  | I | C | | R | A | I |  |
| Prioritize and refine the product backlog |  | I | C | | C | R A | I | R |
| Iteration or sprint planning and the work breakdown structure (WBS) |  | R | A | | C | C | R |  |
| Facilitate cross-functional integrations |  |  | C | | C | R A |  |  |
| Estimate sprint or iteration efforts |  | R | A | | C | C | R | C |
| Iteration or sprint backlog management |  |  | C | | R A | C |  |  |
| Conduct and facilitate all functional and technical meetings regarding planning and implementation (including scrum meetings) |  | I | C | | R | A | I | C |
| Remove Impediments (resolve issues, manage dependencies, and follow up on outstanding action items) | R | A | R | | R | R | R A | C |
| Overall functional requirements |  | I | C | | C | A | I | R |
| Functional design |  | I | A | | C | C | I | R |
| Technical design |  | I | A | | C | I | I | R |
| Change control (changes that can affect the plan) |  | R | C | | C | A | R | I |
| All recommended development practices |  | I | R A | | C | I | I | R |
| Lessons learned meeting (after each iteration), retrospective |  | C | R | | C | A R | C | I |
| Validate adherence to agile and scrum recommended practices |  | F | R | | R A | I | F | I |
| Solution preview (iteration and sprint demo) |  | F | A | | C | I | F | R |
| Identify integrations |  | I | C | | C | A | I | R |
| Quality of final product or solution |  |  | R | | C | A |  | R |
| Write test cases and scripts, perform and evaluate tests and acceptance (triage) |  | F | C | | C | A | F | R |
| Define overall acceptance criteria (including completed, test results, solution, and deliverables) | C | C | R | | R | A | C | I |
| Create and maintain development schedules |  | I | A | | C | C | I | R |
| Deploy to the production environment |  | I | C | | A | C | I | R |
| Organize and conduct readiness assessments |  | F | C | | R | A | F | I |
| Operational and support requirements and planning |  | R | C | | C | A | R | C F |
| **Key:**  R—responsible—these are the people who are responsible for doing the work  A—accountable—these are the people responsible for the outcome. They are also the decision makers  C—consulted—these people contribute to a decision being made (their input might or might not be agreed to)  I—informed—these people are informed about a decision but do not get input  F—facilitator—these people help facilitate communication and information across the team | | | | | | | | |

# Tools

| Tool | Purpose |
| --- | --- |
| Azure DevOps | * Change management software used for software development   Planning and tracking of work, source code management, package management, quality management, cross-platform build, continuous deployment, release management, feedback management, application telemetry. |
| SharePoint | A collaborative platform that can be used to share and manage content, knowledge, and applications to empower teamwork, and help users find information and collaborate with other organizations involved in the project. |
| Lifecycle services | An Azure-based collaboration portal that provides a unifying, collaborative environment and a set of regularly updated Services that can help you manage the application lifecycle of your Microsoft Dynamics 365 (primarily Operations) implementations |
| Microsoft test manager | An application that can be used to test the application being built and store test plans and results in Azure DevOps.  Planning of tests, running tests, test configurations, collection of diagnostic data, copying and cloning of test suites and test cases, recording and playing back tests, and tracking software quality. |

# Glossary

The following acronyms, abbreviations, and terms are used throughout this document

| **Term** | **Definition** |
| --- | --- |
| SOW | Statement of Work (this document) |
| Microsoft Dynamics 365 | Microsoft Dynamics 365 for Sales, Finance and Operations |
| DLA | Microsoft Dynamics Lifecycle Approach |
| FRD | Functional Requirements Document |
| BRD | Business Requirements Document |
| FDD | Functional Design Document |
| TDD | Technical Design Document |
| SDD | Solution Design Document |
| ISV | Independent Software Vendor |
| BI | Business intelligence |
| SLA | Service-level agreement |
| USD | Unified Service Desk |
| SSRS | Microsoft SQL Server Reporting Services |
| Out-of-the-box | Functionality in Microsoft Dynamics 365 that is available as part of the base product, can be configured but requires no additional customization or development |
| KPI | Key performance indicator |
| Time-boxed | Time-boxing allocates a fixed time period, called a time box, to a specified activity. With time-boxing, the number of hours or duration of the activity is fixed, but the scope might be amended in order for the activity to be completed within the allocated time. Alternatively, additional time and effort might be required to complete the activity, but this will be subject to the change management process. |
| LOB | Line of business |