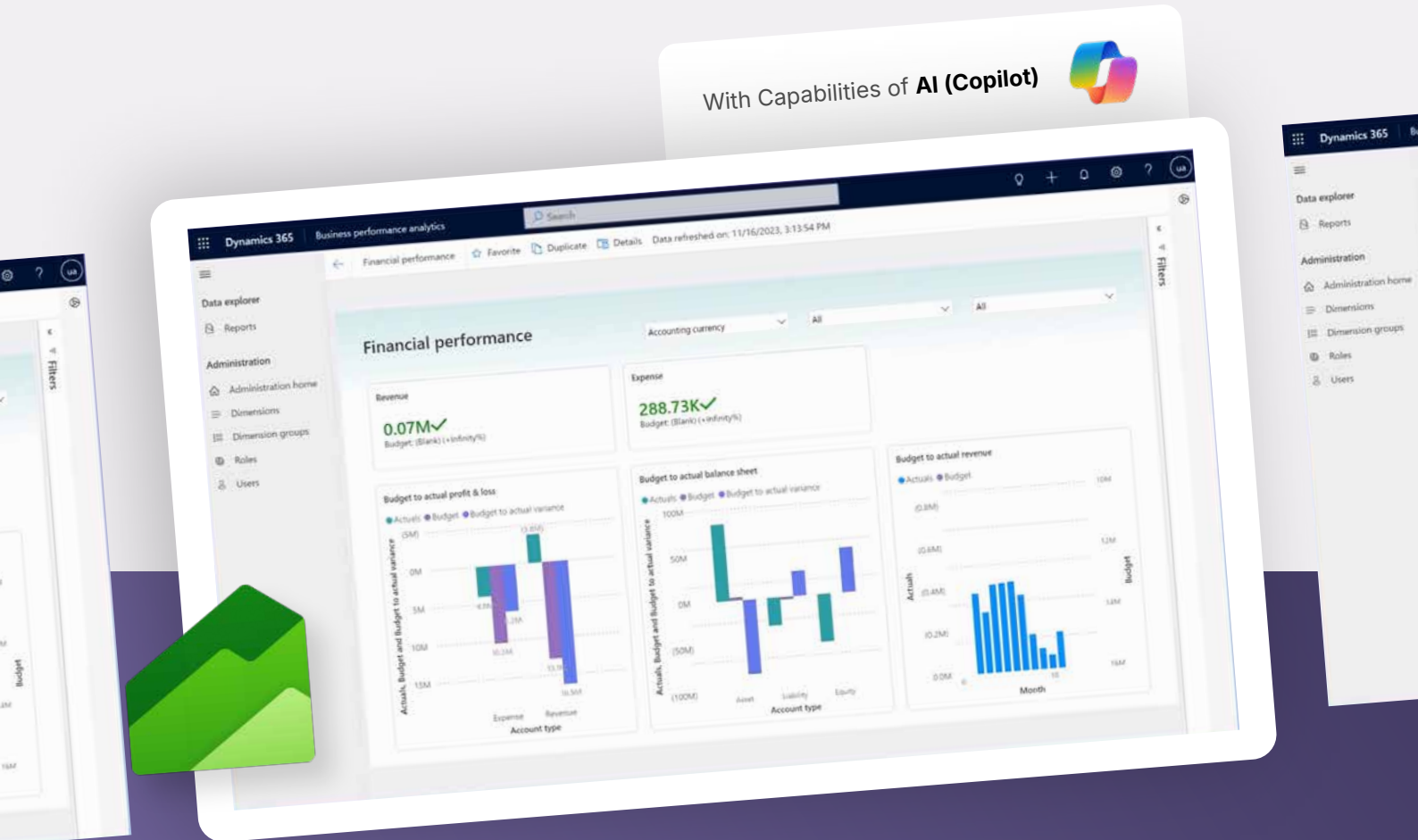


With Capabilities of AI (Copilot)



The Future of Finance Management

Transform the way Finance works
with Microsoft Copilot

January 2025



Table of Contents

- 1 The Future of Finance Management: Dynamics 365 Finance**
- 2 Microsoft – Your Partner for Business Success**
- 3 Common Financial Challenges in Modern Industries**
 - Inefficient Financial Process
 - Poor Data Quality
 - Regulatory Compliances
 - Lack of Integrations
 - Multi-Entity Management
 - Cash Flow Management
 - Financial Reporting
- 4 Microsoft Dynamics 365 Finance – The Perfect Solution to Eliminate all Financial Challenges**
- 5 Microsoft 365 Copilot for Finance**
 - Automate Bank Reconciliation
 - Cross Check Data across Different Processes
 - Track Customer Balance
 - Generate Automated Mails
 - Centralise Financial Data with Ease
- 6 Let's Get Started with Dynamics 365 Finance**

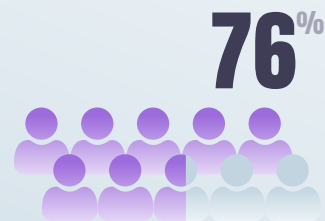
DISCLAIMER: The statistics furnished in this white paper are based on the most recent data that was available at the time of publication. While every effort has been made to ensure correctness, the data may have errors/omissions. Hence, it is advised to interpret the results with caution. Neither the author nor publisher of this white paper assumes any liability for the veracity of the presented statistics or for any judgments/decisions made using this information.

The Future of Finance Management: Dynamics 365 Finance

Managing finance is as critical as managing customers; all business owners and decision-makers understand this fact and take actions accordingly.

The precise management of customers enables a business to build a consistent stream of revenue while supervising finances, leading to greater savings and helping achieve long-term financial goals.

As per CFO.com, In order to prepare for an environment of rising inflation, 76% of CEOs in the finance industry stated that their company's finance department does accurate, real-time financial analysis and planning.



In traditional ways of business management, businesses used to maintain everything on paper, whether it was maintaining a general ledger or tracking vendor payments. There was no technological advancement that simplified the tasks and promoted financial health.

As per the Association of Finance Professionals, over 90% of finance teams utilise spreadsheets to supplement their financial planning solutions.

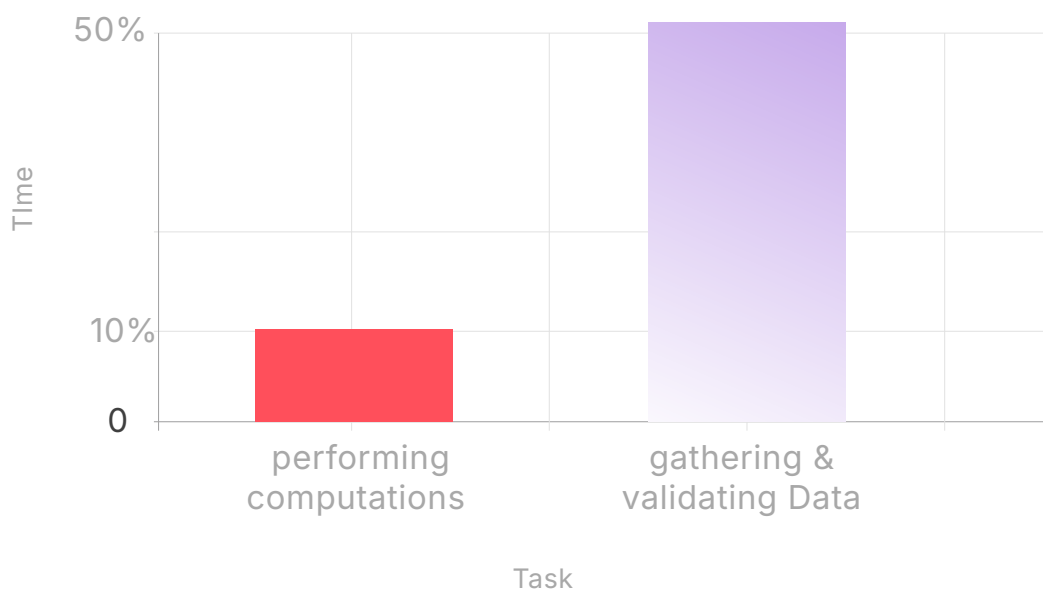


90%

However, things have changed embracing digitalization and modernization.

Now, businesses don't rely anymore on manual ways of doing and tracking business. We now have advanced business management solutions which are not only capable of optimizing financial transactions but also competent in managing other departments as well.

According to the Association for Finance Professionals, financial analysts spend only 10% of their time performing computations and 49% of their time gathering, validating, and managing data for projections.



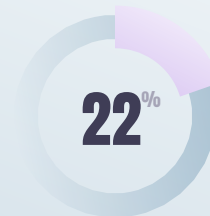
In the advanced world of technology and innovations, financial management totally relies on business management solutions, whether it is an ERP solution or a specifically built financial management solution.

The market for ERP software is expected to be worth \$300 billion by 2027.



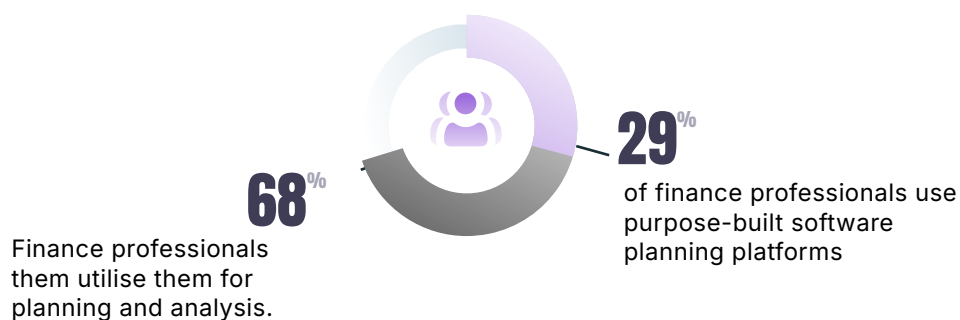
Adapting a solution depends on the specific business requirement, whether a business requires to manage the entire business or some sectors of the business.

When it comes to implementing technological solutions, 22% of CFOs think their organisation is falling behind. (CFO.com, 2022).



Whether a business wants to streamline financial operations or it wants to turbocharge complete business with automation and digitalisation.

According to the Association for Finance Professionals (2020), 29% of finance professionals use purpose-built software planning platforms at least once a week, and 68% of them utilise them for planning and analysis.



Microsoft - Your Partner for Business Success

Copilot automates tasks, empowers decisions, and boosts ROI by up to 457%.

Microsoft doesn't need an introduction, as we have been using its diverse product range since we were kids. Whether it is Windows' operating system or Microsoft Office, we know its solutions from the beginning.

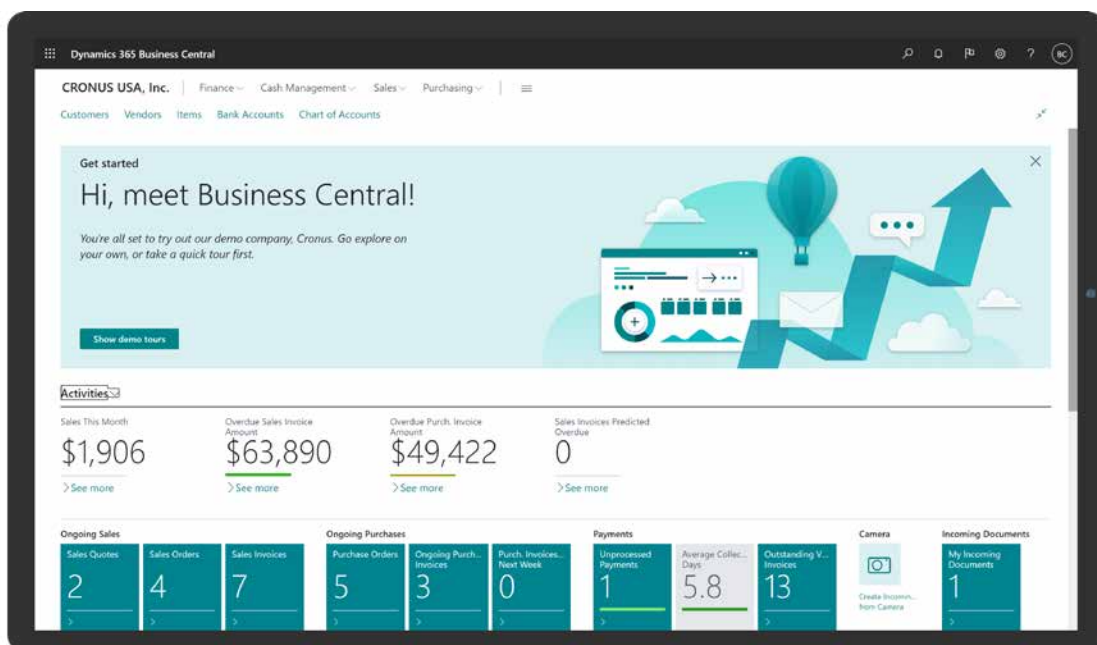
The best part of using Microsoft solutions is the similar look and feel it offers in all its applications. You will get similar user- interfaces across the range of Microsoft business solutions that make them simple and relatable to use.

From managing basic finance using Microsoft Spreadsheets to simplifying complex financial operations using Dynamics 365 Finance, Microsoft is a universal piece of your puzzled business.

To manage finance, Microsoft offers a range of solutions to streamline simple to complex financial operations. Such solutions come under the Microsoft Dynamics 365 suite that consists of different ERP and CRM solutions.



Microsoft Dynamics 365 Business Central is the global leader in enterprise resource planning (ERP) software, with over 2 million domains and a market share of over 87% as of September 2023



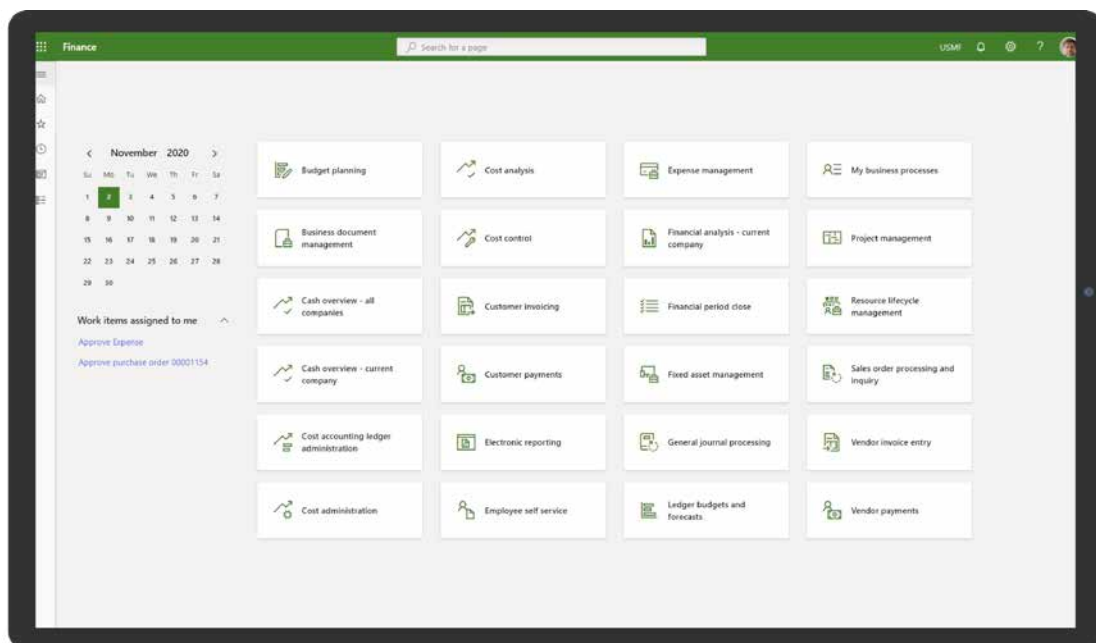
ERP stands for enterprise resource planning solution that streamlines internal operations of a business while promoting growth.

ERP software is a key business tool that integrates several other software applications in the growing enterprise software market, which is projected to reach a valuation of 913 billion USD in 2023.

\$913
Billion

CRM, also known as customer relationship management solutions, establishes a connection between the business and the customer to build long-lasting relationships.

Managing business financials comes under ERP solutions, and Microsoft has a perfect solution to simplify them – **Microsoft Dynamics 365 Finance**.



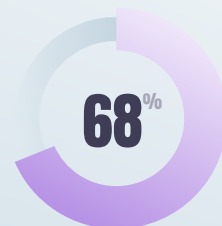
Common Financial Challenges in Modern Industries

Copilot goes beyond automation, offering real-time insights and personalized guidance within the Microsoft ecosystem.

Nowadays, businesses have to deal with a lot of issues due to digitalisation, operational complexity, and growing market demands. And finance, being an important department of any business, requires precision for complete data accuracy.

To list the common financial challenges, we have done market research to find out what exactly is hampering the businesses with their growth stage.

According to 68% of stakeholders, the most crucial area for comprehensive testing is financial management.



Inefficient Financial Process

It is one of the most common financial challenges that the majority of businesses have to deal with. It hinders the decision-making process, lowers productivity, and enhances the risk of financial errors. There can be numerous reasons for inefficient financial processes, which include:

- **Manual Data Entry**

The intervention of any human in any business processes increases the chances of errors while slowing down the entire operation

- **Lack of Automation:**

Manual processes consume time and restrict the workforce to the focus of important tasks that contain more business value.

- **Paper-Based Systems:**

Maintaining financial operations or transactions on paper is a cumbersome process while difficult to organise.

As per Flexport's 2023 Logistics Trends Report, 1/3rd businesses have started adopting warehouse automation and robots to boost business efficiency.



Impact: Insufficient financial processes lead to two major factors:

- **Increased Cost:**

Manual operations can lead to errors and inefficiencies, which increase costs and reduce profitability.

- **Delayed Decision Making**

Lack of understanding of financial performance can impair decision-making, leading to missed opportunities or poorly considered strategic options.



Poor Data Quality

A business contains a huge amount of data consisting of good as well as irrelevant data. Data inaccuracy and data silos lead a business to make incorrect decisions, huge financial losses, and be unable to meet regulatory compliances. The poor data quality leads to inferior financial information, along with the increased risk of errors. Some core reasons for poor data quality are:

- **Inaccurate Data**

Manual errors during the data entry process, constriction in data processing, and inappropriate storage of data lead to inaccurate information.

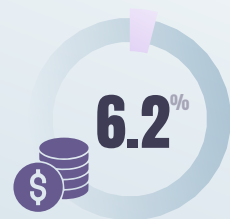
- **Data Silos**

Accessing different applications for different operations creates an unstructured data ecosystem that prevents different departments from sharing and accessing data.

- **Lack of Data Standardisation**

Different data formats make accessing data difficult and analysing the complete financial information.

As per Panorma Consulting, just 6.2% of businesses claim cost as the reason they didn't select cloud, making it the least prevalent excuse.



Impact: Poor data quality leads to two major factors:

- **Incorrect Financial Statements**

Inaccurate data used in financial reporting might result in misleading conclusions and regulatory issues.

- **Lowered Trust**

Inadequate data quality can undermine the trustworthiness of financial information from both internal and external sources.

Regulatory Compliances

To perform international operations, businesses have to comply with different financial regulations for a smooth transition. However, aligning with diverse regulations through a manual approach is difficult, time-consuming, and complex. When businesses don't comply with such regulations, they may have to bear fines, penalties, and legal action from local governing bodies. Also, it damages a business's reputation and decreases customer trust. Some of its causes are:

- **Complex Regulation**

Regulations and tax norms are difficult to understand as they vary from one nation to another.

- **Changing Regulations**

Businesses have to stay compliant as regulations are subject to change over time.

- **Lack of Resources**

To comply with all norms, businesses require resources and expertise to ensure compliance with changing financial regulations.

As per Ultra Consultants, 12% businesses believes that complying with regulatory compliance is among top 3 goals while implementing an ERP solution



Impact: Not complying with regulatory compliances leads to two major factors:

- **Financial Penalties**

If financial limits are violated, there can be fines, penalties, and legal action.

- **Reputational Damage**

Failure to comply with regulations can cause a company's reputation to suffer, as it also undermines customer confidence.

Lack of Integrations

Businesses have to deal with a number of solutions altogether that lead to data silos, inefficiencies, data inconsistencies, and enhanced operational cost. Also, it leads to disconnected financial systems and data discrepancies due to a lack of integration between them. It directly hampers the decision-making process that needs to be accurate, lowers the productivity levels, and enhances the risk of financial errors. Some of the major causes are:

- **Legacy Systems**

Older financial systems lack automation and contain obsolete capabilities to tackle modern-day problems.

- **Technical Challenges**

Integrating different systems with legacy systems is complex as it requires complex coding to attach or detach any system while securing data.

- **High Integration Cost**

The involvement of a coder to integrate a solution involves high costs that a company must bear while also paying for maintaining the connection.

As per Fivertan's ERP report, for 99% businesses, the numerous data-related problems they face are primarily caused by complexity and integration.



Impact: Lack of integration causes two major factors in a business:

- **Inefficient Workflows**

Disconnected systems can lead to business procedure delays and inefficiencies.

- **Data Inconsistencies:**

Data silos can lead to errors and discrepancies in financial information.

Multi-Entity Management

Managing different entities spread across the globe from a single platform is difficult unless it is a technology-driven solution embedded with cloud technology. Also, businesses must deal with multiple legal entities and complex currency conversions in real-time while following tax regulations. The entire process of managing multiple entities along with following compliances is time-consuming and full of risk. Some of the major causes are:

- **Complicated Regulations**

Different countries have different tax norms, and businesses have to follow them to perform local business.

- **Currency Fluctuations**

Currency rates are subject to fluctuation following global conditions. To centralise all financial transactions, businesses must align with the fluctuations.

- **Consolidated Reporting**

Generating and consolidating financial reports from multiple entities is complex and prone to error.

As per Flexport's 2023 logistics Trends Reports, 45% percent of organisations employ a local delivery service as one of their strategic methods for distributing inventory among multiple fulfilment center



Impact: When a business is unable to manage multiple entities, it leads to two major factors:

- **Compliance Issues**

If local laws are violated, the business may have to bear fines and penalties.

- **Inefficient Operations**

Inefficient management of many currencies and entities can result in a rise in complexity and a fall in efficiency.

Cash Flow Management

Cash flow management is a crucial process for a business to streamline different business operations. Inadequate management of cash leads to financial difficulties and lost growth opportunities. Also, it makes the processes of paying bills and growth investment complex and complicated.

- **Unexpected Expenses**

Without any proper tracking of cash, it leads to unforeseen costs that can lead to stressed cash flow.

- **Slow Payments**

Lately receiving payments from customers and vendors negatively impacts the cash flow.

- **Overspending**

Without proper tracking, businesses overspend the finances, which leads to cash shortages and financial difficulties.

As per Parsimoni ERP report, 62% businesses said that ERP systems helped them cut costs. Many of them mentioned that ERP systems were especially good at cutting costs related to inventory control and purchasing.



Impact: When a business faces difficulties in managing cash flow, it leads to two major factors:

- **Financial Difficulties**

Insufficient funds can lead to financial difficulties, including paying bills and processing payments.

- **Lost Opportunities**

Inadequate cash flow management can prevent businesses from expanding their operations or from seizing investment opportunities.

Financial Reporting

Precise financial reporting is one of the essential needs of modern businesses that want to make actionable decisions leveraging real-time insights. Without proper financial reporting, a business faces difficulties in making valuable decisions and thus increases the cost of financial errors. Poor financial reporting is backed by different causes, which are:

- **Inaccurate Data**

The utilisation of inaccurate financial data leads to fallacious financial reports that push a business towards loss.

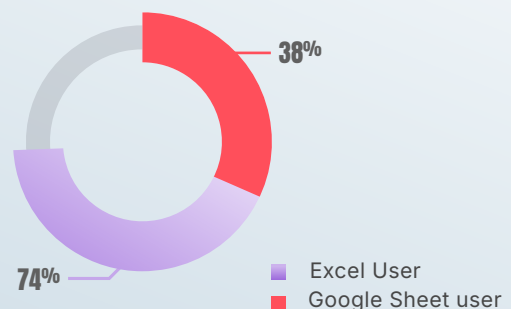
- **Complex Reporting Needs**

The manual procedure to prepare financial reports is time-consuming and complicated for all businesses.

- **Lack of Financial Analysis**

Financial reports need to be studied thoroughly and accurately to make it effective data for a business.

As per Battery Ventures (2021),
38% of finance teams use
Google Sheets and 74% utilise
Excel for financial reporting.



Impact: The weak financial reporting leads to two major factors, which are:

- **Face Financial Difficulties**

It could be challenging for businesses to meet their financial commitments, such as paying bills on time and investing in R&D.

- **Less Competitive Advantages**

It could be challenging for companies with limited funding to beat rivals that have better access to capital.

Microsoft Dynamics 365 Finance

The Perfect Solution to Eliminate all Financial Challenges

Dynamics 365 Finance is a powerful solution capable of transforming the way a business deals with financial transactions. It leverages AI and BI capabilities to leverage automation while maintaining the financial health of the organisation.

It can:

- Strengthen Decision Making
- Automate Financial Operations
- Drive business growth through innovation.
- Offer real-time insights
- Promotes Global Operations
- Comply with Tax Regulations
- Mange Tax Seamlessly
- Perform accurate financial planning.



As we have already discussed different financial challenges that businesses have to face. When it comes to eliminating such challenges with a proactive approach, there is no one better than D365 Finance

Eliminate Insufficient Financial Processes with:

- **Automation**

Dynamics 365 Finance automates several manual tasks, including data entry, invoice processing, and expense report creation. Because of the reduction in errors and boost in productivity, workers can concentrate on more strategic duties.

- **Streamlined Workflows**

The technology offers a streamlined workflow for financial transactions, ensuring smooth operations and reducing bottlenecks.

- **Centralised Platform**

A centralised platform reduces errors and improves accuracy by eliminating the need for several spreadsheets and manual data consolidation.

As per Vic.com, to assist businesses with real-time insights, 50% CFOs of modern businesses are looking for efficient finance automation tools.



Boost data quality with:

- **Centralised Data Repository**

Dynamics 365 Finance provides a central data repository that ensures data consistency and correctness across different processes of the organisation.

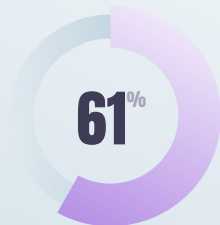
- **Data Validation Rules**

Integral data validation standards help to guard against inaccurate and inconsistent data entry.

- **Integration with Other Systems**

Integrating Dynamics 365 Finance with other solutions of the Dynamics 365 ecosystem, like D365 Supply Chain Management and Dynamics 365 CRM, ensures accurate and consistent data throughout the organisation.

As per Association for Finance Professionals, 61% of finance professionals are making more data-based decisions using a perfect ERP as compared to previous year.



Follows global regulatory compliances with

- **Built-in Compliance Features**

The solution's built-in features help businesses comply with IFRS and GDPR, among other financial standards.

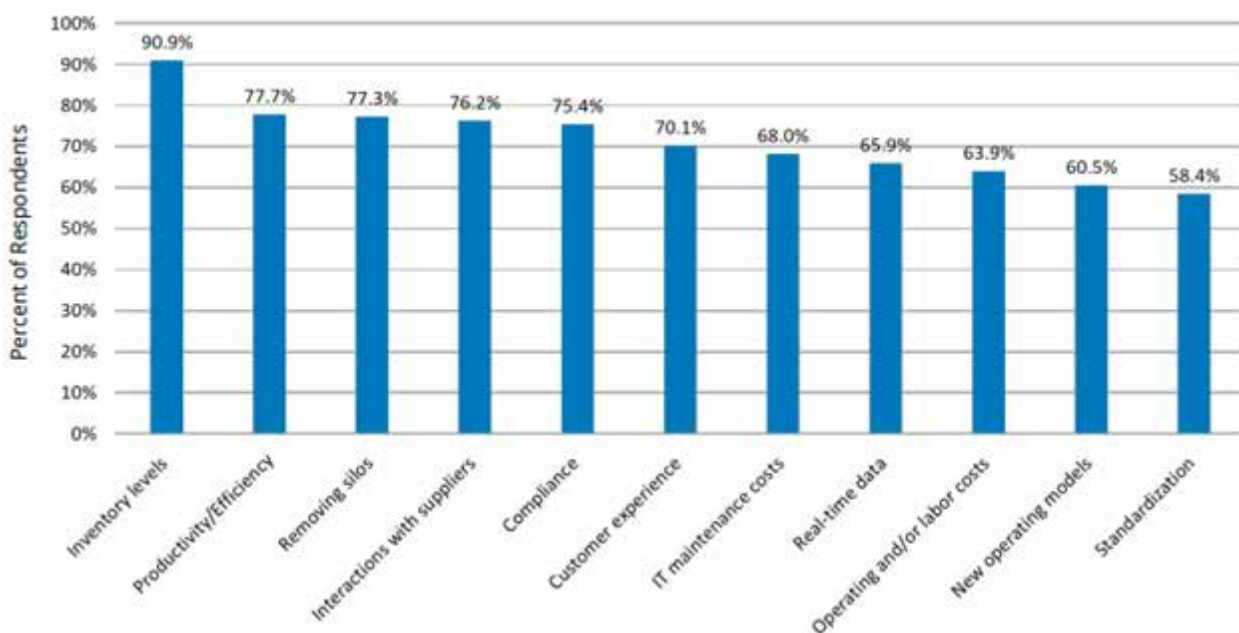
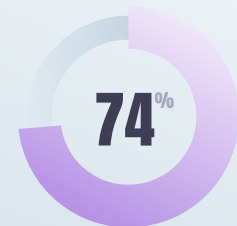
- **Audit Trail**

Dynamics 365 Finance provides a comprehensive audit trail that makes it easier to keep track of changes and comply with legal requirements.

- **Automated Compliance Tasks**

The system has the capability to automate many compliance operations, hence reducing errors and boosting efficiency.

As per Panorama Consulting Group, 75.4% of businesses believe that aligning with global compliances benefits the business in terms of generating revenue.



Follows global regulatory compliances with

- **Seamless Integration**

It is simple to connect Dynamics 365 Finance with other Microsoft Dynamics products and third-party applications. Such integrations remove the data silos resulting in greater workflow effectiveness.

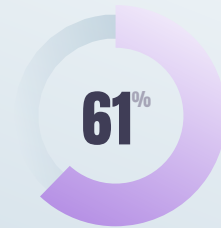
- **API-based Integration**

The solution's use of API-based integration makes integration with other apps and systems easier.

- **Pre-built Connectors**

Dynamics 365 Finance offers pre-built connectors for widely used integrations, which simplifies the data pipeline.

According to Vic.com (2022), 61% of CFOs think that integrating financial automation with their current systems is the most challenging part of the process.



Empowers businesses to manage multiple entities with:

- **Consolidated Reporting**

The system provides capabilities for merging financial data from multiple organisations, which simplifies the management of large enterprises.

- **Currency Management**

The support for many currencies in Dynamics 365 Finance makes managing multinational businesses easy.

- **Localisations**

Because the solution supports local regulations and is available in many languages, it is suitable for businesses that operate in different regions.

Enables cash flow management with:

- **Cash Flow Forecasting**

By using Dynamics 365 Finance's cash flow forecasting features, businesses can predict cash shortages and take proactive measures to avoid them.

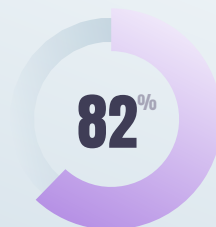
- **Accounts Receivable Management**

The method reduces late payments and boosts cash collection by optimising accounts receivable processes.

- **Expense Management**

Dynamics 365 Finance has features that help businesses manage spending, reduce expenditures, and improve cash flow.

As per Gartner, 82% of CFOs believe that their investments in digital are growing faster than those in other sectors like fixed assets, talent, supply chain, or business services.



Enables effective financial reporting with:

- **Real-time Analytics**

Businesses can make data-driven decisions because of the real-time analytics and reporting provided by the solution.

- **Customisable Reports**

Businesses can create reports using Dynamics 365 Finance that are customised to meet their specific needs.

- **Integration with Power BI**

The software provides strong analytics and visualisation capabilities with Power BI through seamless integration.

Microsoft 365 Copilot for Finance

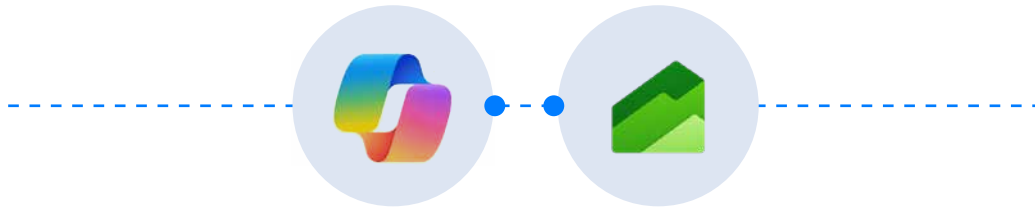
Copilot personalizes tasks, automates proactively, and elevates human capabilities.

Microsoft Copilot is a powerful AI-assistance that works on the concept of LLM model to understand user needs and offer the most reliable solution. It empowers users to leverage AI transformation and make intelligent decisions for business growth.



Understanding the business demands and customer requirements, Microsoft has started introducing Copilot for specific business solutions.

Introducing Microsoft 365 Copilot for Finance, an innovative solution that comes along with D365 Finance to help you utilize existing financial data using generative AI and make smart decisions based on insights.

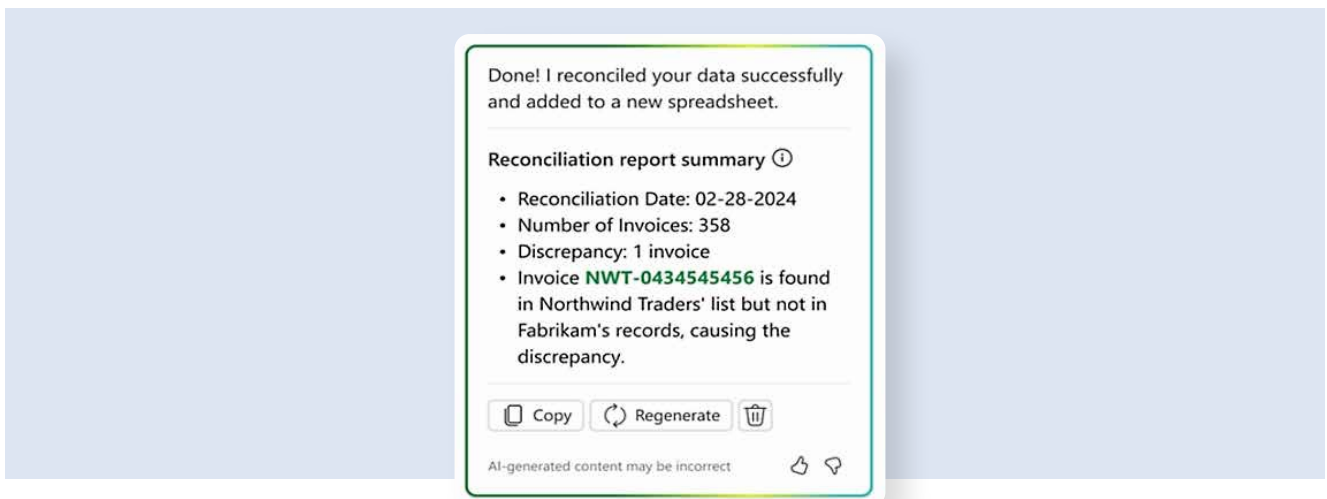


Currently, it is available for preview mode and any user can access this after signing in from the official Microsoft website.

Microsoft 365 for Copilot can:

Automate Bank Reconciliation

Bank reconciliation is a time-consuming yet important task to do. With Copilot, you can automate the entire process, and it will review and cross-check data for any kind of error. Even so, it will cater for the entire analysis and processed data in a customisable template.



Cross Check Data across Different Processes

Finance is a critical department with no scope error. Copilot understands this requirement and cross-checks the desired financial data across different operations or data records to ensure accuracy and consistency.

Analyze variances

Define criteria for Copilot to identify and analyze variances ⓘ

February forecast varies from actuals more than 10%|

65/2000

Data

Cash inflow analysis Feb 2024.xlsx

Detailed sales by region.xlsx

Lease and rent breakdown.xlsx

Upload files (.csv, .xlsx, or .pdf)

Aa

Select a pair of cells as variances in the spreadsheet for Copilot to analyze ⓘ

+

+

Track Customer Balance

Tracking all customers along with their pending balances is a cumbersome process when you have hundreds of customers. Copilot empowers you with advanced tools to track the balances of all customers and notify them for the payment through automated emails. The best part with Copilot is that everything is just a prompt away.

Finance insights ⓘ

- **Jane Cooper** is the primary contact for the customer Fabrikam (US).
- **Fabrikam** specializes in crafting immersive and premium tea experiences, highlighting ethically sourced leaves and a diverse range of delicate flavors.

Copy

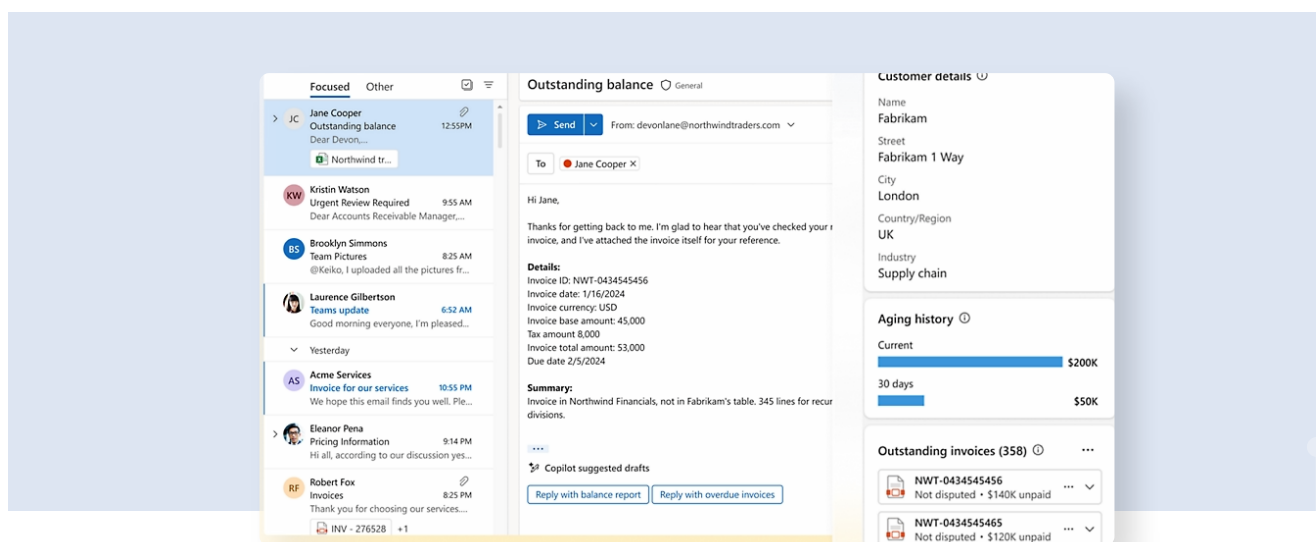
AI-generated content may be incorrect

Customer ⓘ

⚠ 358 overdue invoices. [See details](#)

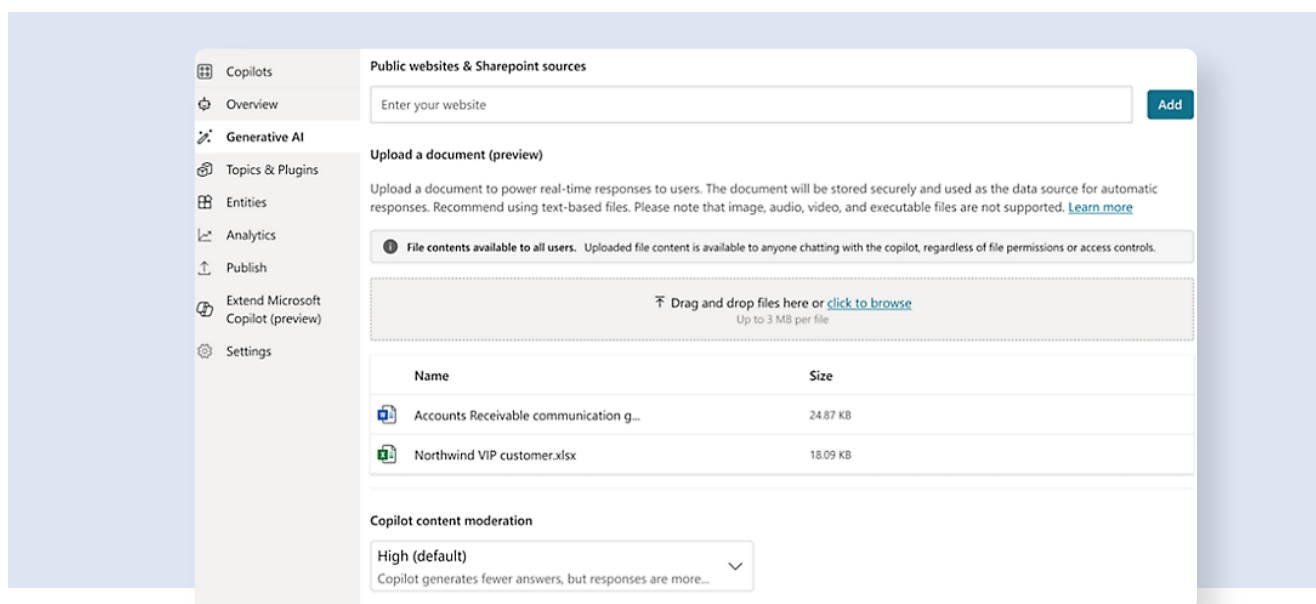
Generate Automated Mails

Save time on writing detailed emails along with the right set of information to customers with Copilot. Give a prompt to Copilot in your language, and it will fetch all details related to the query to write an email draft. Later, you can edit the draft, attach relevant documents, and send it to the customer. Isn't this simple?



Centralise Financial Data with Ease

Connect your ERP system or any other financial data source using prebuilt connectors and start viewing your data on a centralised platform—Microsoft Copilot. Even, you can connect Teams, Excel, and Outlook with Copilot to one another, boosting your productivity and simplifying your workflow.



Let's Get Started with Dynamics 365 Finance

Dynamics 365 Finance is one such powerful solution that empowers a business to streamline complete financial operations along with streamlining other processes as well. It is more than a financial management solution that makes your business efficient, productive, and centralised.

Growing businesses with complex financial needs choose D365 Finance because of its ability to make processes simple and effective while offering a wide range of automation capabilities to accelerate growth.

However, choosing the perfect solution and implementing it perfectly in a complex business environment aligning with its complicated requirements are two different scenarios. This is where Dynamics Square comes into play.

Serving global businesses for the last 14 years with the Microsoft Dynamics 365 suite has made us capable of understanding the complexity of different industries. We know what a business requires to grow, scale, simply process, and generate a consistent stream of revenue with minimal efforts.

This is our expertise and experience of our 150+ technical consultants, who can eradicate business hurdles in no time. Being a pioneer in implementing Dynamics 365 Finance to different industries, Dynamics Square has served 500+ global clients with cutting-edge innovations and Microsoft business technology.

Such businesses know us as “The People’s Company” because we have optimised our infrastructure for businesses who want to grow and scale unstoppable—like you!

[Schedule a Meeting Now](#)

***Note:** While the data included in this section is obtained from reliable sources, readers are advised to consider potential inaccuracies or omissions. Please refer to the full **DISCLAIMER** furnished in the introduction section for complete information.*

Dynamics Square UK

Your Reliable Microsoft Dynamics 365 Partner

Dynamics Square is the UK's premier Microsoft Solutions Partner, specialising in Microsoft Dynamics 365 for diverse industries. With a global footprint spanning 7+ countries, including the USA, Canada, Australia, Netherlands, Switzerland, and Singapore, we deliver seamless and reliable solutions to accelerate your business growth.



Our team of 150+ in-house Microsoft-certified experts boasts a proven track record of delivering cost-effective, technology-driven solutions to over 500+ global clients.



350+

Successful Handovers
and Counting!



24/7

Round-the-Clock
Support!



150+

Qualified Professionals
at Your Disposal!

Implementation

Upgrade

Support

Consulting

Audit

Training



Business Central



Finance



Supply Chain



Sales



Power BI

DYNAMICS SQUARE™

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Technical Support: +44 (0) 207 097 8987

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