

Intelligent Operations

The CFO's Guide to AI-Powered ERP



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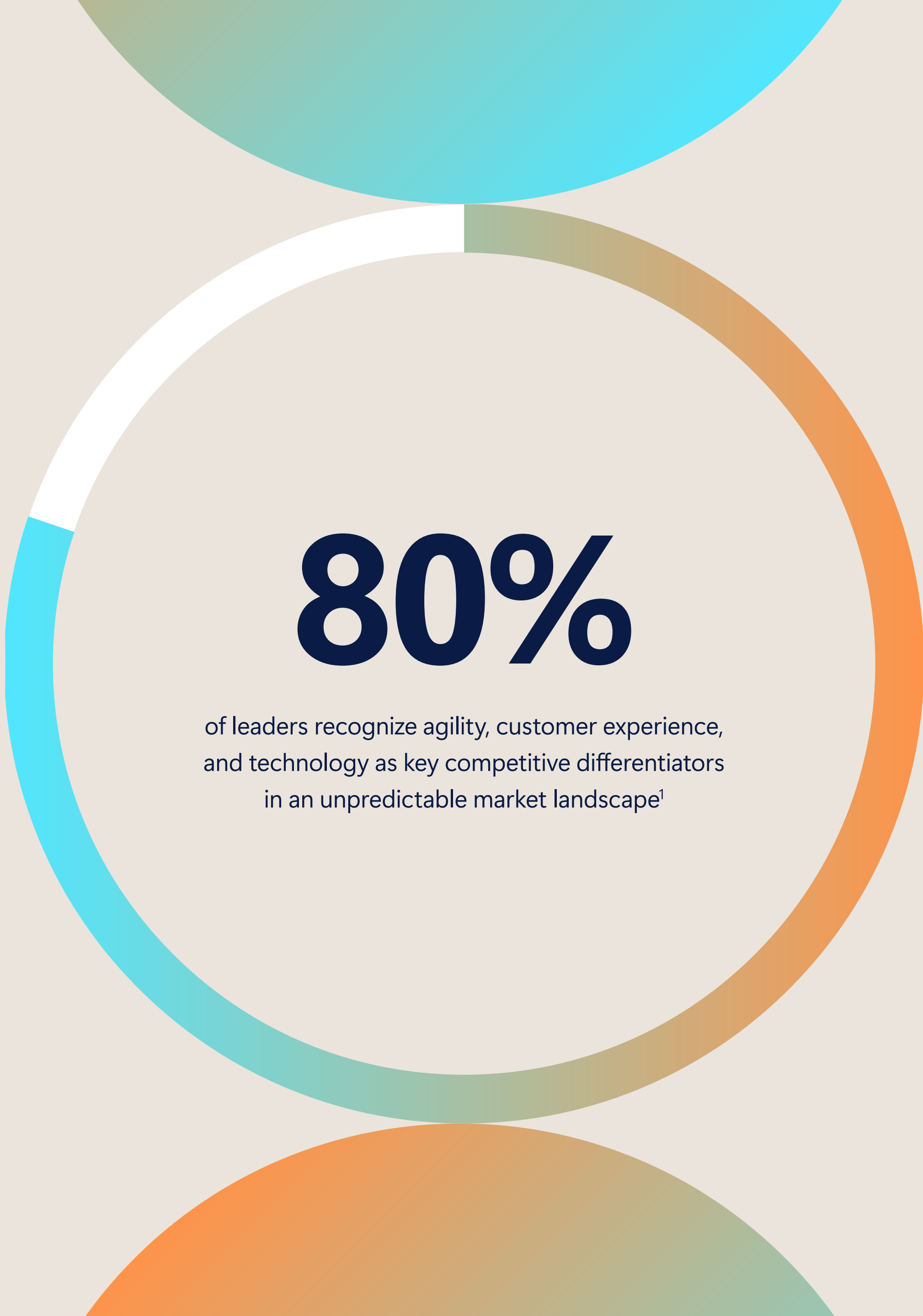
Why AI in ERP can't wait

Today's businesses face a perfect storm. Customer expectations continue to rise. Competition comes from unexpected directions. And the pace of business requires real-time insights and rapid innovation. Welcome to the new enterprise reality—where legacy approaches to running your operations are no longer enough.

Against this backdrop, AI has become a strategic imperative. **Eighty percent** of leaders see AI as a key competitive differentiator, and **73%** are already using it.¹ But for many organizations, their existing Enterprise Resource Planning (ERP) systems stand in the way. Built for a different era, these rigid systems are unable to adapt to rapidly changing business needs and can't tap into the full potential of AI.

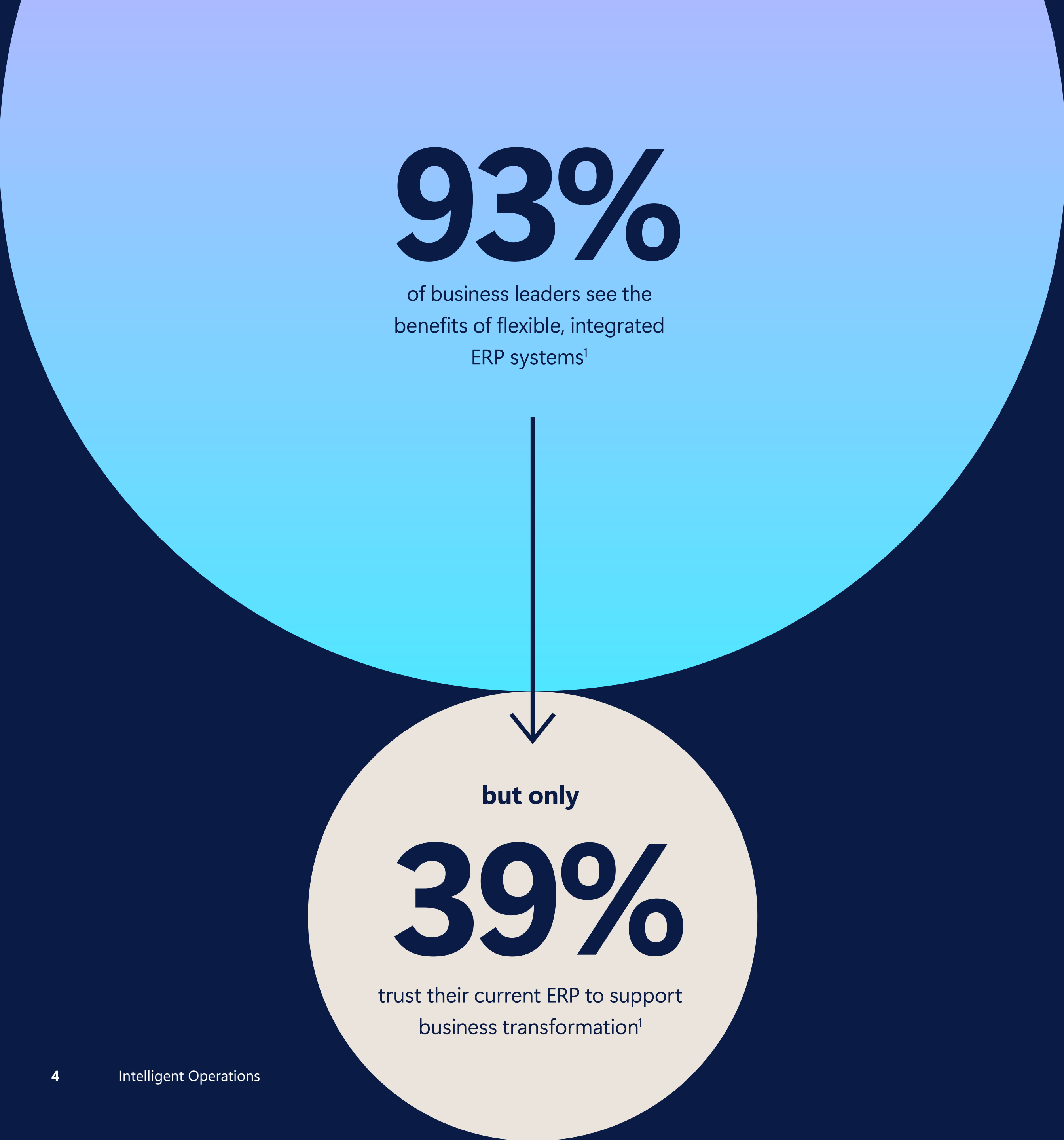
It's time to reimagine how enterprise systems work. To prioritize agility and put intelligence at the core of operations. The question isn't *Should we transform?* but rather *How quickly can we get started?*

This e-book is your guide to transforming your ERP with AI-powered intelligence. It's written for leaders ready to reinvent their operations, enhance productivity, and gain a competitive edge through the power of a modern ERP.



80%

of leaders recognize agility, customer experience,
and technology as key competitive differentiators
in an unpredictable market landscape¹



93%

of business leaders see the
benefits of flexible, integrated
ERP systems¹



but only

39%

trust their current ERP to support
business transformation¹

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Reimagining ERP for modern business

Traditional ERP systems often feel like concrete—solid but inflexible. Modern ERPs are more like building blocks, letting you adapt and reconfigure as your business evolves. It's an essential shift that helps organizations improve existing businesses functions, optimizing with data-driven insights.

With a composable and AI-driven ERP system, each piece—from finance to supply chain—can work independently while fitting perfectly together. This lets you:

- Add new capabilities without disrupting existing operations
- Connect to thousands of third-party systems
- Scale up to support global expansion
- Gain access to always-on, real-time insights
- Adapt quickly to changing business requirements
- Automate processes and drive intelligent decision-making with AI

Organizations need a new approach to enterprise systems—one not bound by rigid structures. Today's ERP should do more than just record transactions; it must drive insights and enable quick action.

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A foundation for intelligent operations

ERP solutions from Microsoft Dynamics 365 deliver a modern, composable platform designed to help your organization operate profitably, enhance business performance, and create a resilient and connected organization ready for whatever comes next. As a cloud-based system, it offers greater flexibility and convenience compared to legacy on-premises systems that are rigid, difficult to maintain, and complicated to scale. Backed by Microsoft's enterprise-grade security and compliance capabilities, it provides the protection organizations need to operate with confidence.



Transform your operations with Dynamics 365

Turn efficiency into profitability

Employees need tools that enhance their productivity and improve operations to meet your customers' needs. Dynamics 365 ERP solutions help you:

- Speed up operations to automate key processes like *Record to Report* and *Order to Cash*
- Adapt quickly to changing market conditions with smart recommendations
- Predict and meet market demands by optimizing resources through AI-powered insights
- Simplify partner collaboration with streamlined onboarding and unified planning tools

Drive better business outcomes

Real-time insights shouldn't just inform decisions—they should accelerate your path to growth. Dynamics 365 help you:

- Close financial periods faster with automated reconciliation and reporting
- Accurately plan across your business by connecting the tools you already use
- Make confident decisions with real-time insights and predictive analytics
- Explore new revenue streams while managing everything on a single platform

Build connection, safely

Security and innovation need to work hand in hand. Dynamics 365 helps you:

- Adopt new technology smoothly without immediately replacing existing systems
- Connect all your business tools through standardized processes and built-in integrations
- Operate globally with confidence through enterprise-grade security
- Count on a 99.9% uptime service-level agreement (SLA)

How AI agents transform workflows

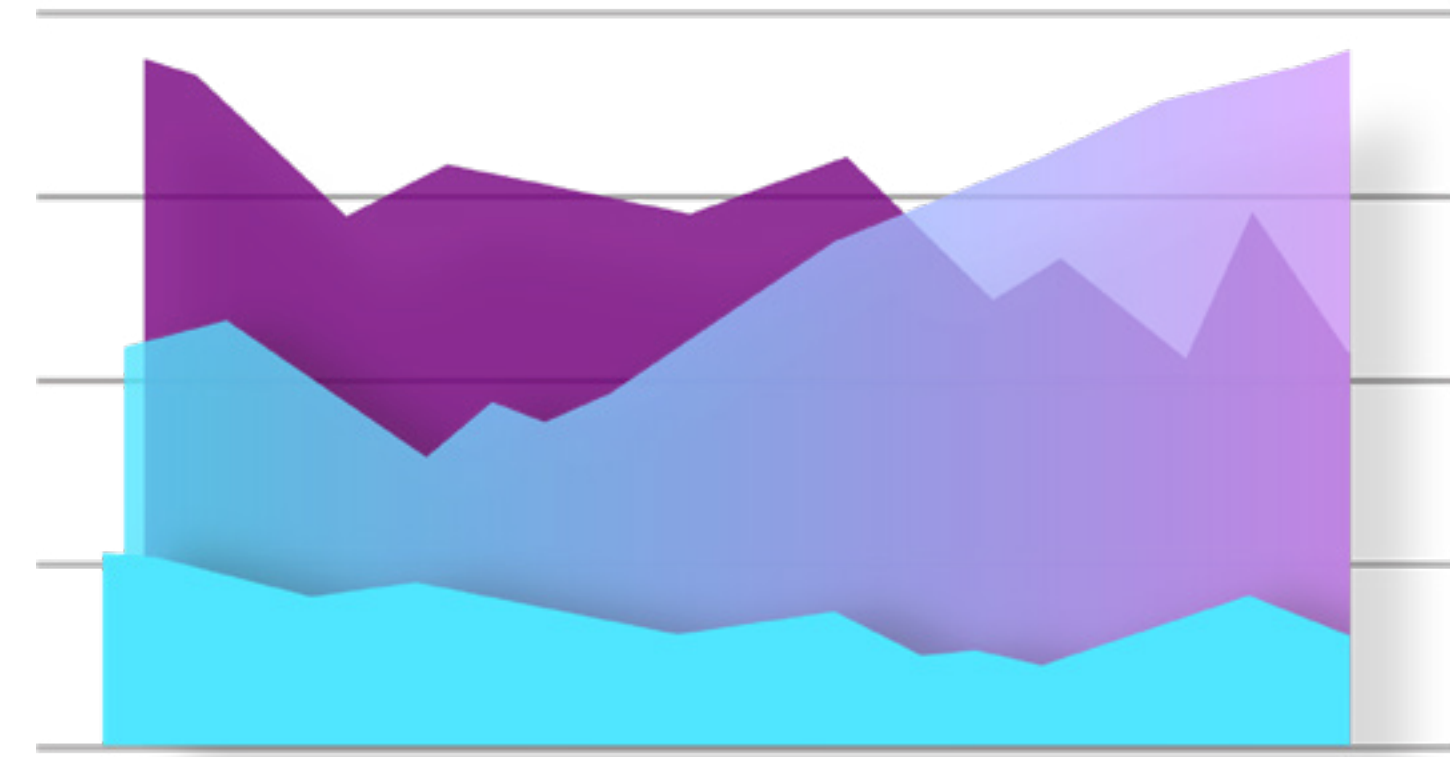
Dynamics 365's ERP solutions activate powerful capabilities—from real-time analytics to integration across business functions. But every business is unique, with its own specialized processes, workflows, and needs. This is where AI shines.

Microsoft offers a suite of powerful AI agents that seamlessly connect with Dynamics 365, bringing new intelligence to your everyday workflows. And that's just the beginning. With Microsoft Copilot Studio, you can create your own custom agents that match your unique vision, whether you want to enhance your existing ERP processes or establish entirely new ways of working. Agents let you tailor Dynamics 365 to match your exact needs in days or weeks, not months or years—bringing agility to traditionally slow development cycles.

Think of these agents like digital colleagues working alongside you, helping improve your business processes. They're not replacing human intelligence—they're amplifying it. And your workforce is ready: **75%** of knowledge workers are already using AI at work.² With AI, the future of work is more efficient, intuitive, and aligned to the unique rhythm of your business.

Unlike traditional automation, agents can identify failures and process gaps so you can improve them over time. This means Dynamics 365 becomes more effective the more you use it.

That's the true AI advantage: not just faster processes, but smarter ones. Not just automation, but augmentation. Not just efficiency, but transformation.

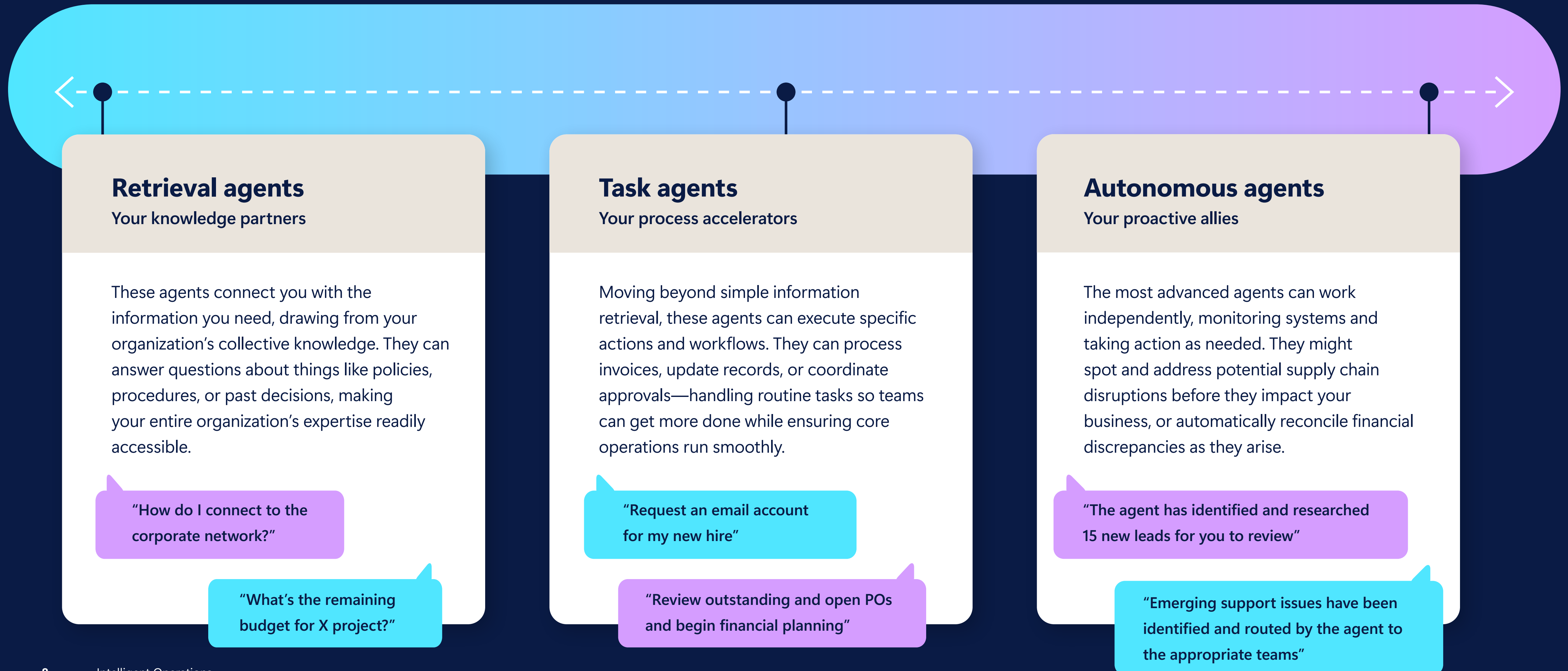


\$1T

in productivity gains will come from enterprises using personalized tech skills and AI-driven automation by 2026, according to IDC projections³

The AI possibility spectrum

Within Dynamics 365, agents help businesses tailor their operations, boost productivity, and get ahead of competitors by building a truly customizable ERP system. Customization comes to life with agents that operate across three levels of sophistication. Each brings unique value across this spectrum of capability.



Build your own AI agents for Dynamics 365

Copilot Studio is the low code platform for building, testing, and deploying custom agents for use in Dynamics 365 and other systems. It allows workers of all skill levels to deliver true customization to your business—from business users with no coding experience to professional developers.

Agents built with Copilot Studio are designed with security at their core. Robust data protection safeguards your sensitive information, while agent guardrails and controls ensure compliance and reliability.

Three paths to agent creation:



Talk

Start a conversation with your agent. Describe what you want to accomplish in everyday language, connect it to relevant systems, and Copilot Studio starts building—working with you to shape the agent to meet your needs.



Design

For a more hands-on approach, a visual canvas in Copilot Studio lets you drag and drop components to design your agent's capabilities. It's like arranging building blocks that give your agent shape and purpose, all with no coding required.



Code

For developers wanting total control, the Agent SDK delivers the flexibility to create highly sophisticated solutions. The Microsoft Agent Framework gives access to the full potential of agent capabilities, backed by enterprise-grade reliability.

Prebuilt agents: ready for work

Unsure of where to start? Microsoft has built a suite of autonomous agents powered by Copilot Studio ready for you to deploy to Dynamics 365. Let's explore just two of these many agents in action to see how Copilot Studio makes your ERP smarter, faster, and more effective.

When deployed to your Dynamics 365 ERP solution, these agents represent the next evolution of intelligent automation. They work alongside your team as trusted partners, tailored to the unique needs of your organization. The result? Reinvented operations, enhanced productivity, and direct path to new competitive advantage.

> Supplier communications agent

Time is invaluable when it comes to keeping up with supply changes. The Supplier Communications Agent in Dynamics 365 automatically fields emails, assesses any supply disruptions, and updates purchase orders in real time to keep operations flowing under any circumstance.

If a supply delay impacts a critical order, the agent will evaluate inventory and offer the best mitigation plan—allowing you to make faster decisions and ensure customers receive their orders on time. With the ability to review and determine whether to adopt its suggestions and logic, you have full oversight into everything the agent does.

> Account reconciliation agent

Closing the books at quarter-end can be a daunting task, often requiring weeks of overtime to reconcile data. The Account Reconciliation Agent in Dynamics 365 automates the heavy lifting. It reviews and reconciles data, flags discrepancies, and suggests corrective actions—such as reversing and re-posting transactions—all based on your previous decisions.

You remain in control, deciding which tasks the agent handles, monitoring its progress to ensure transparency and trust. As it learns from your actions, it becomes more efficient, helping you close your books faster.



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What's next

The journey to AI-enhanced ERP isn't about replacing what already works. It's about building on your strengths to create something better. The opportunity is clear. The future of your business operations is ready to be built with Dynamics 365.

Sources

¹ “Future of ERP: Empowering Businesses and People with AI-Guided Productivity”. Microsoft, 2023.

² “AI at Work is Here. Now comes the Hard Part”. Microsoft Work Trend Index, May 8, 2024.

³ IDC, FutureScape: Worldwide Future of Work 2024 Predictions, Doc #US49963723, Oct 2023.

⁴ “With Copilot Agents, Pets at Home Unleashes an AI Revolution”. Source EMEA, Microsoft, 2024.

⁵ “Unlocking Autonomous Agent Capabilities with Microsoft Copilot Studio.” Microsoft Copilot Studio Blog, October 21, 2024.

