

# Source to Pay Business Process Overview in Dynamics 365 Supply Chain Management

## Presenters:

Hiren Naik - Senior Solution Architect

Mathieu Binaisse - Senior Solution Architect

Adi Vijayashankar - Senior Solution Architect



# Agenda

- Source to Pay Overview
- Source to Pay Business Process Areas
- Source to Pay Use Cases and Demo
- Resources
- Q&A

# Source to Pay Overview

Hiren Naik



# What is Sourcing and Procurement?



# Procurement Types



Direct



Indirect

# Source to Pay – Introduction

Identify the needs for goods and services



Selection of Supplier



Creation of purchase order



Invoice receipt and verification



Invoice approval



Payment

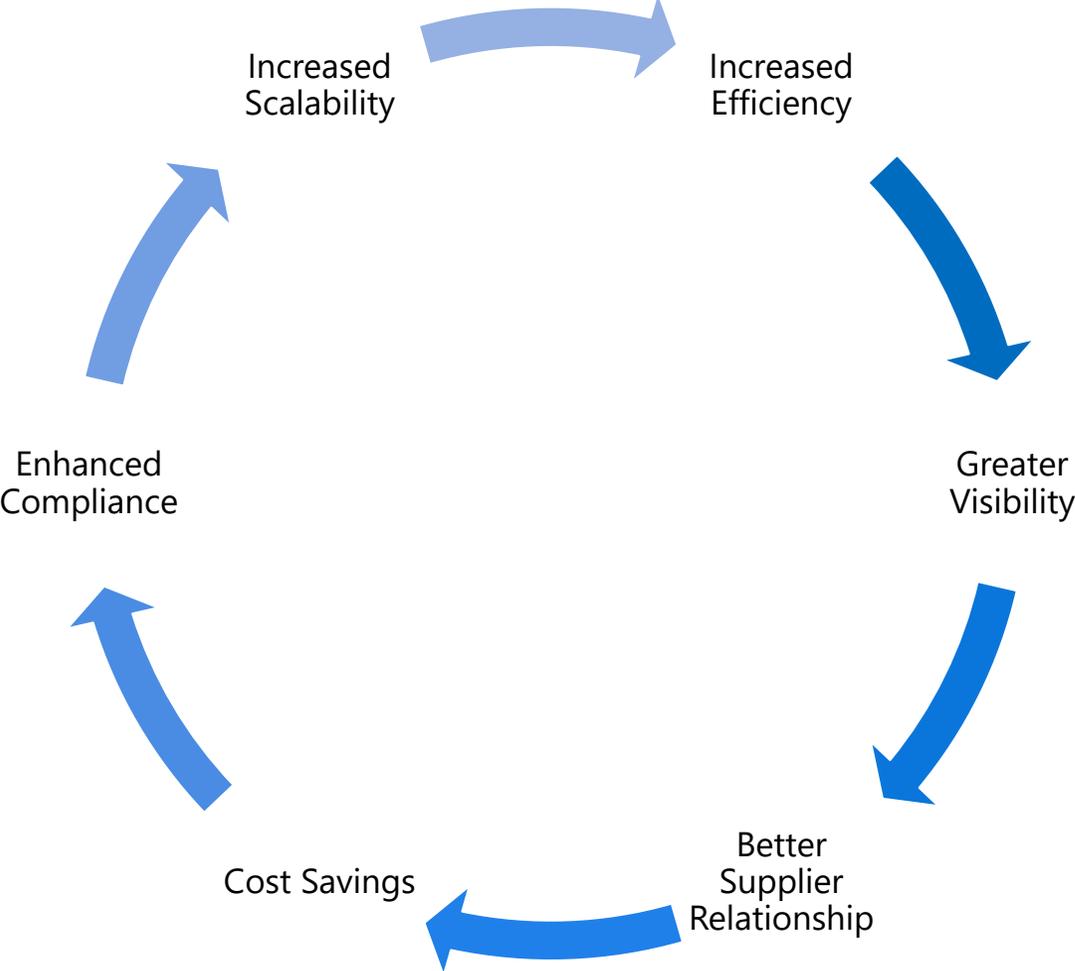


Record keeping



Reporting

# Source to Pay – Benefits



# Source to Pay – Stakeholders

Procurement  
Stakeholders

Accounts  
Payable  
Stakeholders

IT department  
Stakeholders

Finance  
Stakeholders

Audit or  
Compliance  
Stakeholders

Vendors  
(External  
Stakeholders)

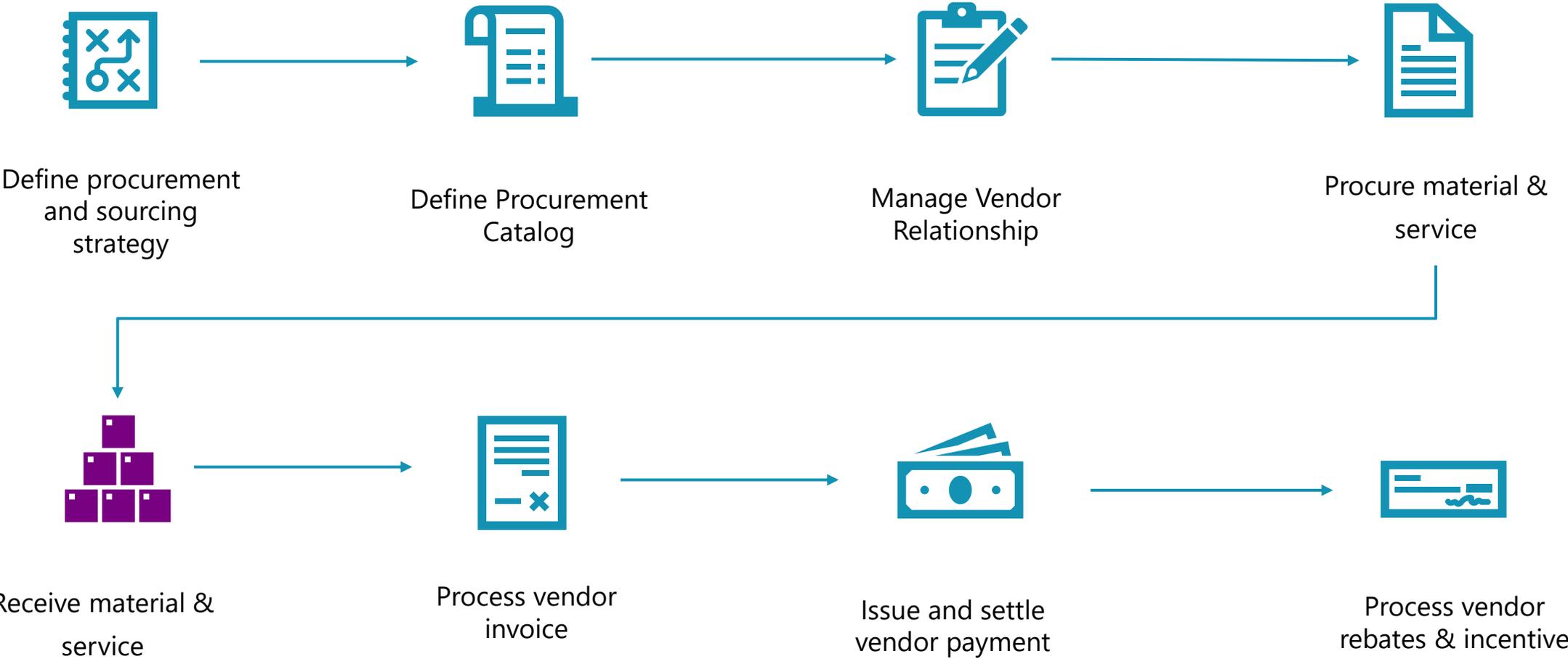
# Source to Pay

Business process areas

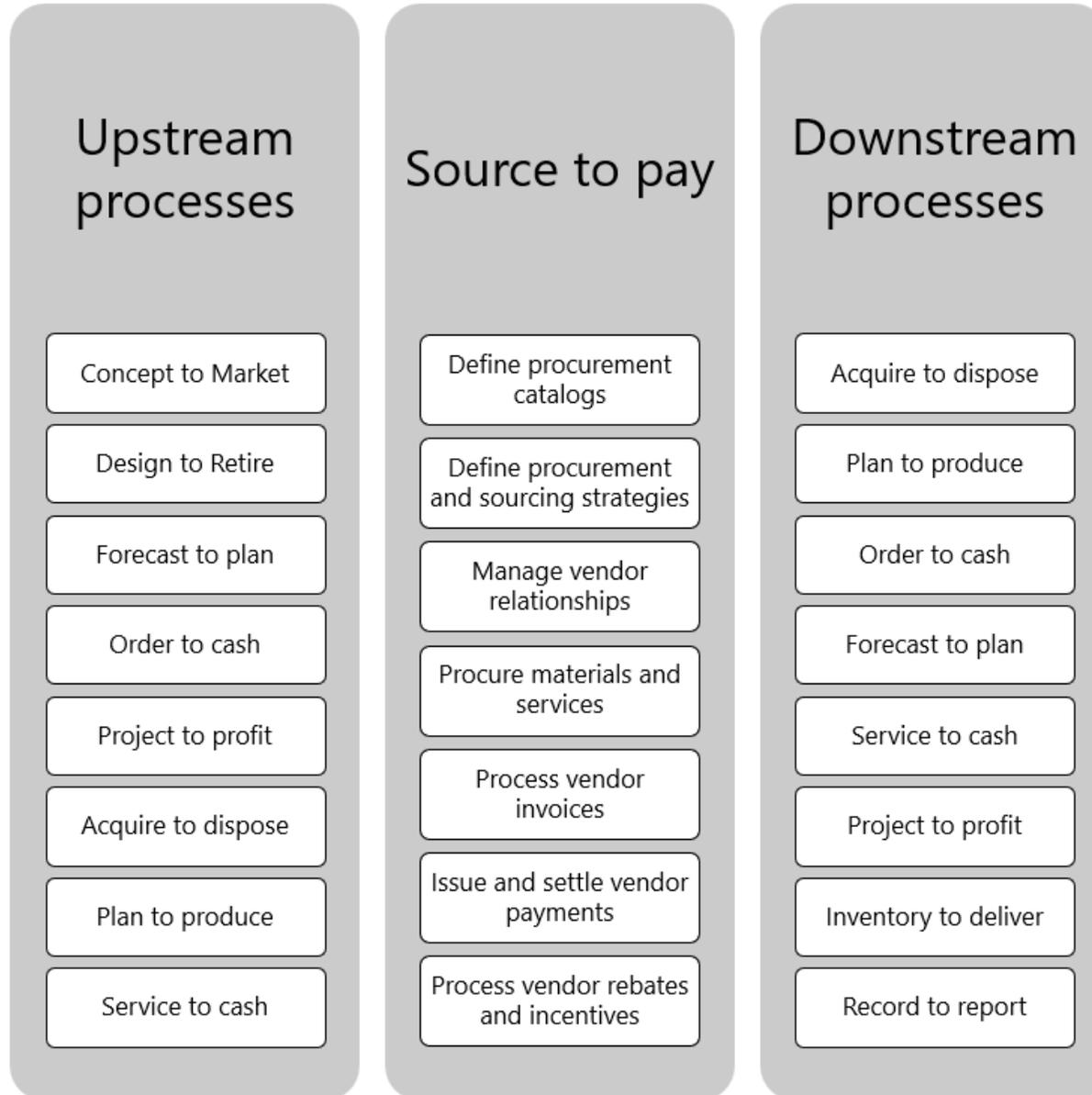
Adi Vijayashankar



# Source to Pay Business Process Areas



# Source to Pay Process Relationship



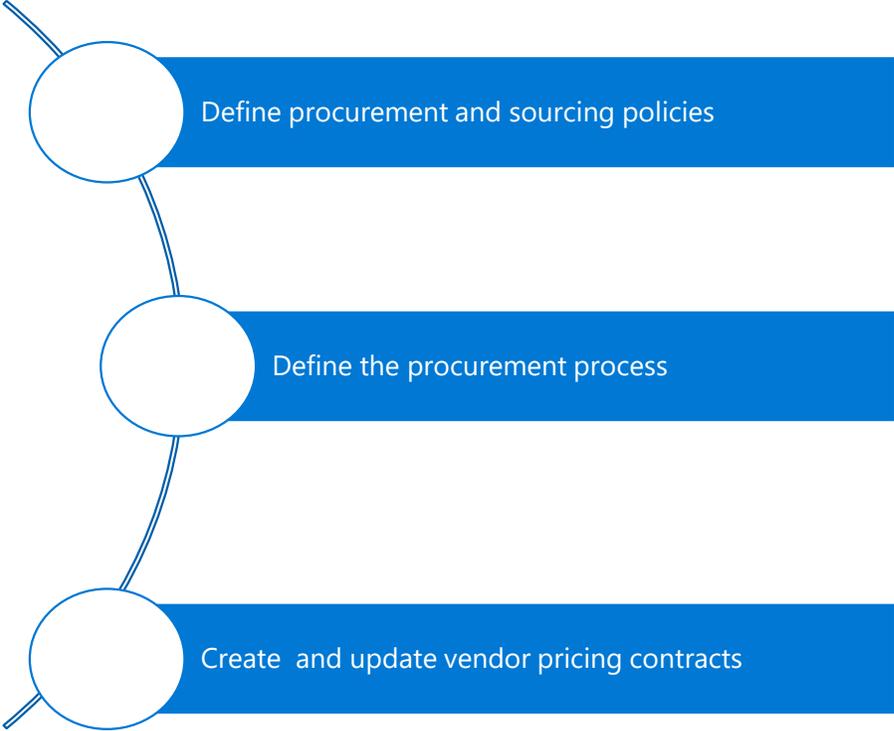
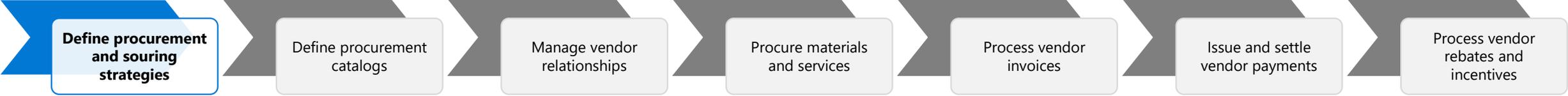
# Source to Pay

Define procurement and sourcing strategies

Adi Vijayashankar



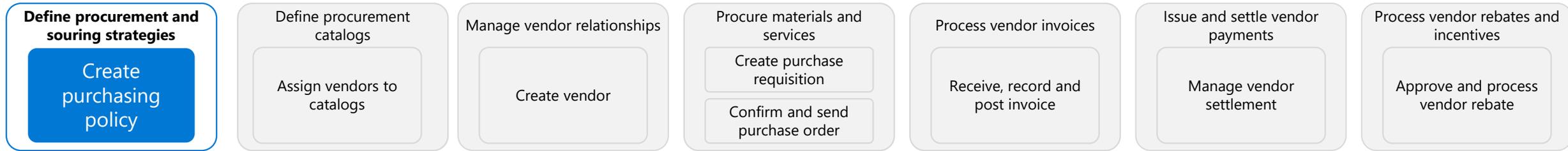
# Source to Pay Business Process – Define procurement and sourcing strategies



# Use case 1: Create purchasing policy

Adi Vijayashankar

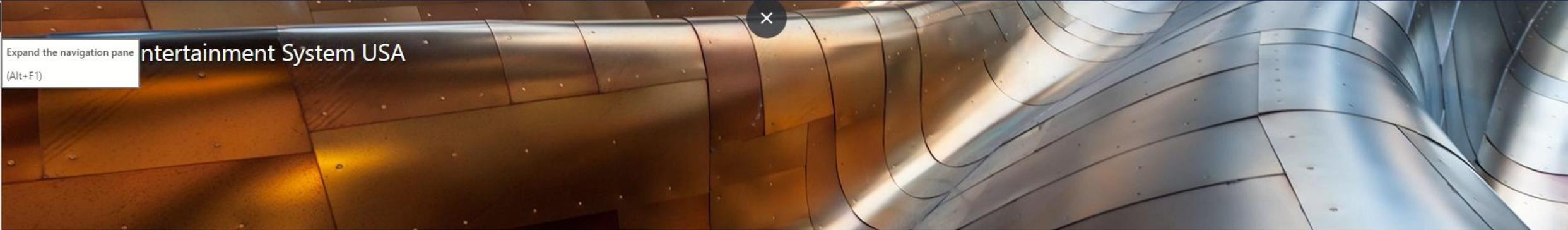
# Use Case – Create purchasing policy



Contoso Entertainment System manufactures, distributes and installs home electronic equipment and have multiple distribution channels.

Inga Numadutir (Procurement manager) wants to create a purchasing policy that :

1. Automatically creates a purchase order for approved purchase requisition
2. Only allows employees to see "Office supplies" catalog of Contoso Entertainment System while creating purchasing requisition. '
3. Allows users to only have access to the following categories while creating a purchase requisition
  - Office Machine
  - Office and desk accessories



# Entertainment System USA

Expand the navigation pane  
(Alt+F1)

< April 2024 >

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Work items assigned to me

[Purchase requisitions : Approve Purchas...](#)

### APPS

Business performance analytics (preview)

### WORKSPACES

Budget planning

Employee self service

Fixed asset management

Optimization advisor

Supply risk assessment

Confirmed purchase orders with changes

Expense management

Ledger budgets and forecasts

Purchase order preparation

Data validation checklist

Financial analysis - current company

My business processes

Purchase order receipt and follow-up

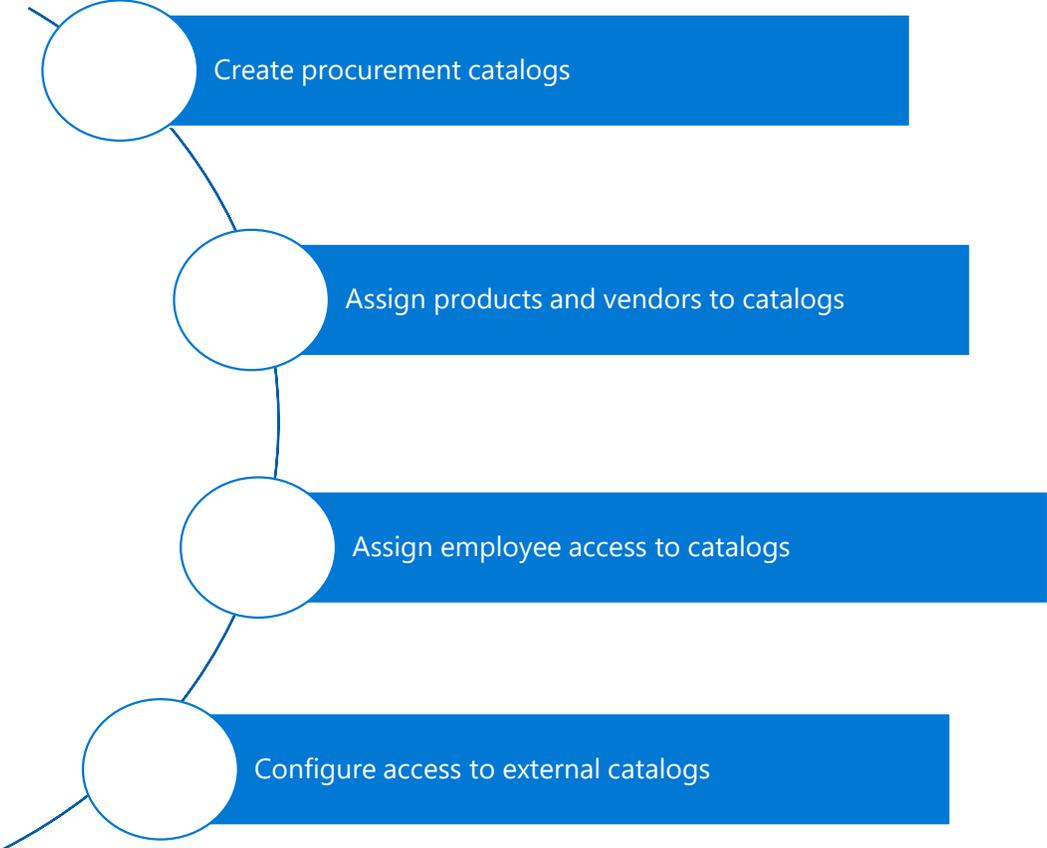
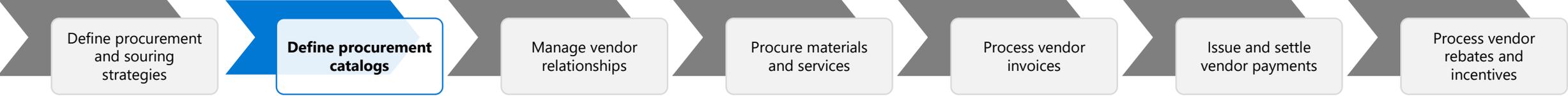
# Source to Pay

Define procurement catalogs

Adi Vijayashankar



# Source to Pay Business Process – Define procurement catalogs



# Use case 2: Assign vendor to Catalog

Adi Vijayashankar

# Use Case – Assign vendors to catalogs



Contoso Entertainment System manufactures, distributes and installs home electronic equipment and have multiple distribution channels.

Inga Numadutir (Procurement manager) wants Office Machine procurement category to be purchased from vendors 1001- Acme Office Supplies and US-102 – Tailspin parts only.



# Contoso Entertainment System USA

< April 2024 >

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Work items assigned to me ^  
Purchase requisitions : Approve Purchas...

### APPS

Business performance analytics (preview)

### WORKSPACES

Budget planning

Employee self service

Fixed asset management

Optimization advisor

Supply risk assessment

Confirmed purchase orders with changes

Expense management

Ledger budgets and forecasts

Purchase order preparation

Data validation checklist

Financial analysis - current company

My business processes

Purchase order receipt and follow-up

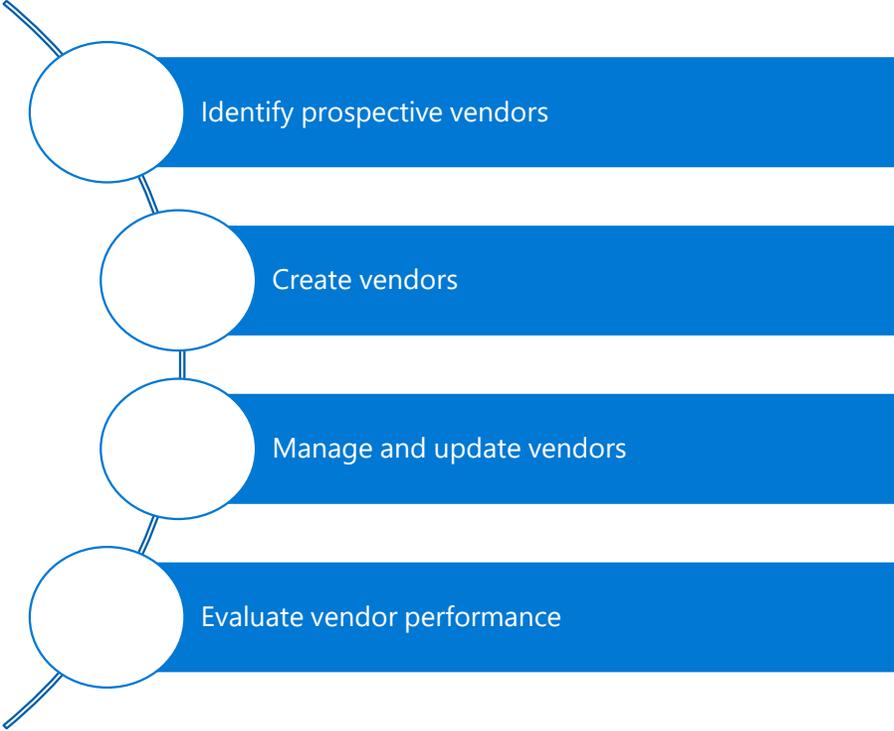
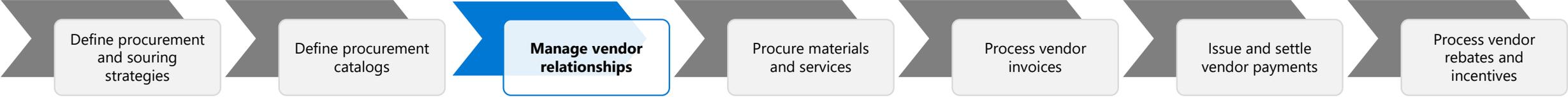
# Source to Pay

Manage Vendor Relationships

Mathieu Binaisse



# Source to Pay Business Process – Manage Vendor Relationships



# Use case 3: Create Vendor

Mathieu Binaisse

# Use Case – Create vendors



Contoso Entertainment System manufactures, distributes and installs home electronic equipment and have multiple distribution channels.

Inga Numadutir (Procurement manager) wants to create a new supplier Litware with whom Contoso would like to enter into a purchase agreement.



# Contoso Entertainment System USA

Search people ...

< March 2024 >

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

### Work items assigned to me

Work items will be displayed here after they are assigned to you.

#### APPS

- Business performance analytics (preview)
- Demand planning (preview)
- Invoice capture

#### WORKSPACES

Bank management	Confirmed purchase orders with changes	Feature management	Outbound work monitoring	Resource lifecycle management
Benefits management	Cost accounting ledger administration	Financial analysis - all companies	Outbound work planning	Retail and Commerce IT
Benefits	Cost administration	Financial analysis - current company	Payment workspace	Sales order processing and inquiry
Budget planning	Cost analysis	Financial period close	Payroll management	Sales return processing
Business document management	Cost control	Fixed asset management	People	Store financials
Business processes for human resources	Customer credit and collections	General journal processing	Personnel management	Store management
Business processes for payroll	Customer invoicing	Globalization studio	Product readiness for discrete manufacturing	Subscription billing
Cash overview - all companies	Customer payments	Invoicing	Product readiness for process manufacturing	Supply risk assessment

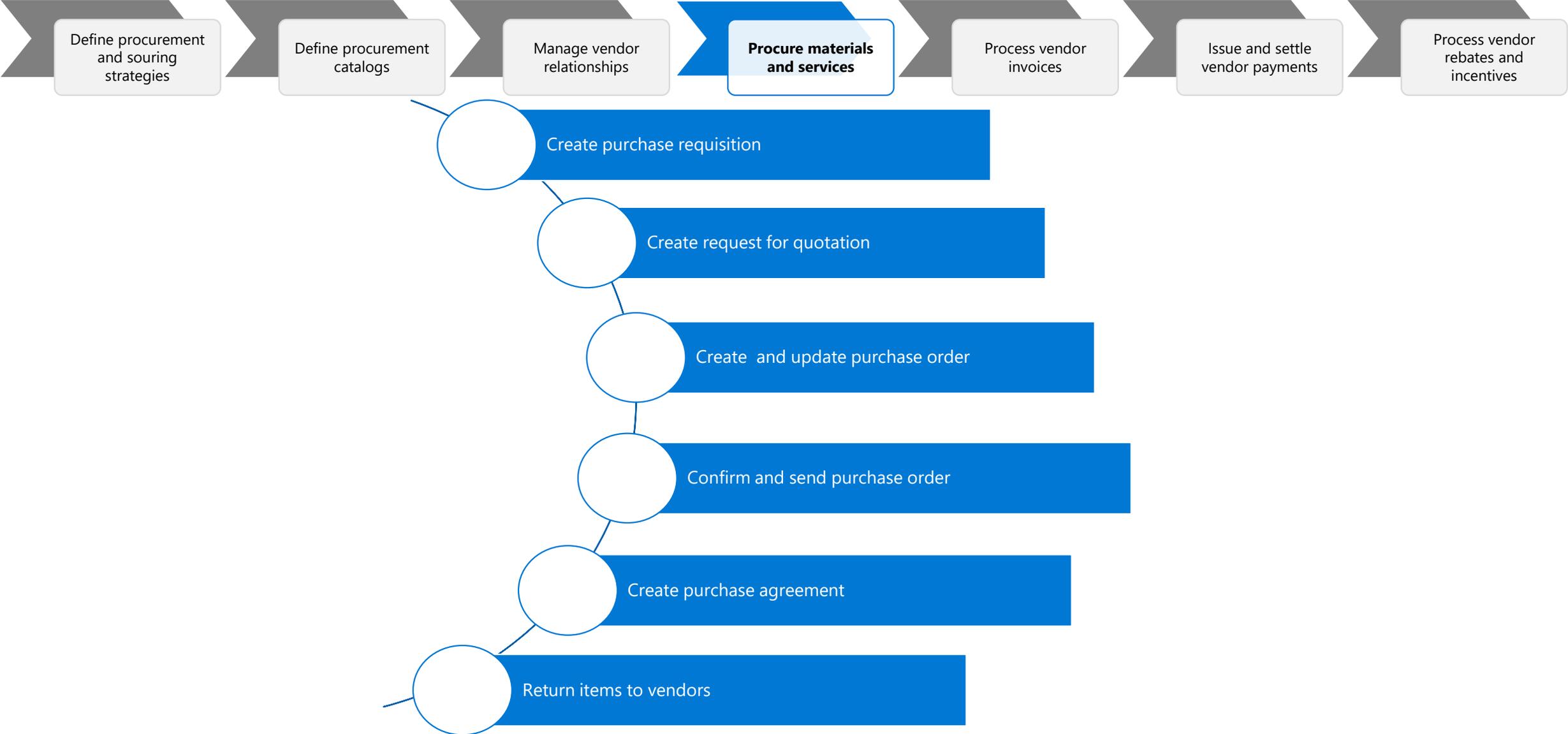
# Source to Pay

Procure materials and services

Mathieu Binaisse



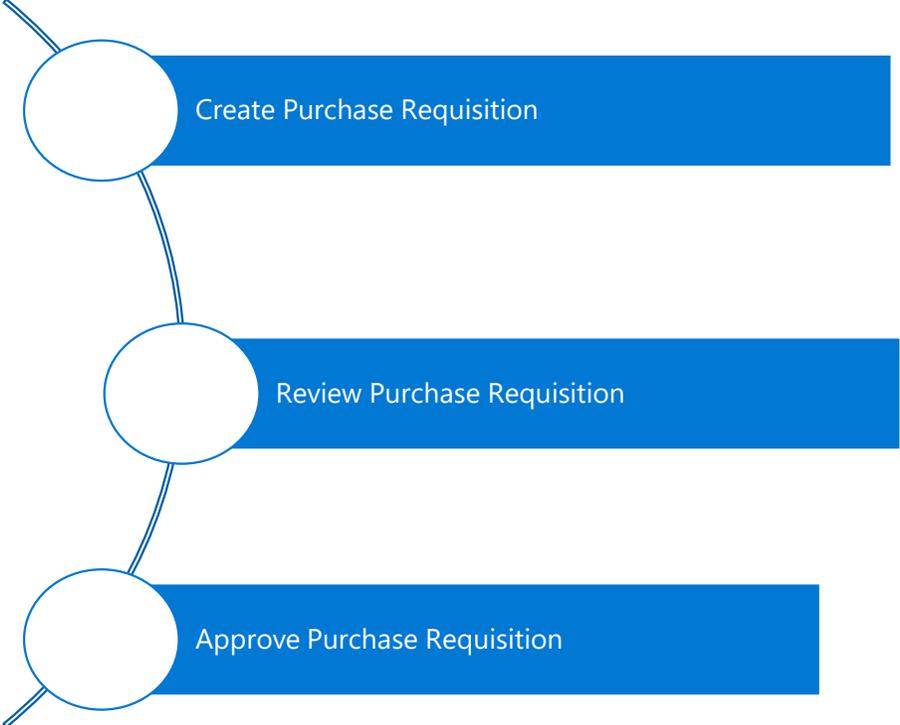
# Source to Pay Business Process – Procure materials and services



# Use case 4: Create purchase requisition

Mathieu Binaisse

# Purchase Requisition

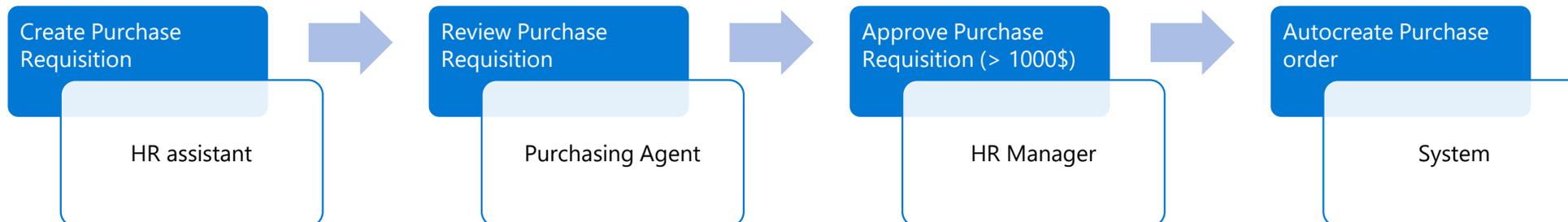


# Use Case – Create purchase requisition



Contoso Entertainment System manufactures, distributes and installs home electronic equipment and have multiple distribution channels. Brooke Drynan (HR assistant) wants to raise a request for toner cartridges and paper shredding machine for work purpose.

Contoso Entertainment System have a workflow where any purchase requisition raised is sent to Purchasing Agent for review. They also have a purchasing policy that all purchases above 1000 \$ requires an approval by the manager before a purchase order is created





# Contoso Entertainment System USA

Search people ...

< July 2023 >

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					



Business processes for human resources



Expense management



My business processes



Personnel management



Employee self service



Leave and absence



People



Task management

## Work items assigned to me

Work items will be displayed here after they are assigned to you.





# Contoso Entertainment System USA

< July 2023 >

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

## Work items assigned to me

[Purchase requisitions : Review PR](#)

 Budget planning

 Data validation checklist

 Expense management

 Fixed asset management

 My business processes

 Confirmed purchase orders with changes

 Employee self service

 Financial analysis - current company

 Ledger budgets and forecasts

 Optimization advisor

 Purchase order preparation

 Purchase order receipt and follow-up



# Contoso Entertainment System USA

< July 2023 >

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

## Work items assigned to me ^

[Purchase requisitions : Approve Purchas...](#)



Budget planning



Data validation checklist



Expense management



Fixed asset management



My business processes



Confirmed purchase orders with changes



Employee self service



Financial analysis - current company



Ledger budgets and forecasts



Optimization advisor



Purchase order preparation



Purchase order receipt and follow-up





# Contoso Entertainment System USA

Search people ...

< July 2023 >

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Business processes for human resources

Expense management

My business processes

Personnel management

Employee self service

Leave and absence

People

Task management

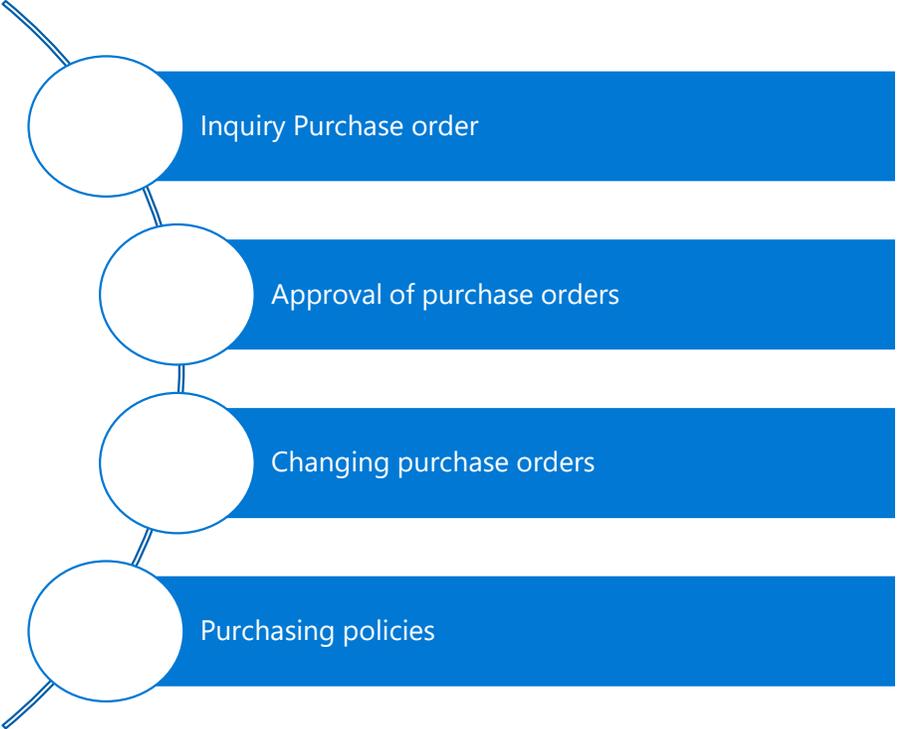
## Work items assigned to me

Work items will be displayed here after they are assigned to you.

# Use case 5: Confirm and send purchase order

Mathieu Binaisse

# Inquiry and confirm Purchase Order



# Use Case – Confirm and send purchase order



Purchase requisition for toner cartridges and paper shredding machine of Brooke Drynan (HR assistant) was accepted and the purchase order was already created.

Alicia Thornber (Purchasing agent) wants to inquire the vendor Acme Office Supplies to validate the delivery date.

Alicia Thornber receives confirmation from the vendor that these items will be delivered on the 7/21/2023 to Drynan.



# Contoso Entertainment System USA

< July 2023 >

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

-  Confirmed purchase orders with changes
-  Data validation checklist
-  Purchase order preparation
-  Purchase order receipt and follow-up

## Work items assigned to me

Work items will be displayed here after they are assigned to you.

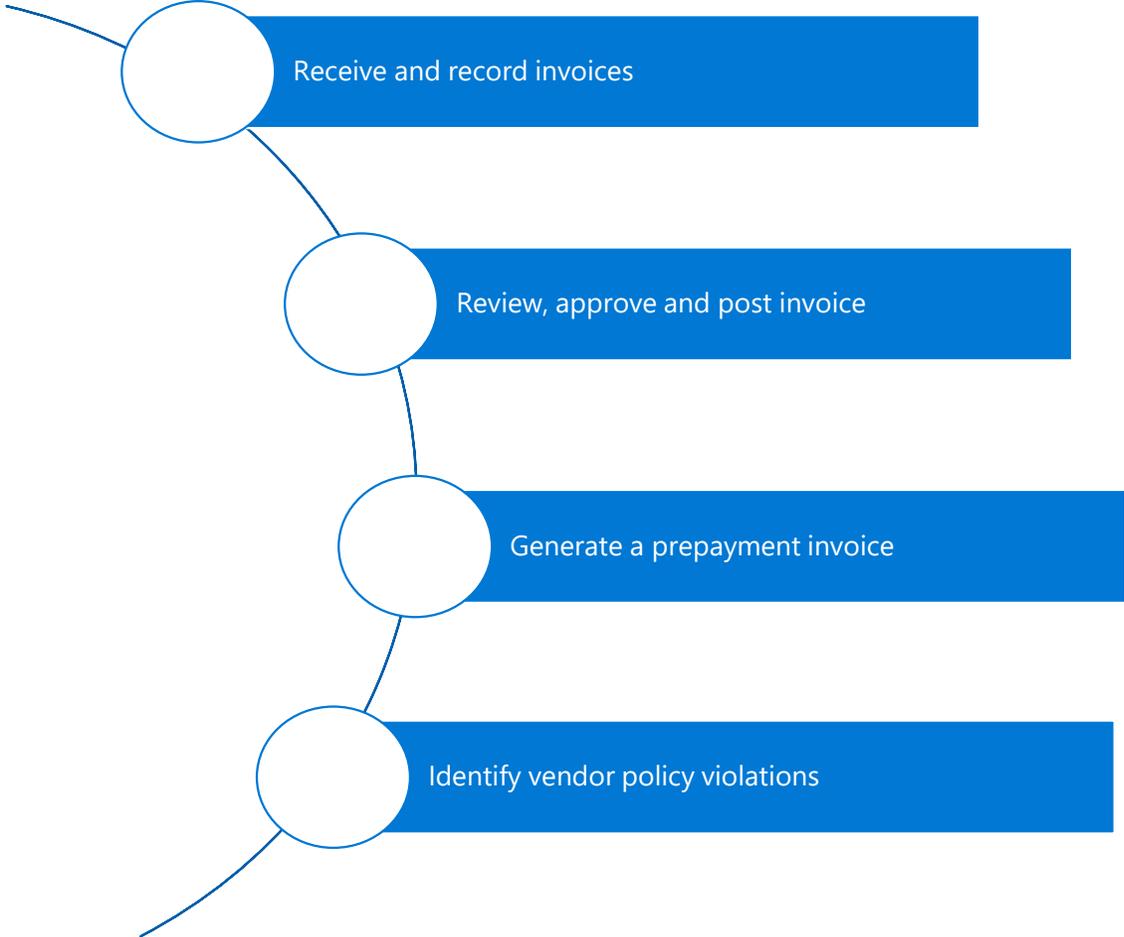
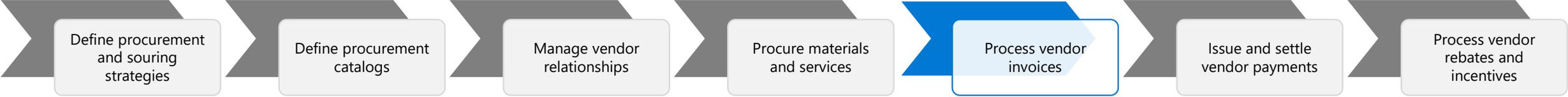
# Source to Pay

Process vendor invoices

Hiren Naik



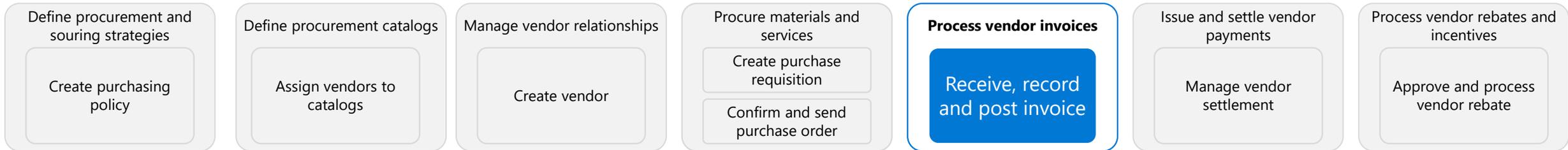
# Source to Pay Business Process – Process vendor invoices



# Use case 6: Receive and record invoice

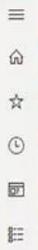
Hiren Naik

# Use Case – Receive and record invoice



April who is an accounts payable clerk receive an invoice for toner cartridges and paper shredding machine from vendor 1001.

This use case show how vendor invoice will be entered and posted based on purchase order and product receipt.



# Contoso Entertainment System USA



< July 2023 >

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

- Cash overview - current company
- Data validation checklist
- Financial period close
- Fixed asset management
- Optimization advisor
- Vendor invoice automation
- Vendor invoice entry
- Vendor payments

### Work items assigned to me ^

Work items will be displayed here after they are assigned to you.



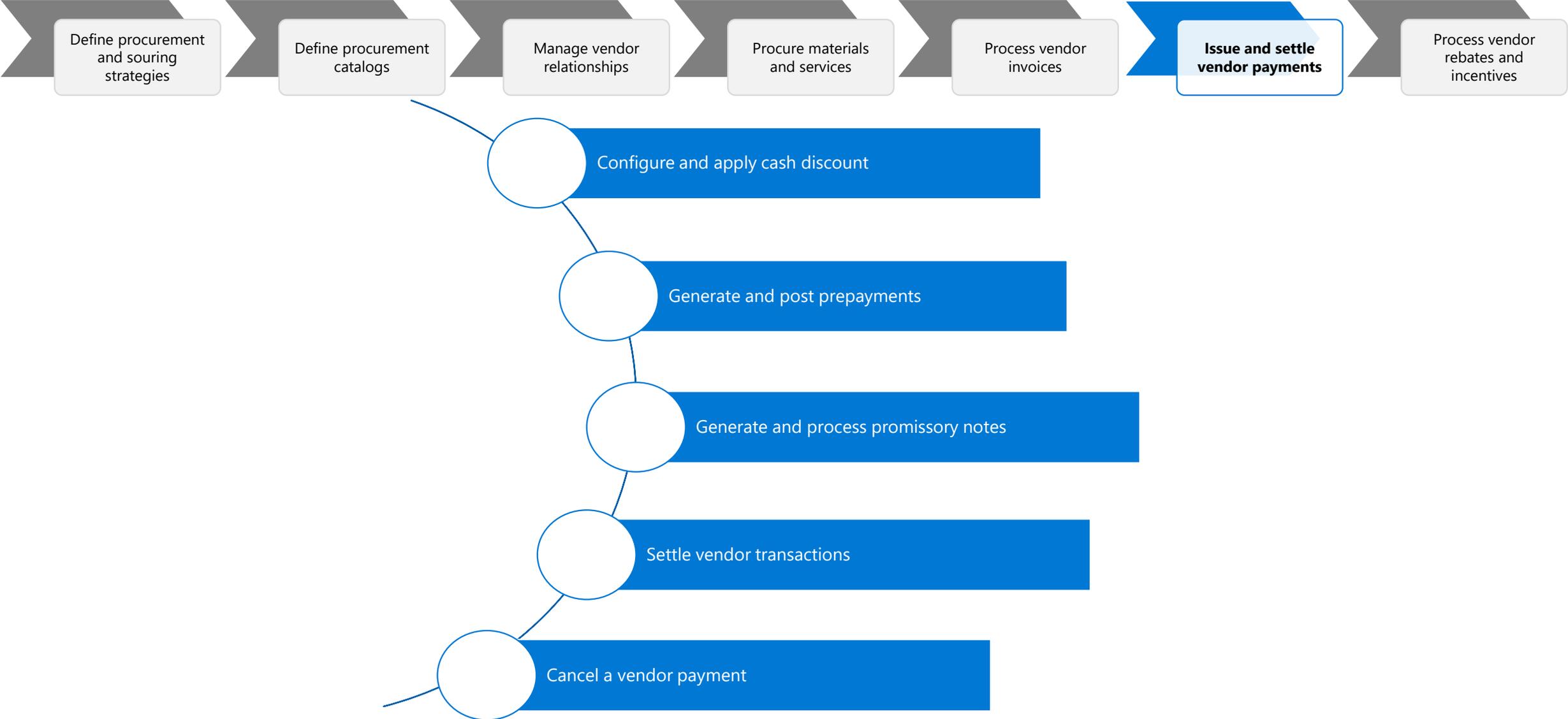
# Source to Pay

Issue and settle vendor payments

Hiren Naik



# Source to Pay Business Process – Issue and settle vendor payment



# Use case 7: Issue and Settle Vendor Payments

Hiren Naik

# Use Case – Manage Vendor Settlement



Oscar who is an accounts payable manager will review vendor invoice VI4052 due for payment for vendor 1001. Oscar will generate vendor payment and settle payments against vendor invoice to close open vendor transactions.



# Contoso Entertainment System USA

< July 2023 >

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

-  Cash overview - current company
-  Data validation checklist
-  Financial period close
-  Fixed asset management
-  Optimization advisor
-  Vendor invoice automation
-  Vendor invoice entry
-  Vendor payments

### Work items assigned to me ^

Work items will be displayed here after they are assigned to you.



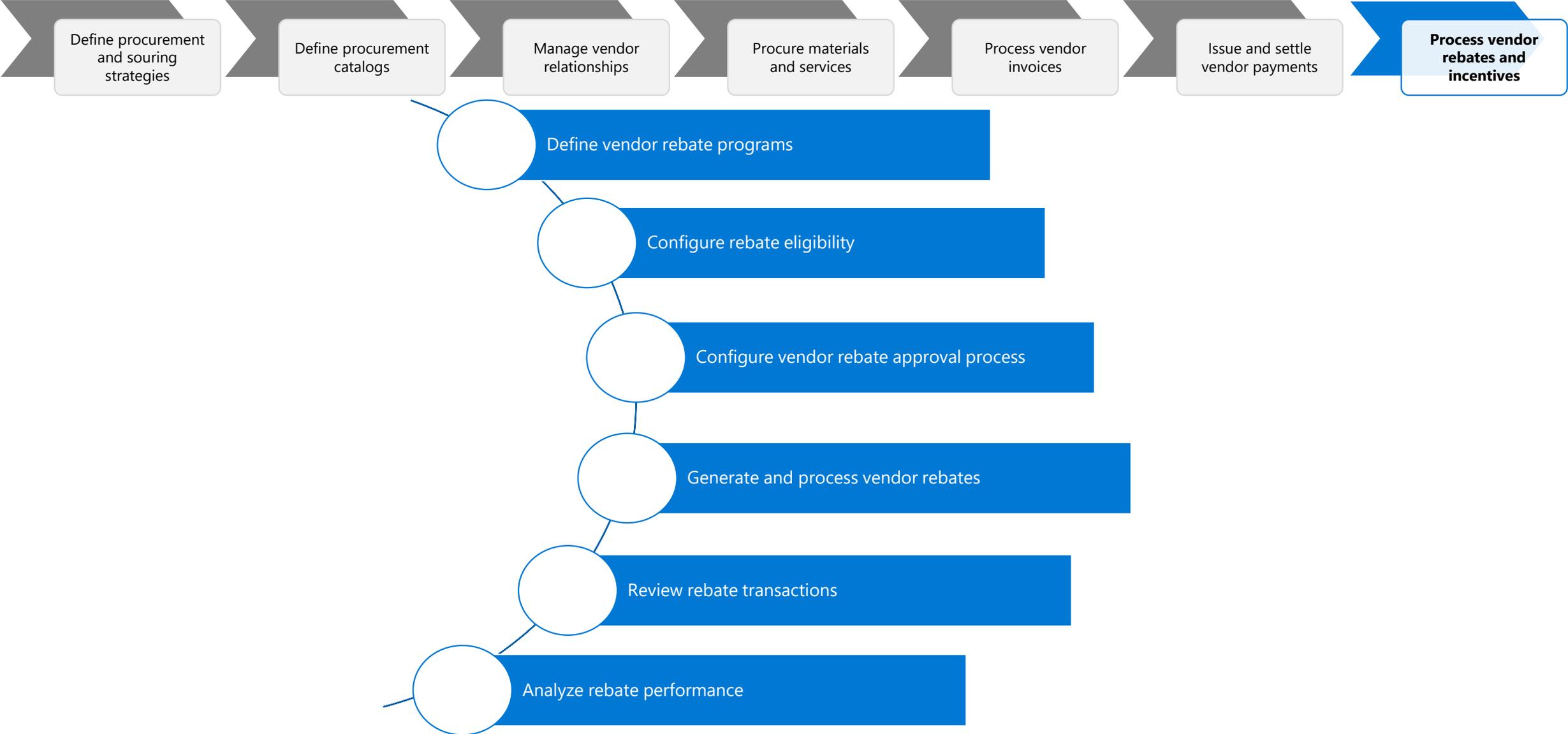
# Source to Pay

Process vendor rebates and incentives

Hiren Naik



# Source to Pay Business Process – Process vendor rebates and incentives



# Use case 8: Process Vendor Rebate

Hiren Naik

# Use Case – Approve and process vendor rebate



Sara who is an accounts payable manager would like to process vendor rebate claim as per the rebate agreement. Sara will review the rebate claims for vendor 1001 and will approve and process the vendor rebate.

- Home
- Favorites
- Recent
- Workspaces
- Modules



- Fr
- Sa
- 5
- 6
- 12
- 13
- 19
- 20
- 26
- 27

APPS

Business performance analytics (preview) | Demand planning (preview) | Invoice capture

WORKSPACES

Bank management	Channel merchandising configuration validator	Data management	Fixed asset management	Outbound work monitoring	Purchase order preparation	System administration
Benefits management	Collections coordinator (preview)	Data validation checklist	General journal processing	Outbound work planning	Purchase order receipt and follow-up	Task management
Benefits	Commerce pricing and discount management	Distributed order management	Globalization studio	Payment workspace	Recruitment management	Vendor bidding
Budget planning	Compensation management	Electronic reporting	Invoicing	Payroll management	Released product maintenance	Vendor information
Business document management	Confirmed purchase orders with changes	Employee development	Learning	People	Resource lifecycle management	Vendor invoice automation
Business processes for human resources	Cost accounting ledger administration	Employee self service	Lease management	Personnel management	Retail and Commerce IT	Vendor invoice center
Business processes for payroll	Cost administration	Engineering change management	Leave and absence	Product readiness for discrete manufacturing	Sales order processing and inquiry	Vendor invoice entry
Cash overview - all companies	Cost analysis	Expense management	Ledger budgets and forecasts	Product readiness for process manufacturing	Sales return processing	Vendor payments

# Resources

Hiren Naik



# Resources

---

## Business Process

[Help organizations manage and optimize the procure to pay business processes - Dynamics 365 | Microsoft Learn](#)

---

## AI Features

[Review and accept changes to confirmed purchase orders - Supply Chain Management | Dynamics 365 | Microsoft Learn](#)

---

## TechTalks

[Get started with Invoice Capture for Dynamics 365 Finance | December 12 & 14, 2022 - Microsoft Dynamics Blog](#)

---

[Punch out functionality and setup of an external catalog via purchase requisition](#)

---

## Learn

[Procurement and sourcing home page - Supply Chain Management | Dynamics 365 | Microsoft Learn](#)

[Accounts payable home page - Finance | Dynamics 365 | Microsoft Learn](#)

[Source to Pay business processes | Microsoft Learn](#)

[Source to Pay - Training | Microsoft Learn](#)

---

## Community Resources

[Yammer : Dynamics 365 and Power Platform Preview Programs : D365 Procurement and Sourcing : All Conversations](#)

---

[Yammer : Dynamics 365 and Power Platform Preview Programs : Public Preview: Invoice Capture within Dynamics 365 Finance : New Conversations FastTrack Dynamics 365: Overview | LinkedIn](#)

---



**QUESTIONS**



Microsoft Dynamics 365