



Deliver more than results— deliver the right experience

How professional services firms address common denominator operational and administrative challenges while cultivating differentiation in an increasingly digital world.

A white paper for
leaders of professional
services organizations

Introduction

Today's digital world is progressively changing the way that clients interact with professional services firms. Client expectations are shaped by day-to-day consumer experiences where immediate responses and on-demand self-service access to information are the norm. Current, prospective, and former clients are connecting and sharing their experiences through social networks and rapidly forming opinions outside the immediate reach of client relationship managers, marketers, and public relations professionals. An embarrassing project failure or irate former client that used to pose only a local public relations challenge can now be amplified across social media and do lasting damage to a firm's reputation. Now more than ever, building trusted relationships and maintaining a solid reputation depend on delivery of outstanding and increasingly distinctive experiences—not just for a single project or at executive levels, but consistently across every client interaction with the firm.

To this end, firms need to embrace new levels of transparency and build a workplace where it's easy for professionals to find and share information about clients, access all available expertise and apply preferred practices widely. Client service professionals need to know how to engage with the firm's clients without working at cross-purposes with another part of the business. They also need to have the right processes and tools at their disposal to work seamlessly with practice support staff in order to propose and deliver services that offer relevant, responsive, and reliable client experiences and profitable project results.

For many firms, finding the right balance between a differentiating firm culture and effective client-centric business practices is an iterative process. Working to retain current clients while pursuing new ones further compounds the challenge. To succeed, firms must hire the right talent, scale their operations to keep up with clients, deliver the right solutions as promised, properly evaluate risk and opportunities, and hold down costs. While difficult to achieve, firms that support their people with technologies that foster the right interactions and project results, have an opportunity to set themselves apart from would-be competitors and build an incomparable reputation that fuels client referrals.

Microsoft solutions work together, empowering employees to deliver the very best a firm has to offer at every client touch point. They improve efficiency, make it easy to find and share information and insights, provide transparency into and across the business, and enable firms to react quickly to take advantage of new opportunities. Backed by our long-standing commitment to professional services organizations and our unparalleled research and development investment, Microsoft offers solutions, support, and experience to help firms meet the many challenges of succeeding in today's rapidly changing digital world.

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Baseline Needs

Professional services firms are the most deeply talent-driven among project-based businesses. This segment of the Services sector spans a range of businesses including accounting, legal, management consulting, information technology (IT) services and other types of highly specialized, outsourced services. Despite their diversity of discipline, professional services firms share a common set of baseline challenges:



Client Relationships: Firm leaders know that richer client relationships yield repeat work and that long-term service agreements are among the most effective ways to stay close to clients and upsell or cross-sell. However, many firms have a surprisingly difficult time managing multiple points of contact with a given client. Proactive and holistic approaches to client relationship management are often adopted only after the firm has lost business with several major clients due to embarrassing incidents where the provider’s team was unknowingly working at cross-purposes.

“We don’t have a traditional sales force. We have partners with sensitive, high-powered contacts stored in Outlook—C-level connections, people who are heads of business in major industries. We had to ensure reliability and high quality of contact information. Nothing could be lost.”

Adrienne Crowther, Director of Global CRM and Collaboration, strategy&

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Saleable Expertise: Of course, maintaining client relationships, delivering on commitments, and building the firm’s reputation are all talent-dependent. Firms need to attract, hire, retain, and motivate exceptional employees, subcontractors and freelancers. They also need to deploy that talent optimally to client account management and service delivery, building pipeline and essential cash flows. Most challenging of all, they need to capture and retain the knowledge and relationships that their professionals develop since employees eventually move on, sometimes to a client and all too often to a competitor.

“Our inability to quickly locate expertise and identify high-value knowledge assets was limiting our agility in responding rapidly to changes in our business and our clients’ business.”

Rajiv Prasad, Director Operations, Chief Technology Office at Unysis

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Service Delivery: The service delivery lifecycle is where the talent-driven rubber meets the road. It’s where the right team of experts must come together virtually or in person to execute on projects and collaborate on deliverables. Being able to infuse methodology into planning and execution is critical to predictable and successful delivery of promised results, targeted client experiences, and forecasted project margins. This is why practice leaders and chief operating officers invest so much time and effort into driving the definition of archetypical projects with phased structures, milestones, and deliverables.

“We didn’t know how projects were performing in the long term. That was the major problem.”

Krishna Kumar, CFO, Paramount Computer Systems

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Financial Results: If a professional services firm is effectively managing the preceding business priorities, financial results should theoretically take care of themselves. However, controllers and CFOs will be quick to point out the practical reality that cost controls, oversight, and direction-setting don't happen on their own. Service line and practice managers with P&L responsibility are similarly concerned with looking at their books of business from many different angles, identifying concerns before they become problems, and taking early corrective action.

"It's in our DNA to build rather than buy, but over time, this resulted in 15 individual systems that were aggregated through internally developed tools and held together with Microsoft Excel spreadsheets."

McIntyre, CFO at Computer Aid

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These priorities are bedrock for the professional services industry: effective client engagement, deploying the right talent, appropriate project planning and execution, and holistic business management.

Transformational Challenges

Beyond baseline business needs, professional services organizations face four major transformational challenges that shape their competitive survival and success:



Client Expansion. Today, client organizations are increasingly multi-market, multiregional, and global. That's why their client-centric professional services providers are following suit, expanding service operations into neighboring states and across oceans to maintain their connection with and relevance to strategic clients.

But what makes a given client strategic? To follow the right clients, firm leaders must know which clients are drivers of profitable growth so they can define account profiles and market segments worthy of pursuit and capture. In turn, front-line client service professionals need contextual insights that can help them identify and invest in the right clients and projects. This need for smarter investment at every level is fueling the adoption of practice development tools that provide a 360-degree view into client accounts and enable consistent pursuit management and client engagement practices.

"Given our presence in multiple geographies, it was essential that we deploy a global centralized solution to manage, monitor, and control sales and customer acquisition efforts."

V Balaji, Chief Information Officer, Tata Technologies

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Changing Workforce. Shifting economic conditions notwithstanding, the mass retirement of a generation of skilled professionals is under way in established economies. In many of these markets there is or will soon be a shortage of local and sufficiently mature successors. Meanwhile, we see rapid growth in well-educated and deeply social, next-generation workers in emerging economic hot spots, offering new growth opportunities. These tectonic shifts in the market for talent are fundamentally altering expectations about who will deliver

services, where they will do the work, and how the work will be done—giving rise to both challenges and opportunities in talent recruitment, intergenerational collaboration, cultural diversity and inclusion, and approaches to service innovation.

The combination of demand-side client globalization and supply-side workforce demographics is pushing practice managers and human resource (HR) directors to find ways to maintain central profiles of people and subcontractors that can be shared across subsidiaries and locations to make it simpler to identify and assign the right talent to the right projects while developing the next-generation of professionals and leaders.

“Over 80 percent of Getronics employees use LinkedIn for professional networking both inside and outside of the company.”

Andries den Haan, Senior Technical Consultant at Getronics Consulting

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Collaborative Execution. At a more granular project level, technology-driven improvements in access to information are enabling matrixed project teams that cross firm, client, and contractor boundaries. These hybrid project teams expose the realities of back-office project execution to client organizations, simultaneously making it harder for providers to hide coordination problems while also making it easier to demonstrate real value creation. Over time, successful joint execution models break down boundaries and raise expectations that provider resources should behave like responsive and reliable extensions of the client organization.

Taken together, the compound challenges of globalization, a changing workforce, and hybrid teams are driving adoption of integrated systems that more seamlessly connect practice development, professional development and project execution. These systems help firms achieve true cross-border collaboration across local language and regulatory contexts while maintaining consistent practice, procedure and process. These capabilities also enable delivery of increasingly specific service experiences that resonate with target client audiences and can be refined to reflect firm culture and market reputation.

“Our inability to quickly locate expertise and identify high-value knowledge assets was limiting our agility in responding rapidly to changes in our business and our clients’ business. We knew we needed a more robust social computing platform, more creative knowledge management solutions, and a fundamental change to the way we worked.”

Rajiv Prasad, Director, Operations, Chief Technology Office, Unisys

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Agile Adaptation. For professional services firms doing business today, there is a new normal: expanding into new markets in response to ever more demanding clients. This means employing an increasingly diverse talent pool scattered across multiple regulatory jurisdictions, and deploying the right talent in a targeted manner across client engagements in multiple markets. That operational complexity drives downside risk that can arise from failure to maintain alignment and consistency in project controls, administrative procedures, and regulatory compliance requirements. Operational complexity also elevates the risk of missed opportunities—opportunities that the firm could not respond to because it lacked flexibility and could not adapt quickly.

At both administrative and operational levels, firms therefore need consistency and flexibility by way of systems, processes, and in-house expertise that can respond in a fluid manner to changing business needs. For example,

they may need to establish an integrated business presence in a new geography via merger with regional service provider. Or they may need to build a new business process outsourcing group through acquisition of a major client's shared service operation. Whatever the business situation, firms must be flexible enough to respond quickly while ensuring consistency in service delivery and client experience.

To truly raise the bar and deal with transformational trends, firms must answer this question: how can they identify problems early and act quickly, delivering operational visibility and decision-making authority to front-line managers while implementing policies and controls that can rapidly evolve with market demand and changes in the available talent pool?

Case for Coordinated Action

"We wanted more emphasis on who our clients are and how we can serve them best."

Adrienne Crowther,
Director of Global CRM Strategy
& Collaboration, strategy&

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In conversations with leadership at many professional services firms, we find that the needs and trends outlined above are of broad and shared concern. We also see natural points of alignment to functional and leadership roles. For example, marketing executives are sensitive to changing client expectations, firm reputation, and the need to deliver relevant offerings, responsive service teams, and reliable outcomes. Human resource leaders strive to attract the right talent, develop professionals through the right project assignments, and nurture the next generation of agile practice leaders. Practice leaders in turn have to strike a balance between buyer

expectations for timely/tailored services and owner/investor imperatives for profitable growth. And, finance executives emphasize cost-efficient firm administration and policy compliance while trying to maintain flexibility to changing practice group needs.

Collectively, practice and functional leaders need to align closely to deliver client-centric service and cultivate distinctive experiences that drive competitive differentiation. Across the board, however, responses to these strategic business concerns continue to be constrained by tactical execution and coordination challenges. Practice group and functional leaders alike convey their difficulty in simply obtaining insight into and adjusting their own books of business or operational processes—all the more so as their firms have grown into complementary practice groups operating in loose alignment across multiple offices.

Despite agreement on key challenges and opportunities facing the firm, planning and implementing proactive change proves extraordinarily difficult. Leaders understand full well that changes in personnel and culture remain the hardest long-term challenges, but the moment they embark on change they are often defeated by entrenched business practices built on stand-alone and often fragile business systems.

The tail wags the dog—not because business priorities are out of alignment, but because existing processes and systems were designed and implemented by specific budget holders at different points in time and with varying objectives.

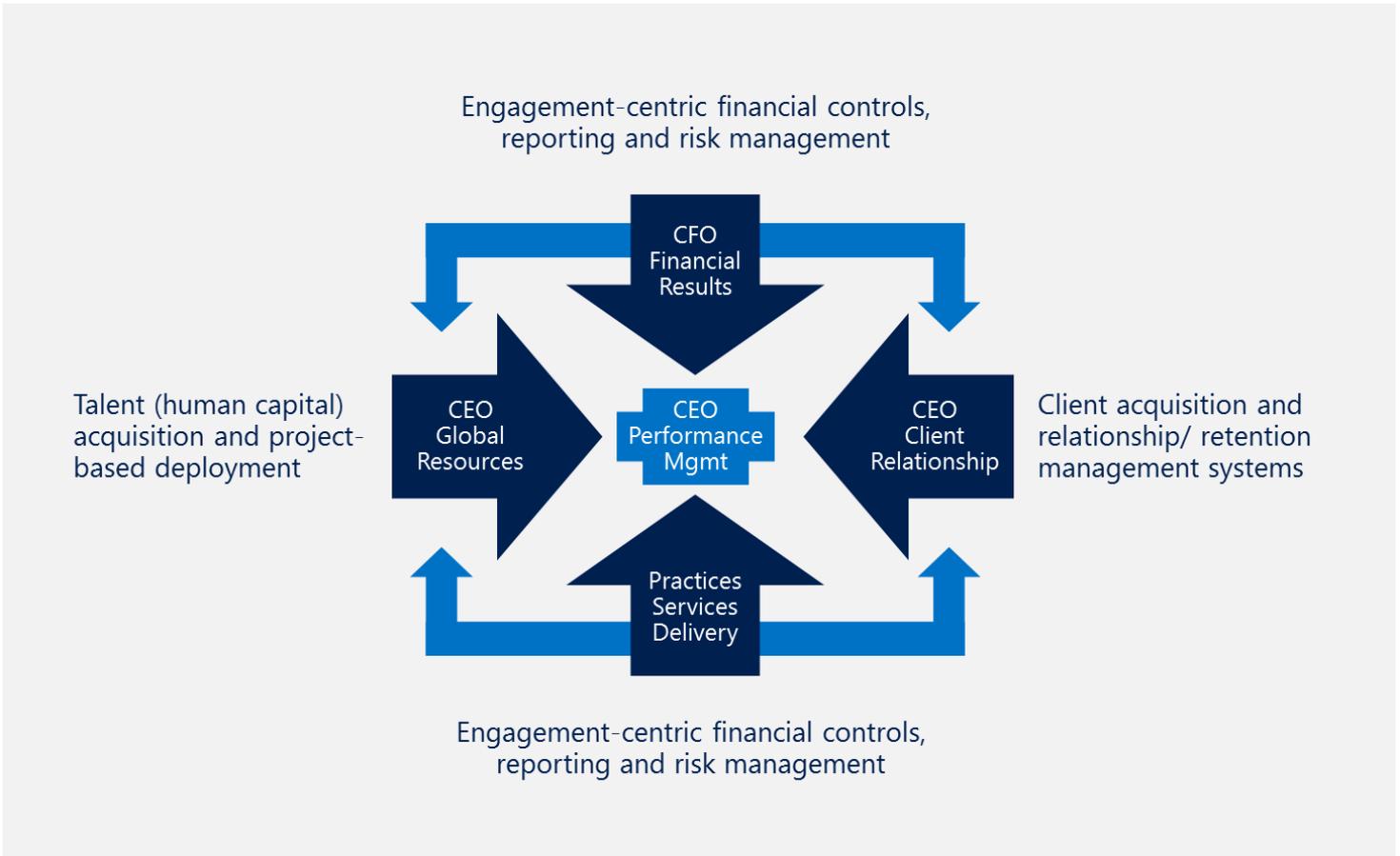
Indeed, we see corroboration in works from industry thought leaders like Kennedy Consulting Research &

"We were running SAP R3 in three of our offices, including our headquarters, and home-grown systems in multiple other locations. As a result, we employed a time-consuming, error-prone process to consolidate our financial information in SAP."

CFO, Comptel

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Advisory. For example, in a white paper on the challenge of driving firm growth and profitability, Kennedy outlines dependencies between key leadership roles, noting that practice managers depend on human resource directors to deliver the right candidates with the right skill set to meet practice group growth expectations.



Source: Driving Growth and Profitability: Why Growth Oriented Professional Service Organizations Require Integrated Client -Relationship, Resource, and Financial Management Solutions. Kennedy Consulting Research & Advisory, 2011

These expectations, in turn, are based on business development and marketing plans agreed on with the firm’s chief marketing officer and supported by investments that are approved and monitored by the chief financial officer. To accomplish their common goal of differentiated value delivered efficiently to drive profitable growth, practice and HR leaders need to share expertise, knowledge, and preferred practices across the entire organization to effectively make the most of available talent. All of which raises the need for coordinated action and supporting integrated systems that can streamline communication and the transfer of information among interdependent client service and practice support organizations.

Impact of Business Process Maturity

To address baseline needs, differentiate, and drive improvements in business performance, every leader in the firm needs to have relevant and clear insight into the current state of the business. They must also have the flexibility to adjust the business processes they are responsible for in coordination and collaboration with their peers. In order to take a proactive approach to transformational trends, leaders need the ability to develop and test new analytics and insights that cut across focus areas, enabling them to connect changes in client demand patterns with competency and capacity shortfalls as well as gaps in service delivery performance. ***With foresight and integrated, flexible systems, firm leadership can optimize people and processes, streamline operations, deliver distinctive client experiences, and fulfill profitable growth objectives.***

But the path is far from simple. Expert analysts, such as Kennedy and SPI Research, observe that many professional services organizations have been slow to implement effective tools to manage client relationships and invest in their best and most profitable clients. In some cases, it's because the 20-year client relationships of senior partners in the firm trump the profitability measure of a given account. More often it's due to antiquated client contact systems – ad hoc, or stand-alone – that don't link with project accounting systems to deliver the insights needed to make differential investment decisions.

From a financial results perspective, firms also need business solutions that provide core administrative capabilities like general ledger, accounts payable/receivable, and HR, as well as operational or industry-specific capabilities. The latter would include, for example, time-and-materials, fixed-fee, and hybrid project design; work-in-progress, utilization, and realization reporting; complex milestone and progress-based invoicing mechanisms with client service manager override as well as specification of deferred billing and write-off arrangements; and the ability to handle advance billing with independent revenue recognition for improved revenue days and cash flow management.

Unfortunately, many firms today still use discrete business applications for common business functions, laboriously maintaining and integrating stand-alone applications for customer relationship management (CRM), project management, time and expense, billing, human resources, and financial management. These silo-systems and applications—often owned and funded by different teams within the organization—typically develop overlapping functionality as owners try to bridge gaps by extending their own tool rather than incur the overhead of learning and adopting a different system to address an incremental need. ***As a result, many organizations have difficulty obtaining “apples-to-apples” comparisons of data between business groups and insight into related data across business and functional groups.***

“Maturity is determined through alignment and focus both within and across functions.”

Source: The 2014 Professional Services Maturity™ Model from SPI Research

This reflects the reality that most professional services firms are not at an effective level of maturity in terms of business processes. SPI Research, for instance, uses five *Professional Services Maturity™ Model* benchmark levels when describing today's professional services firms. The bulk of firms (30 percent) are only at Maturity Level 1 (“Initiated”), in which processes are ad hoc and fluid, with the focus primarily on new client acquisition and reference building. For these organizations, success is dependent on the competence and heroics of people—not on the use of proven tools and processes.

Twenty-five percent of firms are considered to be at Maturity Level 2 (“Piloted”), during which processes have

started to become repeatable, but operational excellence and best practices can only be discerned within functions and not across functions. Another 25 percent of firms are at Maturity Level 3 (“Deployed”), where they’ve created a set of standard processes and operating principles for all major service performance pillars. By this level, project delivery methodologies and quality measurements are in place and enforced companywide.

At Maturity Level 4 (“Institutionalized”), reached by only 15 percent of firms, management uses precise measurements, metrics, and controls. Organizations at this level set goals for customer acquisition, retention, and penetration, in addition to a complete set of financial and quality operating controls and measurements. Maturity Level 5 (“Optimized”) is only attained by 5 percent of professional services organizations. At this level, executives are focused on continually improving elements in the performance pillars, and a disciplined and controlled process is in place to measure and optimize performance through innovative technological improvements.

As the SPI Research table shows, a firm’s process maturity level and the implicit degree of coordination within the organization can have a very real implication for overall business performance. Improvements in process and tool integration to achieve maturity are not lightly undertaken, so it makes sense for organizations to carefully assess where they stand, what performance gains they hope to achieve, and to what end—whether for investors, partners, staff, and/or clients.

	Level 1	Level 2	Level 3	Level 4	Level 5
	30%	25%	25%	15%	5%
Bid-to-win ratio (per 10 bids)	4.12	5.42	5.24	5.85	6.18
Deal pipeline relative to qtr. bookings forecast	168%	214%	220%	245%	300%
Employee Billable Utilization	69.4%	73.7%	70.2%	78.4%	70.8%
Projects delivered on-time	70.9%	75.2%	79.1%	85.2%	86.8%
Annual revenue per billable consultant (k)	\$184	\$197	\$235	\$250	\$261
Annual revenue per employee (k)	\$134	\$158	\$194	\$231	\$232
Project Margin	32.8%	36.1%	37.5%	40.6%	44.1%
Earnings Before Income Taxes, Depreciation & Amortization (EBITDA)	8.1%	10.2%	16.9%	16.2%	25.6%

Source: SPI Research analysis for Microsoft based on 2013 and 2014 Professional Services Maturity™ Benchmark study data for organizations with over 100 employees and an average size of 770 employees.



Becoming a More Dynamic Professional Services Firm

So how can firm leaders “level-up” to a higher process maturity and business performance threshold? According to Kennedy, one effective pathway is to implement an integrated performance management solution that ties together all key business focus areas and roles within the organization.

By taking advantage of integrated business solutions that work across multiple business focus areas and individual roles, professional services organizations can obtain a 360-degree view into clients, projects, and cost controls. Such a system can offer practice managers and functional leaders up-to-date operational insights that lead to better, more-informed decision-making and impact.

“Now, with robust, self-service reporting based on real-time data in Microsoft Dynamics AX, people can understand what is happening in the business, see trends, and act on them.”

Andy McIntyre, CFO, ComputerAid Inc.

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Indeed, the SPI *Professional Services Maturity Model* shows specific results achieved by professional services organizations with solutions that integrate core financial systems with customer relationship management (CRM), human capital management (HCM), and professional services automation (PSA encompasses project management and resource management for client projects). Notionally, firms that understand client profitability across an array of projects are better able to identify and target similar client organizations, avoiding unprofitable pursuits and achieving target margins. Firms that understand revenue production down to the individual consultant level are better able to recruit, assign and develop professionals and increase revenue per employee. And, firms that track past project performance are better able to establish the right project scope up-front and avoid project overruns.

With integrated systems that deliver the right insights at each level in the organization, professional services firms can respond more dynamically to changing client demands and market conditions. Additionally, using systems that enable a firm-specific balance between process flexibility and consistency, professional service organizations can cultivate specific service experiences that appeal to target clients and grow the firm’s reputation in the marketplace.

Microsoft Approach to Professional Services Industry

It has long been Microsoft's mission to help individuals—and organizations—realize their full potential, so we are deeply committed to helping professionals and staff perform at their best and achieve greater job satisfaction through improved ability to collaborate with colleagues and productively serve clients. For this reason, we emphasize easy-to-use tools designed to work the way people work. Our applications are built to work together seamlessly, supporting and linking key levers of the business and enhancing both individual performance and firm-wide operations.

To help build the dynamic professional services firms of tomorrow, we have three framing principles guiding our investment in integrated products and solutions:

Cultivate distinctive client experiences

Reputation and revenue depend on delivery of consistent yet distinctive experiences at every stage in each client relationship. Firm reputation is the combined result of client perceptions shaped through interactions with professionals, project experiences, use of digital assets, exposure to marketing materials, and word-of-mouth. We help firms harness technologies to take a more client-centric approach while embedding firm-specific practices into service delivery across distributed project teams. As a result, firms can identify and offer more client-relevant services, deepen client relationships through accurate and responsive communications, and deliver reliable project outcomes and consistent experiences that differentiate a firm.

Capitalize on talent and catalyze innovation

Efficiency and profitability require optimal application of scarce and valuable human and intellectual capital. Many firms operate at suboptimal utilization levels because they do not have the right systems in place to balance staff utilization across offices or to develop new service offerings through virtual collaboration. We help firms capitalize on all available talent through powerful competency and availability-based search capabilities enabling practice managers and schedulers to find and assign the right person to the right project team. We also help catalyze professional creativity and innovation through integrated collaboration tools that help virtual team members work together to apply preferred practices, craft deliverables, and develop new service offerings.

Compress time to insight and action

Flexibility and agility are a product of process adaptability and timely access to information. Too many firms are mired in digital concrete because systems in place were designed to fit a generic firm profile and break any time someone tries to change a process or introduce a new piece of information. We help firms transform by building powerful yet easy-to-use process design tools directly into our solutions and architecting our products to support ongoing process evolution with layers of standardization and diversity all within one firm-wide system. We also embed industry-specific information and performance measures into our solutions to put richly contextual, role-tailored information at user fingertips, helping individual contributors and managers at every level work smarter. Finance and practice leaders in particular can obtain a complete and holistic view into their business, streamlining reporting and improving accountability across the organization while ensuring compliance with firm policy through consistent business processes and policies across all locations.

As important, Microsoft constantly strives to deliver reduced total cost of ownership for organizations that adopt our solutions. To this end, our solutions build on business processes and technology investments that many firms already have in place—practices developed around everyday productivity tools like Microsoft Office Excel, Outlook, Project, Lync, SharePoint, Yammer and Windows. Extending what is already widely adopted reduces change management and user training, improves firm-wide adoption, and accelerates return on investment.

The result is a portfolio of integrated-by-design solutions that equip and free individuals to do their best work within an increasingly connected organization and wider ecosystem. With this kind of a holistic approach to business solutions, we believe that Microsoft can help professional services firms develop higher order process maturity and cultivate truly differentiating client experiences.

Business Solutions for Service Professionals

To execute on our vision, we focus on five solution areas or logical sets of business capabilities that are core to how professional services firms differentiate themselves, build process maturity, and enable the execution of business strategy.

Practice Development

Practice Development



Objective: Close more deals faster and grow client wallet share with insightful, timely, and contextual responses that build trust and annuity business.

Capabilities: Client/project management; lead/opportunity management; Proposal management; brand assets and template management; marketing automation; and analytics and KPIs.

“The solution we built on Microsoft Dynamics CRM Online helps our partners think more strategically about how to serve their clients and stay in touch.”

Adrienne Crowther, Director of Global CRM and Collaboration, strategy& (formerly Booz & Company)

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Knowledge Management

Knowledge Management



Objective: Stop reinventing the wheel and take full advantage of your firm’s intellectual capital with proven tools to capture, find, share, and reuse information.

Capabilities: RFI/RFP management; enterprise-wide content management and search; internal/external social computing; team workspaces; and process libraries and visualizations.

“New client and mobile access options will make it easier to access newsfeeds throughout the day, keep track of the latest developments in their area of expertise, and participate in interactive dialogues with colleagues.”

John Knab, Director, IT Applications, Unisys

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Professional Development

Professional Development



Objective: Attract, develop, and retain the best and brightest talent by providing expertise-building experiences that optimize career and utilization objectives.

Capabilities: Recruiting and onboarding; competency assessment and tracking; skill and availability-driven project assignment; performance management; and compensation and incentive management.

“80 percent of our processes are automated. This helps in saving significant amount of time and manpower. Besides saving time, it also reduces paper work by 30 percent and helps us in going green.”

Vinayak Chatterjee, Chairman, Feedback Infrastructure Services

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Service Delivery

Service Delivery



Objective: Deliver on promise and turn clients into enthusiastic referrals through optimized service planning, engagement, and execution.

Capabilities: Project quotation, management and planning, budgeting and cost control; time and expense reporting; complex invoicing and billing; service orders and contracts; service calls and dispatching; repair management; service subscriptions; and analytics and KPIs.

“We always have data available to brief clients on the status of their project...how many hours are needed and which professionals are available.”

Niek de Jong, Manager of Finance and Control, ConQuaestor

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Firm Administration

Firm Administration



Objective: Know how your complex business is performing with “anytime anywhere” access to essential metrics and role-specific business processes.

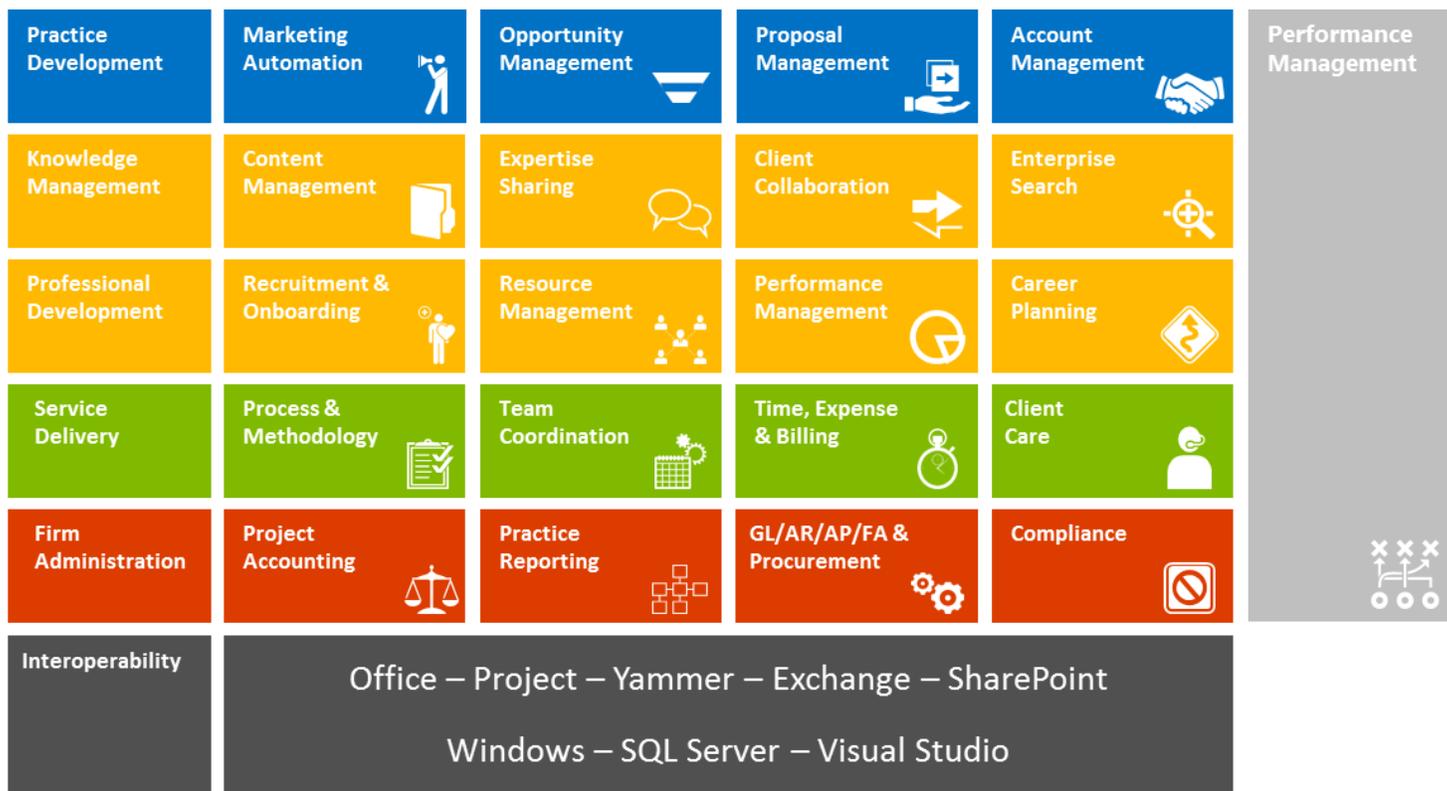
Capabilities: Management dashboards; firm and practice reporting; compliance and internal controls; revenue and cost accounting; budgeting and forecasting; procurement and sourcing; vendor management; tax management; payroll; and treasury and banking.

“By using Microsoft Dynamics AX, we’ve tightened our revenue-to-cash cycle while providing more detailed, timely, and actionable operating information to our leadership team.”

Andy McIntyre, CFO, ComputerAid Inc.

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At the heart of each of these solutions is a set of direct-from-Microsoft offerings that include Microsoft Dynamics products with capabilities purpose-built for the industry. We also extend these foundational products with specialized and complementary features from industry partners to address the unique needs of specific disciplines within the professional services community. For reference purposes, the matrix below drills one level deeper into our solution offerings.



The Power of Choice Enables Differentiation

Business solutions from Microsoft are designed to give professional services organizations the ability to promote their unique strengths through a flexible adoption model. Firms have the opportunity to acquire and implement different solution elements as their own specific business needs and timetables require. For example, a firm could start by deploying solutions for Service Delivery (including project management and accounting) and Firm Administration (including core financials), or by deploying more common-denominator components such as expense management or employee profile, competency, and performance management.

Microsoft also offers organizations a choice in technology. Professional services firms can choose to deploy a solution on-premises, in the cloud, or as a hybrid of both, depending on needs and budgets, and IT leaders can often accomplish similar business outcomes using different combinations of software, selectively building on an existing installed base of Microsoft products to reduce the incremental cost of new solutions.

“With Microsoft’s integrated cloud solution, we’re able to grow our business by 66% all while realigning our business. It met our needs and it also provided a great path for us into the future.”

Mike Gillis, COO, Hitachi Solutions

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Conclusion

Professional services industry solutions from Microsoft have evolved over many years, with a number of key elements coming together recently to create what we submit is the strongest and most integrated enterprise solution offering in the market today. Our solutions enable firms to empower their most valuable assets—their people—and leverage them across the company to deliver consistently outstanding client experiences. The strength of this solution portfolio, combined with our commitment to professional services organizations, is its unmatched value in the market. As evidence of our commitment, we offer the following:

Research and Development: Microsoft invests more than \$10 billion annually in research and development across the business, making it one of the largest firms on the planet in terms of a financial commitment to R&D. The Microsoft Dynamics business unit that delivers industry-specific solutions is both a key area of investment in its own right and a huge beneficiary of the rich product and innovation pipeline that it draws upon.

Dedicated R&D Industry Team: The Microsoft Dynamics unit has a dedicated team charged with building out the roadmap and industry-specific functionality for professional services organizations. Furthermore, there are dedicated resources charged with looking 5 to 10 years into the future to identify major market trends that will affect this industry and to assess how we can help customers prepare to address them.

Industry-Dedicated Partners and Partner Management Team: A number of partners have built their businesses around delivering Microsoft industry solutions to professional services firms, and they are vitally important collaborators in Microsoft's industry strategy. We ensure ongoing alignment between these partners and Microsoft R&D through a team of dedicated partner management professionals.

Industry-Specific and Microsoft Certified Partner Solutions: We often work with partners to build targeted software features that extend our code base for niche uses while eliminating the need for costly integration services. For example, we take advantage of partner code to deliver equipment rental solutions. To ensure that these solutions are of the highest quality, we require partners to certify their offerings through the Certified for Microsoft Dynamics program, which includes code reviews and sets precise standards.

Dedicated Industry Marketing and Business Development Teams: We continue to invest in industry-aligned marketing programs and resources to engage more closely with customers, trade associations, and thought leaders and to improve the industry-specificity and relevance of our offerings over time.

Case Study References

Baseline Needs

"We don't have a traditional sales force. We have partners with sensitive, high-powered contacts stored in Outlook—C-level connections, people who are heads of business in major industries. We had to ensure reliability and high quality of contact information. Nothing could be lost."

Adrienne Crowther, Director of Global CRM and Collaboration, strategy&

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=710000003810

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Rajiv Prasad, Director Operations, Chief Technology Office at Unysis

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=4000010579

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http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=465000000081

Transformational Challenges

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"Our inability to quickly locate expertise and identify high-value knowledge assets was limiting our agility in responding rapidly to changes in our business and our clients' business. We knew we needed a more robust social computing platform, more creative knowledge management solutions, and a fundamental change to the way we worked."

Rajiv Prasad, Director, Operations, Chief Technology Office, Unysis

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=4000010579

Case for Coordinated Action

"We wanted more emphasis on who our clients are and how we can serve them best."

Adrienne Crowther, Director of Global CRM Strategy & Collaboration, strategy&

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=710000003810

"We were running SAP R3 in three of our offices, including our headquarters, and home-grown systems in multiple other locations. As a result, we employed a time-consuming, error-prone process to consolidate our financial information in SAP."

CFO, Comptel

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=710000002192

Impact of Business Process Maturity

"Maturity is determined through alignment and focus both within and across functions."

Source: The 2014 Professional Services Maturity™ Model from SPI Research

Becoming a More Dynamic Professional Services Firm

"Now, with robust, self-service reporting based on real-time data in Microsoft Dynamics AX, people can understand what is happening in the business, see trends, and act on them."

Andy McIntyre, CFO, Computer Aid Inc.

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=465000000081

Business Solutions for Service Professionals

"The solution we built on Microsoft Dynamics CRM Online helps our partners think more strategically about how to serve their clients and stay in touch."

Adrienne Crowther, Director of Global CRM and Collaboration, strategy& (formerly Booz & Company)

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?casestudyid=710000003810

"New client and mobile access options will make it easier to access newsfeeds throughout the day, keep track of the latest developments in their area of expertise, and participate in interactive dialogues with colleagues.

John Knab, Director, IT Applications, Unisys

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=4000010579

"80 percent of our processes are automated. This helps in saving significant amount of time and manpower. Besides saving time, it also reduces paper work by 30 percent and helps us in going green."

Vinayak Chatterjee, Chairman, Feedback Infrastructure Services

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=4000011203

"We always have data available to brief clients on the status of their project...how many hours are needed and which professionals are available."

Niek de Jong, Manager of Finance and Control, ConQuaestor

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=710000002346

"By using Microsoft Dynamics AX, we've tightened our revenue-to-cash cycle while providing more detailed, timely, and actionable operating information to our leadership team."

Andy McIntyre, CFO, Computer Aid Inc.

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=465000000081

The Power of Choice Enables Differentiation

"With Microsoft's integrated cloud solution, we're able to grow our business by 66% all while realigning our business. It met our needs and it also provided a great path for us into the future."

Mike Gillis, COO, Hitachi Solutions

http://www.microsoft.com/casestudies/Case_Study_Detail.aspx?CaseStudyID=710000003496

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