Project management and accounting Time and material projects without WIP accounting

This document walks you through the project management lifecycle and shows how this life cycle is supported and managed in Microsoft Dynamics 365 for Finance and Operations, Enterprise edition.

Demo script

November 2017

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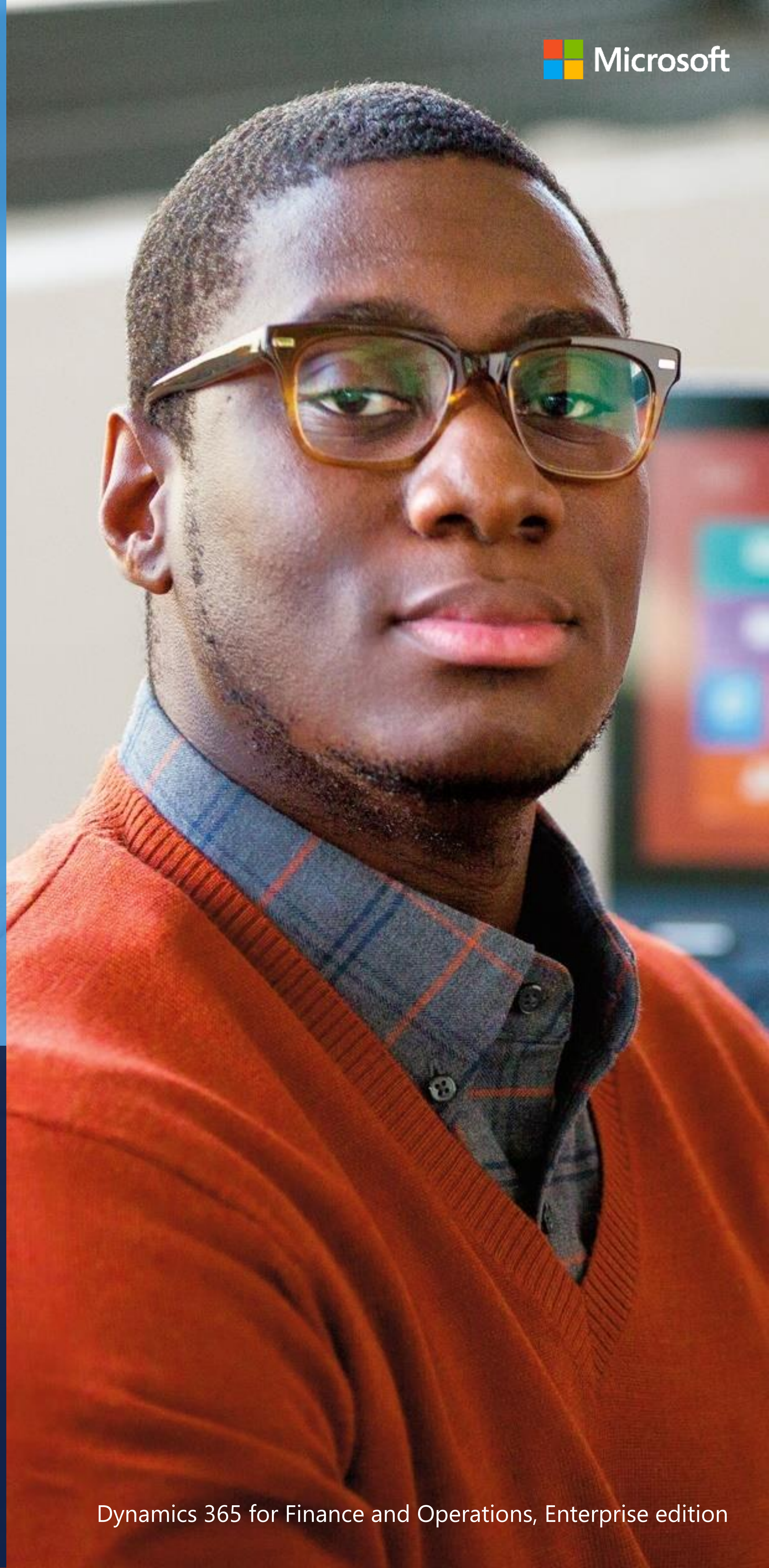


Dynamics 365 for Finance and Operations, Enterprise edition

Project management and accounting Time and material projects without WIP accounting

This document walks you through the project management lifecycle and shows how this life cycle is supported and managed in Microsoft Dynamics 365 for Finance and Operations, Enterprise edition. Specifically, you will go through the steps to create a project quotation for a business intelligence (BI) implementation project, create the project together with the work breakdown structure (WBS), record time and expenses, and recognize revenue.

Important:

This demo script assumes that you are running data created from the demo data packages that were released with Microsoft Dynamics 365 for Finance and Operations, Enterprise edition 7.3. It is not intended for use with the demo data companies, such as USMF and DEMF, that also ship with the product. For more information about the demo data packages, see [Generate demo data by using packages].

Notes, open items, and questions
• **These data packages are required:** SystemAndShared, Financials – HQUS, Financials – HQEU, and Project Management and Accounting - HQUS • **You will sign in as these users:** MICHAEL, PRAKASH, TRICIA, and ARNIE • **Use this legal entity:** HQUS

Additional setup that is required

Note: Complete this setup as an Admin user.

1 Select **Project management and accounting** > **Periodic** > **Capacity synchronization** > **Synchronize resource capacity roll-ups**, and run the periodic batch job to update resource capacity.

2 Select **Payroll** > **Workers** > **Employee**, and select **Tricia Fejfar**. Then, on the **Projects** tab, select **Setup** > **Project setup**, and add the **Standard** calendar to employee Tricia Fejfar's record as the resourcing calendar.

3 Make sure that the Project management and accounting workflows are configured for your demo scenario. By default, these workflows are assigned to administrator roles.

4 Select **Project management and accounting** > **Setup** > **Project** > **Work breakdown structure templates**. By default, the effort for each task in these templates is set to **0.00**. Follow these steps to add effort (hours) to the BI Implementation template:

   a Select the **BI Implementation** template.

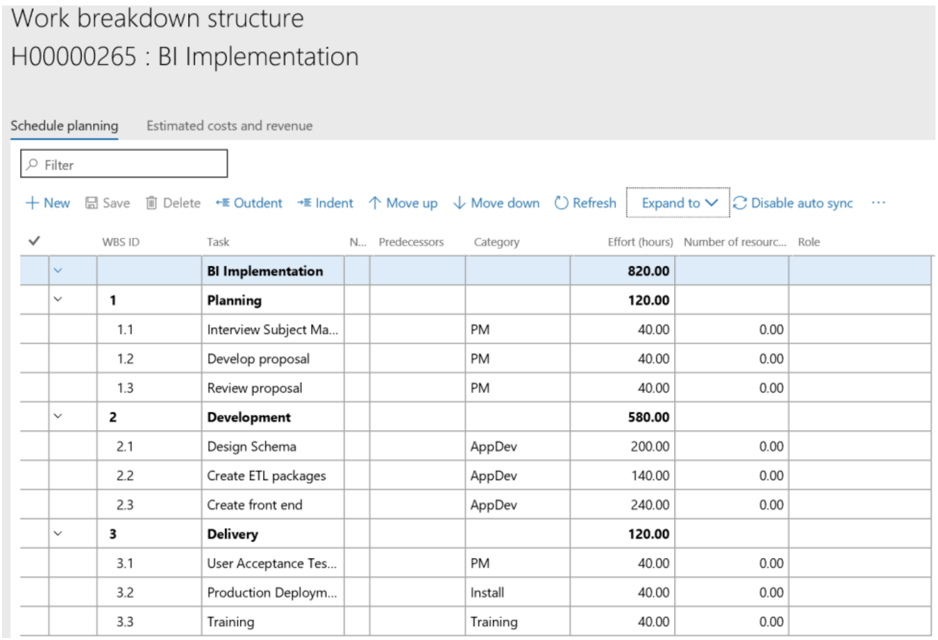
   b Select **Work breakdown structure**.

   c Select **Expand to**, and select the option to show all levels.

   d Add the following effort (hour) information.

WBS ID	Category	Effort (hours)
1.1	PM	40.00

WBS ID	Category	Effort (hours)
1.2	PM	40.00
1.3	PM	40.00
2.1	AppDev	200.00
2.2	AppDev	140.00
2.3	AppDev	240.00
3.1	PM	40.00
3.2	Install	40.00
3.3	Training	40.00



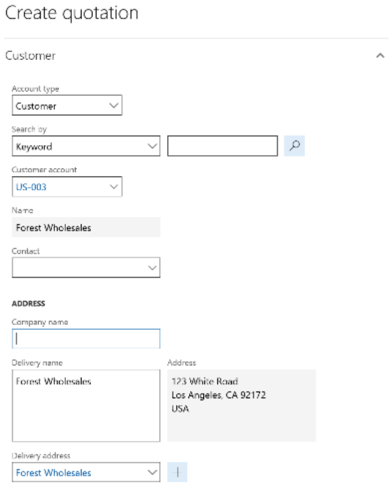
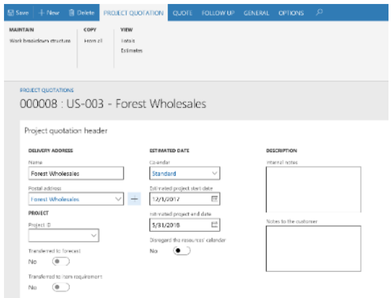
Work breakdown structure
H00000265 : BI Implementation

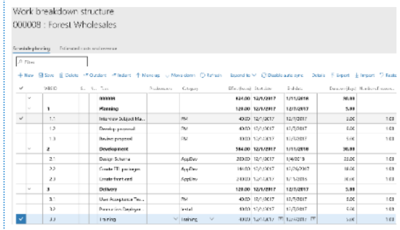
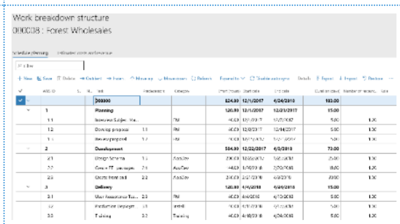
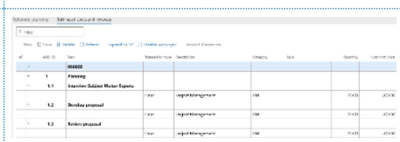
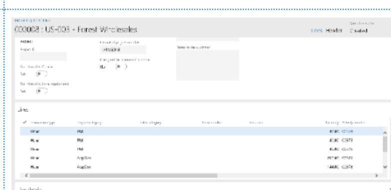
Schedule planning   Estimated costs and revenue

Filter

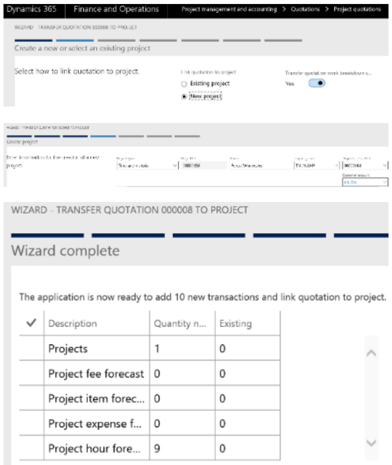
New Save Delete Outdent Indent Move up Move down Refresh Expand to Disable auto sync

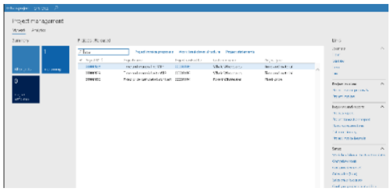
WBS ID	Task	N...	Predecessors	Category	Effort (hours)	Number of resourc...	Role
	BI Implementation				**820.00**		
1	**Planning**				**120.00**		
1.1	Interview Subject Ma...			PM	40.00	0.00	
1.2	Develop proposal			PM	40.00	0.00	
1.3	Review proposal			PM	40.00	0.00	
2	**Development**				**580.00**		
2.1	Design Schema			AppDev	200.00	0.00	
2.2	Create ETL packages			AppDev	140.00	0.00	
2.3	Create front end			AppDev	240.00	0.00	
3	**Delivery**				**120.00**		
3.1	User Acceptance Tes...			PM	40.00	0.00	
3.2	Production Deploym...			Install	40.00	0.00	
3.3	Training			Training	40.00	0.00	

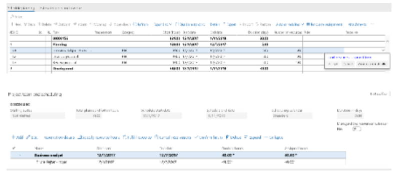
Section	Demo steps	Talking points	Screenshot
Project quotation	Sign in to the **HQUS** legal entity as **MICHAEL**. Select **Project management and accounting** > **Quotations** > **Project quotations**, and select **New**. In the **Customer ID** field, enter **Forest Wholesale**. Select **OK** to close the dialog box. When you're asked whether you want to create an opportunity record, select **No**. In the **Estimated project end date** field, enter a date that is six months in the future. On the **Project quotation** tab, select **Maintain** > **Work breakdown structure**.	Michael receives a lead for a customer that Contoso has done business with before. He enters the customer's name, and the system quickly finds the record for the existing customer number. This functionality saves Michael time, because many fields on the quotation, such as previously agreed-on payment terms, will be automatically filled with default values. Alternatively, if you haven't previously done business with a client, you can enter the project quotation for a prospect instead of a customer. For scheduling purposes, you can enter the project's estimated start and end dates. There are two ways to add tasks to a quotation. You can manually enter lines on this page, or you can create a WBS. Because Contoso has done similar projects for BI implementations, you will assign a WBS for this demo.	 

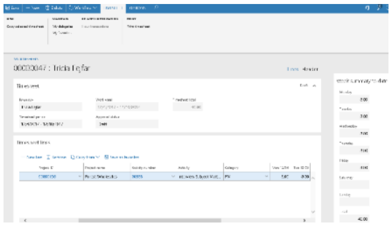
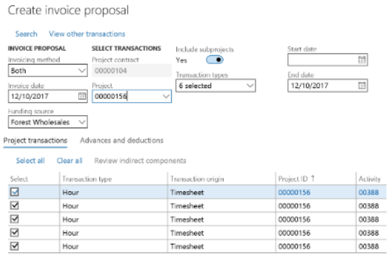
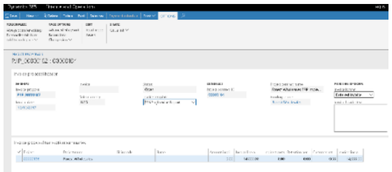
Section	Demo steps	Talking points	Screenshot
Assign a WBS	Select **Import**, and then, in the **Name** field, select **BI implementation**. Confirm that you want to apply the rates from the customer. Expand the lines to view all the tasks.	For this demo, you will import an existing WBS that is named **BI implementation**. The import process brings in the lines from the template, so that you can use them as a starting point.	
Sequence the work by setting predecessors	Each task depends on the preceding entry. Therefore, set the predecessor for each task, starting with task 1.2.	The tasks are currently set up to occur concurrently. However, for your project, each task depends on the previous task and can't start until that task is completed. Therefore, set a predecessor on each task, starting with the second task. Notice that the dates are changed as a result.	
View the estimated cost and revenue information	Select the **Estimated cost and revenue** tab. Close the **Work breakdown structure** page.	The WBS also provides information about the estimated cost and revenue for each task. This information will help you predict and plan the project.	
Create the quotation lines, based on the WBS	Select **Generate** > **Copy** > **Create quotation lines from WBS**. Select **Save**. Select **Workflow** > **Submit** > **Submit**.	Next, you will use the lines from the WBS to create the quotation lines. You can also manually add lines to the quotation. Michael is satisfied with this quotation. Therefore, he submits it to the organization's workflow process.	

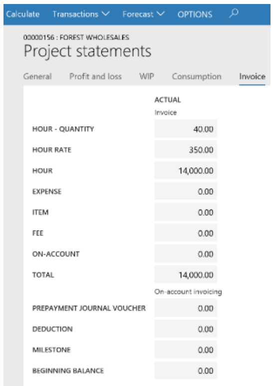
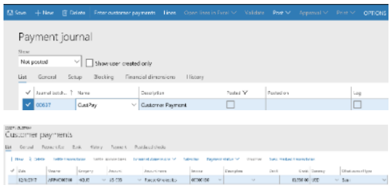
Section	Demo steps	Talking points	Screenshot
Approve the quotation, and send it to the customer	If the workflow is configured to automatically approve quotations, you can now send the quotation to the customer. If automatic approval isn't configured, you must approve the quotation. Select **Project management and accounting** > **Quotations** > **Project quotations**, and select the quotation that you submitted. On the **Quote** tab, select **Process** > **Send quotation**. Then, in the dialog box, select **OK**. On the **Follow up** tab, select **Confirm**. Then, in the dialog box, select **OK**. Sign out as MICHAEL.	After a quotation is approved, it can be sent to the customer for review. During this process, you can print the quotation. If the customer requests changes, you can make those changes by using the revision functionality. After the customer has agreed to the terms, you can confirm the quotation.	

Section	Demo steps	Talking points	Screenshot
Transfer the quotation to a project	Sign in to the **HQUS** legal entity as **PRAKASH**. Select **Project management and accounting** > **Quotations** > **Project quotations**, and select the quotation that Michael created. On the **Follow up** tab, select **Modify** > **Transfer to project**.	Now that the quotation has been reviewed and approved by the customer, it can be transferred to a project forecast. A wizard is started to help you quickly and accurately transfer information to the project.	
	Select **Next**. In the **Link quotation to project** field group, select **New project**. Set the **Transfer quotation work breakdown structure** option to **Yes**.	You can either create a new project or use an existing project. You can also copy your WBS to the project.	
	Select **Next**. Set the following values: ● **Project type:** Time and material ● **Project group:** TM_NoWIP ● **Contract ID:** 00000104 ● **Customer account:** US-003	On the next page, you select the project type. In this case, the project is a Time and material project that doesn't track work in process (WIP).	
	Select **Next**. Set the **Transfer to project forecast** option to **Yes**.	You can transfer quotations to project forecasts.	
	Select **Next**. Select **Finish**.	After you've finished entering information, you can review your responses and then complete the wizard.	

Section	Demo steps	Talking points	Screenshot
Project management workspace	Select **Project management and accounting** > **Workspaces** > **Project management**. Select the **In planning** tile.	The **Project management** workspace gives an overview of projects in the legal entity. You can see all projects or planned projects, and also any project templates that you've created. You can quickly access projects that are in process. You can also access frequently used actions. For example, you can create an invoice proposal or view the WBS. You can search for a specific project. The **Links** section lets you access the pages and reports that are most often used for your project processes. Next, review the project that you created by selecting the tile that is labeled **In planning**.	

Section	Demo steps	Talking points	Screenshot
Assign a resource	On the projects page, on the **Plan** tab, select **Work breakdown structure**. Select **Publish**.	Because Tricia has experience interviewing subject matter experts to gain a better understanding of requirements, Prakash wants to assign her to this project. Therefore, open the WBS.	
	Select the **Interview Subject Matter Experts** task, and then, in the **Resource** field, select **Launch resource assignment form**. If you're prompted to generate resource capacity data, select **Yes**. Select **TRICIA**, and then select **Soft assign** > **Full capacity**.	You will soft book Tricia for 40 hours for this project.	
	Close the page, and then close the **Work breakdown structure** page.	Back on the project page, you can see that Tricia is assigned to the project.	
	On the projects list page, select your project to open it, and then select the **Project team and scheduling** tab. On the **Project action** tab, select **Project stage** > **Released**. Sign out as PRAKASH.	Finally, release the project to enable transactional activity against it.	

Section	Demo steps	Talking points	Screenshot
Enter time against the project	Sign in as **TRICIA**. Select **Project management and accounting** > **Timesheets** > **My timesheets**, and select **New**. On Tricia's timesheet, for each workday, add eight hours for the **Forest Wholesales** project. Set the activity to **Interview Subject Matter Experts**.	Tricia has interviewed subject matter experts for a total of 40 hours this week. Tricia can view her existing timesheets or enter new time entries. She enters eight hours for each day last week, for the time that she spent interviewing subject matter experts.	
	Select **Workflow** > **Submit** > **Submit**. Sign out as TRICIA.	Tricia then submits her timesheet. The system is set up to automatically approve and post the timesheet. This process will update the project values.	
Bill the customer	Sign in as **PRAKASH**. Select **Project management and accounting** > **Workspaces** > **Project management**.	At the end of the week, Prakash wants to bill the customer for this project. The billing will include the time that Tricia entered.	 
	In the center pane, select the link for the **Forest Wholesale** project ID. The projects page is opened.	From the list in the middle of the **Project management** workspace, Prakash can open the Forest Wholesale project.	
	On the **Manage** tab, select **New** > **Invoice proposal**. Select **OK** to generate the invoice proposal.	Based on the criteria that are specified, the invoice proposal selects transactions that will be billed to the customer. In this case, the invoice proposal will include the time that Tricia reported.	
	On the invoice proposal page, select **Post**.	The invoice proposal is posted. This process will update the general ledger, the project, and the customer's balance.	

Section	Demo steps	Talking points	Screenshot
Review the project information	Select **Project management and accounting** > **Workspaces** > **Project management**. Select the **Forest Wholesale** project. On the **Control** tab, select **Project statements**. Select **Calculate**. Select the **Invoice** tab. Sign out as PRAKASH.	At the end of the week, Prakash reviews the state of the project on the project statement and sees the invoice values.	
The customer pays	Sign in as **ARNIE**. Select **Accounts receivable** > **Payment** > **Payment journal** > **Create a new payment journal**. Select **Lines**. Create a new line for customer account **US-003**, and then press Tab to move out of the customer field. Select **Settle transactions**, and mark the project invoice. Then select **OK** to close the page. Select **Post**.	Forest Wholesales has remitted payment for the project invoice. In Accounts receivable, the payment information can be entered and applied to the customer's outstanding balance. After the payment is posted, the customer's balance will be reduced. This step completes the quotation-to–customer payment process.	

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