Multi-Entity Management

Mastering multi-entity management: A guide for scaling finance teams.

Mastering multi-entity management.

Managing multiple business entities efficiently is crucial for organizations operating across various regions, subsidiaries, or legal structures. Without the right tools, financial consolidation, intercompany transactions, and compliance become time consuming and error-prone.

This booklet explores the challenges of multi-entity management, the limitations of built-in Microsoft Dynamics 365 Business Central functionality, and how Binary Stream's Multi-Entity Management (MEM) solution enables seamless automation, real-time reporting, and scalability.

Learn how finance teams can reduce manual work, improve decision-making, and achieve cost savings with the right approach to multi-entity management.

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What is multi-entity management?

Streamlining multi-entity operations for finance leaders.

If your organization spans multiple business units or legal entities, you've likely faced the challenge of reconciling data across various locations and systems. Successful multi-entity management hinges on the ability to share information seamlessly, access real-time reporting, and control resources effectively. With proper multi-entity management, you'll be able to:

- **Consolidate financials across all entities in real time.**

- **Automate intercompany transactions, reducing errors and delays.**

- **Gain actionable insights with unified reporting tools.**

Within the Microsoft Dynamics 365 Business Central landscape, many users are already familiar with the core multi-entity management functionality designed to handle basic intercompany processes. However, as operations scale and complexities increase—such as managing intricate intercompany transactions, consolidating across multiple regions, or ensuring compliance across subsidiaries—there may be a need to go beyond the standard Dynamics features.

In this booklet, we'll explore what effective multi-entity management entails, identify common challenges, and showcase how expanding Dynamics functionality can transform the way organizations operate.

67% of MEM customers report reducing time spent on consolidations, freeing up valuable time to focus on strategic decisions.

The complexity of intercompany operations.

85% of organizations report delays in financial reporting due to inefficient intercompany processes.

Without the right tools, multi-entity management can feel like solving a never-ending puzzle. Here are the top challenges finance teams encounter:

■ **Manual consolidations.**

For finance teams, manually reconciling financial data from multiple entities often means late nights sifting through spreadsheets, double-checking numbers, and constantly chasing colleagues for updates—making errors inevitable and deadlines stressful.

■ **Disjointed systems.**

Imagine juggling multiple platforms to track financials for each entity, only to realize that none of them communicate with each other—forcing your team to piece together a fragmented puzzle of data that delays critical decisions.

■ **Compliance risks.**

Keeping up with IFRS or GAAP requirements means your accountants spend hours cross-checking ledgers and preparing reports, knowing that even a small oversight could lead to costly penalties or audits.

■ **Limited visibility.**

Without real-time insights, executives rely on outdated or incomplete information, leaving them frustrated and unable to make informed decisions about cash flow, investments, or operational changes.

Expanded multi-entity management in Microsoft Dynamics 365 Business Central: Why bother?

Advanced features to look for in a multi-entity management solution.

If you're already in the Business Central ecosystem, its multi-entity capabilities might seem sufficient. However, as businesses scale and processes grow more complex, a robust multi-entity solution with advanced features can make all the difference. Here are some key capabilities to look for:

Advanced features:

- **Automated intercompany transactions.**
  Handle intercompany billing, expense allocations, and transfers seamlessly, ensuring proper tracking and compliance.

- **Entity-specific configurations.**
  Customize tax rules, currencies, and accounting standards for each entity without disrupting unified operations.

- **Real-time consolidated reporting.**
  Generate flexible reports across multiple entities or focus on individual performance metrics to guide better decisions.

- **Master record sharing.**
  Eliminate duplication and ensure data integrity by sharing customer, vendor, and bank records across entities.

- **Scalability for growth.**
  Add new entities quickly and integrate acquisitions without disrupting financial or operational processes.

- **Compliance automation.**
  Simplify adherence to IFRS, GAAP, or other regional standards with automated tools that reduce manual effort and risk.

MEM vs core Business Central.

	Microsoft Dynamics 365 Business Central	Multi-Entity Management
Intercompany transactions.		
• Real-time intercompany transactions across all modules of Business Central.	✕	✓
• Centralized payables and receivables; mass decentralized payables.	✕	✓
• Revenue and expense allocation across entities using a defined template.	✕	✓
• Intercompany journal entries involving 3+ entities.	✕	✓
Real-time consolidated reporting.		
• Real-time combined or individual reporting for all or some entities.	✕	✓
• Integration with 3rd party advanced reporting solutions.	✓	✓
Multi-entity environment.		
• Single set of master records; no data duplication or synchronization needed.	✕	✓
• Easy setup of new entities.	✕	✓
• Data access security across all entities.	✓	✓

The ROI of multi-entity management: What you can expect.

Cost savings.

Imagine losing thousands of dollars to duplicate tasks and inefficient workflows. With the right multi-entity solution, you can make that a thing of the past and unlock cost savings. With centralized management, you can share resources, streamline operations, and reduce redundant spending across your entire organization.

Simplified intercompany transactions.

With a robust multi-entity management solution, you'll be able to simplify your financial workflows across your entire organization. In Binary Stream's MEM, for example, you can perform and automate intercompany transactions across all Business Central modules. You'll be able to complete transactions within a single instance. Picture handling intercompany transactions seamlessly—allocating expenses, managing balances, and closing periods across multiple entities, all from a single, unified system. No more juggling multiple platforms or wasting time on manual reconciliations.".

Scalability.

Adding a new entity should be a moment of growth, not a logistical headache. Scale your operations effortlessly by setting up new entities in just a few clicks, with zero downtime and full integration into your workflows.

Improved decision-making.

Optimizing your business without detailed reporting can be like feeling around a room in the dark. You'll be uncertain exactly what to improve. The right multi-entity solution will enable you to make smarter, faster decisions with real-time insights at your fingertips. In Binary Stream's MEM for example, you can run reports for individual entities or consolidated views in seconds, giving you the clarity to identify trends and improve efficiency across your organization.

Increased data accuracy.

With a robust solution, you'll be able to say goodbye to mismatched records and duplication. In Binary Stream's MEM, for example, you have the ability to automatically share data like customer, vendor, and bank records across entities. With this automation, you can ensure consistent, accurate information that everyone can trust.

Customer spotlight: Signature HealthCARE saves $120,000 a year and scales from 55 to 239 entities with Binary Stream's MEM.

Signature HealthCARE is a leading provider of long-term nursing care in the U.S., with **20,000 employees** across **126 locations in 10 states**. As a rapidly growing organization, they needed a scalable financial management solution to support their expansion.

The challenges.

- Redundant AP processes slowing down the accounting team.
- Difficulties managing backups and vendor consistency across entities.
- Time-consuming month-end, year-end, and 1099 reporting.
- Limited intercompany visibility and reporting.

The solution.

With MEM, Signature HealthCARE **consolidated 55+ databases into a single database**, eliminating inefficiencies and enabling seamless entity management.

The results.

- **$120,000 saved annually by eliminating redundancies.**
- **6+ hours saved per new entity added.**
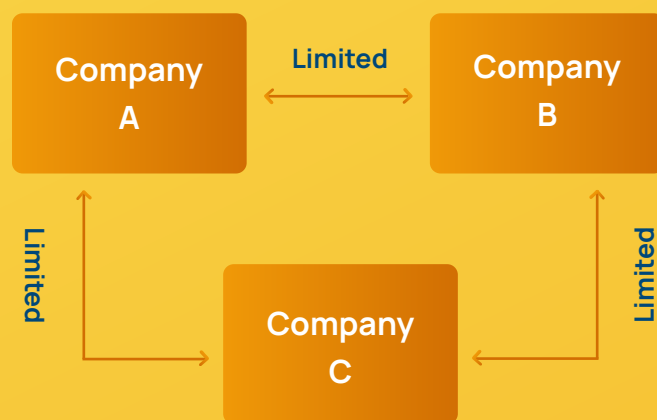- **Scaled from 55 to 239 entities without adding administrative burden.**

"There's nothing else like this on the market. MEM is exactly what we were looking for."

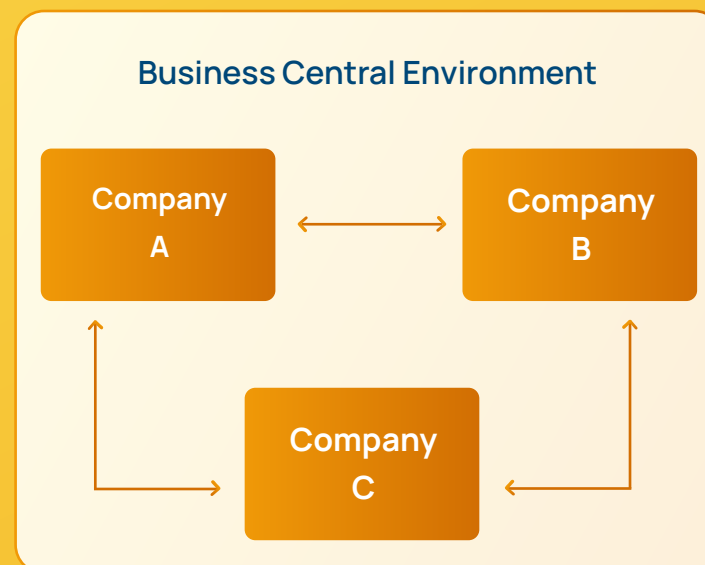— Bill Breitenbach, IT Director, Signature HealthCARE

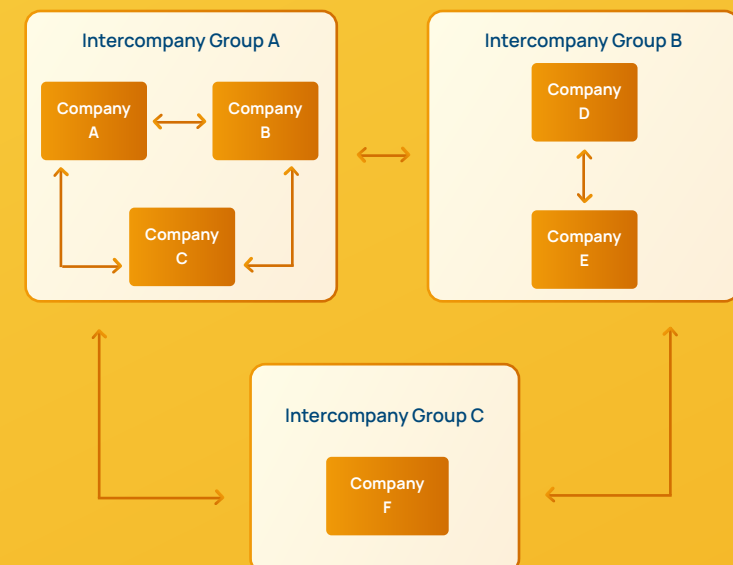# How MEM works in Microsoft Dynamics 365 Business Central.

Dynamics 365 BC.

Separate Business Central companies, limited intercompany transactions, and siloed data.

Dynamics 365 BC + MEM.

Advanced intercompany transactions, unified data, and enhanced reporting capabilities.

Dynamics 365 BC + MEM Premium.

Simplify intercompany transactions and reporting across fiscal year-ends, currencies, and localizations.

Boost your efficiency with Binary Stream.

Discover how Binary Stream's MEM can transform your operations.

Managing multiple entities doesn't have to be complex. With the right solution, you can streamline operations, automate intercompany transactions, and gain real-time financial insights—unlocking efficiencies that drive growth. Binary Stream's MEM empowers finance teams to reduce manual work, improve decision-making, and scale seamlessly within Microsoft Dynamics 365 Business Central.

See the impact for yourself.

- ✓ Reduce consolidation time by up to 67%
- ✓ Automate intercompany transactions across all entities.
- ✓ Ensure compliance with IFRS, GAAP, and other global standards.
- ✓ Scale effortlessly as your business grows.

Ready to transform your multi-entity management?

Get in touch

Binary Stream