

MAKING THE MOVE FROM MICROSOFT DYNAMICS AX

# 5 *Unexpected* Reasons to Consider Business Central



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# You're on Dynamics AX, and now it's time to upgrade

Is your company still running a version of Dynamics AX (2009, 2012 R2/R3)?

Microsoft's Mainstream Support for AX ended on October 12, 2021, and Extended Support ended on January 10, 2023.



This means that Microsoft will not add new features and functions to the software. It also leaves you vulnerable to security gaps and a lack of regulatory support.

And while AX has been a robust Enterprise Resource Planning (ERP) application for decades, it is showing its age. AX was never designed to operate in the cloud, so it cannot take advantage of many of the gains the ERP industry has made in the past five to ten years. In short, *it's time to upgrade*.

## Where do you go from here?

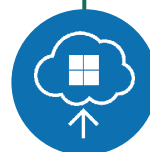
The reality is that there is no "next version" of AX. No matter which direction you turn, AX has no upgrade path. Instead, you must implement a different ERP product and migrate your AX data. There are 4 options. Read on...



**OPTION 1:**  
Do nothing



**OPTION 2:**  
Move to a cloud ERP



**OPTION 3:**  
Move to a Microsoft cloud ERP



**OPTION 4:**  
Surprise! Business Central

## OPTION 1: Do nothing

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This option sounds appealing – you already own your hardware, the application is already working for you, and everybody is familiar with it (and its quirks). What could possibly go wrong? The problem is that you will be left entirely on your own.

You will be upgrading out-of-date hardware and operating systems and creating your own security patches, activities which will cost you more money and perhaps lead to a security breach. Swim at your own risk.

## OPTION 3: Move to a Microsoft cloud ERP

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Dynamics 365 Finance and Supply Chain Management (D365) is a next-generation cloud ERP from Microsoft. While many ERP solutions could compete with D365, it has one significant advantage to keep in mind as you conduct your search: It is completely integrated with and takes full advantage of the entire Microsoft “stack”...

- **AZURE:** Security, stability, scalability
- **MICROSOFT 365 (OFFICE):** Productivity, collaboration
- **POWER PLATFORM:** Low-code/no-code apps, analytics, workflows, and more

...as well as third-party software products (CRM, HR, Warehouse Management, etc.) designed specifically for Dynamics 365.

With D365, you deliver a better user experience with a consistent, familiar interface across applications and tools, no data silos, better overall performance, and the benefit of Microsoft’s investment in R&D and dedicated resources committed to security and compliance.

## OPTION 2: Move to a cloud ERP

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The better alternative is to look for a modern, cloud-based ERP. In contrast to maintaining your servers on-premises and managing your updates, a cloud ERP provides automatic software updates, greater customizability, flexible integration, scalability as you grow, and better user and data security.

In addition, cloud ERPs offer high availability, business continuity, and disaster recovery while providing anytime, anywhere access for users.

You have your choice of a wide selection of cloud ERPs. You also have a choice to either stay with a Microsoft ERP or venture afield to other software vendors.

## OPTION 4: Surprise! Business Central

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Dynamics AX is an enterprise ERP, so it makes sense that you look for another enterprise-level ERP, right? Not so fast. Another viable option is Business Central, an ERP solution designed by Microsoft for non-enterprise, small- to medium-sized businesses (SMB).

Yes, enterprise ERPs typically offer more features. They can handle more simultaneous users than those designed for SMBs, but they also tend to be harder to learn. They can be more complex and expensive to buy, implement, maintain, and upgrade compared to SMB.

Nearly 50%

of organizations implemented their ERP with moderate customization in 2022.  
[Panorama Consulting 2022 ERP Report](#)



## The way it was

Ten or more years ago, probably around the time you selected AX, ERPs were typically sold as a discrete application to be run on-premises. They catered to either enterprises or SMBs. A large company with multiple offices and hundreds or thousands of employees was considered too big for most SMB-level ERPs.

That's not the case anymore. Most mid-level ERPs now have many of the same capabilities as enterprise ERPs but are typically less expensive, easier to implement, and easier to use.

If you are moving off AX, you might be surprised to learn that there's a good chance an ERP product that would usually be considered an SMB ERP might be a better choice than an enterprise ERP.

## The way it is now

More and more, the determining factor for enterprise ERP software is no longer the organization's size, but the complexity of the organization's operations.

Companies with process or mixed mode manufacturing or complex supply chain or transportation management requirements are prime candidates for enterprise ERP software.

## Do you really need all that?

Many companies currently using AX—or any other enterprise solution, for that matter—might be surprised to find out they don't need all that functionality. If they do an assessment, they find that they use only a percentage of the functionality they paid for and yet continue to pay for support and upgrades for the full product.

For these companies, moving to another enterprise solution might be overkill. Not only will they pay for features they will never use, but the cost to administer, maintain, and support that new ERP will be much higher than using a product that is more appropriate for their needs.

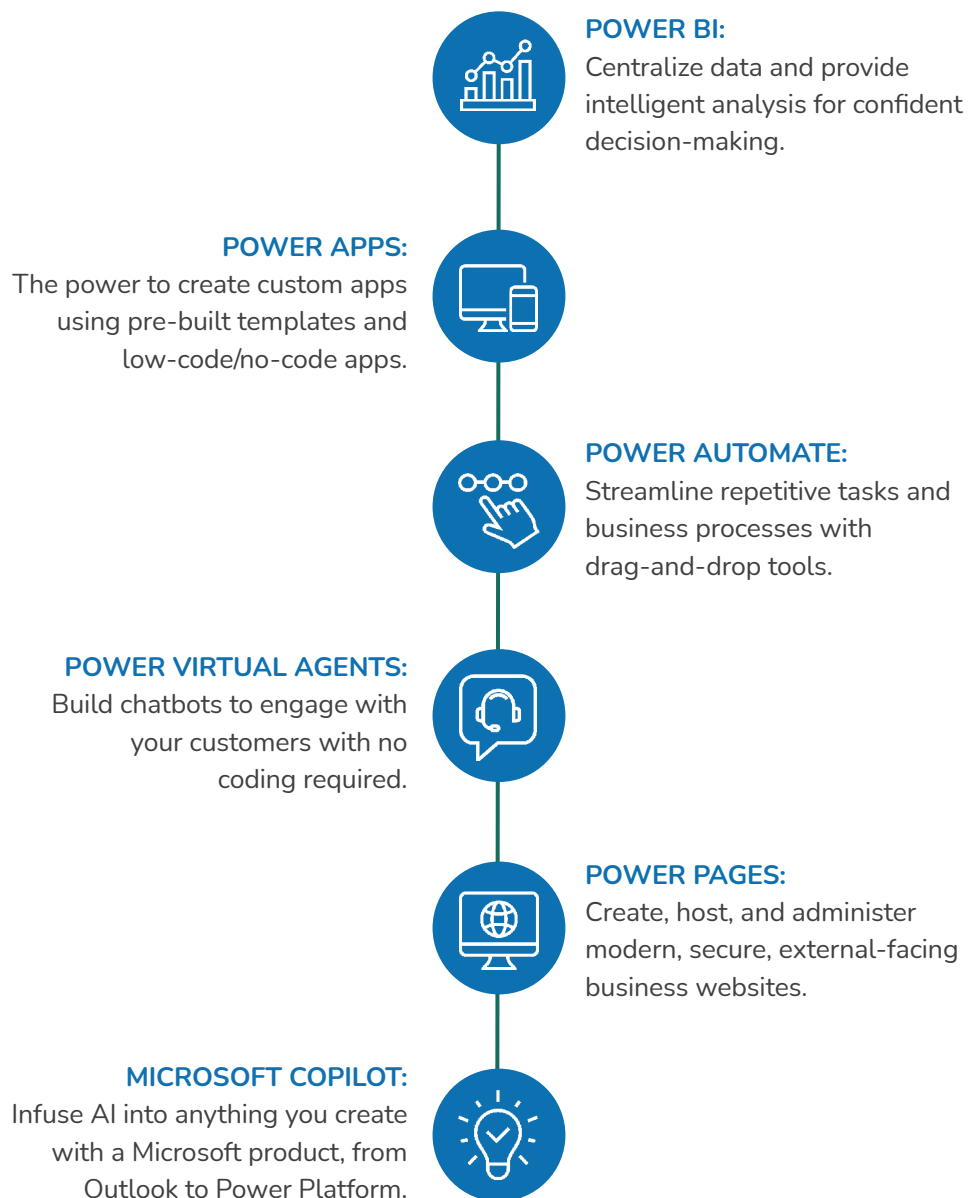
# BUSINESS CENTRAL:

## Big things can come in small(er) packages

Most AX users looking to stay within the Microsoft family might naturally gravitate to Microsoft D365, Microsoft's enterprise ERP product. However, many AX users are surprised to learn that Dynamics 365 Business Central has the power and capabilities to fit their company better than D365.

At ArcherPoint, we believe Dynamics 365 Business Central (formerly Dynamics NAV) is the best ERP for most companies, not just the SMB market. Considering the incredible capabilities that Microsoft has added to it over the past few years, Business Central is also an excellent fit for many moderately sized businesses that in the past would need an enterprise ERP. In fact, we have built our company by specializing solely in selling and supporting Business Central.

In addition, Business Central integrates fully with Microsoft's Power Platform. The Power Platform is a suite of cloud technology tools that supercharge Business Central:



# Here are 5 *unexpected* reasons you should consider choosing Business Central over D365

## **REASON 1:** You get the EXACT same access to the Microsoft stack

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After outlining the benefits of moving to D365 as a Microsoft offering, this reason is important to state up front. You might assume that a non-enterprise solution from Microsoft comes with a scaled-down version of what D365 offers.

Business Central offers the exact same native integration and compatibility with the Microsoft stack as D365. You get all the same advantages—productivity, collaboration, security, stability, scalability, flexibility, and user experience.

## **REASON 2:** It has multi-entity, multi-currency support

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AX offered strong capabilities to manage multiple international companies. Would you be surprised that Business Central does that? Business Central lets you consolidate multi-entity companies that have:

- ✓ Different charts of accounts.
- ✓ Different fiscal years.
- ✓ Different currencies.
- ✓ Individual G/L accounts with different currency exchange rates.
- ✓ Different countries or regions.
- ✓ Intercompany transactions.
- ✓ Different accounting and business management programs.

Business Central's comprehensive financial management capabilities (general ledger, accounts payable, accounts receivable, and cash flow management) can support companies considering growth through Mergers and Acquisitions (M&A).

To be fair, D365 offers deeper intercompany features than Business Central, such as better multi-country localizations, greater information exchange between companies, and improved security features.

In general, though, everything most companies need is available in Business Central with the addition of third-party add-ons. The deeper functionality available in D365 comes at a greater financial cost and involves complex configuration.

Companies considering D365 over Business Central should weigh and consider whether that additional functionality is required for their business and, if not, whether it is worth the time and money to implement those features.

Up to 2 times

more expensive to purchase Enterprise ERP compared to SMB ERP.

### REASON 3:

## It's flexible and easier to integrate and upgrade

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Let's face it, sometimes you need professional help developing customized solutions to facilitate your business processes or to integrate with third-party applications (CRM, Inventory Management Systems, Payroll, HR, etc.)

These integrations make sharing data across the organization easier, knocking down data silos. Business Central is easily modified to fit how you do business, so you don't have to fit your business into the software.

Since Business Central can perform many of the same functions as D365, its lack of complexity means customizations are faster, easier, and less expensive to implement. It is also important to note that ERP software has matured over the years. Many of the customizations or third-party add-ons that were necessary in the past are now part of Business Central.

So, it is quite possible you won't even need some of those customizations in the first place! As a bonus to not needing all those customizations or add-ons is how easy it is to upgrade: The more out-of-the-box your solution is, the easier it is to upgrade.

### REASON 4:

## It has similar features as D365, but at a lower cost

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Why pay more for software features you don't need? Business Central is an all-in-one ERP that offers many of the same features and functions as D365 but at a significantly reduced cost.

For example, Business Central offers a very respectable set of supply chain and warehouse management features that can grow with your business:

- ✓ **PURCHASE MANAGEMENT:**  
Business Central helps you increase efficiency, reduce costs, and maintain accurate records of your purchasing activities with capabilities such as purchase orders, vendor management, order tracking, vendor invoices, analytics, and integration with third-party software (inventory management, financials, sales, etc.)
- ✓ **INVENTORY MANAGEMENT:**  
Manage your inventory by tracking stock levels, locations, and movements. Set up reorder points, manage item variants, perform inventory counts, and gain visibility into inventory valuation.
- ✓ **WAREHOUSE MANAGEMENT:**  
Business Central provides receiving, shipping, and internal transfers warehouse management capabilities, bin and location management, item tracking, multi-site inventory, lot and serial number tracking, cycle counting, and inventory put-away and pick processes.
- ✓ **DEMAND PLANNING AND FORECASTING:**  
Predict future demand using historical data to assist with inventory planning and purchasing decisions.
- ✓ **SUPPLY CHAIN MANAGEMENT:**  
Business Central provides reporting and analytics features to help you monitor and analyze key supply chain metrics, such as purchase order management. Additional capabilities are available through third-party add-on products.

Moreover, any capabilities lacking in Business Central are typically available as add-on modules developed by third-party software developers (Independent Software Vendors or ISVs) to round out Business Central's feature set.

Like Business Central, D365 can be enhanced by add-on modules developed by ISVs and additional modules from Microsoft, such as dedicated Field Service, Human Resources, and Project Operations applications.

Compared with Business Central, D365 represents a higher cost per user. It requires a much larger minimum number of users (20 vs. 1). Even though D365 is a more versatile solution, it is also much more complex to implement, maintain, manage, customize, and use than Business Central.

Depending on your requirements, Business Central can represent substantial savings in implementation, configuration, and ongoing support for the exact features you need to run your business.

## REASON 5: It has the same robust data and security capabilities

Even though Business Central is less expensive than enterprise ERPs, you won't sacrifice security or data management. In addition to high availability, disaster recovery, automatic updates, and automatic backups, Business Central on Azure offers powerful user access and data security to keep your company safe and in compliance.

- ✓ Maintain secure user and group privileges for segregation of duties and SOX compliance across the organization.
- ✓ Secure company and customer data from prying eyes with Azure's enterprise-grade intrusion detection and safeguards.
- ✓ Administer users easily through Azure Active Directory.



### QUICK COST TIP

No matter which ERP or ERP vendor you choose, your decision should not be based solely on price. Many factors go into pricing ERP products from any vendor:

- ✓ The cost of the software itself, whether it is paid by subscription or outright purchase.
- ✓ The cost per user as well as the minimum number of users.
- ✓ The cost of cloud or on-premises hosting.
- ✓ The cost of equipment and resources, supporting licenses for databases and add-on products, data throughput, database size, number of simultaneous users, number of transactions, etc.
- ✓ The cost of planning, training and implementation.
- ✓ The ongoing costs of administration and maintenance, including the resources it takes.

Your decision should be based on your future needs and which ERP is best for meeting those needs.



## So, what should you choose?

Business Central comes with most of the features and functions you like about AX but is much less expensive to implement and maintain than D365 and is less complex to customize and manage. So, which ERP should you choose?

Ultimately, it all depends on your business needs now and in the future. Know what features and functions you require, then talk to a Microsoft Dynamics 365 Business Central partner to ensure you understand each product's differences and capabilities before deciding.

## Talk Business Central with ArcherPoint

If you're unsure where to turn, call us for a free assessment and find out what Business Central can do for you. We succeed when you succeed, so we will make other recommendations if Business Central is not right for you. To help you get started, take this short quiz. It only requires a few minutes but will reveal where you should start your ERP selection journey.

[TAKE QUIZ](#)

