



Enterprise vs. SMB: Which Microsoft Dynamics 365 Solution is Right for You?

A FINANCE & SUPPLY CHAIN MANAGEMENT AND BUSINESS CENTRAL COMPARISON

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Olaf Jorritsma

- ▶ Since 01-01-2021 @ To-Increase, 3 Product Owner-roles:
 - Food, Microsoft Dynamics 365 Business Central,
 - DynaRent (F&SCM) Customer Portal, Power Pages,
 - DynaRent (F&SCM) for D365 Sales, Dynamics 365 Sales.
- ▶ Experience from IT-side of the table:
 - 2 years Dynamics NAV ERP-implementation Consultant for a Food solution,
 - 5 years R&D Dynamics 365 Business Central/Power Platform.
- ▶ Food technologist.
- ▶ 25 Years experience in Food manufacturing and international Food supply chain.
- ▶ ERP-software implementations: SAP R3, BaaN, Navision, Exact Globe, Unit4 Agresso Wholesale, Microsoft D365 NAV/Business Central.





Microsoft Dynamics 365

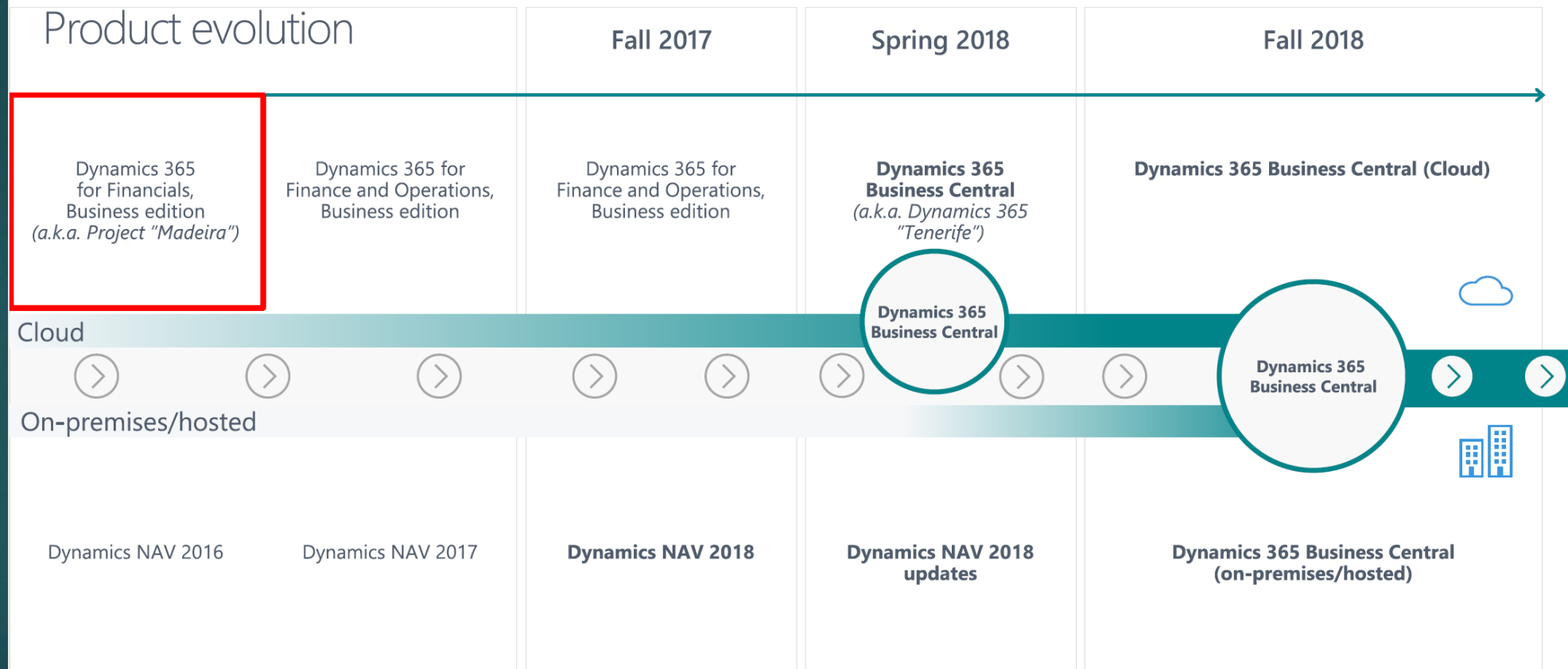
OVERLAP & DIFFERENCE

2 Islands




The beginning

As announced in April 2018...



The evolution

Before  Now

| | |
|--------------|---|
| Dynamics CRM | Dynamics 365 Sales Dynamics 365 Service Dynamics 365 Marketing |
| Dynamics AX | Dynamics 365 Finance Dynamics 365 Supply Chain Management Dynamics 365 Commerce Dynamics 365 Human Resources |
| Dynamics NAV | Dynamics 365 Business Central |

GP, NAV and SL customers can also migrate to Dynamics 365 Finance & Operations

ChatGPT

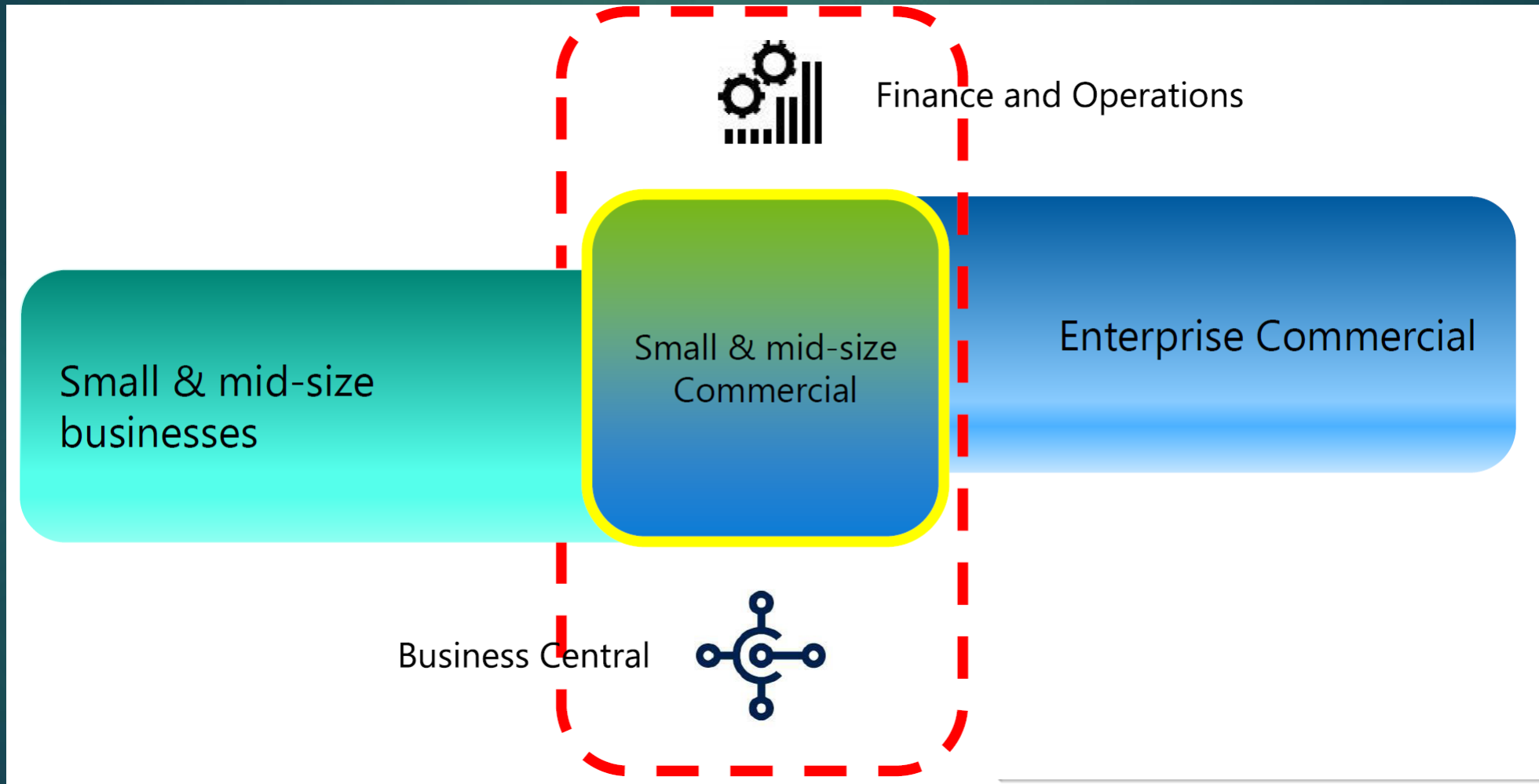


Microsoft Dynamics 365 Finance and Operations (formerly Dynamics AX) is a comprehensive enterprise resource planning (ERP) system that enables organizations to streamline their financial, supply chain, and operations management processes. It provides a wide range of tools and capabilities, including financial management, sales and marketing, inventory and warehouse management, and manufacturing and project management.

Microsoft Dynamics 365 Business Central (formerly Dynamics NAV) is a business management solution that helps small and medium-sized businesses automate and connect their financials, sales, service, and operations. It provides many of the same features as Dynamics 365 Finance and Operations, but is specifically tailored for smaller organizations and is delivered as a cloud-based service.

In general, Dynamics 365 Finance and Operations is a more comprehensive ERP solution with a wider range of features and capabilities, while Dynamics 365 Business Central is a more streamlined solution designed specifically for small and medium-sized businesses.

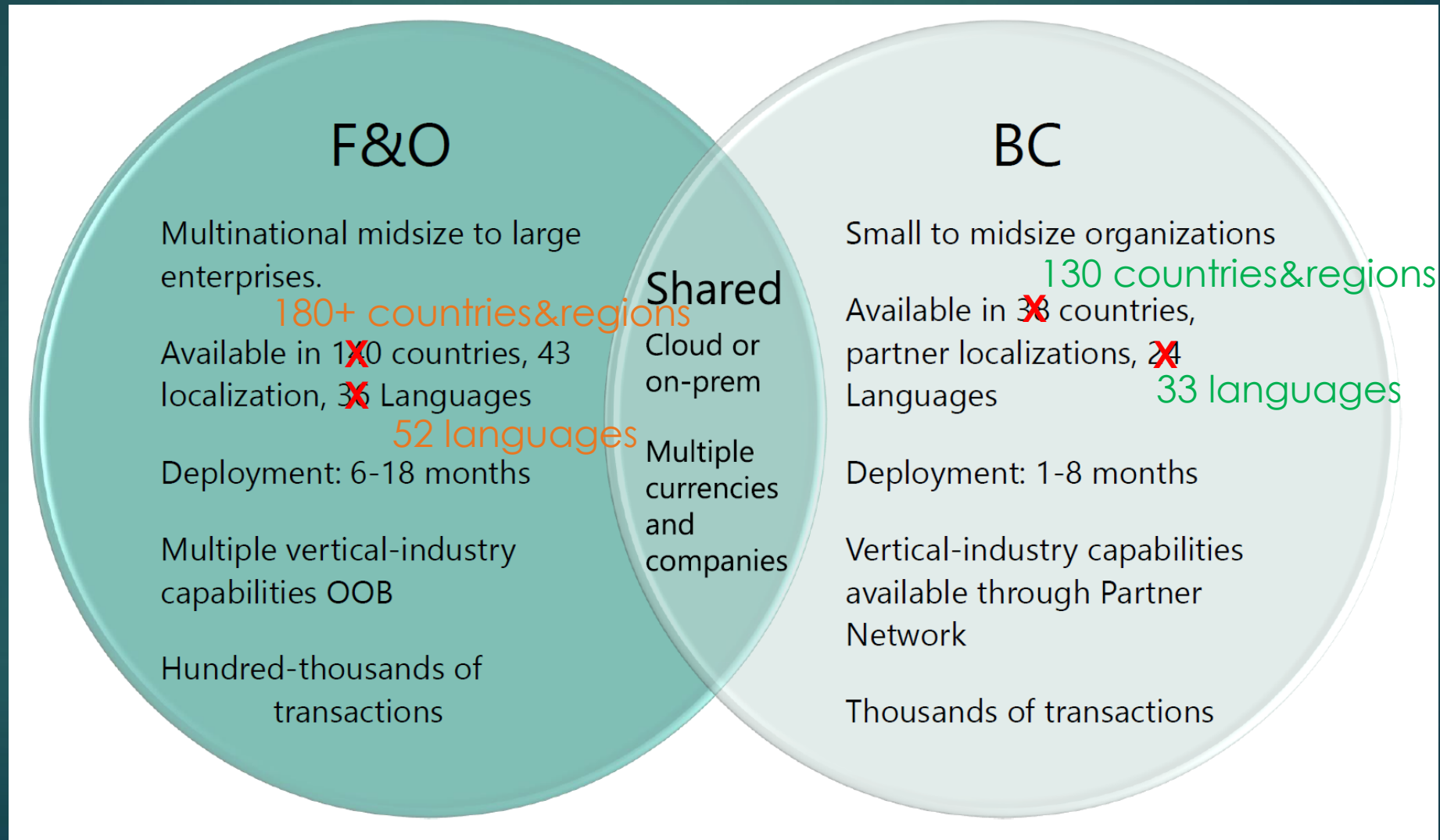
Overlap



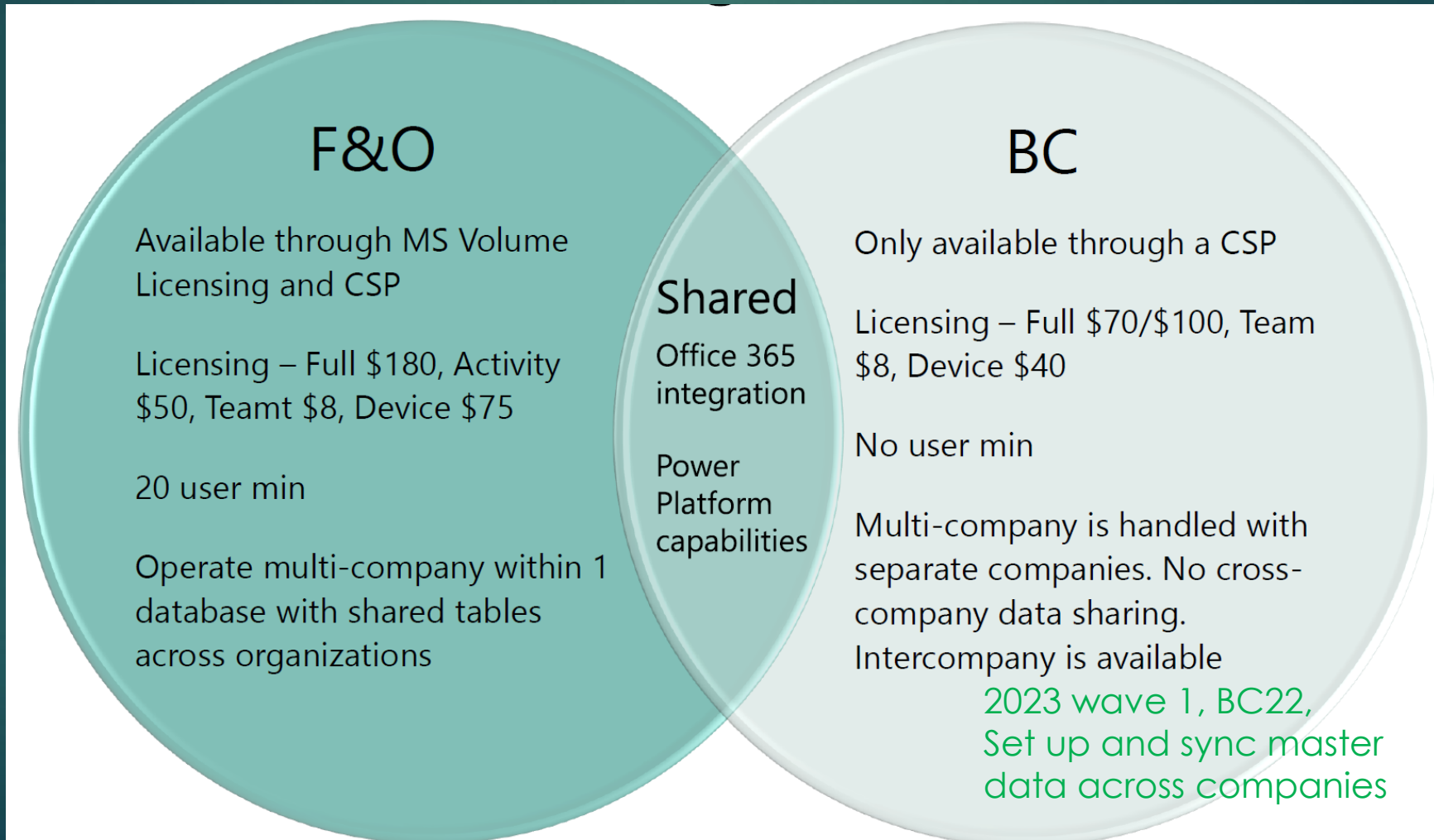
Similarities

- ▶ On Prem & Cloud versions available
- ▶ 99,9% SLA
- ▶ Named User Licensing
- ▶ Interoperability with office 365
- ▶ Mobile enabled
- ▶ AI & BI

Differences



Differences





F&SCM vs BC

HOW TO MAKE A CHOICE BETWEEN F&SCM AND BC



Global vs
Distributed

Localizations &
geographical scope

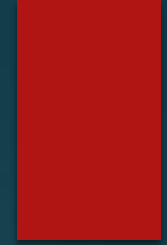
Process coverage &
complexity of
business model

Deployment and
implementation
approach

Business case

...

Considerations



| | F&O | BC |
|-------------------|---|---|
| Users required | 20 | 1 |
| Organization size | > 500 | 1 - 500 |
| Capability | <p>Core capability across finance, operations, supply chain, CRM and project management.</p> <p>Additional capability is available in Service Management and Manufacturing via the Premium package.</p> | <p>Advanced capability across finance, operations, manufacturing and supply chain.</p> <p>Additional capability is available across HR, Sales, Projects, Customer Service through the wider Dynamics 365 range with the full Dynamics 365 plan.</p> |

Considerations

| | F&O | BC |
|----------------------|---|---|
| CRM | <p>Inbuilt CRM capability, offering Outlook integration with opportunity management and customer service capability.</p> <p>Integration with Dynamics 365 for Sales is available for organisations looking for additionally CRM capability.</p> | <p>No CRM capability but Dynamics 365 for Sales is included with the full Dynamics 365 purchase plan.</p> <p>Dynamics 365 for Sales offers more advanced Sales and CRM capability than you get with Business Central.</p> |
| Implementation costs | Might be high | 30% lesser than F&SCM |

Implementation



| | F&O | BC |
|-------|----------------|----------------|
| Costs | \$500k - \$1M | \$50k - \$340k |
| Time | 8 - 12+ months | 2 - 6 months |

Forrester Total Economic Impact



| | F&O | BC |
|---------------------------------------|----------|----------|
| ROI | 122% | 162% |
| Payback | 9 months | < 1 year |
| Finance and productivity improvements | 55% | 10% |
| Finance staff additional savings | 10% | 8% |
| Average implementation | 6 months | 4 months |

Upgrade from BC to F&O

- ▶ No, there is not an upgrade path
- ▶ It requires a full implementation

Finding the right solution as Customer

- ▶ Do F&SCM when you are a large enterprise company and have a big IT budget which you want to give to Microsoft and a Microsoft partner
- ▶ Do BC when the F&SCM budget makes you run screaming

Finding the right solution as Customer



| | F&O | BC |
|-------------------------|--------------------|--|
| Setup | Emptier than empty | Wizard, simple, detailed implementation plan |
| Deployment | LifeCycle Services | Microsoft/Consultant/User |
| Chance of Customization | 100% | 50% |
| Update Cycle | 8 times/year | 2 majors & 5 minors/year |
| User | Workspaces | Role Centers |

Finding the right solution as Customer

- ▶ Do your research
- ▶ Consider your options
- ▶ Choose your partners wisely

Tip: is the rest of your staff ready for a (new) ERP solution?



A Large Customer

ON MICROSOFT DYNAMICS 365 BUSINESS CENTRAL SAAS

Can Business Central handle large customers?



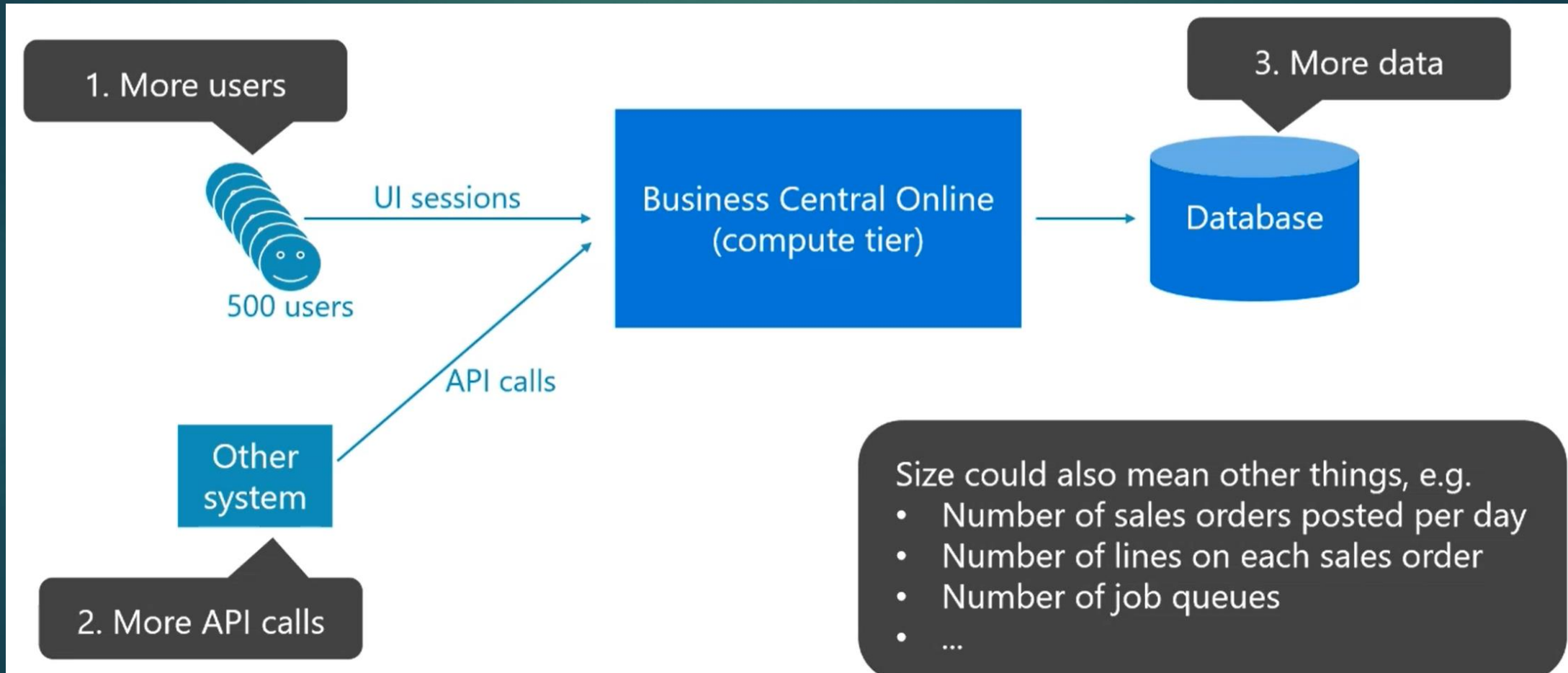
UI sessions

Business Central Online
(compute tier)

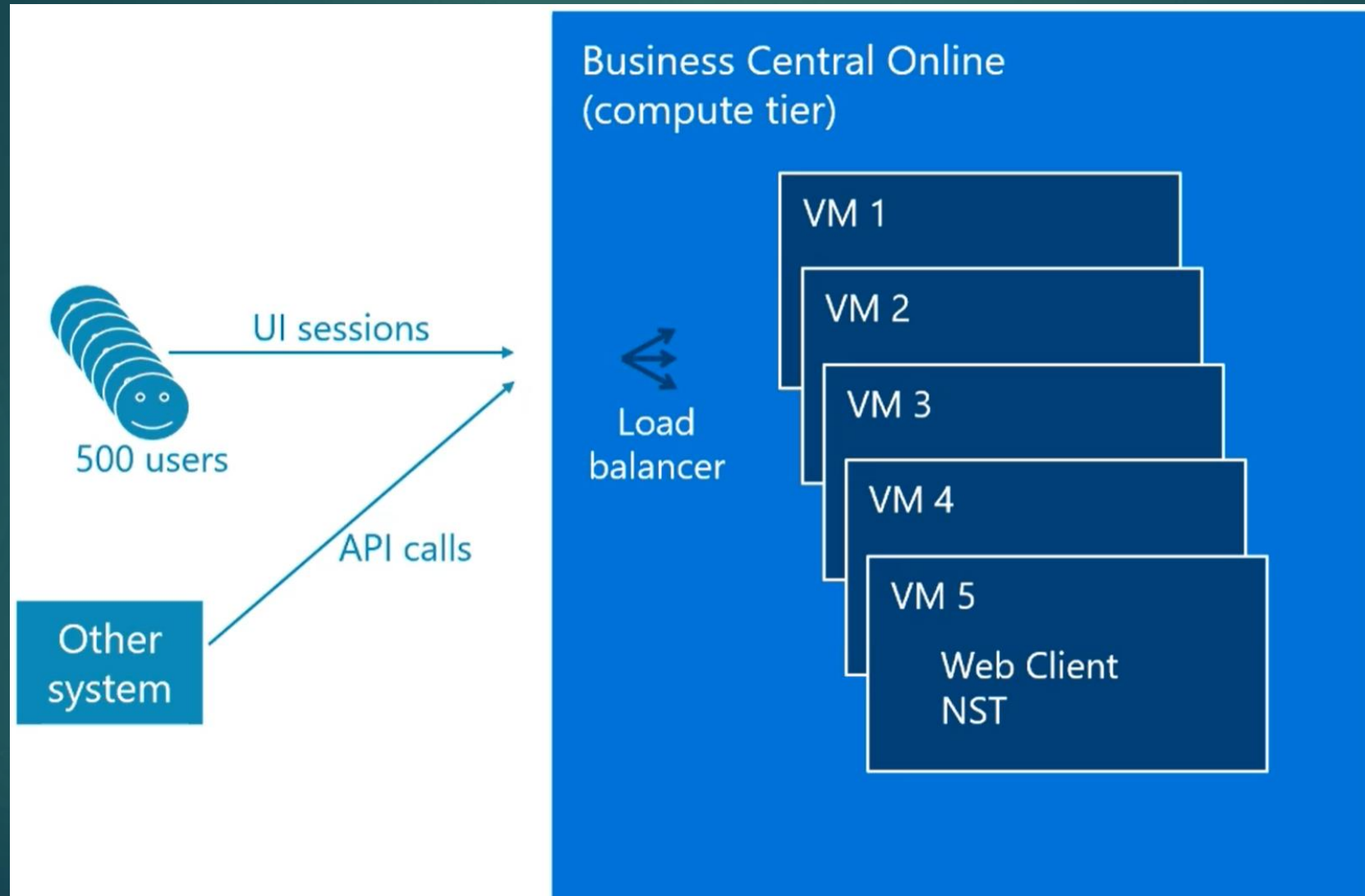
Database



What does larger mean?



Handling heavy loads



What is a large online Business Central customer today?

Number of records in various tables:

- ▶ User Table: 1.000
- ▶ Sales Invoice Header Table: 800.000
- ▶ Item Ledger Entry Table: 3.500.000
- ▶ G/L Entry Table: 17.000.000
- ▶ Company Table: 500 companies* in 1 environment

Data sizes:

- ▶ 400 GB
- ▶ 160 GB migrated from on-prem

*limitation of 300 will be in place from 2023 wave 1 release

What is a large online Business Central customer today?

Browser interactions (click, tab out, etc):

- ▶ 82.000 in 1 hour (23 per second on average)
- ▶ 385.000 in 1 day (in 780 browser sessions)

Web service calls (API, SOAP, Odata):

- ▶ 5.700 in 1 minute
- ▶ 2.700.000 in 1 day

Transactions:

- ▶ 6.000 Sales Orders posted in 1 day
- ▶ 3.300 Lines in 1 Sales Order

“Limitations” of F&SCM

- ▶ Quantity of Users versus costs of licensing
- ▶ Sales Orders per Day, large volumes of transactions
- ▶ Dual-Write live synchronization limits
 - ▶ 1.000 records per single transaction
- ▶ API Calls: Service protection in place
 - ▶ 6.000 requests within 5 minute sliding window



F&SCM vs BC

RETAIL & COMMERCE INDUSTRY

DISCRETE MANUFACTURING

PROCESS MANUFACTURING

ChatGPT



Why do we need Independent Software Vendors on Microsoft Dynamics 365 Business Central



Independent Software Vendors (ISVs) play a crucial role in the Microsoft Dynamics 365 Business Central ecosystem. Here are some reasons why:

1. **Enhancing Functionality:** Business Central is a powerful ERP system, but ISVs can provide additional functionality and features that may be specific to certain industries or business processes. For example, an ISV might create a specialized payroll module or an add-on for managing production processes. These additions can help businesses better meet their unique needs and improve their efficiency.
2. **Customization:** ISVs can create customizations and integrations to extend Business Central's functionality and ensure it fits seamlessly into a business's existing systems and workflows. For example, an ISV might create a custom integration between Business Central and a CRM system or e-commerce platform.
3. **Vertical Industry Solutions:** ISVs can create vertical solutions specific to certain industries. For example, an ISV might create a solution for managing real estate property or managing projects for engineering and construction firms.
4. **Localization:** ISVs can provide localization support for Business Central, ensuring that it meets the specific accounting and regulatory requirements of different regions and countries.

Overall, ISVs play a key role in making Business Central more powerful and flexible, enabling businesses to customize the system to meet their unique needs and requirements.

Retail and Commerce Industry

Supported by

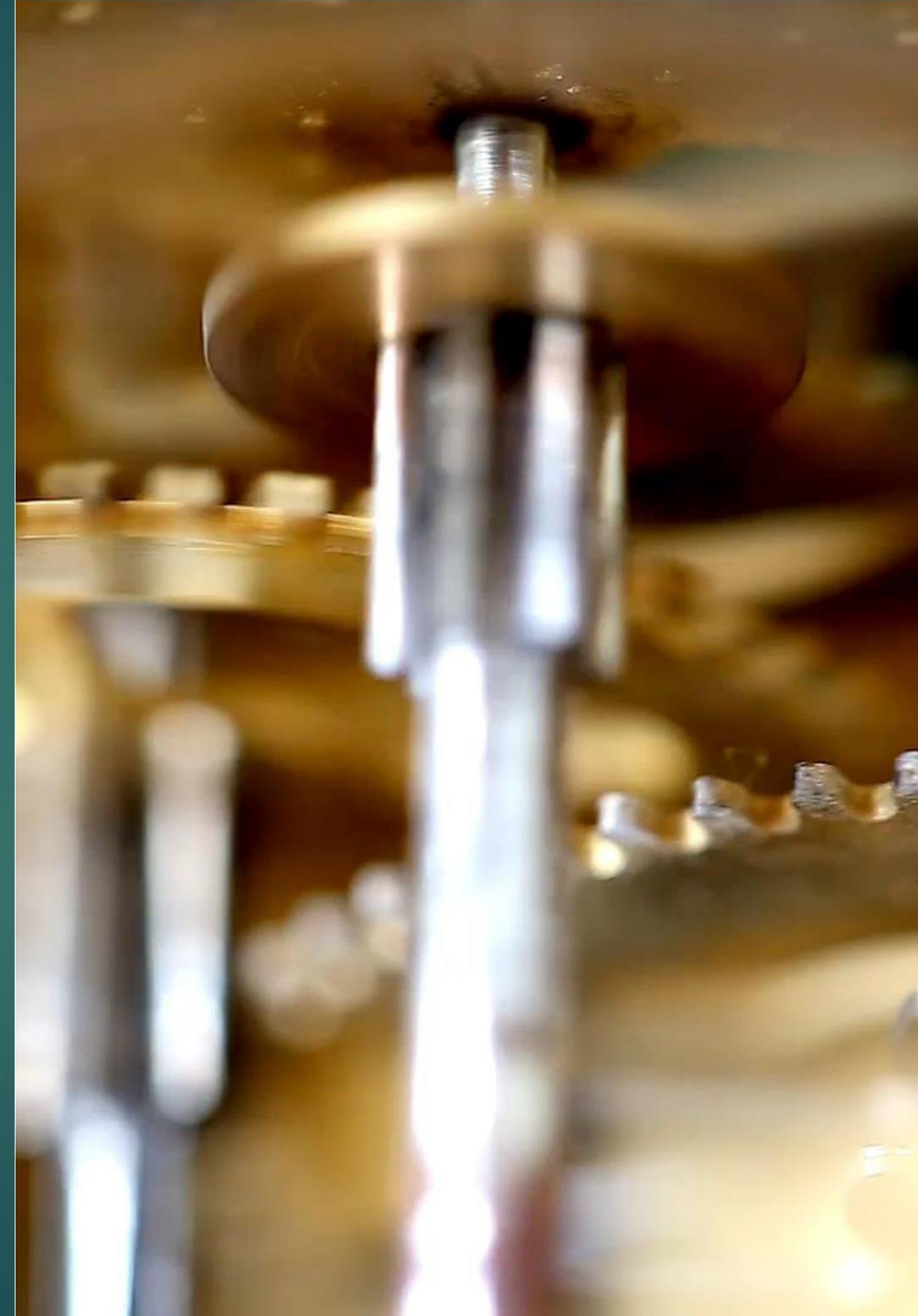
- ▶ Microsoft D365 F&O
 - ▶ Omni Channel
 - ▶ POS
 - ▶ Loyalty Management
 - ▶ E-Commerce
- ▶ Microsoft D365 BC
 - ▶ ISV solution



Discrete Manufacturing

Supported by

- ▶ Microsoft D365 F&O
- ▶ Microsoft D365 BC



Process Manufacturing

Supported by

- ▶ Microsoft D365 F&O
 - ▶ Formula Management
 - ▶ Co-Products and By-Products
 - ▶ Batch Orders
 - ▶ Potency Management
- ▶ Microsoft D365 BC
 - ▶ ISV solution



ask powerful
questions!



QUESTIONS



THANK YOU



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👉 Product Owner 👉 Microsoft
Dynamics 365 👉 Power Platfo...



Sources

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- ▶ ISV Connect Technical Summit 2023: Intro to Dynamics 365 Service-centric ERP
- ▶ Total Economic Impact Microsoft Business Central, Forrester, 09-2020
- ▶ Total Economic Impact Microsoft Dynamics 365 Finance, Forrester, 07-2022