

Microsoft Dynamics GP to Microsoft Dynamics 365 Business Central Transition

Your Choice
Your Terms
Your Future

Navigate your growth with us.

 **Microsoft**
Solutions Partner
Business Applications



encore



Navigating Your Technology Growth

Dynamics GP clients are asking things like:

“How long can my company stay on Dynamics GP?”

“What are we risking if we stay?”

“What are the most compelling reasons to move to a Dynamics 365 solution?”

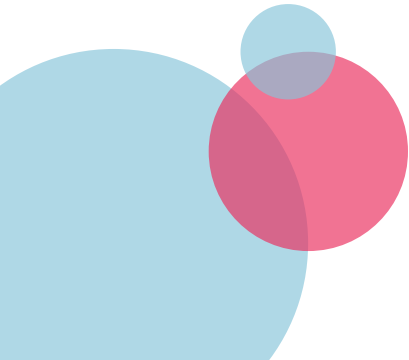
...and more.

While the answers are not always straightforward, they're probably more encouraging than most companies fear.

The shortest of possible answers is that no company must move to any solution until the time is right. The more complex answer revolves around which benefits and improvements you may be missing out on with a legacy, on-premises solution.

Of course, this answer opens even more questions which this guide will address as transparently as possible (given both the current state of business technology and the information from Microsoft).

Encore partners with hundreds of customers on Dynamics GP, and we are committed to assisting and advising them all regardless of their preferred path.





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Current State

The Status of Dynamics GP

The first and arguably most essential point to address is Dynamics GP's longevity. While it's true that Microsoft continues to invest in cloud ERP solutions, Dynamics GP remains a widely used and well-loved system.

Different GP customers will make different choices about upgrading Dynamics GP or moving to Dynamics 365 Business Central, choosing the path that works for them. Each customer's technical and business situation is unique, and there's no one best approach for them all.

The most compelling reason for companies using GP to move to Dynamics 365 Business Central is to leverage the benefits of a completely cloud-based ERP. But remember, Microsoft will not be creating a fully cloud version of GP, and it's important to emphasize this. A "true cloud" application runs independent of hardware and can be accessed from anywhere using any device.

- Microsoft remains committed to supporting the current version of GP, governed by the Modern Lifecycle policy, with the latest version rolling out 3 updates per year until at least 2028.
- The updates are typically released in June, October, and December, and contain regulatory, tax, and usability improvements.
- Older versions of GP that are governed by the Fixed Lifecycle policy have now reached the end of mainstream support.
- GP is an on-premises solution. It can technically be hosted in the cloud, but that doesn't provide all the benefits of a true cloud solution like Dynamics 365 Business Central (discussed later in this guide).
- Microsoft is focusing its future development efforts on cloud-based applications like Dynamics 365 Business Central to deliver a comprehensive and fully connected business management system.

How Dynamics 365 Business Central Compares to Dynamics GP

Dynamics 365 Business Central (previously known as Dynamics NAV) has been around for over two decades. Moreover, it was created and developed by the same Microsoft division that manages Dynamics GP, so the application was architected with the GP user base in mind. As such it follows many standard Microsoft user interface conventions. Again, it's not replacing Dynamics GP, but it's built for the same business segment as GP.

Software as a Service

The most significant thing to know is that Dynamics 365 Business Central is usually licensed as a fully "SaaS" (Software as a Service) model.

A SaaS model means that:

- Pay monthly subscription licensing.
- System is hosted in the Azure Cloud.
- Microsoft automatically pushes out enhancements, bug-fixes, and updates for your solution which means that there are no more upgrades.
- There is no up-front cost for hardware, servers, or other components.

Third-Party Apps

For third-party (or ISV) solutions that extend the system's functionality, Business Central has apps. From a user's perspective, Business Central's third-party apps and GP add-ons are roughly equivalent. There is also an active ISV community that creates these apps for Business Central, similarly as they have done and continue to do for GP.

Benefits of Cloud Technology

Dynamics 365 Business Central is built on Microsoft Azure cloud, which also hosts other Microsoft tools you may already be familiar with such as Excel, Outlook, Teams, SharePoint, and more. There are many benefits to Cloud technology.

Benefits of the cloud include:

- Automation
- Reduction in overhead spend and technical debt
- Increased productivity
- Regulatory compliance
- 24/7 access that's device agnostic
- Privacy and control
- Scalability
- Security managed by Microsoft

Flexibility and Scalability: The importance of flexibility and scalability can't be overstated. These two benefits provide the greatest competitive and financial advantages. From employee retention to limiting the number of disparate applications to manage, owning solutions that can expand and reduce as your company changes keeps your overall cost of ownership low.

Efficiency: Greater efficiency also exists everywhere. From limiting the number of times users must log into a system to providing collaborative tools embedded into work areas, these efficiencies enable users to focus on improving what they do instead of being bogged down in disconnected processes.

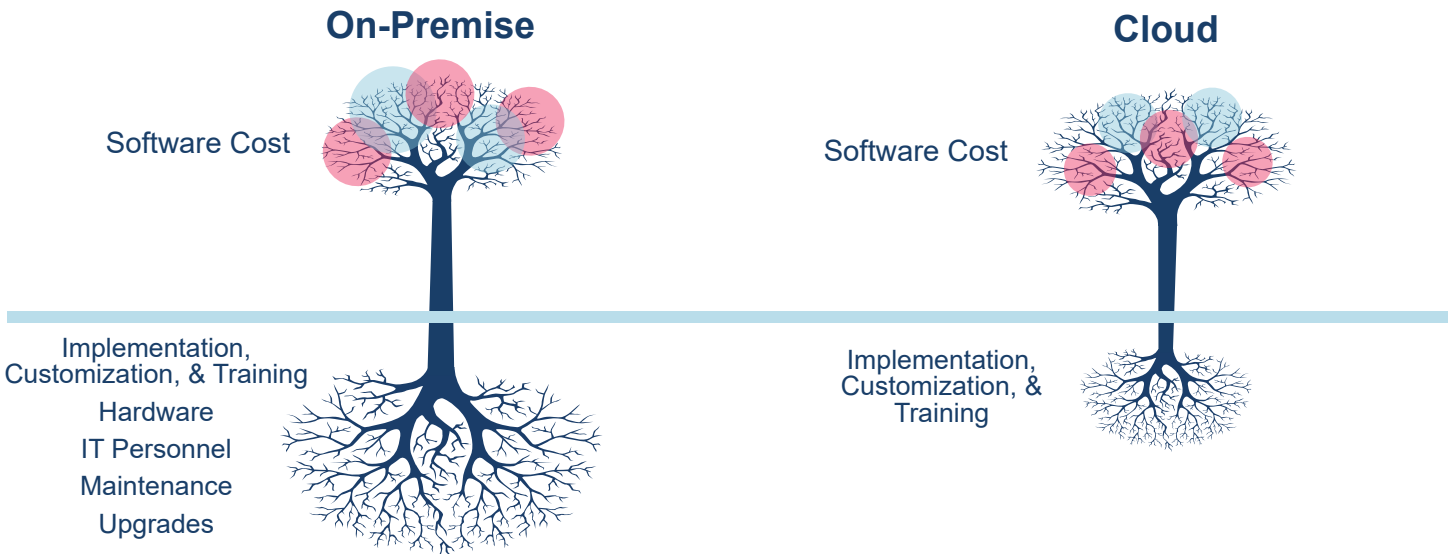
Competitive Edge: Another critical consideration is the proportionate rate at which companies can be outpaced by their competitors as both cloud solutions and individual technologies advance faster. For companies that delay or even slow their digitization, there is a very real threat of losing their competitive edge — even if that competitive edge is in product quality or customer service. The inability to do business in ways that digitized consumers expect will eventually eclipse brand loyalty in favor of another business that delivers to their expectations.

Cost Comparison

The list of expenses associated with operating, maintaining, and improving on-premise technology far outweighs those in the cloud. Many companies with long-standing histories owning on-premise technologies forget the fundamental costs associated with maintaining them.

The majority of the costs associated with an on-premise solution are hidden and not factored into the total cost of ownership. There are a lot of factors that contribute to the cost of maintaining an on-premise solution.

With the cloud environment, the hidden costs are taken care of through the cost of the license. Microsoft has a full server facility and maintains all Windows server environments.



Purchasing and updating servers creates more capital expenditures, while maintaining online technology contributes to operating expenditures. This means that not only are cloud technologies easier to budget against, but they also reduce the amount of asset depreciation that your company can expect.

Total Cost of Ownership of On-Premise vs. Cloud

We find that there are usually significant overall savings when comparing the 3-year and 5-year mark between on-premise and cloud.

The example below compares the costs of Dynamics GP licensing, upgrades, and server maintenance to the costs of Dynamics 365 Business Central licensing and support.

Total Cost of Ownership (TCO) Example

On-Premise

9 concurrent Dynamics GP users

\$15k in supporting hardware and software required, replaced every 3 years

\$4.3k in annual GP maintenance costs

\$33k in annual platform & technical support costs including %FTE, physical space, utilities, disaster recovery

\$10k in GP Modern Lifecycle upgrade costs every year

TCO

3-year TCO = \$156,900

5-year TCO = \$261,500

Cloud

13 named Dynamics 365 users

\$10.9k annually (\$70 user/month) for Dynamics 365 Business Central subscription fee (discounts available)

\$8.5k annually (\$55 user/month) for application support fee - unlimited support

\$0 platform, upgrade, or replacement costs (included in Business Central subscription fee)

TCO

3-year TCO = \$58,500

5-year TCO = \$97,500

This example shows a 5 year TCO savings = \$164,000

Your scenario may be different from this example.
We can walk through your business' total cost of ownership with you.

With cloud technology, you'll never have to manage or purchase new infrastructure.

Why Are Other Dynamics GP Customers Moving?

As stated earlier in this guide, every company's situation and needs are different so while there is an increasing number of customers moving to Dynamics 365 Business Central, it is important to work with an experienced partner to prepare your team for the transition. Our customers are having strategic conversations with their account managers to build out a successful Cloud Roadmap.

For those who decided to make the move from Dynamics GP to Dynamics 365 Business Central, these are the core drivers:

Predictable and Flexible Costs

A predictable monthly price that includes maintenance and infrastructure costs. There are no more surprise upgrade costs. Scale license types for current business needs, which means you can add or remove users as needed.

Security Managed by Microsoft

Your sensitive business data is stored in highly secure, state-of-the-art data centers that are owned and managed by Microsoft. With a cloud solution, security monitoring and threat management are handled by the Microsoft team. This allows your business's IT resources to focus their efforts elsewhere.

Always on the Latest Version of the Solution

Each year, two major updates are automatically released for Dynamics 365 Business Central — one in the spring and one in the fall. This eliminates the need to upgrade, which is something that costs additional time and expense in Dynamics GP.

No More Infrastructure Management for Your ERP

With cloud technology, you'll never have to manage or purchase new infrastructure and you'll never have to upgrade or patch your ERP solution.

Why Are Other Dynamics GP Customers Moving? Continued

Seamless Integration With Other Microsoft Products

Your users have a more streamlined and intuitive experience since the application naturally works with Excel, Outlook, Word, Microsoft Teams, Power BI and the rest of the Power Platform, and other Dynamics 365 solutions such as Sales or Customer Service.

Gain New Features and Increase Productivity

Some of the features and productivity gains to highlight in Dynamics 365 Business Central include dimensional chart of accounts instead of segments, search capabilities, and harnessing the power of all Microsoft 365 applications working together, for example, having Outlook integrated with D365 BC.

Work From Anywhere, on Any Device

This empowers a mobile workforce with access to the same tools found in desktop application versions. The user experience is consistent and secure across all devices and operating systems (Android, iPhone, etc.).

Centralized Data


Companies establish and rely on a single source of truth that encompasses accounting, sales, purchasing, inventory, and customer interactions. This gives an accurate, end-to-end view of business operations, while enabling them to spot trends and understand how to deliver better customer experiences.

Predictive Analytics

AI and data visualizations can help users analyze business data and make informed decisions. In real time, they can access, model, and analyze data across multiple dimensions.

Generative AI Technology


Embracing built-in AI in Dynamics 365 Business Central, users see productivity gains, transform business processes, and can take advantage of the latest technologies.




You need to enable your remote and mobile workers to be more productive and collaborative.

Looking Forward

To ensure you have solid footing on the right path for transitioning to Dynamics 365 Business Central, you should explore if you satisfy the following conditions:

- Your company wants or has a strategic focus on digital transformation which includes moving your business systems to the cloud.
 - Dynamics GP is holding back your organization's growth and profitability.
 - You need to enable your remote and mobile workers to be more productive and collaborative.
 - It's important to save on expenses for server maintenance and replacement.
 - Importance is placed on having a modern security and disaster recovery built into your ERP with your data stored in highly secure, state-of-the-art data centers owned and managed by Microsoft.
 - You need your ERP costs be more predictable and flexible (with licenses based on users per month).
 - You want to ensure that you're always on the latest version of the solution, eliminating the need for future upgrades.
 - You want to reduce or eliminate the need to allocate resources for upgrading, patching, and maintenance.
 - Flexibility in the future is important to you, so you want more seamless integrations with other products in the Microsoft business stack, like invoicing from Outlook, streamlining business processes with Power Automate, and more.
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It's important to consider the
full technology roadmap for
your business.

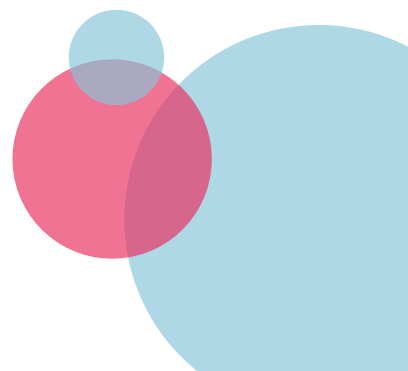
Recap

No one can tell you it's the right time to move from Dynamics GP to Dynamics 365 Business Central, but the key benefits discussed in this guide are for you to weigh against the costs of both your company's financial and labor resources.

It is important for your organization to consider it's urgency and priorities around increasing functionality while unifying the end user experience, decreasing the dependence on partners for ongoing services such as upgrades, creating a simpler budgeting strategy for technology, and having a clear path toward sophistication in the future. It's easy to get started, but the path can take time.

Be proactive about your organization's future!

Get started now.



We are here to support the success of customers like you.

How Encore Can Help

At Encore, we are experts in both Dynamics GP and Dynamics 365 Business Central. We have teams dedicated to each product, each with decades of hands-on experience. In fact, Encore was one of the first companies in North America to implement Dynamics NAV (Dynamics 365 Business Central's on-premises predecessor) over 20 years ago. These teams work together and understand both products as well as our clients' history. This means that the team implementing Dynamics 365 Business Central can draw on the insight that our GP team has about your business and others like it.

As a current client, we have the unique position of sharing a long history with you — our teams are familiar with each other and how they work — this creates a level of trust that doesn't exist starting over with a new solution and implementation team.

Encore can help you design the future of your business processes while guiding you through the functional and technical transition to Dynamics 365 Business Central. We have experience transitioning our clients from Dynamics GP to Dynamics 365 Business Central. We can also steer you through the people-centric challenges of any new implementation such as change management, user training, and adoption. We are here to support the success of customers like you as you choose how to grow today, in three years, five years, and beyond.

Through the decision-making process, it's important to consider the full technology roadmap for your business. As your Microsoft Dynamics Partner, Encore takes the time to understand your business needs, goals, and strategy to create a technology plan going forward. We can identify how to bring existing solutions together and leverage both the current and future capabilities of the full Microsoft business stack: Dynamics 365, Microsoft 365 (Office 365), Power BI, and more.



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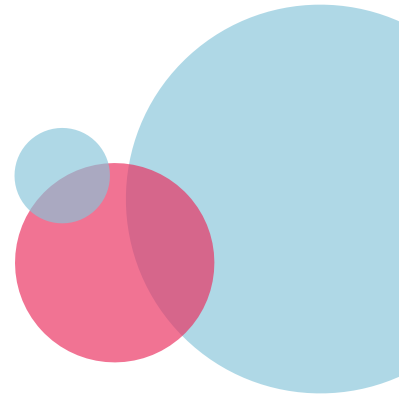


Next Steps

Start planning now.

Encore can help you plan out the timeline, technology choices, and cloud strategy that will unlock growth for your business.

If you have any questions, would like to start planning, or would like to talk about what a transition to Dynamics 365 Business Central might look like for your company, contact your dedicated account manager or reach out to us at encore@encorebusiness.com.



Additional Resources

For more information related to transitioning from Dynamics GP to Dynamics 365 Business Central, please see the following resources:

- [Dynamics GP vs. Dynamics 365 Business Central](#)
- [Dynamics GP to Dynamics 365 Business Central Transition](#)
- [Functionality Similarities and Differences between Dynamics GP and Dynamics 365 Business Central](#)
- [Overcome Barriers in your Transition Planning to Dynamics 365](#)