

Decoding Dynamics: The Ultimate Microsoft ERP Buyer's Guide

Everything to Know About Microsoft Dynamics 365
ERP and Selecting the Right Fit for Your Business



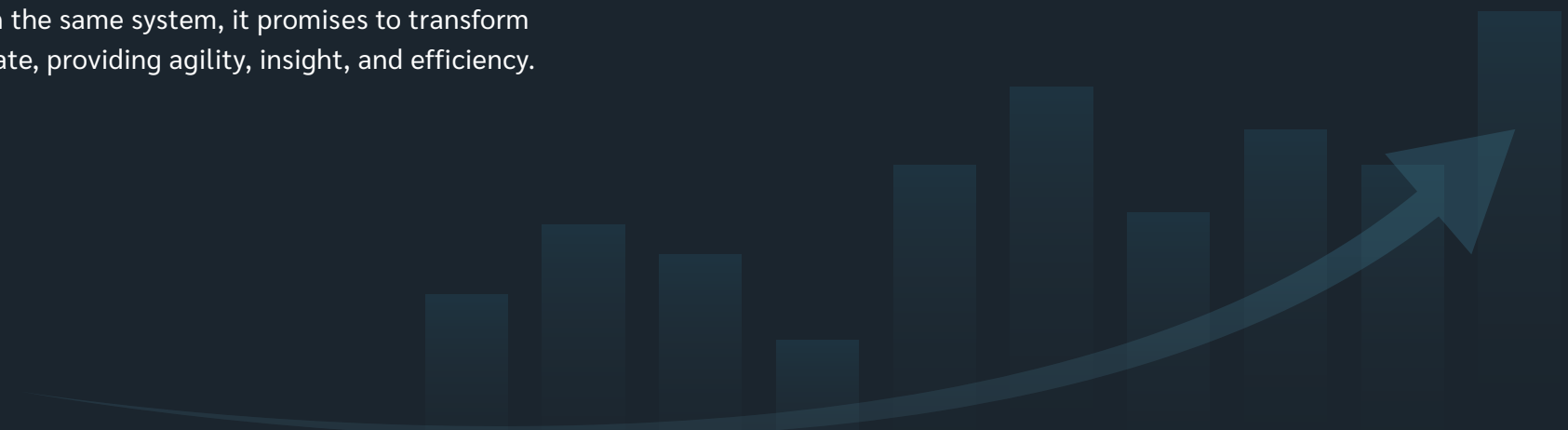
Decoding Dynamics: The Ultimate Microsoft ERP Buyer's Guide

Process efficiency and adaptability are key to keeping up with today's fast-paced, changing business environment. Companies that successfully streamline their financial and operational processes, grounded in robust technology, are not just staying afloat; they're leading the charge, enjoying significant advantages and rewards.

For competitive businesses striving to navigate this dynamic landscape, the choice of enterprise resource planning (ERP) software is an important decision. This is where Microsoft Dynamics 365 steps into the spotlight.

Dynamics 365 is a flexible cloud platform that leverages a suite of scalable applications and intelligent technologies to fit a wide range of business needs and requirements. By bringing together ERP, CRM, BI, Microsoft 365, IoT, and AI in the same system, it promises to transform the way organizations operate, providing agility, insight, and efficiency.

To meet the demands of businesses of all sizes, Dynamics 365 ERP is available in two versions: Business Central and Finance & Supply Chain (F&SCM). At JourneyTeam our goal is to demystify these two solutions, so you can confidently choose the right size technology for your business. This guide is designed to walk you through every essential aspect you need to consider—from the foundational features and functionalities of each version to cost considerations, deployment options, and ongoing support. With a keen focus on how to tailor these solutions to your unique business requirements, we delve into the critical factors that will guide your selection process.



What's Inside:

Embark on this comprehensive journey to selecting the right ERP software for your business, armed with the knowledge and insights to make an informed decision.

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Microsoft Dynamics 365 ERP Overview

Discover the benefits of Microsoft's revolutionary business management software that brings together world-class cloud technology, ERP and CRM architecture, advanced analytics, productivity applications, and AI in one platform.

Microsoft Dynamics 365 ERP is a cloud-based, all-in-one enterprise resource planning (ERP) solution that leverages the latest innovations in business intelligence, data management, and automation. It combines both financial and operational capabilities for businesses of all sizes in a single unified platform to drive growth, improve customer interactions, and increase operational efficiency.

Hosted in the **Microsoft Azure cloud**, Dynamics 365 ERP integrates seamlessly with other Microsoft products and offers the flexibility to add business apps and capabilities as your company and employees evolve. This highly

scalable solution encompasses various applications tailored to specific business processes and industry requirements, which can operate independently or in unison to cater to complex business requirements.

At its core, Dynamics 365 uses a common data model which means that it ensures consistency, interoperability, and extensibility. It connects organizations across finance, operations, sales, and customer service, providing a clear and efficient view of data and processes. Through its cloud-based technology, it guarantees up-to-date information accessible from anywhere, any time, and on any device.



Microsoft Dynamics 365 ERP Overview

Here are some of the biggest benefits of running your business on Microsoft Dynamics 365 ERP:

Flexibility and Scalability

Adapt and expand the functionality of your ERP as needed without substantial upfront investment.

Real-time Insights

Make informed decisions with built-in AI and analytics that provide real-time business intelligence.

Unified Processes

Improve efficiency with connected operations and unified data across all departments.

Business Agility

Rapidly respond to market demands and changes with quick to deploy solutions.

Improved Customer Experience

Employ a data-driven approach to personalize customer interactions and improve service.

Security and Compliance

Rest easy with Microsoft's commitment to security, privacy, and compliance with industry standards.

Dynamics 365 ERP is not a one-size-fits-all product. Depending on your business size and needs, Microsoft offers two versions for modern enterprises looking to innovate and excel in their respective industries:

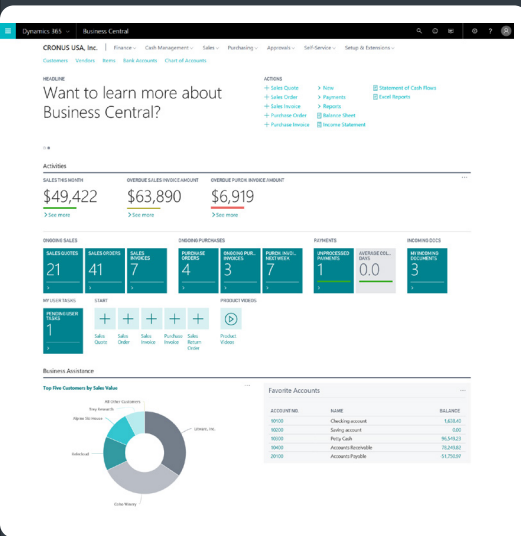
Business Central (BC) and **Finance & Supply Chain Management (F&SCM)**.

D365 Business Central vs. D365 F&SCM

In an era where digital transformation is paramount, understanding the technicalities, benefits, and integration capabilities of your business management technology can set your organization on the path to success.

Microsoft Dynamics 365 ERP is more than just a business management system; it's a transformative cloud platform designed to adapt to your unique business needs. To keep up with technology advancements and rapidly changing business requirements, Microsoft had to adapt its solution architecture and introduce better options for customers. The result was two similar but different versions of its primary cloud-based software, Dynamics 365 ERP.

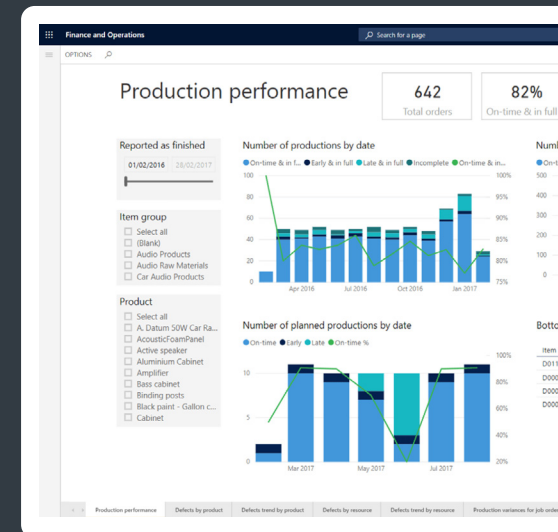




D365 Business Central vs. F&SCM

Microsoft Dynamics 365 Business Central is designed as a more cost-effective option, ideal for small to medium-sized businesses. It offers a comprehensive suite of ERP tools that cover financials, sales, service, and operations, with a quicker and less complex implementation process compared to Dynamics 365 Finance & Supply Chain Management. Dynamics 365 Business Central provides an integrated solution for businesses seeking to streamline their processes and boost efficiency on a smaller scale.

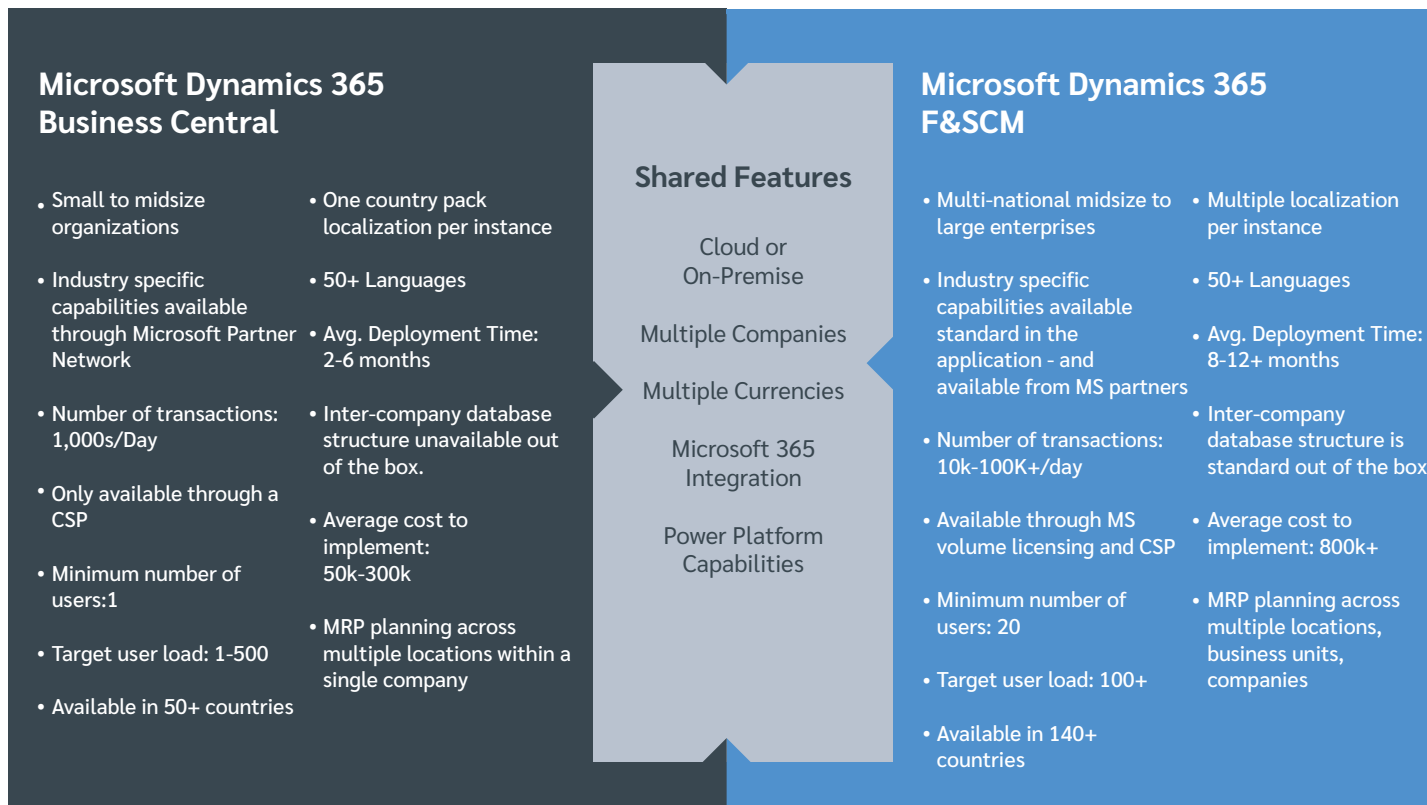
On the other hand, **Microsoft Dynamics 365 Finance & Supply Chain Management** (F&SCM) is tailored for larger enterprises that require a more robust and detailed ERP system. This version includes advanced features for finance, manufacturing, and supply chain management, offering deeper functionality and customization to handle complex, large-scale business processes. It's noted that there's essentially nothing Dynamics 365 Business Central does that Dynamics 365 F&SCM can't do; however, the latter is specifically built to manage the intricate needs of larger operations.



D365 Business Central vs. D365 F&SCM

The main distinction between the two versions lies in the size and complexity of the organization each platform is best suited for: with D365 Business Central catering to SMBs seeking an efficient, streamlined ERP solution, while D365 F&SCM serves larger enterprises requiring extensive, specialized ERP capabilities. Here is a comprehensive side-by-side comparison of both:

D365 ERP OPTIONS AT A GLANCE



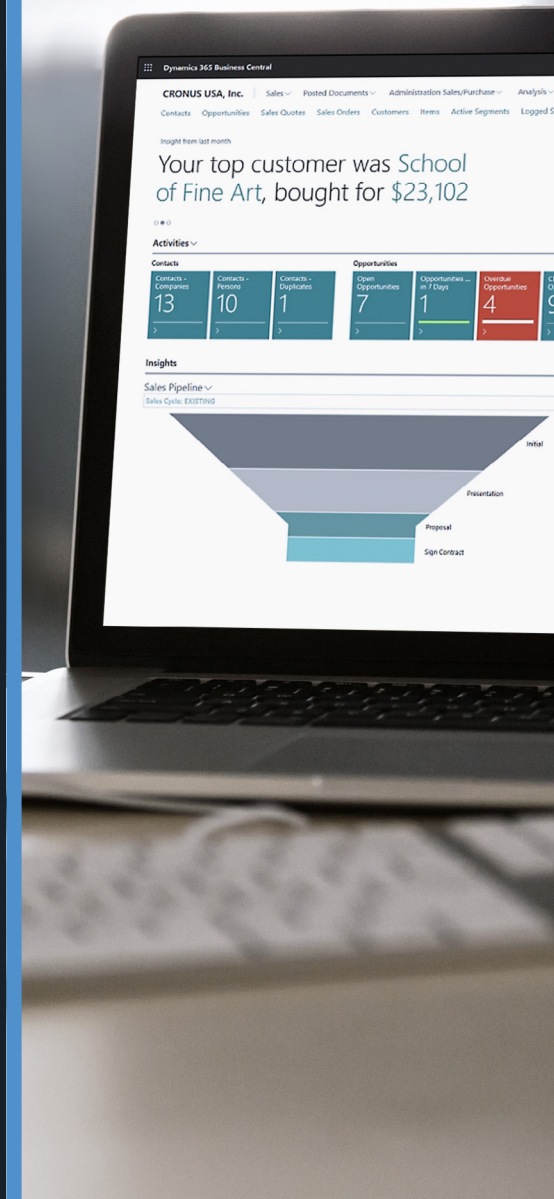
Modern ERP solutions are key to facilitating a digital transformation within an organization. They unlock the potential of data availability, aligning it with organizational goals, fostering innovation, and providing a competitive edge in the industry. However, choosing the right ERP solution that matches both current and future needs can be challenging. It's essential to find an ERP solution that is a good fit—powerful enough to meet your needs without being overly complex or exceeding your budget.

To help you in making this key decision, we will explore these two distinct platforms in the following section based on modules, pricing, and specific use cases.

READ MORE: [What's the Difference Between D365 Business Central and F&SCM?](#)

D365 Business Central Breakdown

Mirroring the well-established architecture of its predecessor, **Dynamics NAV**, Business Central delivers a seamless and familiar experience for those acquainted with Microsoft's suite of tools and services. It encompasses a suite of integrated business applications, including financials, sales, service, and operations, and well as critical productivity tools that foster collaboration, process efficiency, and data consistency. Microsoft Copilot, for example, can be used to enhance Business Central by providing conversational chat capabilities that allow users to find answers, locate records, and even learn new functionalities quickly and easily.



D365 Business Central Breakdown

Modules

Although Business Central is considered an “all-in-one” business platform, not every business requires the same functionality to operate. While all applications are connected in the cloud to work seamlessly together, you can pick and choose what functionality you want to use in Business Central and build on it as your business needs grow. There are two base models you can choose from in Business Central: Essentials and Premium. Here is an overview of what core functionality is included:

Essentials	Financial Management Includes account receivables/payables, bank reconciliation, fixed asset management, and month-end/year-end closing.	Inventory Management Includes forecasting, inventory control, shipment, distribution, and returns & cancellations.
	Human Resource Management Includes employee registration, absence tracking, employee contracts, confidential information, and qualifications.	Warehouse Management Includes receiving items, cross-dock items, picking items, assembly management, and advanced warehouse configuration.
	Project Management Includes capacity planning, budgets and estimates, job and process costing, and resource management.	Supply Chain Management Includes purchase invoicing, purchase order management, basic inventory, supply planning, demand forecasting, and order planning.
	Purchasing Includes procurement, purchase line discounting, purchase order management, and vendor management.	Customer Relationship Management (CRM) Includes quotes, sales invoicing, payment processing, orders, returns, and customer accounts.
Premium	Service Management Includes planning service, fulfilling service contracts, and delivering service.	Manufacturing Includes production orders, outpost posting, subcontract manufacturing, batch post consumption, and more.

D365 Business Central Breakdown

Licensing & Base Pricing

Microsoft's Business Central software follows a per-user, per-month licensing model, aligning with the named user approach. Essentially, for each individual needing access to the software, a separate license must be purchased (outside of Device licenses). Business Central offers two main types of licenses: Full User licenses and Additional User licenses.

Full User Licenses:

Business Central offers Full User licenses under two primary categories: Essential or Premium. The Essential license grants unrestricted access to most of the application's modules, barring Service Management and Manufacturing, while a Premium license typically includes those. These licenses are ideal for superusers like controllers or senior managers who need extensive access across the platform. Businesses can choose the appropriate Full User license type to form the basis of their user access strategy before determining the need for any additional licenses.

Additional User Licenses:

Business Central's additional user licenses cater to employees who do not need full software access, such as those requiring only read-only access for specific tasks—handled by the Team Member license. Alternatively, there's the Device license, ideal for multiple workers on a shop floor, warehouse, or POS system to share access on a single device, streamlining software use across business operations. These licenses ensure tailored and cost-effective use of the Business Central system within your organization.



D365 Business Central Breakdown

Licensing & Base Pricing

Business Central offers both monthly and annual licensing options, with the latter providing cost savings but less flexibility in that you may only adjust license counts at renewal times. In contrast, monthly licenses offer greater adaptability to change license numbers anytime but at a 20% premium.

The pricing below reflects current rates in US dollars, highlighting that Full User licenses contribute most to costs. To minimize expenses, assess which employees require full access versus those who could use a Team Member license, offering necessary access at a lower cost.

Note that Business Central licensing is available in CAD and other currencies. Pricing is accurate as of April 2024

Please contact JourneyTeam for localized pricing.

Essentials	MONTH-TO-MONTH \$84	ANNUAL TERM (MONTHLY BREAKDOWN) \$70
Premium	MONTH-TO-MONTH \$120	ANNUAL TERM (MONTHLY BREAKDOWN) \$100
Team Member	MONTH-TO-MONTH \$9.60	ANNUAL TERM (MONTHLY BREAKDOWN) \$8

D365 Business Central

Use Case Example

Marketing Architects

Marketing Architects faced a significant challenge when they learned that their previous accounting system provider would no longer support their software due to an acquisition. This sudden change forced them into a critical situation as the company's financial data was stored on this system

They swiftly responded by exploring various alternatives and attending multiple demonstrations. Ultimately, Marketing Architects selected Microsoft Business Central for its user-friendly interface and cost-effective pricing.

Marketing Architects needed a partner who could ensure a quick, cost-effective implementation and provide comprehensive training for their team.



Cost Elimination

JourneyTeam collaborated with Marketing Architects to build out an efficient system, while running tandem on their legacy system for two months to ensure no business impact. Once configured, they completely transitioned to D365 Business Central, significantly reducing their licensing costs by 22% per user.



Boosted Productivity

The transition to D365 Business Central brought several improvements for Marketing Architects, particularly in enhancing process accuracy. Unlike their old system which required manual saving and immediate posting of records, Business Central offers a review stage before final submission, reducing errors from multiple users and increasing precision.



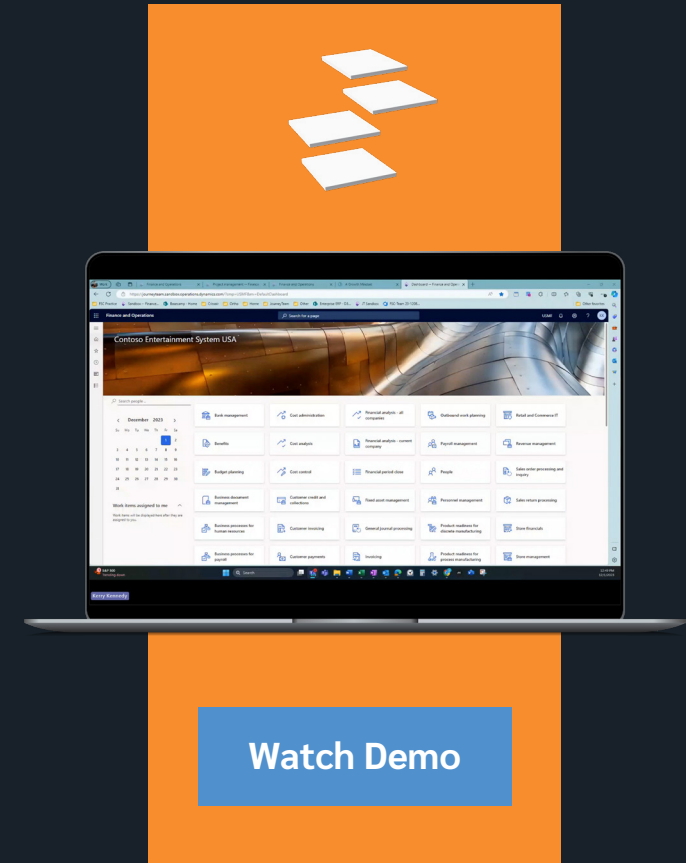
Tailored Training and Implementation

Facing an approaching deadline, Marketing Architects prioritized essential functionalities that enhanced task efficiency and effectiveness. Over three months, JourneyTeam delivered personalized training which allowed for a deeper understanding of their processes. This insight helped in focusing on crucial training areas, streamlining processes, and reducing the risks associated with going live.

D365 F&SCM Breakdown

Compared to Business Central, D365 F&SCM (previously known as D365 Finance and Operations, or F&O) is designed for enterprise-level businesses. It runs on the same code as **Dynamics AX**, and is generally suited for more complex business requirements, global financial management, manufacturing, and supply chain. This is a more robust solution and can easily be customized based on what modules you need for your business.

With D365 F&SCM, businesses can scale their supply chain and finance operations easily, using extensive configuration capabilities. Similarly, supply chain and manufacturing operations can implement a single technology for varying degrees of complexity and operations. An additional benefit of using D365 F&SCM is the capability to leverage **Microsoft Copilot**, AI-based functionality, to accelerate and enhance analysis and fulfillment capabilities across the organization.



D365 F&SCM Breakdown

Modules

D365 F&SCM functionality provides enterprise wide-finance capabilities, from organizational hierarchy and security to financial management for eCommerce, retail, manufacturing, warehouse, distribution, and customer and vendor management. Here is an overview of what core functionality is included:

Financial Management

To simplify financial management, the platform includes a number of tools and capabilities. For example, budgeting and forecasting enable your business to accurately budget future finances. This empowers finance teams to make faster, more data-driven decisions. The platform also features tools for accounts payable and receivable that make for more efficient management. This includes automated invoicing, vendor collaboration, and real-time financial insights.

Manufacturing Capabilities

To help businesses achieve greater operational excellence, the platform features advanced production planning and control features as well as quality control. This ensures your business can adhere to industry standards and customer expectations.

Supply Chain Management

Tools such as inventory optimization and order fulfillment streamline and optimize supply chain management and order processing. Both tools help to reduce carrying costs while ensuring product availability, enhancing customer satisfaction, and ensuring timely deliveries. To learn more about Intelligent Order Management, and how AI can improve order fulfillment, [read here](#).

Human Resources Management

D365 F&SCM assists in attracting, hiring, and retaining top people through comprehensive talent acquisition and management functionalities. Additionally, the employee self-service capability enables employees to access relevant HR information, submit requests, and manage their personal information in a single location.

D365 F&SCM Breakdown Modules

Customer Relationship Management (CRM)

The integrated CRM feature within the platform allows businesses to easily manage customer relationships, sales processes, and customer service. Additionally, marketing automation capabilities enable your organization to create targeted campaigns, track leads, and analyze customer interactions.

Scalability and Integration

The cloud-based infrastructure of the platform provides your organization with more scalability and flexibility to adapt to changing business needs. Microsoft Dynamics 365 F&SCM also integrates seamlessly with the rest of the Microsoft portfolio, enhancing collaboration and communication across all your teams.

Analytics and Reporting

With real-time data insights, Dynamics 365 enables your organization to gain real-time insights into your financial and operational performance. The seamless integration with Power BI also enhances data visualization, allowing users to create interactive reports and dashboards for more informed decision-making.

Artificial Intelligence (AI) and Machine Learning (ML)

The platform has leveraged the power of AI and ML to automate key business processes, improving efficiency and enabling your users to focus on more strategic activities. Additionally, predictive analytics assists users in forecasting trends, demand, and potential issues.



D365 F&SCM Breakdown

Licensing & Base Pricing

The D365 F&SCM platform offers a flexible but complicated pricing structure, allowing organizations to choose from various plans based on their specific requirements. The D365 F&SCM functionality is separated into two app licenses: Finance and Supply Chain Management.

Pricing details can vary based on the chosen modules, deployment method (cloud or on-premise), and additional functionalities required. While exact costs can fluctuate based on the specific needs of an organization, it is common for businesses to subscribe to a monthly or annual payment plan.

D365 F&SCM offers four main types of licenses: full user, team member, operations activity, and operations device licenses. There is a minimum for D365 F&SCM organizations: 20 full users of either the Finance or the Supply Chain Management application. It can't be 10 of each, or any other breakdown - it has to be 20 licenses of one app.



D365 F&SCM Breakdown

Licensing & Base Pricing

Note that D365 F&SCM licensing is available in CAD and other currencies. Pricing is accurate as of April 2024

Please contact JourneyTeam for localized pricing.

Full User Licenses
 Similar to D365 Business Central, this license provides full access to all features of the apps.

Team Member Licenses
 Team member licenses are the most affordable but the most limited. They provide full read access to D365 F&SCM data, plus data from CRM apps. Team member licenses can also access specific functions like expense entry or contact updates.

Operations Activity Licenses
 This type of F&SCM license is for transactional tasks, offering more capabilities than a team member but less than a full user.

Operations Device Licenses
 For shared devices, operations device licenses are used to provide unlimited access to users through a device. It's typically used for warehouse or retail workers.

Full User	MONTH-TO-MONTH \$210
Team Member	MONTH-TO-MONTH \$8
Operations Activity	MONTH-TO-MONTH \$50
Operations Device	MONTH-TO-MONTH \$75

D365 F&SCM Breakdown

Use Case Example

Global Non-Profit Organization

A large non-profit organization operating in 180+ countries and territories came to JourneyTeam to implement Dynamics 365 F&SCM to streamline data and automate manual processes. The company operates a 185,000 sq ft print center to produce thousands of printed materials each day for their 17 million members around the world using a variety of large industrial machines.

As part of their global rollout, the company required their ERP operations to be organized and secure, and for their data to seamlessly communicate with the other systems in use. Dynamics 365 F&SCM was implemented with plant floor machine integration and programming, and to work cohesively with their other data management tools.

This implementation project is currently the largest D365 F&SCM implementation in the world. It operates its global manufacturing, supply chain, retail, and eCommerce operations. The solution addressed the need for sensors, controllers, and human interfaces of the machines to communicate with D365 F&SCM and keep track of inventory and production. It delivered increased capabilities in the tracking of goods produced and sold, raw materials, scraps, etc. Other highlights included:

- All data housed together, secure and accessible
- Efficiently tracked production, inventory, sales, and finances
- Improved customer and user satisfaction
- Timely and accurate sales quotes are automatically generated



How to Select ERP Software for Your Business

Equipping your organization with the right ERP software foundation for increased system capabilities and business process visibility is not just an advantage—it's a necessity to long-term growth and success. Although there are many solutions on the market, Dynamics 365 ERP's flexibility and cloud-based platform empower your business to maintain agility and effectively respond to the ever-changing demands of a dynamic marketplace.

The success of adopting Microsoft Dynamics 365 ERP is dependent on effective software selection, implementation, training, and onboarding from your dedicated Microsoft partner. As an award-winning Microsoft partner, **JourneyTeam** specializes in helping organizations identify the right Microsoft Dynamics 365 ERP and supporting technologies to fit their size, industry, business requirements, and goals. Our Dynamics 365 ERP experts provide assistance with everything from adoption and change management to data architecture, generative AI, security, support, and training.

Recognizing that each business is unique, we firmly believe that a one-size-fits-all approach doesn't work for ERP software. Your particular needs and goals call for a tailored ERP solution—and that's exactly what we excel at delivering. Begin your ERP adventure with a **free assessment and fit analysis** from our JourneyTeam experts.

Instead of using conventional methods, we take an early dive into your business needs. With this initial assessment, our Dynamics 365 ERP experts can successfully pilot you through your ERP journey. By fully understanding your present and future needs, we offer insightful strategies and technology suggestions, ensuring your custom ERP solution evolves with your future growth.



**Schedule a Free
ERP Sizing & Fit
Analysis**

**Talk to a
JourneyTeam
Expert Today**

“Business Central has completely changed the game for reporting. We are gaining more reporting insights than ever before, and all with a couple of clicks. This is saving my team hours of manual entry each week, and I’m sure our other teams and entities will see the same value.”

Jenna Miller, VP Controller
Allied Global Marketing

[Read The Case Study](#)



About JourneyTeam

JourneyTeam is a trusted Microsoft technology partner that champions the belief business is a journey, not a destination. We specialize in guiding organizations through the complexities of the modern technology landscape to ensure sustained growth. As dedicated IT allies, we deliver a comprehensive range of services in business applications, infrastructure, analytics, and more - offering a single source for innovative solutions and support.

Our team consists of personable technology experts known for their approachable style and ability to adapt to your organization’s needs without big corporate hurdles. Here, our success is measured by your results.

Pave the path to victory at www.journeyteam.com.