

Practical Reasons to Upgrade to Business Central in the Cloud



WHY MICROSOFT'S
SOFTWARE-AS-A-SERVICE (SAAS)
ERP DELIVERS FOR YOU



If We're Happy, Why Should We Switch?

It's a common saying that many people consider common sense: "If it's not broke, don't fix it." If you are running a Business Central On-Premises or Dynamics NAV system, that may be precisely what you think when you hear about the Cloud version.

- You're happy with what you have.
- You don't see a reason to change.
- You want to avoid the upgrade cost.

To change your mind, you need a solid, practical reason to switch. It's an investment, and you want it to pay off. Return on investment (ROI) is crucial to bringing your whole team together and getting them excited for an upgrade. So the real question you ask when you hear about Business Central's Software-as-a-Service (SaaS) model is, "Why should I switch?"

Let's take a look at this question together. We met with Microsoft professionals across our company who work in development, application/process design, and project management to get their take on what makes a move to Business Central SaaS beneficial for companies—based on real-world customers.

They came up with four key reasons why you should consider upgrading to BC SaaS, including:

- Simple costing that is easy to understand and budget for.
- Never having to worry about updates again—and the security problems that not applying updates can bring.
- Future-proofing your software for a Cloud-first world.
- Better integration with key Microsoft technologies like Azure and Power Automate.

Let's explore each area together, but before we get into that, let's define what Business Central's SaaS version is and what makes it unique.

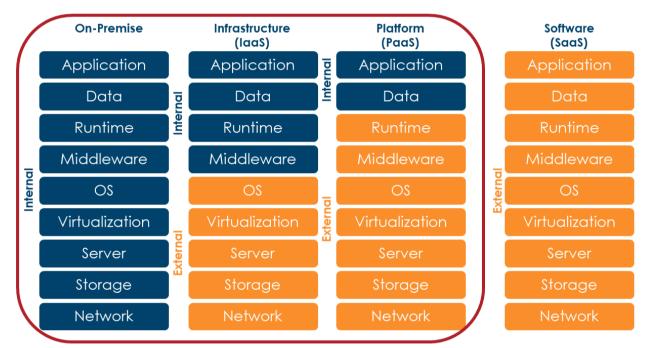
What Is Business Central SaaS?

Microsoft Dynamics 365 Business Central is the latest iteration of the long-running ERP software previously known as Dynamics NAV and Navision before that. It is one of the most popular solutions of its kind, with hundreds of thousands of implementations worldwide.

Business Central is available to customers in two different models:

- **On-premises**—The on-premises version of Business Central is very much like Dynamics NAV that preceded it. It runs either on your physical servers or an Azure-hosted environment.
- **SaaS**—The Software-as-a-Service deployment of Business Central is a subscription service hosted in Azure. The difference is that Microsoft handles the platform and applications, leaving you to focus on the end-user experience.

An alternate way to conceptualize the difference is this diagram below:



Business Central On-Premise

Each layer of hardware or software builds upon the one below it in each of these models. The orange is a step Microsoft controls, and the blue is handled by your internal team. With Business Central SaaS, your team has the least responsibility for the working product. From Network to Application, Microsoft handles it all.

"But wait," you object, "our IT team can handle each of these things. They do it every day. If that's true, why should I upgrade to SaaS?"

Let's take a look at why businesses like yours are choosing SaaS every day.

What do we mean by "Software-as-a-Service"?

Commonly abbreviated to SaaS, software-as-a-service is a cloud-based software delivery model. Unlike traditional software, it does not require physical hardware to run and is most commonly accessed through a web browser or other thin client. The software itself runs from a central location (in the case of Microsoft Dynamics, on Azure). SaaS software usually operates with a subscription payment model that generally reduces upfront investment when choosing software.

REASON #1

Clearer Pricing and Easier Savings

Business Central SaaS pricing takes a lot of the guesswork out of your ERP system investment calculations. By focusing everything down to simple per-user pricing, you avoid many costs that plagued ERP projects in earlier setups.

How does that work specifically? Here are a few things to consider.

FLEXIBILITY

On-Premises licenses for Business Central are a \$2800 upfront cost. The trick is that you have to guess how many licenses you will want long-term. If your team shrinks or expands, you either lose the investment you made into these licenses or need to pay a sizeable per-user fee as you grow.

With Business Central SaaS, you pay \$70/user/month. You can pay month-to-month, so as your team scales, you have the flexibility to change your user count. Microsoft doesn't lock you in, and you are free to change things as needed. And with Innovia Consulting, you can easily log into our Customer Portal to manage your licenses 24/7/365.

Already an Innovia Customer?

Access the Portal Now

ANNUAL MAINTENANCE

As you know, user licensing costs aren't the only fees with on-premises versions of BC/NAV. You also have an Annual Maintenance fee that can be a substantial investment.

With BC SaaS, there is no annual maintenance fee. Your subscription pricing includes maintenance, making it even more of a deal than we illustrated above.

HOSTING FEES

As we mentioned, BC SaaS runs on Azure, but **you don't pay a separate fee for these Azure services as you would for a hosted on-premises solution.** Again, it's just included in your subscription, adding even more value for you.

You don't pay for custom object ranges with BC SaaS. This expense, too, is included in your monthly subscription.

ON-PREMISES TO CLOUD SAVINGS

If you are coming from a fully on-premises environment, your upgrade to SaaS also allows you to eliminate expenses related to your server architecture, including:

- Server hardware costs, including the need to replace them every 5-7 years.
- Network equipment other than services and their maintenance.
- Internal or outsourced labor costs to manage your infrastructure.
- IT support to manage your VPN and on-premises gateways to connect to other Cloud services you might use (such as Power BI and Microsoft 365).
- Costs of potential issues that develop in the infrastructure. Microsoft takes the guesswork out with SaaS, so you have fewer potential areas for problems to develop.



Learn More About How Much You Can Save With Azure in our free eBook

Read It Now

As you can see, Business Central SaaS has the potential to save your business in a variety of areas, but there's one more worth mentioning.

In our experience with clients across industries, we find that **those who choose SaaS save about 1/3 on their total implementation costs on average.** This is because our team can streamline deployment in the SaaS model, getting you up and running faster and with far fewer consulting hours than ever before.

REASON #2

Applying Updates (or Living with the Risks of Not Applying Them) Is a Thing of the Past!

When we asked our Innovia Consultants what the most significant benefits of Business Central SaaS are, none failed to mention that updates are no longer a concern for businesses running the Cloud version. Because Microsoft handles the environment at all levels up through the application, they push out the newest updates as soon as they are available to all SaaS users.

That all sounds great, but every IT professional out there is probably thinking, "Wait, I need to control when updates are applied."

That concern is legitimate and understandable if you have always worked in an on-premises model; after all, all the add-ons and customizations you have may stop working with the latest update.

Here are a few reasons why you don't need to worry about this with Business Central SaaS:

- Add-ons and ISVs for Business Central SaaS are now handled through the
 Microsoft AppSource service. They update with Business Central, meaning
 you don't risk having an outdated ISV solution running that breaks when
 you update Business Central. Think of AppSource like the app store for
 your phone; it manages the add-ons you select and allows for simple
 maintenance.
- Many of the customizations you have today may be unnecessary in the latest version of Business Central. This is especially true if you are several versions behind. Microsoft's development team constantly listens to user feedback, so many of the features you always wanted may already be there. Your Microsoft Partner can help you identify these features.
- Because BC SaaS can update more frequently, updates tend to be smaller and more targeted. There's less risk of something going wrong, and any issues that come up can be identified quickly due to the more limited scope.

On the other side of the token, Business Central SaaS's approach to updates has several benefits for your business.

- You don't have to pay Partner service hours to apply a cumulative update. These expenses are virtually eliminated on BC SaaS because it's taken care of automatically.
- As soon as Microsoft identifies security threats, your system gets patched to
 protect you. One of the major risks of not applying updates is vulnerability to
 hacks and breaches. This is true of all software, including Business Central.
 The best solution is to apply the security fixes Microsoft creates as soon as
 possible. With SaaS, you don't have to worry about this.
- You don't have to live with bugs or errors. As soon as Microsoft solves these problems, you get the fixes. No more instructing your team on a complex workaround for the long-term.

To sum it up, Business Central SaaS makes updates seamless, smaller, more frequent, and more compatible with the solutions you use. Even a large, global company like Boyd Corporation discovered that SaaS updates made its life easier.

The move to the latest version has significantly improved the company's ability to manage BC updates. Now that updates happen in the cloud, Boyd's IT team finds that they encounter far fewer problems when things change. They have only ever experienced the need for minor tweaks with Business Central's updates.

In Innovia, the Boyd BC team has found the support it needs to lead its ERP transformation. They credit the "horsepower" of Innovia's team as pivotal to the success of site rollouts, as well as the firm's 24/7 customer support. Mary Sullivan adds:

"Our business runs 24/7, and we staff our internal IT desk to respond at all hours. We love that Innovia Consulting can match this availability whenever our internal team needs additional assistance."

Did You Know?

Innovia Consulting checks every major update to Business Central SaaS to ensure compatibility with customer environments. It's one more check we add to the process so you can be confident in your Business Central updates.



"My life is so much easier. Because I run all the technology for the business from the internet to phone to software solutions, to know I have a team in Innovia that I can call on 24/7 if something comes up that we can't solve ourselves means I can sleep a lot sounder at night."

Click Here to Read the Entire Case Study

- RIK FLEMING, DIRECTOR OF TECHNOLOGY

REASON #3

The Future Is in the Cloud. Will You Be There?

According to a 2020 IDG Cloud Computing Survey, IT leaders expect to see a 12% increase of SaaS products as a share of their total IT solutions in just the next 18 months (up from 24% today to an estimated 36%).

As the world moves forward, one thing becomes more apparent each day: future software development will be Cloud-first. This cuts across industries, and ERP is no exception.

Because Microsoft can deploy updates in such a streamlined way on SaaS, the very cutting-edge features, the stuff you hear about at conferences and see promoted in software industry press, are going to come to Cloud before they ever land in an on-premises update. In some cases, they may never reach the on-premises version. All things being equal, wouldn't you want to have access to the latest developments?

Also worth considering is this: all indications currently point to Business Central SaaS being an iteratively designed product for the foreseeable future. This means, in a real sense, upgrading to BC SaaS could be the last "upgrade" you do. This is because, with SaaS, the product evolves. There isn't a need for large-scale, product-defining changes as there were in the move from NAV 2017 to NAV 2018, for example.

Finally, consider the new levels of access Microsoft is affording you with BC SaaS. In previous versions of NAV, you needed to pay \$30,000 to get a developer license; with SaaS, it's as simple as flipping a setting to access development features. Microsoft's ecosystem is more accessible than ever before, allowing you to do even more to make your system do what you need it to do.

This doesn't even include the fact that BC SaaS integrates seamlessly with low-code/no-code solutions like Power Apps. This accessibility means almost anyone can start developing applications that interact with BC data and deploy solutions that they can, if they wish, monetize in the AppSource marketplace. Do you have ideas that other BC users could use? Why not get something for them?

Top Integrations for All Your Business Objectives

As you may know, Microsoft has an entire stack of business applications that help you visualize data, automate processes, and maximize your productivity. While many of these features work with an on-premises deployment, there are some significant exceptions and some extensions of functionality with the SaaS version.



POWER AUTOMATE

Have you heard of Power Automate? It's an online service that lets you connect a wide range of data sources from Microsoft and trigger automated workflows. One of the drawbacks of onpremises deployments is that you cannot use these flows with this version of Business Central.

If you don't have SaaS today, you may not realize some of the possibilities with Power Automate:

- Email or send a Teams chat to account managers automatically when customers pay an invoice.
- Translate a list of sales orders into a spreadsheet automatically as they are released.
- Send production data to a data source that is visible in Power BI.
- Connect the data in your ERP to hundreds of third-party applications.



DATAVERSE

What was once known as the Common Data Service is now Microsoft Dataverse. It is built to be a single, go-to source of business information: the long-awaited Single Source of Truth. It allows you to pull from a shared data source for all your Cloudbased Microsoft products, like Power BI, Microsoft 365, Dynamics 365 Business Central, and Dynamics 365 Customer Engagement.

Integration with an on-premises deployment can be tricky and time-consuming, but with SaaS, it's essentially complete from the moment you implement your system. This significantly reduces the complexity (and thus cost) of connecting your data to all the services you use. No more expensive third-party syncing that is slow to catch up and prone to errors when there's an update.



ATURE SERVICES

Did you know that Azure is more than just a place to host your software?

It's true, the list of services offered by Microsoft through the Azure platform grows all the time and includes things like:

- Al
- Mixed Reality Features
- Internet of Things (IoT) Functionality
- Azure Active Directory (for top-notch security and single sign-on)

While many of these services can work with on-premises deployments, in most cases, they are more challenging to connect and have limitations that Business Central SaaS doesn't. This ERP is built from the ground up to recognize and incorporate Azure services, and because it is updated in sync with Microsoft, it's continuously being tweaked to use them better.

Learn More About Azure Services with Jeff Pergolski in this episode of the Innovia Conversation Podcast.





"Who knew 2020 was coming? However, when it did, we were poised to work remotely because of Azure. I didn't have to worry about server room cooling, parts, etc. We were just able to all work from home."

Click Here to Read the Entire Case Study

- ROB NEWHART, CIO



The Case for Your Upgrade

So far, we've covered many of the reasons companies choose to upgrade their ERP system to Microsoft Dynamics 365 Business Central SaaS. These have included:

- Costs Both lower overall costs and greater flexibility
- Upgrades Simpler, cheaper, and more compatible with Cloud technologies
- Future developments New software innovations will be Cloud-first
- Integrations Microsoft's entire Cloud ecosystem provides you with thousands of options

But how does this come back to you? Why should you upgrade?

Here's our recommended method to find out:

- 1. Review each of these areas we've covered and compare them to your current situation.
- 2. Map out your current processes, including any existing bottlenecks.
- 3. Imagine processes that don't have these limitations. What would that look like?
- 4. Take a look at the latest tech in Business Central SaaS. More than likely, you'll find the missing pieces you want.
- 5. Talk to a Microsoft partner like Innovia Consulting to see what your path to the Cloud would look like.

By following this outline, you'll be taking a proven path toward building the case for SaaS at your company. As you do so, the ROI will become more apparent.

Many customers we've worked with have already seen returns like:

- Decreased cost for support and integration projects in the future. SaaS makes
 it less complex and more manageable for consultants to build solutions in
 fewer hours.
- Simple transitions between on-site and work-from-home situations for employees.
- Fewer unconnected databases, translating to more reliable data.

If you're interested in exploring your Cloud journey, reach out to us at sales@ innovia.com, call 800-834-7700, or use the box below to schedule a short call at a time that's convenient for you.

If you are an Innovia customer, reach out to your Customer Engagement Specialist.



Not a customer, no problem!

Book below and Andrew will help you!



Use our Microsoft Bookings calendar to schedule your call at a time that works for you.

Click Here to Book Now

