

NUCLEUS
RESEARCH

BREAK INTO NEW MARKETS WITH BUSINESS CENTRAL

ANALYST

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THE BOTTOM LINE

Nucleus found that users of Microsoft Dynamics 365 Business Central enhanced productivity, reduced operational costs, and improved business agility. Business Central customers interviewed by Nucleus reported benefits such as a 12 percent increase in project handling productivity, savings of up to \$15 per invoice, up to 12 hours a month in saved time per user, and penetration of new markets four times faster. Nucleus expects increased adoption of the platform as companies attempt to open more business lanes and do more with less in facing increased consolidation and economic uncertainty.

OVERVIEW

Small and Midsized Businesses (SMBs) need to be more agile in the face of rapidly shifting economic conditions. SMBs additionally often hold onto a clunky combination of spreadsheets, manual tasks, and outdated siloed software solutions from when they were smaller. ERP systems targeted at SMBs look to consolidate main business processes out-of-the-box and under a single platform. Microsoft's offering serves SMBs with a comprehensive ERP that natively integrates with other Microsoft solutions. Customers attribute their selection of Microsoft to its enhancement of business agility, reduction of IT costs, and time savings for users.

MICROSOFT

Microsoft Dynamics 365 Business Central is an end-to-end ERP platform focused on the needs of SMBs. Capabilities connect sales, service, finance, and operations teams within a single application. The solution offers deployment flexibility, with the vendor providing both a cloud SaaS version and an on-premises version of the product. Business Central is offered across 91 different country localizations, supporting international tax and trade requirements, financial reporting standards, compliance requirements, and GDPR.

TYPICAL BENEFITS

Through end-user conversations, Nucleus found that customers can reduce operational costs, boost productivity, and increase business agility by deploying Microsoft Dynamics 365 Business Central.

- **Enhanced Business Agility.** Implementing Business Central enables an improved ability to respond to the market, pursue new business lines, and adopt new processes. Organizations consolidate much of their day-to-day operations under Business Central, which improves visibility and communication across departments as employees share a singular data view. One customer reported breaking into the Electric Vehicle (EV) industry four times faster than originally anticipated following its deployment of Business Central.

- **Improved Productivity.** By automating data flows and consolidating cross-departmental processes, Business Central reduces time spent managing multiple connectors and eliminates data entry. Business Central is accessible by non-technical users due to its unified user experience across its toolkits and its no-code configurable UI. Additionally, unified data flows across departments enable real-time updates and notifications across business processes. One customer reported a 12 percent increase in project handling speed due to reduced downtime from streamlined update cycles, reduced technical issues, real-time notifications, and ease of use. Another customer reported expedited onboarding, citing the system's ease of use, and accelerated integration with fulfillment partners through process digitization. The customer additionally reported 10 to 12 hours a month in saved time per user due to its non-technical UI and inter-department integration reducing manual data entry and technical difficulties for users.
- **Reduced Operational Costs.** By implementing Business Central, customers can retire legacy software and upkeep costs. One customer reported the elimination of two disparate legacy solutions and the associated costs in implementing Business Central. Through increased no-code accessibility for non-technical employees, customers avoided hiring additional developers. One customer reported avoided hiring at least one professional developer due to employees making system changes themselves with the no-code UI. Business Central also enables the reduction of invoicing costs through invoicing automation. By reducing labor and physical paper needed for invoicing, one customer reported savings of \$12 to \$15 per invoice.

**Go to market 4x faster
with Dynamics 365
Business Central**

CUSTOMER EXPERIENCE

Nucleus interviewed multiple Microsoft Dynamics 365 Business Central customers to investigate the value delivered by the platform.

SUSTAINABILITY NON-PROFIT

This company offers reconditioning services as a sustainability-focused non-profit. With approximately 60 employees, the organization is located in the United States. Prior to

Business Central, the company was using Infor for its CRM and Sage for accounting. The two systems were integrated by connectors and were highly customized, particularly on the Infor side. The organization was unhappy with its system's high levels of customization that caused regular system breaks, incompatibility with local hardware, low productivity due to a disconnected and non-intuitive UI, and a lack of scalability to support growth. In looking for a new system, the company sought a cloud solution and prioritized an intuitive UI and native integration between finance and other departments. In addition to Business Central, the customer considered a NetSuite deployment with Salesforce integration. The organization ultimately chose Microsoft due to its solution's extensibility and because it did not require third-party integration with its desired Microsoft technology stack.


The customer reported an on-schedule and on-budget implementation. Following deployment, the company reported improved organizational visibility, enabling the tracking of business processes and individual progress. Through automation, reduced labor, and eliminated paper costs, the customer cited savings between \$12 and \$15 per invoice, as well as reduced time spent per invoice. Users within the organization cited time savings between 10 and 12 hours per month due to native interdepartmental connectivity and an intuitive interface. The company reported expedited onboarding resulting from the UI's ease of use. Additionally, the customer cited increased business agility, accelerating the time expected to enter a new market four times faster due to enhanced visibility and inter-department communication, reporting being able to break into the EV industry as a result of Business Central.

**Up to 12% increase in
project handling
productivity**

DRIVE TECHNOLOGY PROVIDER

This organization is a component engineer and manufacturer based in Germany with approximately 50 employees. Prior to deployment, the company was using an on-premise homegrown legacy system for its ERP. The company desired digitization across all business processes, being hampered by non-digital workflows and paper processes. It additionally wanted to move its ERP to the cloud. The customer only considered Microsoft as it desired to maintain native compatibility with the rest of Microsoft's ecosystem, especially the Dynamics 365 suite.

The organization cited its standard out-of-the-box deployment as taking place over several weeks. It additionally cited Microsoft consultants as smoothening implementation issues. Upon deployment, the customer reported operational benefits from a consolidated



backend, with centralized notifications and updates. The solution's accessible UI empowered non-technical employees with customizability and visibility not had before, improving team productivity while avoiding the need for technical hires. The customer cited a 12 percent improvement in project handling with a reduced headcount following deployment.

LOOKING AHEAD

With continued quantitative tightening, SMBs require ERP solutions to maintain competitiveness. Mergers and acquisitions also demand business agility to adopt new processes and onboard new companies. Microsoft Dynamics 365 Business Central reduces operational costs and improves productivity and business agility, granting customers a competitive edge in treading uncertain economic waters. Business Central's out-of-the-box package additionally offers interoperability across the Microsoft Cloud, including Power BI, Power Apps, Power Automate, and Dynamics 365 Sales. Nucleus expects increased adoption of Microsoft Dynamics 365 Business Central as SMBs look to achieve resiliency against economic shocks by consolidating their business under a single technology platform.