

# The Business Case for Microsoft® Dynamics™ NAV

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In all likelihood, if you are reading this paper you already have (or are near to making) a business case for replacing your existing system. The trend in the UK is that the business case for embarking on a new system is made when the old one is now so dysfunctional it causes more work than it saves. This paper focuses on why you should consider Microsoft® Dynamics™ NAV as the successor.

Microsoft Dynamics NAV is a mid-range software solution that covers all the traditional elements of an Enterprise Resource Planning (ERP) package. It embraces modern technology, linking Microsoft products such as Microsoft Office, SQL Server database and SQL Server Reporting Services and Microsoft Office SharePoint Server. It connects users, customers and suppliers through web portals and mobile technology. It is multi-lingual, multi-currency and multi-company and used by over 1,250,000 people at more than 70,000 customers. None of this makes Microsoft Dynamics NAV particularly unique, although the figures are reassuring. **The unique selling point of Microsoft Dynamics NAV is its flexibility.**

## Microsoft Dynamics NAV - it does the job

There is only one valid reason for selecting a particular software package; because it does the job. Surveys conducted by Gartner have shown that first time ERP software buyers are often motivated by price (initial cap ex) while experienced buyers are less price-sensitive as they have learned that value comes more from the vendor's track record and support of the solution provider. Having said this, Microsoft Dynamics NAV software is competitively priced for the mid-market; thus eliminating any price concerns from the business case and allowing focus on fitness to purpose.

Typically companies look for a new solution that can do what the old system did but better. The danger is though that a new system can give with one hand but take away with the other. Too often companies do not realize what functionality or features they have lost until well into implementation because they have assumed that if their old system worked in a particular way, any new system will. **With Microsoft Dynamics NAV the answer to the question, 'Can the system do . . . ?' is always 'yes' as due to its flexibility it always can do.** However, for most implementations, NAV does not need customization as it is a functionally rich solution.

## Scalability and Flexibility

The flexibility and scalability of Microsoft Dynamics NAV mean we can adopt a minimalist approach to the first phase of the project, implementing only the true key features which the new system must have. Once the end-users have experience of using Microsoft Dynamics NAV, additional elements can be designed and built in. This ensures that the difficult first adoption is de-risked as much as possible; users feel confident and comfortable and so the adoption rate is high (i.e. nobody relying on Excel or a hidden copy of the old system!). Users then have a better understanding of how the software works and so are in a very strong position to scope future projects.

## Open source software

Microsoft Dynamics NAV uses open access source code and this, together with the rapid development environment it engenders, means that changes can be easily made to the software. **It is important to note that the product and the channel were designed to support changes.** Source code is loaded on the client server and any appropriately licensed company / individual can access the code. There is no lock in to any version or any partner.

Change that adds value is good; change for change sake is bad. The use of a solid project methodology helps to manage change for the better. Many businesses start out with the view that they will change their processes rather than the software, but that is the wrong way around. Once they undertake a systems analysis and involve key users, they discover that often there is a good reason why the process is what it is. It is important that a new system can fit your essential processes. Working with a strong channel partner with good understanding of business and recognition that technology is a business tool, a means to an end and not the end itself, will ensure that change is only made where it will add value.

**Change might be small.** For example, the ability in Microsoft Dynamics NAV to remove fields from forms. This is easy as the forms are held separately to the data so removing a field from one person's view does not remove the data. This has security implications, ensuring that users have access only to the information you want them to. It also has training implications, there is no time wasted training users on what not to do.

**Change might be big,** involving writing of code to create new functionality in the system. Due to the integrated development environment new processes are developed in a completely integrated fashion rather than the Batch file method which other applications take. The complete integration minimizes the costs of staff training, reduces the costs of reconciling the business process with the financial results and provides a stable platform.

**Change might be growth;** your organization might change in size or complexity. Microsoft Dynamics NAV is extremely easy to grow, you simply add more concurrent users to your license; there is no 'relicensing' of functional areas. For new processes, the software can be re-engineered and new areas of functionality that may not have been relevant before can be implemented.

### **What about the Dynamics NAV Upgrades?**

Dynamics NAV competitors like to promote the myths that NAV needs customisation to be a good fit and that this customisation will make upgrading costly. Neither is true.

For most implementations, NAV works out of the box, but minor modifications such as hiding unused fields are simple cosmetic changes that make good fit great.

Customisations are separated from standard objects by the unique numbering allocated to them. When upgrades are released these affect the standard objects, they do not over-write customisations. There may be work to map customisations, you may decide that new functionality provided by the upgrade makes your customisation redundant; the upgrade tools provided help you evaluate the best course for your business. Unless a system is a standalone, standard off the shelf package it will incur cost at upgrade, for Dynamics NAV this is managed and affordable.

Microsoft Dynamics NAV works with other products, eliminating the need for re-keying and leveraging your existing investment in technology.

The attributes discussed in this paper are unique in the mid-market. They provide ease of first implementation and user adoption with the ability to grow and change with your business. This ensures a low total cost of ownership (TCO) and high return on investment. Case studies and market achievements provide the evidence:

- More than 70,000 customers;
- More than 3,400 certified partners;
- More than 2,000 add-on solutions;
- More than 40 localized versions; and,
- 1,250,000+ licensed users.

### **The reassurance that comes with Microsoft**

The Microsoft ownership also provides great comfort. The familiar user interface, the integration with other Microsoft products and the unrivalled investment in Research and Development are compelling factors. Microsoft has released product roadmaps showing ongoing support and development further into the future than any other software vendor provides for their products. The current Statement of Direction outlines Microsoft's product

plan and releases through 2017! The Microsoft maintenance agreement provides a minimum of 10 years of product support for each release.

To summarize the business case for Microsoft Dynamics NAV:

- Ease of use
- Familiar Microsoft interface and quick response
- Scalability means first project can be minimized, thereby minimizing risk
- Flexibility means the software will be implemented to meet business need; it does the job
- Adaptability so can achieve a 100% fit to your business process, now and in the future, giving you confidence in product selection
- Functionality and additional users can be added as you need them so the system always supports your business (no need for Excel workarounds)
- Integrated database, everyone in the business sees the same data
- Microsoft commitment to the product and its customers
- It is competitively priced for mid-market organizations

All of these benefits result in great TCO and ROI. Best of all, customers have found that because Microsoft Dynamics NAV can keep pace with their business it does not become dysfunctional or out of date so there is no need to consider replacing it. Implementing new systems is hard work; Microsoft Dynamics NAV makes it easier. Not having to go through this process again for a very long time is possibly the strongest business case there is.