# Incremental
Group

# It's time to upgrade Dynamics AX

Know your options

# Introduction

**If you implemented Dynamics AX years ago, you might have reached a point where you are considering upgrading. You may be starting to run into some challenges, due to end-of-support, with updates for your system version not being available.**

When applications are no longer supported, this poses a risk for an organisation. Not having access to critical security updates creates security vulnerabilities and no more security fixes being issued means that your applications are a minefield of security hazards. For this reason alone, organisations should act as soon as possible. A firewall and antivirus are not sufficient protection against unpatchable vulnerabilities, which hackers are quick to exploit.

This guide addresses the challenges and risks associated with running a business-critical system on an unsupported software product. In addition, it discusses how organisations benefit from upgrading to a new and fully supported releases, such as Dynamics 365 Finance or Dynamics 365 Supply Chain Management.

| VERSION | MAINSTREAM SUPPORT | EXTENDED SUPPORT END |
|---------|--------------------|----------------------|
| Dynamics AX 2009 | October 2018 | 2021 |
| Dynamics AX 2012 RTM | October 2018 | 2021 |
| Dynamics AX 2012 R2 | October 2018 | 2021 |
| Dynamics AX 2012 R3 | 2021 | 2023 |

## Guide outline:

• Risks of running unsupported ERP software

• Opportunities for business efficiencies

• Upgrade options

• Upgrade offers

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# Risks of running unsupported ERP software

**On October 2018, Microsoft stopped issuing new fixes and changes to Dynamics AX 2009, 2012 RTM and 2012 R2. Some organisations might be inclined to assume that there is minimal risk associated with a system which was running successfully for several years, even if it is no longer supported. After all, surely all bugs have been found by now? So what could go wrong? There are, however, significant risks involved, and sadly, they are very real.**
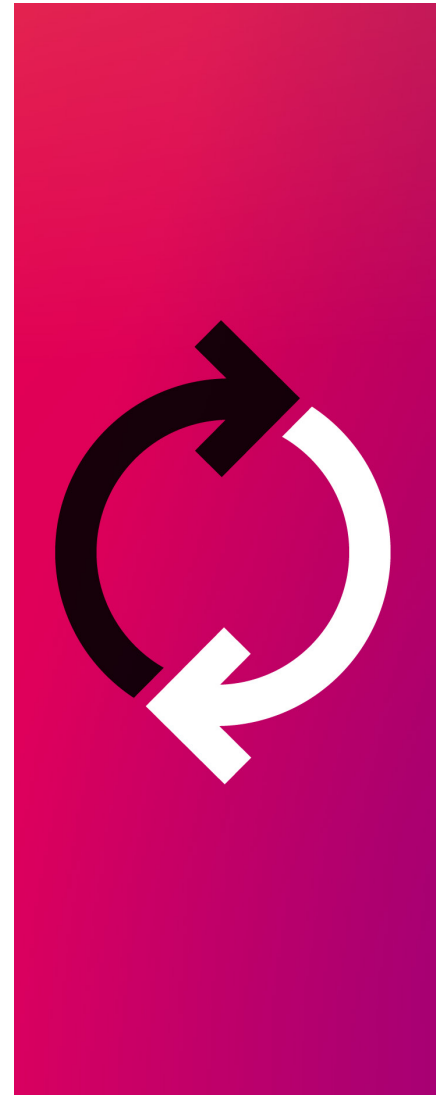
Change, as we all know, is inevitable. Consider recent changes to tax rules, such as **Making Tax Digital (MTD)**, as well as the fact that electronic trading and banking protocols are continually evolving. Governments are continually pushing companies towards electronic filing and reporting, and customers demand more efficient supply chains using automation to reduce costs. All these changes of regulations, functionality and needs have a direct impact on your business-critical software products. As an example: The immediate challenges of the General Data Protection Regulation (GDPR) compliance requires significant changes to ERP systems.

Continued operation of Dynamics AX will make it very difficult if not impossible to adhere to these external changes, and ultimately, this may result in businesses breaching rules and disrupting operations. To comply with the demands will require extensive adjustment outside the system, thus undermining the benefits of an integrated ERP.

Organisations evolve as the demands of the markets change, and ERP systems should equally evolve to support these changes. If not, the ERP system no longer supports the business processes, and hence the purpose of an integrated ERP is at stake.

To protect the ERP investment, the system needs to keep pace with the business requirements and changes. Hence it is necessary to adapt, adjust and use new features. Hardware, database software, office productivity systems, business intelligence tools and cloud computing have all evolved hugely, but the ability to take advantage of these innovations is severely hampered when using unsupported ERP software that relies on the technology and functionality of the past.

However, any upgrade shouldn't be taken lightly – there is work to do with testing and retraining users. Planning well ahead before the EoL takes effect, allows ample time to execute correctly and avoid the issues identified above.

# Opportunities for business efficiencies

There have been four significant releases since Dynamics AX 2009 and 2012 were first introduced, bringing thousands of product improvements and hence the potential for further streamlining of business processes.

## For example, these releases enable:

- Flexible financial reporting and analysis with unlimited financial dimensions.

- Simplified master data management and reporting due to shared data such as the chart of account, financial periods, exchange rates, products and the global address book.

- Scheduling of people onto projects, leveraging the HR modules competency framework.

- Better scheduling of manufacturing, including predictive insights and AI for supply chain processes.

- Wider use of workflows and policies for approvals.

In many cases, upgrading to the latest version eliminates the need for customisations and 3rd party products, potentially saving thousands of pounds per year in maintenance costs. In addition, this ensures operating a standard product supported by one partner in a more cost-effective manner.

Upgrading to the latest version of Dynamics 365 also offers the opportunity to re-evaluate decisions that were made on the initial implementation. This allows businesses to assess whether they are still offering the benefits required and to adopt or make changes, if necessary. It also presents the perfect opportunity for cleansing existing data and thus enhance data quality.

# Upgrade options

## Move to Dynamics 365 Finance or Dynamics 365 Supply Chain Management

Microsoft has split the capability in Dynamics AX into two new Dynamics 365 applications – Dynamics 365 Finance and Dynamics 365 Supply Chain Management, both of which are logical upgrade options.

These applications offer the same core functionality as Dynamics AX, so users of Dynamics AX will be familiar with the capabilities.

The benefit of the new licensing model is that organisations can buy the apps they need rather than buying the whole plan. This way, customers do not get stuck paying for capabilities they do not need or use. This should reduce license costs for most, as you will only pay for what you use. Although the new pricing model is on a per-app basis, the plan still allows for bundling multiple apps.

| Upgrade option 1 | Upgrade option 2 |
|---|---|
| **Dynamics 365 Finance** | **Dynamics 365 Supply Chain Management** |
| Dynamics 365 Finance is an ERP application for finance leaders in medium to large organisations. | Dynamics 365 Supply Chain Management is a supply chain application for operations leaders in medium to large organisations. |
| Dynamics 365 Finance includes financial management features to help you monitor performance in real-time, predict future outcomes and make data-driven decisions to drive business growth, all of which help organisations become more efficient. | Dynamics 365 Supply Chain Management enables operations leaders to transform manufacturing and supply chain operations using predictive insights and intelligence from AI and Internet of Things (IoT) across planning, production, stock, warehouse and transportation management. These capabilities help to maximise operational efficiency, product quality and profitability |

Because Dynamics 365 applications are cloud-based, updates are frequently scheduled. This means there's no wait for new versions to be released to get the latest features and updates. New development and fixes are also rolled out frequently for Dynamics 365.

### Access to Power BI
Access to Power BI, Microsoft's class-leading business intelligence tool, is another reason to consider a move to a cloud-based solution. Perhaps one of the most valuable additions to Dynamics 365 Finance and Dynamics 365 Supply Chain Management is Power BI. With Power BI, it's possible to create and embed highly intuitive business reports and visualisations into the Dynamics 365 interface. This allows users to unlock, and leverage, important data and generate reports instantly.

### Access to artificial intelligence
There are numerous apps available that integrate with Dynamics 365 such as machine learning and artificial intelligence (AI). These apps allow you to assess the health of your business, make strategic decisions faster to drive growth by using real-time, unified global reporting, embedded analytics and predictive insights.

# Dynamics 365 licensing

If you purchase Dynamics 365 Finance as a Base licence and need operations and manufacturing capability, you can easily add on Supply Chain Management, as an Attach license, for a heavily discounted price. The same applies if you were to purchase Dynamics 365 Supply Chain Management as a Base license, you can easily add on Dynamics 365 Finance as an Attach license.

Dynamics 365 Finance or Supply Chain Management Base licenses are £135.70, and then an additional Attach licenses cost £22.60.

| Base License for Dynamics 365 Finance | Base License for Dynamics 365 Supply Chain Management | |
|---|---|---|
| **Dynamics 365 Finance**<br>£135.70 per user/mo<br>20 seat minimum | **Dynamics 365 Supply Chain Management**<br>£135.70 per user/mo<br>20 seat minimum | |
| Attach License | Attach License | |
| **Supply Chain Management**<br>£22.60 per user/mo | **Finance**<br>£22.60 per user/mo | |
| **Activity £37.70** | **Device £56.60** | **Team members £6** |

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# Upgrade offers

## 5-day upgrade readiness assessment

Dynamics AX to Dynamics 365 Finance/Supply Chain Management

Our upgrade readiness assessment involves a comprehensive review of your business to create a plan for upgrading from Dynamics AX to Dynamics 365 Finance/Supply Chain Management.

**Find out more >>**

## Free 2-hour briefing and demo

Incremental's Dynamics AX to Dynamics 365 Finance/Supply Chain Management demo and briefing will highlight the key functionality available from Dynamics 365 and demonstrate the areas relevant to your organisation.

**Find out more >>**

## About Incremental Group

Incremental Group works with organisations using Dynamics AX to assess the risk to their business of remaining on an unsupported version of AX and the business benefits to be derived from upgrading.

This involves one of our highly experienced AX consultants conducting an upgrade readiness assessment (taking into account customisations and 3rd party modules), highlighting the risks and opportunities for businesses and demonstrating later versions to showcase what benefits can be delivered.

Finally, Incremental Group will objectively prepare a report with a recommendation on the best option for the organisation with an implementation plan to allow a thorough consideration of the next steps.

**Incremental** Group