Sage Line 50 & Microsoft Dynamics GP

Advice for When You Have Outgrown Sage (Line) 50

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Overview

Sage 50 (formerly Sage Line 50) is an accounting system for smaller companies, but as companies mature, grow and seek out new markets they often find that the performance and features of smaller systems do not support their business and outgrow Sage 50. To meet the needs of those companies who have outgrown Sage, Microsoft have a Sage to Dynamics GP migration path that includes data import tools, pricing options, and implementation assistance to help Sage users move up to a more robust solution. This report highlights the reasons why companies would consider moving from Sage 50 to Microsoft Dynamics GP.

About Sage Line 50 Accounts

Sage 50 is one of the UK's most popular accounting systems (referred to in this report as "Sage") with more than 100,000 users. It has a good feature set for smaller businesses, however with the ever changing economy and the flexibility and adaptability that is required by businesses, it does have limitations that user companies can reach. Sage provides excellent value and a wide range of features to meet the needs of smaller businesses. The aim of this document is to discuss these features and offer advice for getting the most from your Sage solution before replacing with Microsoft Dynamics GP.

Outgrowing Sage Line 50

As companies grow and develop, pressure can be put on the software that runs your business. Changes that can lead companies to review their Sage installation can be expansions of product lines, overseas trading or increases in employee numbers. These types of changes can lead companies to review their business system and processes to regain competitive edge, or even save money.

Sage 50 Editions and Pricing

Sage's Software produces three editions of the Sage 50 accounting system priced at escalating price points, as follows:

- **Sage 50 Accounts**

  Sage 50 Accounts is designed to make sure that you remember every item on your daily workload, and help ensure that it gets done.

- **Sage 50 Accounts Plus**

  Sage 50 Accounts Plus adds features to help cash flow manage project costs against budgets, control costs of manufactured products and improve stock management.

- **Sage 50 Accounts Professional**

  Sage 50 Accounts Professional adds sales and purchase order processing and foreign trading tools.

Product	Price
Sage 50 Accounts 2009	£550.00
Sage 50 Accounts Plus 2009	£795.00
Sage 50 Accounts Professional 2009	£1075.00

Each one of these products is essentially the same, with more functionality added each time.

For example Sage 50 Accounts Plus has more advanced features to help you manage stock allocation.

Companies that outgrow less expensive editions of Sage may find adequate solutions by migrating upward to the more expensive editions of Sage. Ultimately, larger companies can outgrow even Sage's strongest solution – which is the focus of this report. Therefore, references in this report to *"Sage"* are intended to refer generally to all 2009 editions of 50 Accounts family.

Outgrowing Sage Line 50

As companies grow they will find a number of reasons that they outgrow their current business system. These include:

1. As companies grow and develop, the need for more advanced business system features expands as well. When you are doing manual work arounds, using third party products, or indeed doing the majority of your accounts in Microsoft Excel you will have typically have found that features are lacking in Sage.
2. Another result of growing companies is that the volume of transactions can increase as well, alongside the number of individuals you require to be on Sage at the same time. Concurrent user levels can be hit (10 in the most recent version) and also performance of the application can slow down. The database that Sage 50 runs on is MySQL, and you can hit performance issues when the database reached approximately 32,000 rows. You will notice the performance of reports slow down as well as the processing of transactions.

Sage 50 Feature Set

The entry level Sage 50 product, Sage 50 Accounts 2009 has the following features:

- Invoicing Module
- Sales Ledger
- Purchase Ledger
- Nominal Ledger
- Limited Stock Control
- VAT Module inc. Online Submissions
- New Chase Debt Function
- Outlook Diary Integration

- Improved Financial Reporting
- Excel Integrated Reporting

Sage 50 Accounts Plus 2009 (the new name for Sage Line 50 Accountant Plus) is more advanced that Sage 50 Accounts includes:

- Invoicing Module
- Sales Ledger
- Purchase Ledger
- Nominal Ledger
- Stock Control
- VAT Module inc. Online Submissions
- Improved Financial Reporting
- Excel Integrated Reporting
- Advanced Pricing
- Project Costing
- Fixed Asset Register
- Cheque Printing

Sage 50 Accounts Professional 2009 is again more advanced that Sage 50 Accounts Plus and includes the following functionality:

- Invoicing Module
- Sales Ledger Purchase Ledger
- Nominal Ledger
- Stock Control
- VAT Module inc. Online Submissions
- Improved Financial Reporting
- Excel Integrated Reporting
- Advanced Pricing
- Project Costing
- Fixed Asset Register
- Cheque Printing
- Foreign Currency
- Sales Order Processing
- Purchase Order Processing

Sage 50 Database

Sage Line 50 runs on a MySQL database which is now part of Sun Microsystems. The most recent release of this is version 5.1 was launched at the end of November 2008. MySQL is an open source database and whilst a free community version does exist, in the same way as SQL Server Express 2008, the production support that most companies need requires the MySQL Enterprise Edition that costs $595 to $4,995 per server per year. There are several reasons why customers should question running their business systems on MySQL:

- **Support**

MySQL has limited support, in terms of development and support staff, to meet the demands of the needs of growing companies. This is a risk to running mission critical applications on open source databases as well as the commercial open source model that MySQL uses. It is questionable whether MySQL will be able to meet increasing customer demands especially as the way business is changing in the current economy requires agility from their database solution.

- **Partner Ecosystem**

SQL Server has over 5 times as many ISV's and therefore a much greater number of developers and partners and DBA's to support Microsoft SQL Server compared to My SQL. When talking to businesses about the Microsoft Dynamics applications you are consequently much more likely to be speaking to an individual who has experience of SQL Server.

- **Performance and Scalability**

MySQL lags the industry in terms of performance and scalability and can be argued is not ready for mission critical applications. Unlike SQL Server it only has a basic query optimisation, no proven performance in industry standard benchmarks and performance claims are based on operational configurations that may not be typical or suitable for Sage databases. Conversely Microsoft has published white papers that have tested the scalability of Microsoft Dynamics GP 10 to 1000 concurrent users on SQL Server 2005 and have also announced compatibility with SQL Server 2008 with GP10 Service Pack2.

- **Security**

One of the most important aspects of a business system is the security and compliance to any local policies. MySQL, relative to other mainstream database products suffers from security challenges and recent studies have found that SQL Server on Windows is more secure that MySQL on Linux with fewer vulnerabilities and days of risk. Also MySQl does not offer automatic patch updates, another feature of SQL Server running on Windows.

- **Cost**

Although a free community version exists, the majority of companies running MySQL will need the paid for version, the Enterprise Edition. Further additional costs may be faced for adding third party tools such as backup and business intelligence, which are all included in SQL Server. Further, many of these features are included in the free version of SQL Server, SQL Server Express, on which you can run Microsoft Dynamics GP.

- **Availability**

There are key database features that mission critical systems require to keep them up and running. My SQL lacks many of these. They include database mirroring, failover clustering, database snapshots, peer-to-peer replication and log shipping. All these features are part of SQL Server.

- **Business Intelligence**

One of the key components of a business system is the ability to report on the data that it contains. MySQL does not provide key features such as Online Analytical Processing (OLAP), data mining and Reporting Services that are all components of the SQL Server solution and that Dynamics GP takes advantage of. With Sage, you have to rely on third party vendors to provide the reporting solution adding additional cost to the overall solution. The SQL Server tools are surfaced in end user applications such as Excel to allow users to manage, interrogate and build their own reports without reliance on IT staff.

- **Integration**

A major requirement of all business systems is the ability to integrate data from other sources such as websites, third party billing applications and customer relationship management (CRM)systems. SQL Server Integration Services, again a core component of the SQL Server solution, provides these, whereas MySQL does not offer such robust tools to integrate data with other systems.

- **Manageability**

SQL Server offers management tools to provide simple upgrade wizards, rich diagnostic tools in Profiler, automated tuning and other features such as scheduling and tracing. These tools make SQL Server a much easier database solution to manage and maintain, reducing the IT effort and costs. The limited manageability offered by MSQL can place additional strain on IT resources.

Upgrading From Sage Line 50 to Dynamics GP

Sage Line 50 is widely considered to be one of the strongest entry level accounting systems on the market; therefore if you've outgrown Sage's performance and feature set, it is most likely time for your company to step up to larger accounting system solution designed specifically for companies with revenues from £1 million to £500 million. Companies that have outgrown Sage should consider stepping up to Microsoft Dynamics GP for the following reasons:

1. **Feature Set**
   Dynamics GP has richer, more comprehensive features set compared to Sage 50. For example, listed below are 40 features provided by Dynamics GP that are not found in Sage 50.

1. Customisable accounting periods	2. Directed Picks up
3. Support for 13 accounting periods	4. Stock Put-Aways
5. Data filtering across all ledgers	6. Flexible BOM costing methods
7. Multiple variations of budgets	8. Phantom' BOMs
9. Viewing journal impact before posting	10. Order promising

11. Fixed asset management	12. Automatic Customer project billing
13. Asset valuation projections	14. Project WIP reporting and posting
15. Subsidiary companies	16. Project Budget and estimate for detailed capacity planning
17. Intercompany postings	18. Project Cost charging against Jobs
19. Consolidation of multiple charts of accounts	20. Project Individual item charging
21. Prepayment management	22. Service-orientated time tracking and billing
23. Reporting in local and "home" currencies	24. Project Time and expense billing
25. Supplier discount prioritisation	26. Manufacturing product tracking
27. Intercompany invoice allocation	28. Manufacturing supply and capacity forecasting
29. Auto purchase order completion	30. Manufacturing "What-ifs"
31. Stock transfers	32. Field Service Management
33. Warehouse zones	34. Contract Administration
35. Sales Returns orders	36. Replacement and repairs tracking
37. Stock "What-if" analysis	38. Resources planning
39. Stock "in-transit" capacity	40. Fault reporting

2. **Database**

Dynamics GP is deployed on Microsoft SQL Server: proven to be a more robust, scalable database. SQL Server can handle millions of transactions without slowing down, whereas Sage's MySQL database performance can start declining after just 30,000 transactions. Specifically, Dynamics GP offers four database options, as follows, all based SQL Server:

1. Microsoft SQL Server for an unlimited number of users.
2. Windows Essential Business Server for up to 300 users
3. Small Business Server (SBS) 2008 Premium Server Edition for up to 75 users.
4. Microsoft SQL Express Edition for up to 10 users.

These database options are essentially the same SQL Server database with differing features, functions, and administration requirements suited to target different sized customers. Microsoft SQL has been the top selling database world-wide for more than 10 years.

3. **Diversity of Modules**

Dynamics GP offers a wider range of modules to meet a varied range of company needs. For example, Microsoft Dynamics GP offers advanced distribution, manufacturing, supply chain, field service, human resources, project accounting, business intelligence, business portal, and collaboration functionality. A complete listing of all of the modules distributed by each product is presented in the table below.

Dynamics GP Modules	Sage 50 Modules
Analytical Accounting	Nominal Ledger
Bank Reconciliation	Sales ledger
Encumbrance Management	Purchase ledger

Fixed Asset Management	Invoicing and quote management
General Ledger with AFA	Document management
Intercompany	Project costing
Multicurrency Management	Cash Flow Planner
Payables Management	Bank Reconciliation
Receivables Management	Report Designer
Account Level Security	Multicurrency
Cash Flow Management	Stock Control
Collections Management	Bill of Materials
Customer/Vendor Consolidations	Stock Allocation
Electronic Bank Management	Sales Order Processing
Electronic Bank Reconcile	Purchase Order Processing
Electronic Funds Transfer	Fixed Assets Register
Field Level Security	Advanced Pricing
Grant Management	Excel Integrated Reporting
National Accounts	Credit control
Refund Checks	Card payments
Revenue/Expense Deferrals	Diary tasks
Audit Trails	
Electronic Document Delivery	
Cashbook Bank Management	
Electronic Reconciliation Management	
FRx Financial Reporter	
Advanced Analysis Cubes Library	
Analysis Cubes Library	
Electronic Signatures	
Microsoft Forecaster	
Enterprise Reporting	
SmartList Builder	
Inventory Control	
Invoicing	
Landed Cost	
Purchase Order Processing/Receivings	
Sales Order Processing with Advanced Invoicing	
Available to Promise	
Bill of Materials	
Order Management	
PO Generator	
Requisition Management	
Returns Management	
Advanced Distribution	
Advanced Picking	
eReturns	
Extended Pricing	
Manufacturing Bill of Materials	
Manufacturing Order Processing	
Master Production Scheduling	
Materials Requirements Planning	

Capacity Requirements Planning	
Engineering Change Management	
Job Costing	
Quality Assurance	
Sales Configurator	
Sales Forecasting	
Project Accounting	
Time & Expense	
Depot Management	
eService Call	
Field Service Anywhere	
Preventive Maintenance	
Service Call Management	
Contract Administration	
Benefit Self Service Suite	
HRM Self Service Suite	
Advanced Human Resources	
Human Resources	
Business Portal	
BP Named Vendor/Customer Users	
Client for Microsoft® Office and SharePoint® Server	
Client for Microsoft® Office and Windows® SharePoint® Services	
Customization Site License	
Integration Manager	
Developer Toolkit	
Modifier with Visual Basic for Applications	
Extender	

4. **Financial Reporting**

   Dynamics GP provides stronger financial reporting in many ways, further it offers far more reports (2000+ standard reports) than Sage. While both Dynamics GP and Sage allow users to edit reports and send them to Excel, only Dynamics GP allows users to view reports in real-time via Excel or via an integrated intranet: Business Portal. The Excel reports that Dynamics GP provides, more than 200 out of the box, contain an active Office Data Connection (ODC) link to the Dynamics GP database, ensuring data is never out of date whenever the Excel file/report is opened. Dynamics GP also has over 70 standard reports based on the server database reporting engine, SQL Reporting Services (SRS).

   FRx, the financial reporting tool that comes with Dynamics GP, allows users to build reports customised to their own requirements. These can then be scheduled to be printed automatically at regular intervals, and automatically published to Business Portal or emailed to recipients. This ensures that the correct reports are generated and delivered in a timely fashion to the required recipients, without effort from the finance department. Booklets of reports can be built to meet monthly reporting requirements. These can include FRx reports, Word documents, Excel spreadsheets, PowerPoint slide shows, etc. to create a

complete booklet. An example report produced in FRx Financial Reporter showing actuals vs budgets is shown below:

5. **Personalisation and customisation tools**

   Several end-user tools are available to Dynamics GP users to allow users to set up Dynamics GP to the exact way they want to work. These can be configured by individual user or group of users (user classes) to ensure consistency across your organisation. Users can control which icons are displayed on toolbars, which buttons are shown and how they are positioned. The appearance of the application can be controlled by each user as well, which improves user adoption as they become more familiar with the application faster. There is also the ability to add short cuts to any Dynamics GP window so if users only need access to 2 or 3 windows, these can be set as shortcuts, removing the need to navigate around the application.

   The List Views, added to Dynamics GP 10.0, improve user personalisation further. Users can control which buttons they see, the columns in the list and even the actions available on the menu bar. The user interface can be completely tailored to how customers want to work, improving end user productivity and user adoption. The screenshot below shows a "Manage Customers" list which is a customised view based on the standard "Debtors" view.
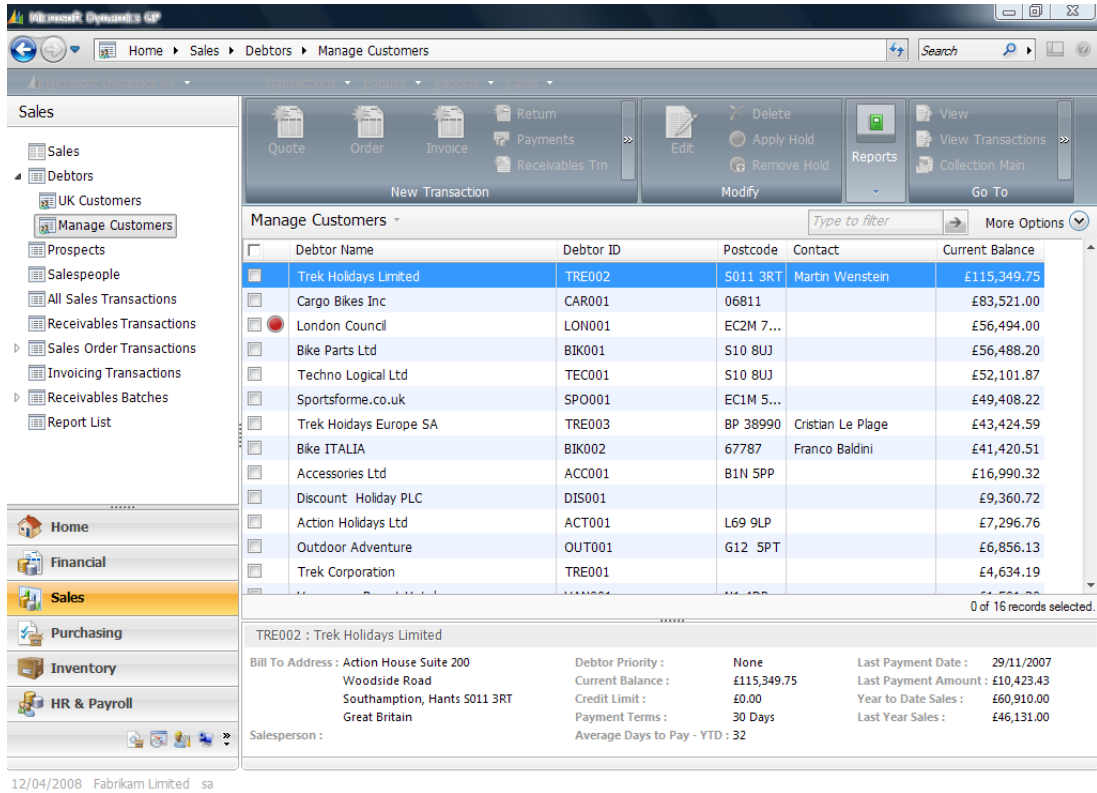
Dynamics GP can be further tailored by the use of the Module Extender. This allows you to incorporate powerful features to link additional windows, expanded notes and macros and easily launch ad hoc queries based on the information recorded in these new windows. It allows Dynamics GP to be simply customised to meet vertical and additional requirements of companies.

If required, Dynamics GP has a full development environment which allows more advanced users and developers to build customisations. There is a full Developer Toolkit for Dynamics GP that allows you to tailor and extend your Microsoft Dynamics GP business solution with a .Net toolkit that includes documentation, samples, and command-line tools and compilers. This allows developers to create and deploy .NET Framework applications. The Developer Toolkit combines the power of Visual Studio Tools, Web services, and eConnect to enable automated and real-time .Net solutions to be deployed. These can streamline your business activities with the same look and feel as your familiar Microsoft Dynamics GP interface.

6. **End User Productivity**

As companies grow, time becomes a more precious asset to the employees: decisions need to be made more quickly and information needs to be available to people as and when they need it. If your business systems are not supporting this, they become a hindrance to how your people work and how your business runs.

Dynamics GP allows your employees to be as productive as possible by delivering a roles-based user exprienced modelled around roles based tasks, alongside the familiar interface of

Microsoft Office. As previously discussed, the user interface is familiar to Office users, lowering training costs and allowing new users to get up to speed faster.

Dynamics GP also delivers a roles-based home page, called a Role Centre, that is specifically designed for people to view information and tasks associated with their job. Quick links allow shortcuts into any window of Dynamics GP or external applications. The My Reports section pulls together all the reports that a user will access most frequently so they don't have to find the information in the finance system every time. Reminders and tasks are linked to data held within GP to proactively notify users when certain criteria are met such as customers over their credit limit. There are also key metrics and links to Office Outlook on the Home Page. The screenshot below shows an example of one of the Role Centres.
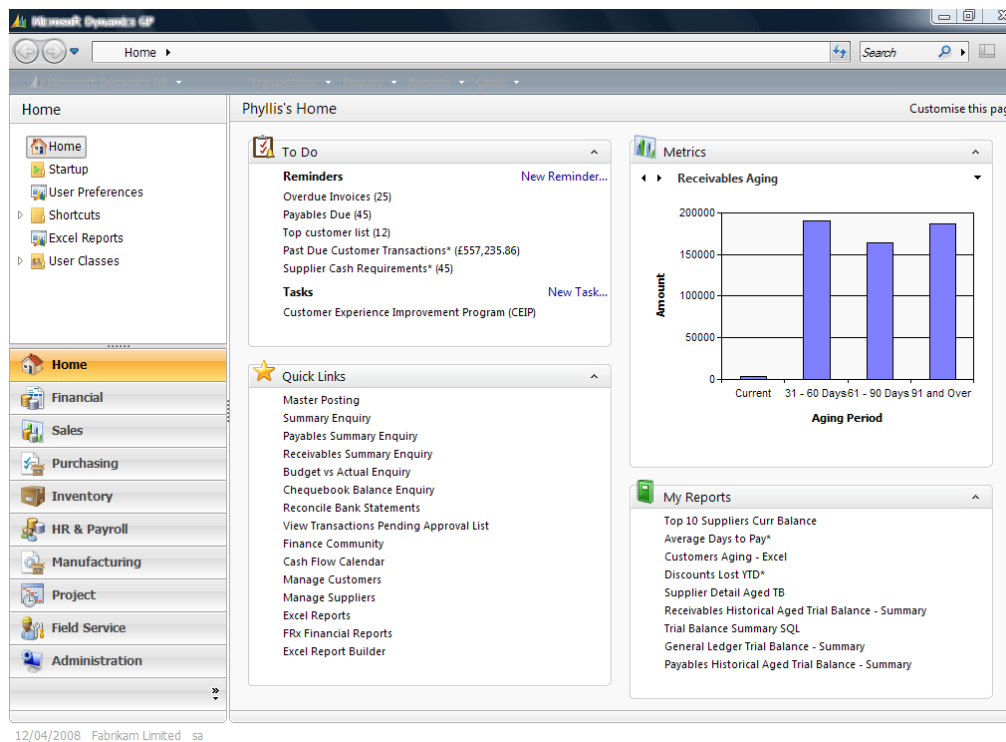

Using Business Alerts within Dynamics GP notifications can be automatically received by users in Outlook, and, when combined with Office SmartTags, they can drill back directly into the source data.

As a result of the Microsoft investment in Dynamics, users can also take advantage of the links into Word, Visio and even MapPoint. When writing letters in GP, to customers for example, Word automatically creates the mail merges and links into the Dynamics GP data so personalised letters can be created using Word yet drawing on information held within the business system.

7. **Business Insight with Office Excel and Access to Data**
Dynamics GP offers exceptionally deep integration with Office Excel, to allow users to report, analyse and budget on information held in Dynamics GP in a tool that is familiar to them: Microsoft Excel.

Microsoft Dynamics GP includes more than 200 built-in Excel reports that people can customise themselves to meet specific needs. The data can be manipulated using pivot tables and graphs to allow real-time reporting of GP information within Excel. The data within the reports refreshes automatically every time the spreadsheet is opened: thus saving time on rebuilding complex information and without the need to run export routines. The reports are held in a central location, allowing non –GP users to access the data as and when they want it and in a format they know how to use. Ad hoc queries can be run on this data without the end users having to understand complex data structures. The following screenshot shows the Top 10 Supplier Balances, simply modified from the standard Suppliers Excel report that is part of GP 10.0.
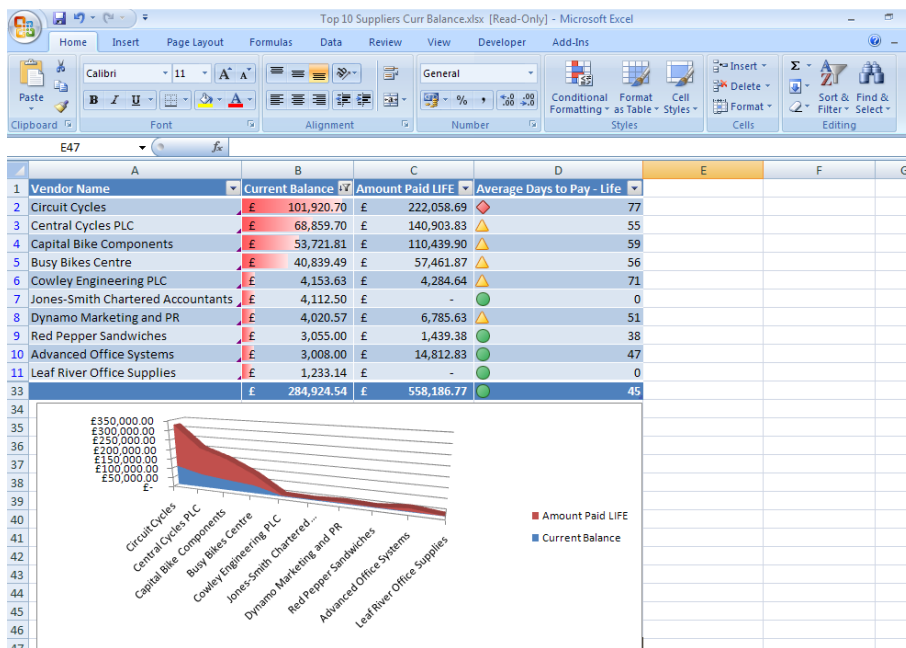
Dynamics GP has built-in Excel budgeting to help users manage their budgets in a simple format. A wizard simplifies the process of selecting account information, exporting out to Excel and then importing back the modified data back into GP. Budgets can be based on historical balances, percentage increases or be completely created from scratch.

Dynamics GP also uses features of SQL Server for data analysis. An example is the SQL Server Analysis Services cubes which deliver insight into metrics and trends. The information is surfaced within Excel and can be authored in either Excel or from within Dynamics GP. When Dynamics GP is deployed with Office SharePoint Server, this information can be published as dashboards within a portal, as displayed in the screenshot below.
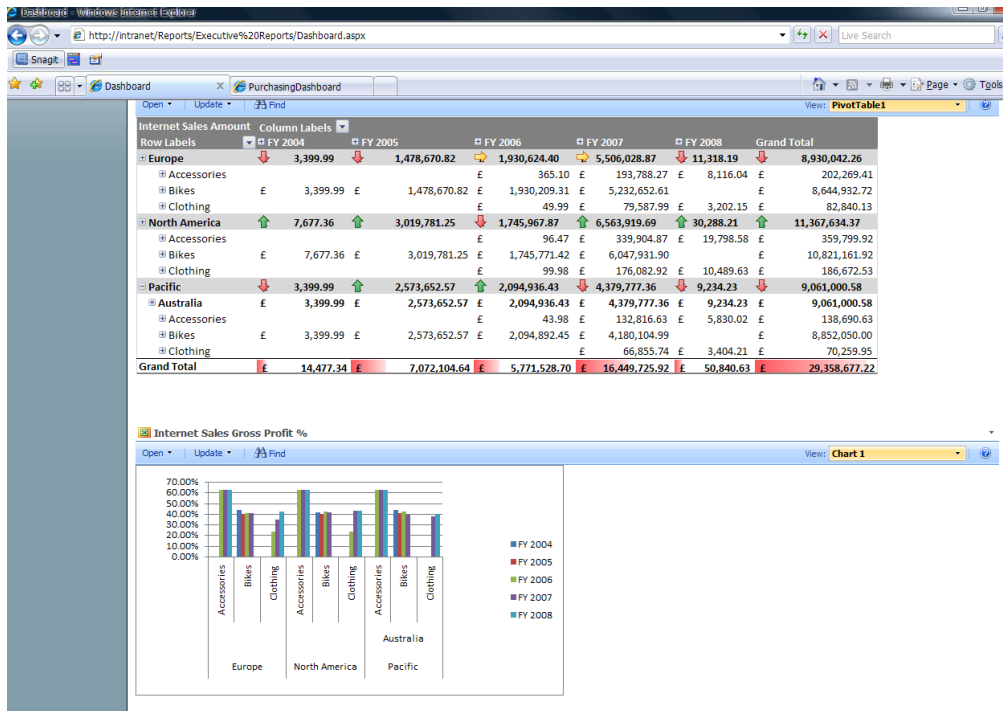
SmartLists is a Microsoft Dynamics GP query tool that lets people quickly create sophisticated queries to find detailed information that is of help within GP. It builds queries in a simple fashion that allow users to build their own library of reports on top of the more than 200 predefined SmartList Favourites.

Smart Lists also offers a search or filtering tool. This allows users to refine any data set or report by any set of criteria. For example, we could filter a SmartList to provide us with a list of only those customers whose "city" was "Birmingham" and who have a balance of greater than £10,000. Exporting query data from SmartList to Office Excel or Office Word is as easy as opening a SmartList favourite and clicking a single button.

SmartList Builder and the Excel Report Builder allow users to create personalised SmartLists and Office Excel Reports in a simple end user window. This allows users to build reports that meet their own requirements without the need to involve IT resource or external consultants. Complex reports such as a consolidated view of all suppliers and invoice details by company can easily be built, and published to Excel for use by external users. The screenshots below show: a)on the left, a report built using Excel Report Builder of all suppliers across all companies, with the individual companies shown in the tabs in the spreadsheet; and b) on the right, a standard SmartList.
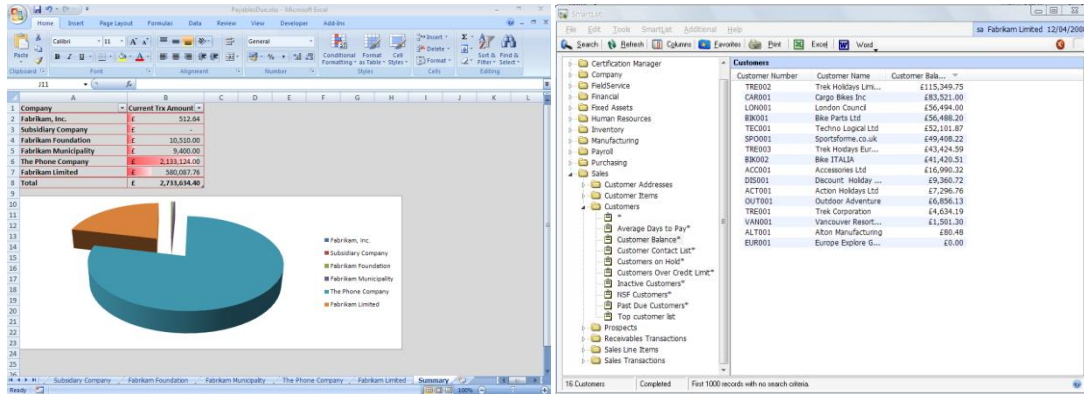
8. **Networking Architecture**

   Dynamics GP and Sage use different approaches when it comes to server deployment. Technically, Sage offers only a two-tier solution, while Dynamics GP offers two-tier, three-tier, and n-tier solutions. Technical definitions for these three methods of server deployment are presented below:

   1. Two-tier systems support processing only at the server and workstation, hence, only two computers are involved.

   2. Three-tier systems allow users to separate the database from the application and place them on different servers. For example, Dynamics GP order entry may reside on its own server, separate from the rest of the accounting system. With a three-tier system, three or more servers can be deployed to accommodate the various Dynamics GP applications.

   3. N-tier systems allow users to define where processing for specific operations will occur. For example, the processing of reports may occur on its own server, separate from the rest of the accounting system. With an n-tier system, an unlimited number of servers can be deployed to accommodate the various Dynamics GP processes. This type of technology is commonly referred to as distributed processing.

   This means that Sage can only operate on a single server, while Dynamics GP can be distributed across multiple servers. Larger organisations that use Dynamics GP can increase speed and productivity just by adding additional servers to accommodate increasing volumes of transactions. Another benefit of distributed processing is that workstation resources are freed up, thereby allowing users to work faster, which increases employee productivity. When you consider that a ten-minute increase in staff productivity each day amounts to a savings of more than 40 hours each year per staff member, you can better appreciate the efficiencies of this type of technology. Lastly, Dynamics GP supports load balancing, which enables the system to automatically redirect processing from busy servers to available servers as required.

9. **Web Browser Access**

    A more recent innovation amongst accounting solutions is to provide access to systems via a web browser. Dynamics GP has a web browser solution called Business Portal that is built on the standard Windows SharePoint Services platform, a free of charge component of Windows Server 2003 and 2008. This allows access to Dynamics GP data by a far wider community of employees.

    Business Portal for Microsoft Dynamics GP delivers browser-based, role-appropriate access to Dynamics GP information and processes. It can be installed on Windows SharePoint Services or Office SharePoint Server 2007. This eliminates the need to load Dynamics GP on every user's desktop machine, by delivering web browser-based access. Business Portal can be tailored to your business and you can identify which tasks and information you wish to share by role and add reports, queries, and tasks to each role-tailored page.

    Business Portal has recently been updated to the Dynamics Client for Office which is a collection of products providing deep functionality for end users. This functionality includes deeper collaborative technology, business intelligence, workflow and search.

10. **Compliance**

    Companies always need to ensure that they have a very tight rein on their processes and data control. This risk management of corporate assets may even be seen as a competitive edge as it introduces discipline into organisations.

    Dynamics GP has functionality allowing risk management to be part of the core business systems through audit trails and electronic signatures. These enable companies to increase overall data integrity and data control as well as helping them comply with regulatory mandates such as producing a data change history.

    Audit trails tracks any changes to any data within Dynamics GP, along with the ability to recreate transaction history. Electronic Signatures enable preventative controls to be activated on any area in the system where data is changed, such as customer credit limits or supplier bank details. Users have to enter one or more required passwords before data changes can be completed.

Conclusion

Sage 50 offers an excellent solution for small businesses, but ultimately companies may outgrow the features and capacity of the Sage product. For companies in this situation, there are measures you can take to squeeze the maximum utility out of Sage. While these measures can help some, reaching this milestone is usually a clear sign that an upgrade to a stronger accounting system is warranted. Companies seeking to upgrade from Sage should consider Microsoft's migration path to Dynamics GP based on the increased features and performance, the affordable pricing, and the conversion utilities.

For more information about transitioning from Sage Line 50 to Microsoft Dynamics GP, e-mail MIG & Co. at info@mig.com or call us at 855-644-2677.

http://www.mig.com

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