

WHAT IS YOUR TCO?

SYSPRO vs. Dynamics 365 Business Central

Discover how you can save up to \$20,000 per year when you migrate from on-premises to cloud ERP.

What are your SYSPRO costs ?

Is your company currently using an on-premises ERP system like SYSPRO? By switching to a cloud-based ERP solution like Dynamics 365 Business Central, you could significantly lower your total cost of ownership and save over \$20,000 per year.

1

Annual Licensing
Fee (ALF)

2

Business Software
Licensing

3

Infrastructure &
Software Upgrades

Annual Licensing Fee (ALF)

Let's say you are using the typical 10-user SYSPRO solution with the core financial, distribution, and manufacturing modules. Your ALF would have come up to \$9,000. If you kept track, the ALF was higher in 2019 than 2018. This is because SYSPRO raised the software prices for new customers, and ALF is calculated against the SYSPRO Canadian pricelist. Since 2015, ALF fees have increased 3 times.

Costs: Approx. \$9,000 / year

Business Software Licensing

Software tools that are needed by SYSPRO in order to operate such as Microsoft Windows, SQL, and Remote Desktop Servers will cost another \$1,200 a year to maintain licensing. Combined with the ALF, you are already paying over \$10,000 per year. Eventually, at this rate, you will be able to repurchase the SYSPRO software every 7 years.

Costs: Approx. \$1,200 / year

Infrastructure & Software Upgrades

Every 5 years, you likely upgrade your server, clients, and network infrastructure, which is an additional cost of around \$25,000. Since SYSPRO only supports the current version and its recent predecessor, you are probably either using Version 7 or 8. Most companies upgrade their SYSPRO system every 4 years or so, which costs them around \$20,000.

Infrastructure: Approx. \$25,000 / every 5 years

Software: Approx. \$20,000 / every 4 years

TCO for SYSPRO On-Premises

Your on-premise solution costs around \$50,000 for the software upfront, around \$75,000 to implement, and since then, you've been paying around \$20,000 per year to keep it running.

A common misconception about on-premises solutions is that you won't have to make a monthly "rental" payment for the software. But with ALF, upgrades, and infrastructure updates, you end up paying a lot more than you would on a cloud-based subscription.

**Approx. \$20,000 / per year to
keep it running**

How does D365 Business Central lower your costs?

If you're looking to keep your total cost of ownership low, Microsoft Dynamics 365 Business Central is an all-in-one cloud-based ERP solution that lets you easily manage your financials, sales, service, and operations. Here's how you will save money when you migrate.

1

Never make ALF payments again

2

No software or hardware upgrade costs

3

Cut Maintenance & IT Costs

No More ALF

Dynamics 365 Business Central operates as SaaS and has a monthly billing subscription. This means you'll have a set payment per month per user, and there are no additional hidden fees for ownership. In fact, for the \$10,000 that you pay every year for ALF and licensing for SYSPRO, you can license about 7 users on Business Central Essentials.

No software or hardware upgrade payments

Since Business Central is a cloud-based ERP system, upgrades run automatically in the background and require minimum oversight from your IT personnel, so there are no additional software upgrade costs. You will never have to ask for a capital budget to do a big system upgrade ever again. You will also reduce hardware costs since you will not need to upgrade your infrastructure, build redundancies, or pay for servers. Your operating costs (for instance, electricity costs) will see a reduction as well.

Cut Maintenance & IT Costs

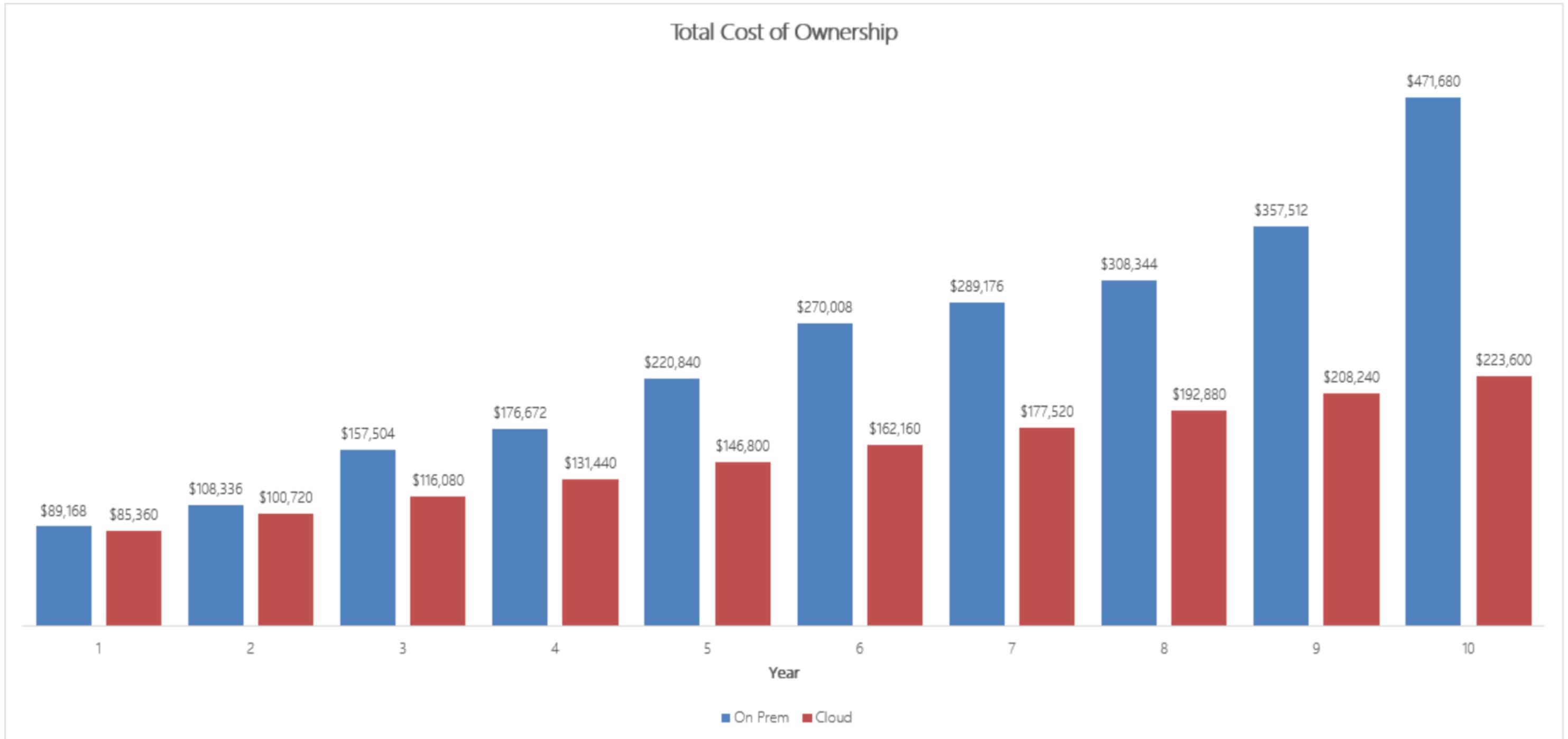
As a cloud-ERP, updates, fixes, and patches are released on a continuous upgrade cycle, allowing for immediate deployment, which means little to no maintenance requirements on your part. Your IT personnel will no longer need to spend the bulk of their time maintaining the servers, databases, and other technology. They can now be redeployed towards value-added activities, which can improve your company's bottom line.

TCO - SYSPRO vs. D365 Business Central

If you compare TCO of SYSPRO and D365 Business Central, you'll see that in the long-run, switching over to the cloud-based Business Central solution means a significantly lower TCO over a 5-year and 10-year period.

Business Central Customer Migration Model			
		Business Central (Cloud)	
Concurrent Users	10	Named Dynamics Premium Users	10
Concurrent Users	0	Named Dynamics Essential Users	0
Concurrent Team Users	0	Named Dynamics Team Users	0
ISV License Maintenance Fee (per average user, per year, if app)	\$0	Monthly ISV Subscription Fee (per average user)	\$0 per user
Technical Platform Costs (Hardware only)	\$25,000	Dynamics Subscription Discount Duration	0 months
Technical Platform Replacement Cycle	5 years	Monthly Partner IP Subscription &/or Support Fee (average per user)	\$0 per user
Annual Technical Platform Costs (Software)*	\$1,200 per year	Ongoing Customization Maintenance/Testing Costs (if needed)	\$0
Annual Technical Solution Support/Admin	96 hours	Ongoing Customization Maintenance/Testing Cycle (if needed)	6 months
Annual Technical Solution Support/Admin Cost per Hour	\$175	Current Solution Replacement/Migration Project Costs (upfront)	\$70,000
Assumed Solution Upgrade Project Costs	\$30,000	Solution Replacement Cycle	evergreen
Assumed Solution Upgrade Cycle	3 years		
Current Solution Replacement Project Costs (upfront)	\$70,000		
Current Solution Replacement Cycle	10 years		
3-Year TCO	\$60,000	3-Year TCO	\$74,256
5-Year TCO	\$145,000	5-Year TCO	\$95,760
10-Year TCO	\$290,000	10-Year TCO	\$149,520

Once the cost of migration has been absorbed, the cloud-based Business Central (red graph) shows offers a lower TCO as soon as the third year, compared to the on-premise SYSPRO solution (blue graph).





Next Steps: Register for a Free One Day Assessment

Making the switch to D365 Business Central means a lower TCO and countless other business benefits such as increased security, more agility, and the ability to work from anywhere, on any device.

If you'd like to learn more about what a transition from SYSPRO to Business Central would look like for your business, register for our free one-day assessment. The assessment includes a report determining whether making a switch to Microsoft Dynamics 365 Business Central from SYSPRO makes sense for you, as well as the cost, timeline, and requirements to adopt it.

[Sign up for free](#)

About Kwixand Solutions

Kwixand Solutions was founded in 2018 with a mission to provide small to mid-sized businesses with the strategies and solutions they need for successful digital transformation. As a trusted Microsoft Dynamics Partner, we work with clients across various industries to help achieve their business goals and scale with ease. With decades of experience in ERP, CRM, BI, and cloud technologies, our team of seasoned experts dive deep into the nitty-gritty of your business processes and values and work with you to develop a plan that is designed specifically for your business. We guarantee results - that is our commitment to success.

1-604-256-5800

info@kwixand.com

www.kwixand.com