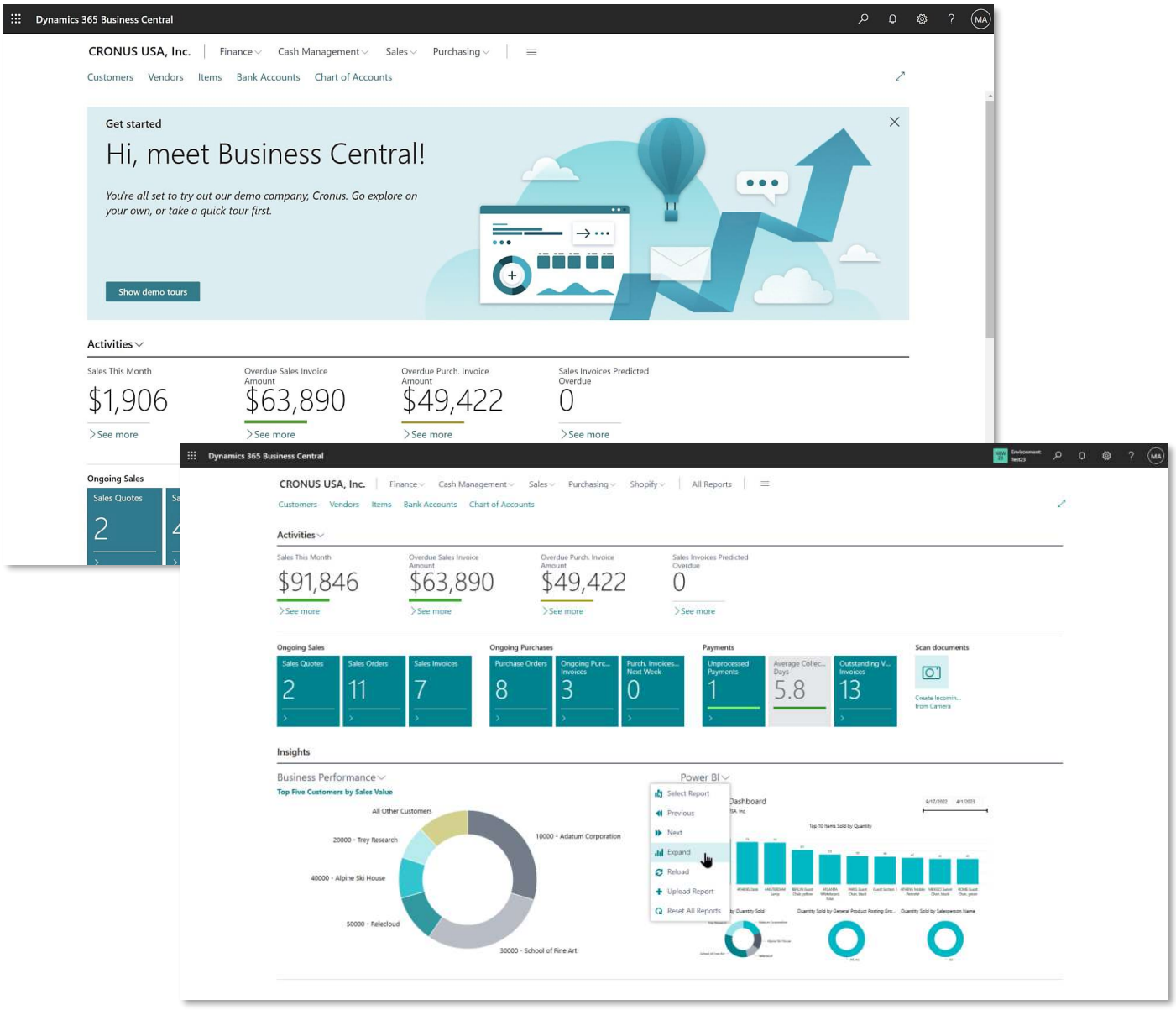
Microsoft Dynamics 365

Microsoft Dynamics 365 Business Central Capability Guide

Welcome to Dynamics 365 Business Central

Is your growing business struggling to manage finance, supply chain, service, or operations?
The way we work has evolved rapidly over the past decade, with new business models, advancements in AI technology, and changing work environments. Now is the time to move to the cloud and implement the right solutions to help your team deliver more value to customers—no matter where they are working from.

This capability guide offers an overview of Microsoft Dynamics 365 Business Central's key features. It will help you assess your business's unique needs and identify the next steps in selecting a comprehensive business management solution. Business Central provides the collaborative capabilities you need to connect your teams using a single solution, so everyone across the organization is empowered to adapt faster, work smarter, and perform better.



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Business Central product overview

Business Central is a business management solution for small and mid-sized organizations that automates and streamlines business processes and helps you manage your business.

Highly adaptable and rich with features, Business Central enables your company to manage your business, including finance, sales, service, project management, distribution, manufacturing and more. You can easily add functionality that is relevant to your region of operation, and that is customized to support even highly specialized industries. Business Central is fast to implement, easy to configure, and leads innovations in product design, development, implementation, and usability.

A cloud-based solution

Business Central is an all-in-one, cloud-based ERP (Enterprise Resource Planning) solution designed to streamline your business operations. Cloud technologies provide a critical advantage for addressing the top business priorities and enabling businesses to:

- Adapt to new technologies.
- Improve security, privacy, and reliability.
- Enable scalability, flexibility, and easier onboarding.
- Free up IT resources to focus on high-value work.
- Leverage ready-to-use AI features.
- Accelerate business insights.
- Remain current and compliant.

The Microsoft Cloud takes these benefits a step further so you can run your entire digital infrastructure within the cloud. Dynamics 365 integrates with Microsoft 365, giving you unparalleled integration across systems and processes for better productivity and collaboration in one solution.

Onboarding

Setting up Business Central can be done by customers or Microsoft partners. While it is recommended to work with a partner who knows the industry of your business, it is possible to set up Business Central on your own. You can get help from the vast educational resources available on Microsoft Learn, as well as the in-product guidance from wizards and interactive tips, that allow you to learn at your own pace.

Microsoft partners can deliver pre-configured packages that support a given industry or business domain, so only business specific settings need to be changed. When onboarding new users to your organization, a welcome banner can be configured to provide them with a Day 1 checklist so they get off to a great start with Business Central. Chat with Copilot further supports onboarding scenarios by bringing educational content to the user with a few clicks.

Connected to Microsoft 365

Empower people to be more collaborative, productive, and impactful with the power of collaborative applications. When Business Central and Microsoft 365 work together, small and medium-sized businesses can boost productivity and redefine how work gets done. With data delivered directly to familiar apps like Outlook, Excel, and Teams, employees get the information they need without switching between applications. With OneDrive for business, workers can easily co-author business documents.

Microsoft Teams

Connect Microsoft Teams to Business Central and efficiently share and interact with real-time data, transforming Teams into a centralized hub for all your daily operations. From Business Central, quickly share data to jumpstart conversations in Teams. With the Business Central app installed to Teams, stay in the flow of work by viewing and editing any business data directly from group chat or channels. Easily look up your vendors and customers to view their history without switching apps and share details with coworkers to make faster team decisions. Empower each department to self-serve by unlocking critical data they need to succeed - even for workers that don't have a Business Central license.

Microsoft Outlook

At the core of most businesses lies the unwavering commitment to deliver exceptional products and services to customers. With Business Central and Outlook working together, employees gain valuable business insights delivered directly to their inboxes so they can save time while staying focused on delivering extraordinary experiences.

Use templates to quickly send payment reminders, order confirmations, and other emails directly from Business Central connected to your shared mailbox. Connect real-time data from Business Central to Outlook. Save time with visibility into customer and vendor information like sales, purchase details, and more without leaving your inbox. Set up customers or vendors, create quotes, submit invoices, and more from within Outlook so you can focus on the task at hand.

Microsoft Excel

For finance and operations teams, Excel is a fundamental tool that plays a pivotal role in their daily tasks. Enabling these teams to maximize their productivity within their preferred application can lead to significant productivity gains.

Export any Business Central data to an Excel worksheet to capture data snapshots or share for review. Save time by bulk updating records in Excel and uploading the revised records to Business Central with just a few clicks. Get timely operational insights from Business Central as Excel reports and adapt quickly by customizing report layouts as Excel worksheets. Easily analyze transactions and business data using pivot tables, charts, and calculations to get answers quickly.

Streamline team-based activities like budgeting and planning with multi-player co-authorship and functionality. Create, edit, and access Excel documents as a team, then publish the final outcomes back to Business Central.

Connected to the Power Platform

Integrating Business Central with the Microsoft Power Platform offers a solution that enhances business productivity and efficiency. It provides a set of tools that enable you to analyze data, build solutions, automate processes, and create virtual agents.

Use Power Automate to set up and use workflows to connect business-process tasks performed by different users. Get insights into your Business Central data with Power BI and create custom visualizations and reports. Use Power Apps to build the perfect app solution for your business domain—one that uses Business Central data and processes and maximizes your productivity. With Copilot Studio you can build conversational experiences that connect to knowledge and data from Business Central and can operate standalone. With Power Pages you can develop low-code business websites delivering vital information and services to your customers.

Take your business on the go

Access your Business Central data from your mobile device. Navigate through your business data and use features such as send to Excel or Microsoft 365, view up-to-date charts and KPIs, email sales quotes and invoices, and shoot and attach pictures with your camera. The Business Central app is available for download on the App Store and Google Play, ensuring you stay connected and manage your business efficiently, no matter where you are.

Copilot and AI

Boost productivity, spark creativity and eliminate tedious tasks with Copilot, your AI-powered assistant.

Microsoft Copilot is the world's first AI-powered assistant across all lines of business. With Copilot in Business Central, small and medium-sized organizations empower their employees through intuitive AI tools that save time and make Business Central easier to learn and use. Copilot requires no complex configuration and no extensive AI training to get started.

Security and privacy with Copilot

Copilot is an integral part of Business Central. By unlocking the use of Copilot in Business Central under your governance, you minimize the risk of employees transferring business data to external AI applications beyond your control.

Copilot is built on the Microsoft Cloud and designed for enterprise use, with the security, privacy, and compliance controls that our customers expect. It can be used by any Business Central user that you grant access to.

Copilot adheres to existing data permissions and policies, and its responses to you are based only on data that you personally can access.

Your business data, prompts (inputs) and Copilot's responses (outputs or results):

- Are not viewed by Microsoft.
- Are not available to other customers.
- Are not used to train or improve Microsoft AI models or any third-party products or services (such as OpenAI models).
- Are not stored outside your organization's compliance boundary

Responsible AI

Copilot in Business Central adheres to Microsoft's responsible AI principles, including fairness, reliability, safety, privacy, security, inclusiveness, transparency, and accountability. Integrated with Dynamics 365 and Power Platform, Copilot inherits their security, privacy, and compliance measures, such as multi-factor authentication and compliance boundaries. You can control access through permissions, and authentication mechanisms ensure data segregation among tenants. Copilot uses secure technology to handle data accessible only to you.

Copilot's responses are continually improved for accuracy, and you can always review and edit AI-generated content. Our teams proactively address misinformation, content blocking, data safety, and harmful content, following responsible AI principles. You can always review the information sources that Copilot cites.

Copilot capabilities in Business Central

Copilot includes a constantly expanding set of capabilities that help users in different roles and tasks. Keep an eye out for the Copilot icon ( ) in this guide to see what Copilot can assist you with in Business Central.

Chat with Copilot

Reclaim time for important work by asking Copilot in Business Central to find business data or explain things – all using natural language. Use chat to look up and open data about entities or records related to business processes, such as customers, vendors, sales orders, items, and more. Get explanations or step-by-step guidance on various tasks. Understand the purpose and typical use of individual fields.

Finance

Accelerate financial close, improve forecasting, and get real-time performance metrics while ensuring compliance and security across subsidiaries.

Business Central offers comprehensive financial management capabilities designed for small and mid-sized organizations. Streamline your financial processes. Manage your finances end to end—oversee your budget, accelerate month-end and year-end close, use unlimited dimensions, track fixed assets, and more. Maintain financial health and make informed decisions with Business Central's robust financial tools.

General ledger

Set up companies and use the Chart of Accounts as a comprehensive directory of financial accounts to record financial transactions in your organization's general ledger. Review or audit one or more entries in general ledger according to the given review policy. Use features for VAT and sales tax, general journals, recurring journals, purchase and sales allocations, statistical entries, and background posting of journals. Posting and reporting can be done in one additional reporting currency. Business Central also supports the export of various audit formats (such as SAF-T, SIE, FEC, etc.) as part of continuous transaction control. Adhering to specific standards enables easier audit controls and ensures user compliance, all while maintaining high performance during the export process.

Accounts Payable (AP) / Accounts Receivable (AR)

Manage your company's short-term debts with Accounts Payable (AP) with features like invoice management, payment processing – suggesting vendor payments, vendor management, approval workflows, and reporting. Handle money owed to your company with Accounts Receivable (AR) with invoice creation, payment tracking, customer management, collections management, and reporting.

These processes streamline financial operations and improve visibility into your company's financial health. Manage your receivables effectively with the Late Payments Prediction extension and adjust the terms of payment or the payment method as needed.

VAT and taxes management

If your country or region requires you to calculate and report value-added tax (VAT) on sales and purchase transactions, you can set up Business Central to calculate VAT. VAT management supports different types of VAT usage, for example, full amounts, non-deductible and unrealized. It also supports specific VAT clauses, as well as VAT statements and returns. *Learn more about VAT management in Business Central at aka.ms/BCVAT.*

In countries where VAT is not in usage, Business Central supports sales tax or GST. For example, with Sales tax you can manage tax areas and tax jurisdictions, Use tax (US) and Purchase tax (CA). Many local specifics related to taxes are supported by our various country-specific localizations.

Dimensions

Use unlimited dimensions in transactions in all ledgers for important parts of your business, such as departments, projects, sales channel, and geographical areas. Set up rules for how to combine dimensions and dimension values. Control the use of dimensions and increase the reliability of output based on dimensions. Assign default dimensions values to master data such as general ledger accounts, customers, vendors, fixed assets, resources, and items. Set up rules to prioritize the use of default values. Use data from dimensions in reports for filtering, Financial Reports to analyze your general ledger, and in data sent to Power BI.

Deferrals

Set up deferral templates that automate the process of deferring revenues and expenses based on a schedule. Recognize revenues and expenses in periods other than the period in which the transaction is posted.

Budgets

Track business progress using budgets in the general ledger. Use budgets in financial reports, user-defined analysis in account schedules, or in data sent to Power BI for data sharing and analysis. Import budget information to and from Microsoft Excel for enhanced calculation capabilities when you prepare budgets.

Cost accounting

Gain insight into costs through the visibility of actual and budgeted costs of operations, departments, products, and projects. Combine base data in general ledger transactions with dimensions with known future costs and define a hierarchy of cost centers and cost objects. Allocate costs using allocation runs with different allocation keys and methods. Analyze general ledger actuals and budgets in user defined scenarios. Explore the scenarios to gain insight into the business that are not immediately reflected in your chart of accounts.

Allocation accounts

You can use allocation accounts to distribute amounts on sales and purchase documents and general journal lines to different G/L accounts. You can allocate amounts through a fixed or variable distribution.

Multiple currencies

Conduct business with customers and vendors in any number of currencies. Use multiple currencies on sales and purchase documents, bank transactions, G/L transactions, and payables and receivables payments. Store currency details for transactions in receivables, while payables are stored in local and foreign currencies. Adjust currency values in local and foreign currencies for unrealized gains and losses to keep ageing reports correct for receivables and payables.

Finance: Multi-site capabilities

Consolidation

Consolidate companies across environments or from the same Business Central tenant and pull data directly into the consolidation company. Or use XML files to pull data from other databases, or third-party business management applications. Use multiple currencies, dimensions, and budgets for consolidations.

Intercompany postings

Manage accounting for more than one company in a posting process that includes one or more Business Central environments or tenants. Send sales and purchase documents to partner companies and post journals transactions through a mapping to shared charts of accounts and dimensions. Control the document flow through an Inbox/Outbox feature that automates sending and receipt. Use sales and purchase documents with multiple currencies to reconcile intercompany balances.

Master data management

Synchronize data when two or more companies are using the same master data, for example, when setting up new subsidiary companies. Minimize manual data entry for each company. Master data includes settings and non-transactional information about business entities such as customers, vendors, items, and employees. The data provides context for business transactions. Use the unidirectional synchronization to pull data from the source company to the subsidiary companies within the same Business Central environment. Job queue entries update coupled records in the subsidiaries when someone changes data in the source company.

Company hub

For users that work in multiple companies in Business Central, the company hub serves as a landing page that gives a financial overview across companies and environments. Get tools for managing work across the various environments, companies, and regions. Get an overview of assigned tasks for each company.

Finance: Fixed assets

Fixed assets

Track fixed assets such as buildings, machinery, and equipment. Post fixed-asset transactions such as acquisitions, depreciation, write-downs, appreciation, and disposal. Assign one or more depreciation books to define different one of the 8 methods and conditions for calculating depreciation. Use depreciation books to meet managerial, internal accounting, and legal reporting requirements. Register maintenance costs, insurance coverage, and cost allocations for assets.

Fixed assets allocation

Use allocation keys to distribute percentages of fixed asset transactions, such as acquisition cost and depreciation, to departments or projects.

Fixed assets insurance

Set up an insurance policy to cover one or more fixed assets. Assign one fixed asset to one insurance policy, or multiple fixed assets to one insurance policy. Use dedicated reports and statistics pages for analyzing insurance policies and whether your fixed assets are over- or under-insured.

Fixed assets maintenance

Record maintenance and service expenses for fixed assets. Get detailed information to analyze and make decisions about fixed asset renewal and disposal.

Revalue Fixed Assets

Revaluation of fixed assets can consist of appreciations, write-downs, or general value adjustments. Post a journal line with appreciation to the depreciation book, when the value of a fixed asset increases. The new amount is recorded as appreciation according to the fixed asset posting setup. Post a journal line with a lower amount, a write-down, to the depreciation book, when the value of a fixed asset decreases. The new amount is recorded as a write-down according to the fixed asset posting setup. Indexation is used to adjust multiple fixed asset values, for example per general price changes.

Split or combine Fixed Assets

You can split one fixed asset into multiple fixed assets. For example, when you need to distribute a fixed asset across three departments. You can also combine multiple fixed assets into one fixed asset, for example when you move distributed fixed assets into one department.

Finance: Cash management

Bank account management

Create, operate, and manage multiple bank accounts for diverse business needs and different currencies.

Cash flow forecast

Predict how your company's liquidity will evolve over time. Create basic cash flow forecasts that can be extended and adjusted. Use an assisted setup guide to complete tasks and take advantage of automatic daily or weekly data updates. Include data from payables, receivables, outstanding sales, purchase, sales, project and service orders as sources for the cash flow forecast. Use Azure ML capabilities to generate cash flow predictions using Business Central data.

Forecast expected cash receipts and disbursements plus available liquid funds. Forecast premiums for fixed assets and easily determine whether they are under- or over-insured. Attach assets to one or more insurance policies and index insurance amounts.

Electronic payments and direct debits

Create payment proposals based on vendor documents and generate bank payment files in ISO20022/SEPA format. Or use one of the 3rd party Banking Service apps to generate electronic payment files in the format your bank requires. Create direct debit collections for a bank direct debit file in ISO20022/SEPA format.

Connect to your bank accounts

Connect directly to your bank accounts using either the available Bank Feeds app (United States and Canada only) or a 3rd party app for Worldwide bank account connectivity.

Easy payment process for your customers

Provide efficient payments submissions to your customers by adding online payment services links to invoices in Business Central (online version only). Use the PayPal extension for access to a trustworthy global payment service that offers multiple ways to accept payments, including credit card processing and PayPal accounts.

Reconciliation of incoming and outgoing bank transactions

Import bank transaction data from electronic files sent from your bank in ISO20022/SEPA format or other file types. Apply transactions automatically to open customer and vendor ledger entries and create your own matching rules. Review proposed applications and account matches. Change the algorithm behind the record matching by modifying, removing, or adding rules. Reconcile bank payments from the Payment Reconciliation Journal in one step, and in one place. Filter bank statement information to view only the transactions that need attention. Summarize outstanding bank information and drill down to the details of each bank transaction.

Send reminders of outstanding balances

Use reminders to remind customers about overdue amounts. You can also use reminders to calculate finance charges such as interest or fees and include them on the reminder. Set up reminder terms and assign them to customers. Choose the automate option to reduce the time you spend on collections and automate the process of creating, issuing, and sending reminders to your customers.

Bank account reconciliation

A bank reconciliation should be completed at regular intervals for all your bank accounts to ensure that the company's cash records are correct. Import bank statement data from electronic files sent to your bank in ISO20022/SEPA format or other file types or direct bank connectivity. Reconcile bank statement data automatically to open bank account ledger entries and keep track of all bank statements.

Bank account reconciliation with Copilot

Use Copilot to help assist with bank account reconciliation. This feature offers two distinct tasks:

- Improve the matching of transactions with ledger entries with *automatch*. Copilot uses AI technology to inspect those unmatched transactions and identify more matches, based on the dates, amounts, and descriptions.
- Suggest general ledger (G/L) accounts. For residual bank transactions that can't be matched to any

ledger entries, Copilot compares the transaction description with G/L account names and then suggests the most likely G/L account to post to.

Check writing

Print checks as automated electronic checks or write them manually, both with flexible options for voiding, reprinting, using check forms with preprinted stubs, and testing before printing. Consolidate payments to a vendor in a single check.

Finance: Subscription billing

Subscription billing

Bill the contractually agreed services on a recurring basis with subscription billing. The integrated, flexible billing models support many subscription model scenarios for pricing models, price management, renewals, and billing periods and frequency. Manage recurring invoices of services to minimize sources of error. Store all the information in one place and keep an overview of contract management. Reduce manual effort by simplifying and automating processes.

Contracts

Use contracts to group the contractual commitments so you can bill them together on a recurring basis. A contract in subscription billing is the technical equivalent of one or more actual contract documents that you bill to a customer.

Recurring billing

Create a billing proposal, based on which the posting documents such as invoices and credit memos. Choose a billing template with a unique code and description as well as filter criteria and date calculation defaults. Enter filter criteria that determines the service commitments to bill. Create posting documents such as invoices and credit memos.

Usage based billing

Usage based billing extends the recurring billing features of subscription billing. Seamlessly import usage data from various vendors into Business Central, which processes the data and calculates prices. Do accurate daily billing, even for quantity changes and partial periods.

Sustainability management

Monitor and manage your organization's effect on the environment.

This feature is designed to oversee and regulate an organization's environmental footprint by tracking various greenhouse gas (GHG) emissions. In this way, it facilitates proper insights. It supports the basic process of collecting emission data via sustainability journals or purchase documents, and recalculation of emissions to CO_2 equivalent. You can either manually enter known data or use built-in methods for calculating emissions footprints. *Learn more about sustainability management in Business Central at aka.ms/BCESG.*

Chart of sustainability accounts

Use the chart of sustainability accounts as a foundational structured list to record all emissions data. It serves as a framework that categorizes and organizes sustainability accounts based on their attributes, such as the scope or other groupings. View reports that show sustainability ledger entries and balances. Open the sustainability account card to add or change settings. Configure the category and subcategory for the account.

Set up a category to determine which gas needs to be tracked, along with the formulas for its emission calculations. Additionally, you can use a subcategory as the source for the emission factors used in these formulas. View separate balances for each emission for a single account, as well as for the group of accounts or for the emission scope. Add single or multiple dimensions to each account and set dimension filters.

Record sustainability entries with sustainability journals

Manually record greenhouse gas (GHG) emissions in the sustainability ledger manually using standard of recurring sustainability journals. Sustainability journals

are designed to track and record sustainability-related activities by using the same user experience as other journals in Business Central. Manually enter emissions in a journal. Alternatively, use built-in formulas to accurately calculate emissions based on specific known parameters or balances from the GL ledger and emission factors that correspond to various types of sources and accounts.

Purchase documents

Use purchase invoices and orders to record and track your greenhouse gas (GHG) emissions in any purchase-related document, saving time, avoiding double entering the same information, and providing better connection between financial and ESG information.

Sustainability scorecards and goals

Curate sustainability metrics and track them against key business objectives. Create goals based on current and target values and keep track of the progress of current emissions compared to previous periods as baselines. Create sustainability scorecards and assign goals for the entire company, a specific country, region, or a facility.

Carbon equivalent (CO_2e)

Carbon equivalent is a measure that expresses the impact of different greenhouse gases in terms of the CO_2 amount that would have the same global warming potential. Easily set up carbon equivalent factors for each of the gases you want to track in Business Central, providing you with additional information in your sustainability ledger.

Work with carbon credit

Carbon credits are permits that allow the owner to emit a certain amount of carbon dioxide (CO_2) or other greenhouse gases (GHGs). Set up items as carbon credits and purchase them as evidence of your carbon offset in sustainability ledger. Use purchase invoices or sustainability journals to record your carbon credits.

Sustainability certificates

Use sustainability certificates as a tool to validate your efforts to reduce your environmental impact and meet growing consumer demand for responsible practices. Create a sustainability certificate area to categorize similar certificates based on distinct characteristics. Create a sustainability certificate standard to provide third-party verified, transparent, and measurable criteria aligned with international ESG frameworks to promote responsible business practices. Add sustainability certificates for vendors and items.

Carbon fee calculation

An internal carbon fee is a monetary charge that a company imposes on itself for each ton of carbon emissions it produces. This fee is used to fund the company's emissions reduction efforts and to drive internal decision-making towards more sustainable practices. Set up and record your internal carbon fee as needed. You can set up different carbon fees per country, facility, period, or scope.

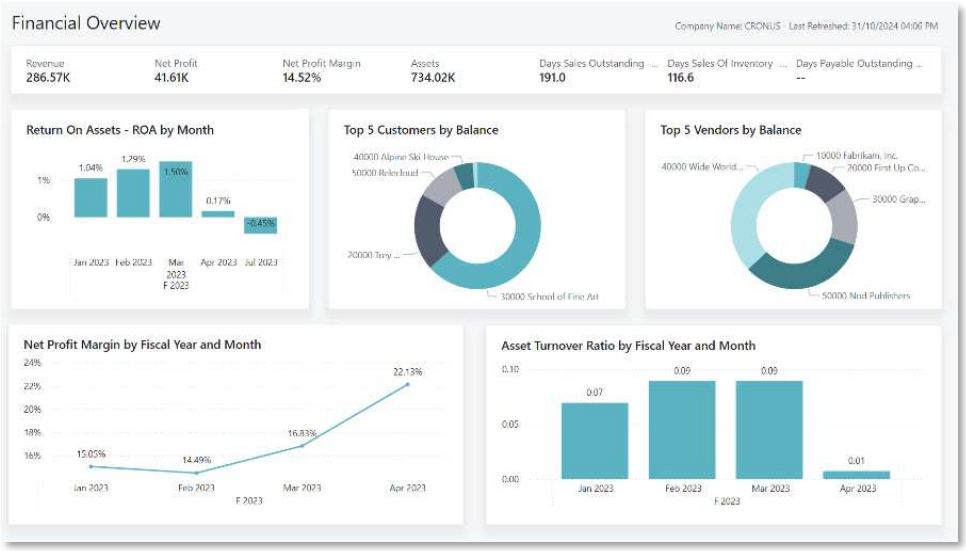
Analytics, business intelligence, and reporting

Support your processes with powerful insights to integrate data into your business strategy.

Empower any role in your organization with the insights they need to make decisions based on data. Use financial reporting and KPIs in your leadership team, create overview reports for middle management, and operational reports for staff. Group and pivot data from any list to perform an ad-hoc analysis directly in the application. Export and analyze your data in Excel if that is your tool of choice. Each area in the application comes with out of the box analytics. *Learn more about your options at aka.ms/BCAnalytics.*

Analyze KPIs with Power BI

Use more than 70 built-in Power BI reports and more than 300 KPIs to track any area of your business. Access reports directly in the application, a browser, or on your phone. Set up personal or team scorecards and define the KPI thresholds and goals that matter to your organization. Delegate ownership on KPIs, collaborate with your colleagues on meeting KPI targets, and get alerted in Teams when a KPI crosses important thresholds.



Set up *your* financial reporting

Use the self-service, no-code financial reporting feature to get insights into the financial data shown on your chart of accounts. Set up your own financial reports to analyze figures in general ledger (G/L) accounts and compare general ledger entries with budget entries. Alternatively, use the built-in templates for your financial statements. See your financial reports on-screen or export to PDF or Excel. Additionally, Financial Reporting allows you to use values from statistical accounts and sustainability entries to prepare common ESG reports.

Built-in data analysis

Analyze data directly with any list, without having to run a report or open another application, such as Excel. The *Data Analysis* feature provides an interactive and versatile way to group, pivot, filter, summarize, and examine data. Instead of running reports, just add multiple analysis tabs that represent different tasks or views of the data, such as My Customers or Sales Statistics. Share your analysis tabs with a colleague or choose to export the data to Excel.

Analysis Assist with Copilot

Get to insights faster with the help of your AI-powered assistant. Copilot makes it easy for anyone to calculate, summarize, and examine data on any list of records. Simply express your analysis scenario in your own words, and have Copilot set up a new analysis tab for you.

Use pre-built reports for most scenarios

Business Central comes with 400+ built-in reports that you can use out-of-the-box. You can get the report output as PDF or Excel and integrate with OneDrive for Business and/or Excel online. For reports with Excel layouts, you can even modify the report layout in Excel, upload it to Business Central, and then use that layout when running the report

Supply chain management

Deliver products on time and adapt to changing business models with visibility across purchasing, manufacturing, inventory, and warehouses.

The Business Central supply chain management capabilities are designed to optimize your operations. Streamline your procurement processes, manage inventory efficiently, and enhance supplier collaboration. With accurate demand forecasting and real-time visibility, ensure timely deliveries and maintain optimal stock levels. Automate and control workflows with warehouse management tools and improve logistics and transportation management. Leverage AI-driven insights to make informed decisions, reduce costs, and enhance overall supply chain performance.

Supply chain management: Purchasing

Vendor management

Start by creating a vendor with predefined templates, capturing essential information such as contact details or payment terms. Trigger the approval workflow to enforce compliance. Add a list of items sold by the vendor including lead time, prices and applicable discounts to improve operational efficiency.

Purchase order management

A purchase order is a key element in the purchasing process, allowing you to issue and track prepayments, monitor expected receipt dates, and process partial or complete receiving and invoicing. For more advanced scenarios, use quotes and blanket orders as an additional step in the purchasing process. Use warehouse receipts or inventory put-aways to delegate receiving tasks to the warehouse team.

Alternative order addresses

Set up multiple addresses to manage orders from vendors who have more than one shipping site. These additional locations can then be selected by the purchasing agent when creating a purchase order or invoice.

Purchase invoice discounts

Calculate invoice discounts automatically. The discount can differ from vendor to vendor with different minimum amounts (also in different currencies) and different rates, depending on the size of the invoice. The discount is calculated on the individual item lines and becomes part of the net sum of the invoice.

Purchase line discounting

Manage multiple item-negotiated purchase price discounts based on such parameters as minimum quantity, unit of measure, currency, item variant, and time period. The best unit cost, based on the highest discount, is calculated for the purchase line when the order details meet the conditions specified in the purchase line discounts table.

Alternative vendors

Manage purchase of the same item from different vendors. Set up alternative vendors for items, specify typical lead times, and record price and discount agreements with each vendor.

Purchase return order management

Create a purchase return order to compensate your own company for wrong or damaged items. Items can then be picked from the purchase return order. You can set up partial return shipments or combine return shipments in one credit memo and link purchase return orders with replacement purchase orders.

Purchase invoicing

The Purchase Invoice is designed for scenarios where you need to register the receipt of goods or to capture expenses efficiently. It can be a powerful tool to process a single invoice that consolidates multiple vendor orders and shipments.

Supply chain management: Product information management

Item catalog

Items represent the goods or services that you trade in and can also be non-inventory items. Use item templates to reuse settings for different types of items when you create new items. Add images to your items. Group items in a hierarchy and define custom categories that include specific attributes.

Item attributes

Add custom data, such as color, country of manufacture, size, or product dimensions, to applicable items, to supplement built-in global item fields.

Define types of attribute options, including list and text, and integer and decimal that can include units of measure. Translate attribute names and options to multiple languages. Block attributes or attribute options from being used, if for example, they no longer are applicable.

Item variants

Item variants are a great way to keep your list of items under control, especially if you have a large number of items that are almost identical—for example, when they vary only in color. Rather than setting up each variant as a separate item, you can set up one item and then specify the various colors as variants of the item. Variants are supported in all areas of Business Central including manufacturing and planning, unlocking scenarios in industries where for example, inventory is tracked by revision.

Units of measure

You can set up general units of measure. The unit of measure defines how you store it in inventory and is the basis for conversion to alternate units of measure, like for example pallet, box, or can.

Item references

Identify the items in an order based on item numbers other than your own. Store and easily access cross-reference information from customers, vendors, and manufacturers, as well as generic numbers, universal product codes (UPCs), and European article numbers (EANs).

Item substitutions

Link items that have the same or similar characteristics to suggest alternatives for out-or-stock items on orders. Provide extra service to customers by offering lower cost alternatives or upsell to boost revenue.

Suggest item substitutions with Copilot

Save time by letting Copilot suggest item substitutions based on the description of the current item. Reuse information from similar items that Copilot finds for you. Reduce the risk of creating duplicated entries on the Items list page.

Vendor catalog

Offer items to customers that are not part of regular inventory but can be ordered from vendors or manufacturers on a one-off basis. Register these items as non-stock items but treat them like regular items.

Marketing text suggestions with Copilot

Bring your products to market faster with AI-generated item descriptions that are based on attributes you've already defined in Business Central. Copilot adds a creative touch and suggests compelling marketing text that matches your brand, so you're ready to start selling on your online shop.

Supply chain management: Inventory control

Inventory management

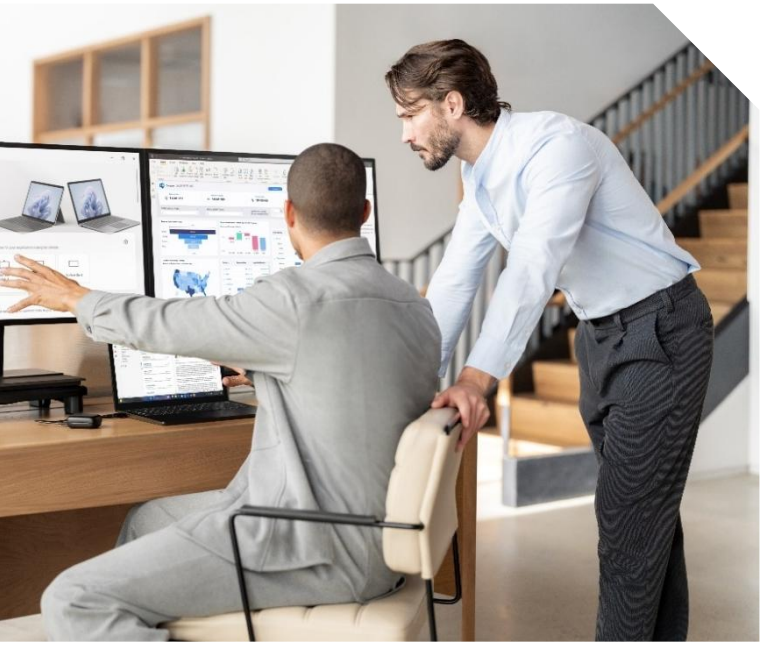
Set up stock items and specify properties such as unit of measure, costing method, inventory posting group, and unit cost and price. Post item transactions, such as sales, purchase, and negative and positive adjustments from item journals. Store quantity and cost records of posted transactions in the inventory ledger and use it as the basis for valuation and other costing calculations. Set up non-inventory and services in the same way as stock items and use them in sales,

purchase, or consumption transactions, but without need to keep track of stock and costing.

Inventory costing

Set up how the item's unit cost is calculated by making assumptions about the flow of physical items through your company. Choose a costing method that determines whether an actual or a budgeted value is capitalized and used in the cost calculation. There are five costing methods available (FIFO, LIFO, average, specific and standard).

Reconcile inventory costs with the general ledger when you post inventory transactions, using posting setups. Post expected cost to inventory and to the general ledger. When you post a quantity that is only received or shipped but not invoiced, then a value entry is created with the expected cost. Revalue the inventory based on the valuation base that most accurately reflects the inventory value. Use the revaluation journal to actualize inventory valuation.



Item tracking

Manage and track serial, lot and/or package numbers. You can add multiple serial, lot or package numbers to a single document or journal line. Add expiration and warranty details to a specific lot or serial number. Prevent shipping or using expired inventory. Track origin or destination of a specific serial or lot number to perform recall campaign.

Multiple locations

Manage inventory in multiple locations, such as production plants, distribution centers, warehouses, show rooms, retail outlets, and service cars. Inventory on each location can have its own location-specific financial dimensions or posting rules. Enable CFO or financial leaders to get information about inventory using financial reporting.

Stock-keeping units

Manage stock-keeping units (SKUs). Identical items with the same item number can be stored in different locations and managed individually at each location. Add cost prices, replenishment, manufacturing information, and so on, based on the location.

Location transfers

Track inventory as it moves from one location to another. Account for the value of inventory in transit and at various locations.

Shipping agents

Set up multiple shipping agents (external carriers, or your own carrier) and relate their services (express, overnight, standard) with shipping time. Associate default shipping agents and their services with individual customers or specify those details on sales orders and transfer orders to improve accuracy of order promising.

Item charges

Manage item charges, including the value of additional costs such as freight or insurance in the unit cost or unit price of an item. Assign item charges to orders, invoices, and credit memos, for both sales and purchases. Charges can be allocated directly to the purchase invoice for the item or on a separate purchase invoice.

Utilize the item charges capability for including the value of additional costs such as freight or insurance into the unit cost or unit price of an item. Add item charges to orders, invoices, and credit memos, for both sales and purchases. Cost can be allocated directly to items in the same document or already received or shipped document, like purchase receipt, transfer shipment or sales shipment. Allocate cost manually or automatically based on amount, weight or volume of items.

Item budgets

Define sales and purchase budgets on the customer, vendor, and item levels. Prepare and record a sales budget that can serve as input to decision makers in operational areas such as purchasing and logistics. Get information about expected demand and use it in business discussions with customers.

Finalize budgets and track the actual sales performance by calculating the variance. Export budget figures to Excel for flexible calculations in the budgeting process.

Standard cost worksheet

Give company controllers a reliable and efficient way to maintain accurate inventory costs. Work with standard cost updates in Business Central in the same way you would in an Excel spreadsheet. Prepare for cost updates without changing data until you're ready.

Analysis reports

Provide decision makers with insightful details that inform day-to-day decisions regarding sales, purchases, and product portfolio management. Build on item entries to provide customizable analytics that let you add and combine analysis objects, such as customers, items, and vendors, according to your needs.

Cycle counting

To ensure that your quantities are correct, physically count all the items in your inventory. Use journals to post the actual quantities to the general ledger. For example, when you valuate inventory at the end of a period. To adjust quantities after a physical count or other purposes, use an item journal to change the inventory ledger entries without posting transactions.

Physical inventory orders can be helpful when dealing with large counting tasks, allowing you to efficiently distribute work between participants, analyze differences, and trigger recounting of unexpected differences. To count some items more often than others, perhaps because of their value, use cycle counts. For cycle counts, assign special counting periods to the items. Manage cycle counting to verify inventory record data used to maintain and increase inventory accuracy. You can set up a cycle counting on the item or SKU level.

Supply chain management: Planning and availability

Automated multi-level supply planning

Plan material requirements based on demand with support for master production scheduling and materials requirements planning. Generate optimal suggestions for replenishing inventory, such as assembly, purchase, production, and transfers orders, based on the item's current and future demand and availability, as well as a variety of planning parameters, such as minimum and maximum quantities and reorder quantities. Use time buckets when planning material requirements.

Demand forecasting

Define demand forecasting based on items, variants and locations. Input demand (sales) forecasts for products and components in a more convenient way (daily, monthly, quarterly). Create production and purchase orders that consider the demand forecast, available inventory, and plan requirements.

Sales and inventory forecasting

Get deep insight into potential sales and a clear overview of expected stock-outs by using the Sales and Inventory Forecast extension. Leverage its built-in Azure AI capabilities to generate reliable forecasts that make it easier to manage replenishment.

Order promising

Provide accurate delivery dates to your customers with order promising capability. If the current inventory level is not enough to address a customer's inquiry, use planned receipts to see if something will become available in the nearest future (Available to Promise). If there is no available item, the feature tells you how long it will take to replenish inventory, considering the production and purchase lead time, not only for requested item, but also critical components (Capable to promise.

Replenish for individual demands

For simpler planning scenarios, plan for each demand individually. This gives you more control and flexibility. Analyze availability and create purchase orders directly from a sales order or project. Alternatively, use the order planning page to get an overview of all demands or specific types of demands, like sales or production consumption.

Reservation

Reserve both inventory and inbound supplies, ensuring that critical products are allocated where they are needed most. The Reservation Worksheet helps allocating available inventory among various demands, such as sales orders or production components. The worksheet utilizes different allocation policies to optimize inventory distribution.

Calendars

Set up calendars with working and non-working days. Assign a base calendar to customers, vendors, locations, companies, shipping agent services, and the service management setup and make changes when needed. Use calendar entries in date calculations on sales, purchase, transfer, production, and service orders, and the requisition and planning worksheets.

Supply chain management: Warehouse management

Levels of warehouse management

Configure warehouse processes as required for each location. Decide whether to use flexible bins or simple shelves defined in the item card, and whether the warehouse team should work with separate documents or update sales and purchase orders directly. Decide if pick and shipment are done in separate steps or if they can be performed at once.

Manage both inbound flows, such as purchases and return sales orders, and outbound flows such as sales and outgoing transfers. Manage internal flows such as consumption for projects or production. These flows can be configured separately.

Bin

Organize your warehouse by assigning items to bins, the smallest unit in the warehouse logical structure. Set up and maintain bins by defining both the layout of your warehouse and the dimensions of your racks, columns, and shelves. Group bins into zones to manage how the workflow of warehouse activities is directed. Define bins by capacity values, such as quantity, total cubage, and weight to control which and how items are stored in the bin. Restrict bin usage to specific items by utilizing warehouse class codes. In basic configurations, assign bin directly on document or journals lines. Default or fixed bins will speed up document processing.

For a more advanced flow you can automate and optimize how items are collected in put-away and pick worksheets by ranking bins so that items are suggested to be taken or placed according to rank criteria to use the warehouse space optimally.

Bin replenishment

Optimize storage in the warehouse by moving items between bins, for example, if the warehouse needs to periodically move items to pick bins from bulk storage areas in cases where items are purchased in large quantities. Use Calculate bin replenishment to get suggestions where to move items.

Manage warehouse volume

Streamline your warehouse operations by automating workflows and generating warehouse documents automatically based on events. Utilize recurring tasks through the job queue or maintain control by creating put-aways and picks in bulk using the put-away and pick worksheets.

Inventory pick and inventory put-aways

Create pick lists from sales orders and put-away work from purchase orders to assign tasks to the warehouse team, who can complete picking and put away work without opening sales and purchase orders.

The Inventory Pick and Warehouse Put-away are specialized documents that allow the warehouse workers to focus on handling physical goods and include important information such as item and quantity, information about prepopulated bins and shelves, and lot or serial numbers.

Advanced capabilities

Utilize flexible put-away templates to ensure that goods are stored in the correct bins. Avoid wasting time by utilizing cross-docking. Deal with different units of measure for the same items. Utilize First-Expired, First-Out picking method for Lot products.

Warehouse receipt and shipment

In multi-order environments, the warehouse receipt and warehouse shipment allow you to process multiple documents in one step. These documents can be used alone or together with warehouse pick and warehouse put-aways.

Warehouse pick put-aways

For more complex warehouse scenarios where shipment and picking tasks are performed by different roles, you can use separate warehouse pick documents. Create warehouse picks from warehouse shipment or internal picks directly, or with pick worksheets. Create them in bulk and benefit from optimizing picking with grouping tasks by items, bins, and destinations. That allows you to efficiently pick items from various orders.

Similarly, the warehouse put-aways allow you to place goods at the warehouse after receiving is done. A put-away task can be created directly from the warehouse receipts or internal put-aways. Alternatively use the put-away worksheet to create multiple put-away tasks.

Supply chain management: Manufacturing

Assembly management

Specify a list of sellable items, raw materials, sub-assemblies, and resources as an assembly bill of materials that make up a finished item or a kit. Use assembly orders to replenish assembly items. Capture customer requirements for the kit's bill of materials directly from sales quotes, blanket orders, order, and project lines in the assembly-to-order processes.

Product bill of materials

Create a bill of materials (BOM) to track the required materials, subassembly or ingredients for a specific product or group of products. Use formulas based on dimensions and scrap % for more accurate calculations of required quantity. Utilize phantom BOMs to simplify management and group components together.

Capacity planning

Add capacities (work centers) to the manufacturing process. Set up routings for production orders and material requirements planning. View loads and the task list for the capacities. Add machine centers as capacities in the manufacturing process. Manage capacity for each machine or production resource at a detailed level for machine centers, and on a consolidated level for work centers. Use machine centers to store default information about manufacturing processes, such as setup, wait, and move times and default scrap percentages. Manage finite loading of capacity-constraint resources. Account for capacity constraints for periods to avoid overloading work centers.

Version management

Create versions of manufacturing bills of materials and routings. Versions will be selected automatically based on dates. Leverage the information from Stockkeeping items (SKUs) by assigning to them the production bills of material (BOMs) and routes. This feature is particularly useful when different item variants require different components, such as a green version of a product needing green paint. It is also beneficial when work is performed at different locations where equipment with varying characteristics is available.

Production orders

Create production orders manually or generate them by planning capabilities, such as order planning, sales order planning or the planning worksheet. The production order status controls how the production order behaves within the application. The order status dictates the form and content of the production. Use simulated, planned, firm planned, released and finished production orders. For example, simulated production orders are used for quotes and costing, and firm planned production orders can be automatically created from sales orders and provide input to capacity requirements planning. Production orders can be created for a specific product, for products produced for a selected sales order, or for group (family) of products, where different products were produced by a single technological operation. Production orders can also include "make-to-order" sub-assemblies.

Adjust created orders as needed, replace components, increase or decrease the duration of operations, reassign work to different work or machine centers. Manually or automatically post actual or expected consumption of raw materials or the completion of operations. Register setup and run time.

Automatic components and capacity consumption

Reduce data entry and have accurate stock and WIP information at the same time. Use routing codes to link components with specific operations to minimize waste by implementing just-in-time principles.

Subcontracting

Delegate all or part of operations to external work centers. Use separate location and transfer order to track raw materials. Register performed work with purchase orders.

Scrap

Scrap can be inevitable in the manufacturing process, however, making sure it is properly recorded is essential to proper inventory and cost management. You can register actual scrap for each production operation. You can also include expected scrap, both for finished goods and raw materials into material planning and cost calculation.

Sales

Manage sales quotes, blanket orders, and order processes efficiently.

Business Central offers flexible pricing and discount structures. With Copilot, you can effortlessly create sales lines on documents like sales quotes, orders, blanket orders, and invoices using either structured input or natural language. Easily find products by description or reference. Link prices and discounts to sales campaigns, automatically calculate invoice discounts, and manage multiple shipping addresses.

Customer management

The customer list in Business Central contains all registered customers with essential details such as name, contact information, tax, credit limit, payment terms, and current status (allowed or blocked for business). It also displays outstanding balances, open orders, and past profitability. Create a new customer directly or convert from contacts and start selling.

Sales order management

Manage quotes, blanket orders, and order processes. Based on the sales process, track deals as simple invoices or use orders for a more elaborate sales process. Start with a large blanket order and generate multiple orders according to a predefined schedule. The integration of sales orders with workflows, the warehouse, and planning allows you to ensure compliance, availability of items, and to manage customer expectations regarding shipment dates. Partial shipping and combined invoicing ensure support for your unique sales processes.

Sales lines suggestions with Copilot

Get assistance from Copilot with creating lines on sales documents such as sales quotes, orders, blanket orders and invoices by describing what you're looking for in your own words, or by uploading a file. Copilot understands the input you provide and uses it to suggest sales lines.

Sales line pricing and discounting

Manage flexible item price and discount structures that differentiate between special agreements with customers and groups and are conditioned by parameters such as minimum quantity, unit of measure, currency, item variant, and time period. Offer the lowest price on sales lines when the sales order meets the conditions you specify for sales prices. Update the price agreements in bulk by using the sales price worksheet.

Campaign pricing

Connect prices and line discounts to sales campaigns to give special pricing and discounts to customers and contacts in campaign segments. Specify periods for which prices are valid. Apply campaign pricing and discounts to sales transactions or sales documents.

Sales invoice discounts

Calculate invoice discounts automatically. Set up any number of invoice discount terms, including a certain minimum amount, discount percentage, and/or a service charge. The discount is calculated on the individual item lines and becomes part of the net sum of the invoice. Calculations can be made in both local and foreign currencies.

Alternative shipping addresses

Set up multiple ship-to addresses for customers who receive goods at more than one site. The person creating a sales order or invoice can specify exactly where to send it.

Sales return order management

Create return orders to compensate customers who received incorrect or damaged items. Then receive returned items and link to a replacement sales order. Create a partial return receipt or combine return receipts into a one credit memo.

Ecommerce

Connect your Shopify stores with Business Central and maximize your business productivity.

Manage and view insights from your business and your Shopify store as one unit. The Shopify connector allows for the synchronization of data, enabling seamless integration and efficient management of your online store. With Business Central, you can run multiple Shopify store scenarios and automate workflows, especially for B2B data synchronization. Streamline e-document management for both account payables and receivables manually or with Copilot.

The Shopify connector

The Shopify connector allows you to synchronize items, inventory, customers, as well as sales orders and transactions. Maximize the business productivity of your online store, managing insights from your business and your Shopify store as one unit with Business Central Shopify connector. Run multiple Shopify store scenarios with Business Central. Run some tasks simultaneously and in an automated manner to stay efficient. Perform such tasks in the background and set a schedule when you want those tasks to run to avoid disruption.

Shopify DTC and B2B

Shopify allows you to run your business to business (B2B) and direct to customer (DTC) business from one place with the power and ease of Shopify's all-in-one platform. When you run DTC, the buyer is created in Shopify as a customer. Import customers from Shopify in bulk; either manually or via the job queue for recurring updates. If you run B2B, the buyer is created in Shopify as a customer linked to a company.

Easily synchronize your Shopify B2B data with Business Central and automate your workflows. Synchronize companies, company locations, responsible buyers and catalogues. Offer different pricing and discounts for B2B companies.

Synchronize items and inventory

Export the item name, description, image, prices, availability, variants, vendor details, and barcode from Business Central and make them visible in Shopify. Automatically synchronize translations from Business Central to Shopify and guarantee consistent product descriptions and details across various languages. Import and export extra product information using Shopify Metafields. Metafields are a flexible way to add and store additional information about a Shopify resource, such as a product or variant.

Synchronize customers and companies

Get the information about the customer from Shopify for further document processing in Business Central. There are two main options for doing so, and several combinations: use a special customer for all orders or import the customer information from Shopify. Smart-map customers by phone and email. Use specific country/region templates when creating customers, which helps ensure that tax settings are correct.

Synchronize and fulfill sales orders

Set the import of orders on the Shopify Shop Card. After import completes, explore the Shopify order and find all related information. For example, the payment transactions, shipping costs, risk level, order attributes and tags, or fulfillments if the order was already fulfilled in Shopify. After the order is imported, the Shopify connector will create and release a sales document such as sales order or sales invoice. Returns, refunds and order edits are imported as well. You can export posted sales invoices to Shopify as well. Buyers can sign in to Shopify and access all their invoices, regardless of whether the invoices were created in Shopify or in Business Central.

E-documents (e-invoicing)

Electronic documents (e-documents) are the backbone of modern business transactions. They encompass vital documents, such as invoices and receipts in both directions (delivery and receipt). They also add capabilities for document status–related messaging between access points. Our commitment to enhancing your business processes led to the development of a groundbreaking app that focuses on e-documents in Business Central. Manage e-documents more efficiently with the E-Document Core app and use one of our many built-in connectors. Use the E-Document app in countries/regions where companies require specialized e-invoicing handling to comply with local regulations but also use it as a framework for EDI.

E-documents mapping with Copilot

Improve the mapping and matching of vendor invoices to purchase orders with the help of Copilot. Reduce time spent on tasks that would normally include extensive search, lookup, and data entry. When vendor invoices don't relate exactly with purchase orders, Copilot is well positioned to identify the corresponding purchase orders. Update an existing purchase order at Business Central with the information received in the e-invoice.

Customer relationship management

Empower your sales team to take better care of customers by establishing best practices in managing campaigns, leads and opportunities.

Maintain an overview of your contacts and personalize your approach to each one. Record contact information for all business relationships, and specify the individual people related to each contact. Get a precise view of prospects and customers by categorizing your contacts based on weighted profiling questions (assign the weights of two questions to identify the value of a third question). You can divide customers into ABC segments and rate results to target contacts for campaigns and easily create quotes for prospects and send sales documents for specific contacts.

Campaign management

Organize campaigns for segments of your contacts that you define based on reusable criteria, such as sales, contact profiles, and interactions, and reuse existing segments. Send documents to people of different nationalities in their native language by using Campaign Management with Interaction/Document Management.

Interaction and document management

Record interactions that you have with your contacts, such as telephone calls, meetings, or letters, and attach documents such as Word, Excel, or TXT files. Automatically log other interactions, such as the sales orders and quotes that you exchange contacts and revisit them if needed.

Email logging for Microsoft Exchange Server

Log all inbound and outbound email messages sent through Business Central or Microsoft Outlook. Logging can be manual, or automated. Use a server-based solution with Microsoft Exchange Server to keep email messages in their native environment and ease administration.

Opportunity management

Keep track of sales opportunities. Section your sales processes into different stages to get an overview of and manage your sales opportunities.

Better together with Microsoft Dynamics 365 Sales

Enable integration between Dynamics 365 Business Central and Sales for a more efficient lead-to-cash process. Empower users to make more informed decisions without switching products. Gain efficiency by ensuring tight integration between accounts and customers and adding cross-product features for the lead-to-cash flow.

Use the assisted setup guide connect Business Central with corresponding records in Sales. Work with prices in currencies that differ from the local currency, using the coupling of the sales price list record in Business Central with the price list in Sales. Check for available product inventory directly from Sales and synchronize sales orders to Business Central for fulfillment, invoicing and payments.

Project management

Ensure successful project execution and profitability with planning, resourcing, tracking, costing, billing, accounting, and real-time intelligence.

Promise accurate order shipment and delivery dates based on an item's current and future availability. When items are not available to meet a customer's requested delivery date, calculate the earliest shipment date as either an available-to-promise date that is based on upcoming uncommitted supply or a capable-to-promise date, which is when items can become available. Efficiently set up projects, time tracking, and resource management with the Project Manager Role Center and get valuable insights and statistics for better decision-making.

Projects

Track projects and data for invoicing the customer. Manage fixed-price projects and time-and-materials projects. Create a plan for a project with multiple project tasks and task groupings. Each project task can have a budget and can be done for whatever period you need. Copy a budget from one project to another and set up a project-specific price list for item and resource charges and general ledger account expenses for the customer.

Assign a specific project to a specific customer and invoice the project completely or partially. Change bill-to customer for projects where the party that is receiving a service is different from the party that is paying the bill. Use an assisted setup guide to set up projects, easily enter time sheets and project journals, and use the Project Manager Role Center to access common tasks, new charts, and the list of your projects. Use the Project page to access tasks, assign project ownership, and get visibility into costs and billings. Get insights and statistics about current and past project activities with project specific reports in Business Central.

WIP calculation

Work in Process (WIP) is a feature that enables you to estimate the financial value of projects in the general ledger while the projects are ongoing. Track the value in the general ledger with WIP calculation and post the value to the general ledger.

Project invoicing

During a project, costs from resource usage, materials, and project-related purchases can accumulate. Post these transactions to the project journal. Invoice customers after the project is finished, or at certain intervals based on an invoicing schedule.

You can invoice multiple projects, whole projects or subprojects within a project, or individual project planning lines using the relevant action in the project pages. Combine multiple project planning lines from different projects into a single sales invoice. In cases of advanced projects, individual phases can be billed to different customers.

Project specific cost and prices

Manage alternative costs for resources and resource groups. Costs can be fixed, percentage based, or an additional fixed charge. Set up prices for the items, resources, and general ledger accounts related to a project.

Project replenishment

Use efficient project-based replenishment, through Assembly-to-Order and Create Purchase Order features. Assembly-to-Order allows you to assemble products based on specific customer requirements. The Create Purchase Order feature simplifies procurement by allowing purchase orders to be generated directly from the project.

Resource and capacity management

Keep track of resources and prices. Register and sell resources, combine related resources into one resource group, or track individual resources. Divide resources into labor and equipment and allocate resources to a specific job in a time schedule. Plan capacity and sales, manage usage statistics and the profitability of resources. Create your plan in a calendar system with the required level of detail and for the period you need. Monitor resource usage and get a complete overview of resource capacity including availability and planned costs on orders and quotes.

Time sheet

Register time spent and get manager approval using the simple and flexible Time Sheet. Time Sheet integrates with Service and Project Management and can include resources.

Service management

Deliver better service experiences with planning, dispatching, and service contract management.

Assign personnel to work orders, manage service contracts, and track service items. Efficiently handle service orders, manage service prices, and integrate with Microsoft Dynamics 365 Field Service, to streamline your service operations and ensure a smooth flow of information. Maintain high service levels, manage warranties, and generate accurate invoices, enhancing customer satisfaction and operational efficiency.

Planning and dispatching

Assign personnel to work orders and log details such as work order handling and work order status. For dispatching, manage service personnel and field technician information, and filter according to availability, skills, and stock items. Gain an overview of service task prioritization, service loads, and task escalations.

Service contract management

Set up agreements with the customers about service levels: maintain information on contract history, contract renewal, and contract templates. Manage warranties for service items and spare parts. Record details on service levels, response times, discount levels, and the service history of each contract, including service items and parts used and labor hours. Measure service contract profitability. Generate service contract quotes.

Service item management

Record and keep track of all your service items, including contract information, component management, and BOM reference and warranty information.

Service order management

Register post-sales issues including service requests, services due, service orders, and repair requests. Let customers initiate service requests or create them automatically according to the terms of service agreements. Register and manage equipment loans to customers. Get a complete history of service orders and order quotes through the Service Order Log.

Service price management

Set up, maintain, and monitor service prices. Set up price groups based on criteria like service items, tasks, or fault types for specific time periods, customers or currencies. Define price calculation structures, including parts, labor, and charges. Automatically assign the correct price structure to service orders that match the price group criteria. Assign fixed, minimum, or maximum prices to groups and view profitability statistics.

Integrate with Microsoft Dynamics 365 Field Service

Service organizations require a front-to-back application in which finance, inventory, and procurement are tightly coupled with service delivery. Streamline the end-to-end process of managing service operations and ensure a smooth flow of information between Business Central and Field Service. Easily create and manage work orders in Field Service, track the progress of service tasks, assign resources, and capture consumption details.

When you complete a work order in Field Service, the integration enables the smooth transfer of data to Business Central for further processing. Generate accurate invoices based on the service activities and the consumption recorded in Field Service. Minimize manual data entry and maintain a comprehensive view of service operations and finances.

Human resources management

Streamline and enhance various HR functions with Business Central's human resources tools.

Maintain detailed employee records, manage absences, and handle employee payments. By keeping employee information up-to-date, registering and analyzing absences, and efficiently processing reimbursements, ensure smooth and effective HR operations.

Employees

Keep detailed records of your employees in Business Central. Register and maintain employee information, such as employment contracts, confidential information, qualifications, and employee contacts. Keep employee records up-to-date and simplify personnel-related tasks

Absence management

Register employee absences and analyze registered absences as necessary. Record the absence on the Absence Registration page. It can then be viewed in different ways for analysis and reporting needs. Filter by absence category or absence period.

Employee payments

Reimburse employees for their expenses during business activities. Use general journals for employee accounts, register employee expenses and reimbursement transactions (including in foreign currencies), and then track the amounts and compare them to receipts.

Globalization and compliance

Support globalization and compliance regulations like International Financial Reporting Standards, local functionalities, GDPR, and more.

Confidence in a business management solution is key to running an efficient business. With Business Central, companies are empowered to streamline business processes while consistently and cost-efficiently complying with increasing regulation and reporting requirements.

Data privacy

Business Central supports data privacy initiatives such as General Data Protection Regulation (GDPR).

Accounting processes and controls to aid compliance

Companies face increasing financial accounting challenges. Depending on industry, markets, geographic location, and financing needs, an organization may be subject to local generally accepted accounting principles (GAAP) and one or more of:

- The Sarbanes-Oxley Act (SOX), a U.S. law passed in 2002 to protect investors by improving the accuracy and reliability of corporate disclosures.
- The International Financial Reporting Standards section of the European Union's International Accounting Standards (IAS/IFRS), which went into effect in 2005 and sets forth international accounting standards for recognition, measurement, consolidation, and reporting.
- The New Basel Accord (Basel II) was enacted in 2006 to address issues of financial institution risk and to promote greater stability in the overall financial system.

In addition to global standards, Business Central also accommodates country-specific certifications and accreditations:

- Denmark (Compliance with the bookkeeping act in Denmark - registration number fob467715)
- Germany (Audited by BDO according to IDW PS 880)
- India (Audit trail and edit logs for accounting software in India)

Manage compliance standards

Deliver integrated information, aligned processes, and easy-to-use tools to help your people meet the financial management expectations and standards that matter to your specific business. Read more about data privacy and application compliance.

Globalization

Get support for over 50 languages and over 170 countries/regions localizations, created as a common effort of Microsoft and our partners. Localizations typically include translations as well as various regulatory features needed for specific countries or regions. Sometimes, this involves entirely new features (such as IRS1099, Intrastat, SII, MTD...), while other times it involves modifying existing features to meet local requirements. If your country is not supported by default with Microsoft built localization, you can use purpose-driven extensions from the Microsoft AppSource business applications marketplace to help you meet local requirements.

Administration

Manage the administration of Business Central environments to ensure smooth and efficient operations.

Manage Business Central environments as an internal or delegated administrator, and perform essential tasks such as configuration, updates, and troubleshooting to ensure efficient and effective administration

Admin center

The Admin Center provides a centralized tool where administrators can manage environment lifecycle operations, configure environment settings, and monitor environments in real time using service health status, telemetry emitted to Application Insights resources, and session management.

Product lifecycle management

Business Central receives continual updates and improvements to the product. Administrators can schedule monthly minor and major updates on a day of their choosing within a daily maintenance window set outside of business hours to avoid disruption.

Business Central environments receive continual updates as a hotfix to resolve issues in the current version.

Scalability

Get resource elasticity through real-time, data-driven autoscaling and dynamic load distribution to support your workload. Business Central automatically scales resources assigned to your environment to handle your business' workload performantly. Real-time telemetry and performance metrics determine scaling needs and are handled in a manner that prioritizes your privacy.

Data export

In Business Central, you can create a full copy of your business data and export it to a .bacpac archive in your own Azure Storage Account at any time. This capability makes it easy for you to take your data to your next finance system if you decide to cancel your Business Central subscription.

Restore and copy environments

As an administrator, you can restore an existing environment to their state at any time in the past 28 days, letting you correct mistakes or compare past states with the current state. Furthermore, database backups are an essential part of any business continuity and disaster recovery strategy, because they protect your data from corruption or deletion. Business Central uses Azure SQL Database as the underlying database backup technology for its environments. All databases are protected by automated backups that the Azure SQL service continuously creates and maintains.

You can copy an environment to and from any type, Sandbox or Production. For example, you can copy your Production environment to a Sandbox environment to troubleshoot an issue or to test an update to an extension.

Monitoring and alerting

Business Central emits telemetry data for various activities and operations on environments and apps/extensions. Monitoring telemetry gives you a look at the activities and general health of your environments/apps, so you can diagnose problems and analyze operations that affect performance. Azure Application Insights is a service hosted within Azure that gathers telemetry data for analysis and presentation.

Whether running Business Central online or on-premises, you can set your tenants up to send telemetry to Azure Application Insights. If something happens in your environment or app that you need to act on, you can set up a system that sends you an alert. Azure Application Insights makes it easy to define such alerts.

Security

Safeguard your Business Central environments with comprehensive security features.

The security features in Business Central are designed to provide comprehensive protection for your data and environments. Control user access to data within environments and databases, classify and manage sensitive data, track and monitor data changes and use Microsoft Purview to aid in security, legal, and compliance investigations.

Permissions

The Business Central security system controls which features and data a user can access within each database or environment, in combination with the user's license. Specify for each user whether they're able to read, modify, or enter data in database objects. Use Microsoft Entra ID to enable group-based access control, ensuring only group members can access specific resources and applications.

Microsoft Purview

Microsoft Purview auditing solutions provide an integrated solution to help organizations effectively respond to security events, forensic investigations, internal investigations, and compliance obligations. Your Business Central environments automatically emit auditable events to Microsoft Purview auditing solutions. For Business Central, this means that Create, Update, and Delete events that require administrator privileges are emitted to Purview's unified audit log, aiding security, legal, and compliance investigation across all Microsoft services used in your organization.

Sensitive data management

With access to the database tables, classify the fields that hold sensitive or personal data. Add a second level of classification by specifying sensitivity levels for the data you store in standard and custom fields. Classifying data sensitivity helps ensure that you know where you keep personal data in your system and makes it easier to respond to requests from data subjects. For example, if a contact or customer asks you to export their personal data. Bulk classify the sensitivity of fields with Data Classification Worksheet when handling a large amounts of data, and then fine-tune classifications for specific fields. Respond to requests about personal user data, such as portability requests and requests for deletion or correction.

Change log

Have full visibility into data changes. The change log lets you track all direct modifications a user makes to data in the database. To add a layer of security, monitor specific fields for changes, such as fields that contain sensitive data, by setting up field monitoring. You can use the Data Analysis feature to calculate, summarize, and examine data. For some pages, you can view an activity log that shows the status and any errors from files that you export from or import into Business Central. Create retention policies to delete unneeded data in logs after a period of time that you specify.

Share security policies

Administrators can use Security groups to make it easier to manage user permissions. For example, for Business Central online, they're reusable across Dynamics 365 applications, SharePoint, and Business Central. Administrators add permissions to their Business Central security groups, and when they add users to the group the permissions apply to all members. For example, an administrator can create a Business Central security group that gives salespeople the ability to create and post sales orders. Or, let purchasers do the same for purchase orders.

Multi-factor authentication

Before users can sign in to the Business Central application, they must be authenticated as a valid user in the system. Business Central uses Microsoft Entra ID authentication method. When using Microsoft Entra authentication with Business Central, we recommend you take advantage of Microsoft Entra multifactor authentication (MFA).

MFA further safeguards access to the application and data. It delivers single sign-on authentication through a range of verification options, like phone call, text message, mobile app notification, and one-time password. It can be used both on-premises and in the cloud to add security for accessing Microsoft online services, remote access applications, and more. Entra Conditional Access lets administrators set Business Central-specific authentication policies, for example to enforce the use of MFA for authentications to Business Central.

Workflows and automation

Use workflows and other automation to streamline your business processes.

Workflows automate repetitive tasks, reducing the need for manual intervention and speeding up processes. In Business Central, you can create custom workflows tailored to your specific business needs and use other automation options such as Job Queue to maximize efficiency.

Business Central approval workflows

Set up approval workflows based on built-in workflow templates in Business Central. Business Central offers many preconfigured workflows represented by workflow templates you can copy to create new ones. Examples of approval workflow events include the creation of sales or purchase orders/quotes/invoices, price changes, vendor or customer edits, and more. Enhance approval workflows with Power Automate in specific business scenarios not supported by default.

Power Automate workflows

Power Automate is a no code/low code solution to create business. Integration with Business Central allows you to connect to cloud services, such as Dataverse, Outlook, Teams, and many more, and to create flows that use multiple data sources. Set up and use flows to connect business-process tasks performed by different users. Set up automated flows that are triggered by events (such as record or document creation, modification, or deletion) or run automatically on a user-defined schedule. Create and trigger instant flows on a Business Central record, such as a customer, item, or sales order, with options to manipulate information both internally and externally.

Background processing

Increase productivity with background processing. Use the Job Queue to schedule the execution of repetitive tasks. You can define specific jobs to run at set intervals or times, ensuring critical processes such as reports, integrations, data updates and processing are performed consistently and without manual intervention. Focus on more strategic activities and let the Job Queue do heavy lifting for you, no need for ongoing monitoring. You will get a notification if some tasks can't be processed.

Industry solutions

Find the right solution for your business on Microsoft AppSource and connect it to your Business Central environments.

While Business Central supports many industries, some require specialized expertise. Partners can provide tailored industry solutions and industry-specific consultancy for optimal setup.

Microsoft AppSource

Microsoft AppSource is an online store that contains thousands of business applications and services built by industry-leading software providers. It offers a wide range of apps that enhance and extend the functionality of Business Central. Use AppSource to find, try, buy, and deploy the business software and services that help you run your business. From within Business Central, you can easily discover, view, sort, and filter available AppSource apps that integrate seamlessly with your system. This integration allows businesses find solutions tailored to their specific needs, whether it's for finance, supply chain, sales, or other business processes.

Here are some examples of industries where there are great solutions available on AppSource:

- Agriculture
- Automotive
- Chemical industry

- Construction
- Consumer electronics
- Consumer goods
- Entertainment
- Fashion
- Food and beverages
- Healthcare
- Jewelry
- Medical equipment
- Pharmaceuticals
- Printing
- Property management
- Real estate
- Restaurants and food services
- Retail
- Telecommunications
- Transportation
- Travel and tourism
- Utilities
- Waste management

This is not an exhaustive list of industry and vertical solutions. You can find over 6000 solutions on AppSource and find the right one for your business.

Customization and integration capabilities

Customize and extend your Business Central experience in the product with tools available.

Business Central supports many businesses with standard functionality, however, it's also easily customizable to meet specific needs. You can extend Business Central with add-on apps, vertical or horizontal solutions, and integrate with other products and third-party services.

No-code customization

Business Central provides both personalization for users and customization for administrators. Personalization allows users to tailor their workspace by adjusting page layouts to suit their own preferences. Administrators can customize page layouts for a specific profile, based on business roles or departments, so that all assigned users see the same customized page. For most simple changes to the user interface, the browser-based Designer allows you to rapidly adjust the UI for all users within the organization, without needing to write any code. Hide columns that aren't needed, drag-and-drop to reposition fields and charts, bookmark links to commonly used lists, or show data fields that were previously hidden.

Development

With Visual Studio Code and the AL Language extension for Business Central, you're able to customize existing pages and tables by creating page and table extensions, or you can add new tables and pages to implement entirely new functionality. You can even write business logic in AL. Furthermore, AL developers can extend the functionality of Business Central in several ways. They can extend tables, enumerations, application areas, pages, reports, code flows and the security model. They can also contribute directly to the application base in the open-source projects for the system application modules.

Integration capabilities

Business Central offers rich integration capabilities with third party systems that allow you to extend your Business Central experience.

Web services/APIs

RESTful web services are typically created to interchange data between Business Central and external systems. You can use web services to get data from Business Central and use it in other applications. These applications can include Power BI, Microsoft Power Apps, a custom .NET program, and so on. Business Central comes with an extensive list of built-in APIs that require no code and minimal setup to use.

For developers, Business Central on-premises and online expose an API that makes it possible to integrate with other services. Once you have the API access enabled, you can write code that integrates your web service or SaaS solution with Business Central. Creating your integration through an API provides simple access to the supported functionality in a single endpoint, giving you a simplified experience for creating a single app with integrations across multiple Microsoft products.

Microsoft Dataverse via data sync

Dataverse combines data into a single set of logic that makes it easier to connect Business Central to other Dynamics 365 applications. Synchronize data either to or from one Dynamics 365 business app to another, or in both directions in near-real time, through Dataverse. For example, if you integrate Business Central with Dynamics 365 Sales, a salesperson can create a sales order in Dynamics 365 Sales and the order synchronizes to Business Central. Dataverse securely stores data in a set of tables, which are sets of records similar to how a table stores data within a database. Dataverse includes a base set of standard tables that cover typical scenarios, but you can also create custom tables specific to your organization.

Microsoft Dataverse via virtual tables

Business Central Virtual table, which is published on AppSource, is a virtual data source in Microsoft Dataverse, and enables create, read, update, delete (CRUD) operations from Microsoft Dataverse and Microsoft Power Platform. Tables are used to model and manage business data. When you develop an app, you can use standard tables, custom tables, or both. Virtual tables in Microsoft Dataverse act as regular tables and therefore also in Power Platform. Makers can now build experiences in customer engagement apps with data directly from Business Central. The virtual tables depend on APIs exposed in Business Central, and custom APIs can also be used for generating virtual tables.

Migration

In order to keep up with business demands and rapid changes, businesses are moving their operations to the cloud.

Organizations that run their workloads on-premises but are looking to move to the cloud can easily migrate to Business Central online. By moving to the cloud, users get the benefits of cloud scenarios such as Copilot, Power BI, Power Automate, and others to drive suggested actions. This process ensures that your business can leverage the full capabilities of the cloud, including enhanced scalability, security, and accessibility.

Migrating to the cloud

It's time to look beyond enabling remote work and take the next step in your digital transformation journey. Take advantage of Business Central's cloud-powered functionality like built-in AI and many more.

You can use the built-in migration tools to migrate data to Business Central online from specific product versions. By moving your business to the cloud you inherit the secure cloud foundation offered by Azure with multilayered, built-in security controls as well as unique threat intelligence, so businesses are always up to date with the latest security to protect against evolving threats.

Migrate from on-premises

Migrate from on-premises or Dynamics NAV to keep up with remote work, supply chain disruptions, rising customer demands and security risks. Get access to digital tools and eliminate costly upgrades and ongoing maintenance. Stay up to date with the latest and most secure Microsoft technology on the cloud. Use the built-in migration tools to migrate data to Business Central online from specific product versions.

Migrate from Dynamics GP

Use the Dynamics GP Cloud Migration Setup if you are using Dynamics GP 2015 or later to transition Master, Transactional, and Historical data from Dynamics GP to Dynamics 365 Business Central. Leverage short videos that demystify the experience by explaining the differences and similarities in work processes at ***aka.ms/BCandGP*.**

Migrate from Dynamics SL

Use the Dynamics SL Cloud Migration Tool to transition Master, Transactional, and Historical data from Dynamics SL to Dynamics 365 Business Central, ensuring a smooth upgrade. Embrace continuous updates and innovations with Business Central, positioning your business for increased productivity and agility.

Thank you!

Learn more about Microsoft Dynamics 365 Business Central

Leverage these additional resources to further explore the benefits of Dynamics 365 Business Central.

1. Learn more about Business Central
2. Take a guided tour
3. Get in touch
4. Connect with a Microsoft partner

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