

Sage 300 vs Dynamics 365 Business Central



Modernize from legacy ERP to a Microsoft cloud platform

For distributors, service organizations and light manufacturers seeking modern architecture, native operational capabilities and a stronger innovation path.

At a glance

Why Sage 300 customers start looking ahead

- ▶ Cloud expectations are increasing while Sage 300 is commonly on-premises or partner-hosted.
- ▶ Manufacturing often depends on a separate ISV layer, adding integration and upgrade complexity.
- ▶ Users want a more modern experience and tighter Microsoft productivity integration.
- ▶ Roadmaps increasingly include AI, low-code automation and continuous cloud innovation.

Why Business Central gets shortlisted

- ▶ Connected ERP for finance, inventory, projects, service and light manufacturing.
- ▶ Built around Microsoft 365 (Excel, Outlook and Teams), plus Power BI and Power Platform.
- ▶ Cloud-native SaaS on Azure with regular release-wave innovation.
- ▶ Copilot, Power Automate and extension-based customization support modernization.

Executive comparison

Decision area	Sage 300	Dynamics 365 Business Central
Best-fit purpose	Mature finance and distribution ERP with a longstanding installed base.	Connected cloud ERP for finance, inventory, projects, service and light manufacturing.
Architecture	Client/server at the core; browser web screens do not make it native multi-tenant SaaS.	Cloud-native SaaS on Azure with an upgrade-safe extension model.
Manufacturing	No first-party manufacturing module; third-party solutions are commonly required.	Native light manufacturing with BOMs, routings and production orders.
Microsoft 365 / Office integration	Works with Microsoft tools through integrations, exports and ISVs.	Native alignment with Excel, Outlook and Teams, plus Power BI, Dataverse and Power Platform.
AI & innovation	Limited material AI/ML or generative AI in the core Sage 300 product.	Copilot, Agent Designer and continuous Microsoft release-wave investment.
Roadmap	Stable and actively updated, but much of Sage's cloud/AI innovation is focused elsewhere.	Strong, fast-moving roadmap with twice-yearly release waves.

Business capability comparison

Capability	Sage 300	Dynamics 365 Business Central
Finance	Mature GL, AP/AR, multi-currency, consolidation and bank reconciliation.	GL, AP/AR, fixed assets, cash management, budgeting, multi-currency and dimensions.
Inventory & orders	Strong multi-location inventory, order entry, purchasing and requisition-to-receipt workflows.	Inventory, purchasing, sales orders, tracking and basic-to-intermediate warehouse management.
Warehouse	Advanced automation such as RFID typically requires Sage WMS/ISV products.	Directed put-away and pick are supported; advanced WMS functions require F&O or an ISV.
Manufacturing	No native module; third-party manufacturing adds another implementation and vendor layer.	Native discrete and light mixed-mode capabilities; complex MES/APS needs extensions or F&O.
Planning	Basic reorder/requisition planning; meaningful MRP depends on the manufacturing layer.	Requisition worksheets and basic MRP for straightforward demand patterns.
Multi-entity/global	Solid mature financials; deployment and localization vary by region.	Modest multi-entity consolidation with broad Microsoft and partner localization.
EDI	Third-party/ISV capability.	Primarily delivered through ISV add-ons and should be included in TCO.
Industry fit	Distribution, wholesale, services, nonprofit and light manufacturing through ISVs.	Broad fit across manufacturing, distribution, services, retail and nonprofit.

Business outcomes with Business Central

- ▶ Native light manufacturing without a separate manufacturing application.
- ▶ Microsoft-hosted cloud deployment and a modern role-based user experience.
- ▶ Work naturally with Excel, Outlook and Teams alongside ERP processes.
- ▶ Connected analytics, productivity and low-code automation across Microsoft tools.
- ▶ Embedded Copilot capabilities and a more active innovation roadmap.