1 What is Microsoft Dynamics AX?

Dynamics AX is Microsoft’s core business management solution, designed to meet the requirements of mid-sized companies and multinational organizations. Based on state-of-the-art architecture and deep integration, Dynamics AX shows comprehensive functionality while ensuring high usability at the same time.

In version Dynamics AX 2012, it shows a vast number of innovations including a new user interface consequently applying the role tailored user experience across the application, increased capabilities in administration, finance and product data management, and an enhanced industry foundation. The R2 version enhances Microsoft Dynamics AX 2012 with data partitions, country-specific features for additional key countries like Brazil, China, India, Japan and Russia – included in a single layer for all country localizations – and several functional enhancements.

Microsoft Dynamics AX 2012 R3 contains functional enhancements in multiple areas of the application, including but not limited to:

- Warehouse and transportation management
- Trade allowances and incentive management
- Other enhancements in sales and distribution
- Product change management – Use case management for releasing products and approving or activating BOMs and routes
- Master data management – Synchronize master data like customers, vendors and products across Dynamics AX databases through SQL MDS (Microsoft SQL Server Master Data Service)
- Demand forecasting – Export transaction data from Dynamics AX, create forecasts through the advanced forecasting features available in Microsoft SQL Server Analysis Services, and import the forecasts to Dynamics AX
- e-Procurement – Enhancements for obtaining and comparing RFQs
- Project accounting – Improved resource scheduling and Microsoft Project Client integration
- Retail – Various enhancements, including the new channel “Call Center”

1.1 Axapta and the History of Dynamics AX

Dynamics AX in its origin has been developed under the name Axapta by Damgaard A/S, a Danish software company. The first version released to market has been published in March 1998. At that time, the founders of Damgaard – Erik and Preben Damgaard – have already had more than ten years of experience designing ERP systems. Among others, they have been co-founders of PC&C, where they joined the development of Navision (now Dynamics NAV).
Version 1.0 of Axapta has been available in Denmark and the USA only. Version 1.5, published in October 1998, included support for several European countries. Releasing version 2.0 in July 1999 and version 3.0 in October 2002, Axapta provided continuously increasing application functionality and support of additional countries. Until releasing Axapta under the new brand Dynamics AX in version 4.0, improvements have been deployed in a number of service packs.

After signing a merger agreement in November 2000, Damgaard A/S united with the local rival Navision A/S, a successor of PC&C. Finally, Microsoft acquired Navision-Damgaard in May 2002 and accepted their main products, Navision and Axapta, as the core business solutions of Microsoft. Whereas Dynamics NAV (Navision) in functional and technological aspect applies to small companies, Dynamics AX (Axapta) is the product for mid-sized and large companies.

When releasing version 4.0 in June 2006, Microsoft rebranded Axapta to Dynamics AX. Microsoft Dynamics AX 4.0 differs from previous versions not only by functional enhancements but also by a new user interface, showing a complete redesign with a Microsoft Office-like look and feel.

In June 2008, Dynamics AX 2009 has been published including role centers, workflow functionality and an improved user interface. Dynamics AX 2009 also provided enhanced functionality, including the multisite foundation and additional modules ensuring an end-to-end support for the supply chain requirements of global organizations.

Dynamics AX 2012 has been published in August 2011, showing an updated user interface with an action pane in all forms and applying list pages for replacing the Overview tab on forms. Role-based security, the new accounting framework with segmented account structures, the enhanced use of shared data structures and other features facilitate collaboration across legal entities and operating units within the application, also suitable to large multinational enterprises.

Updated versions of Dynamics AX 2012 have been released later:

- Dynamics AX 2012 Feature Pack, adding industry features for retail and process manufacturing, in February 2012
- Dynamics AX 2012 R2, adding data partitions, additional country features and support for the latest Microsoft platform with Windows 8, in December 2012
- Dynamics AX 2012 R3, adding the advanced warehouse and transportation management solution, in May 2014

1.2 Dynamics AX 2012 Product Overview

Microsoft Dynamics AX is an adaptable business management solution, which is easy to use and nevertheless supports the complex requirements of multinational companies. Another characteristic is the deep integration to Microsoft technologies