Xero vs Opera vs Business Central

Which is right for your business?

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Introduction

Pegasus Opera 3, Xero and Microsoft Dynamics 365 Business Central are comprehensive solutions for managing finances, invoicing, and reporting in small and medium-sized businesses (SMBs). However, they cater to slightly different needs, and are aimed at businesses at different stages of their development. In this document, we'll take a look at what the differences are, and how this might make them suitable for particular businesses.

Target Business Size

While there's some overlap, these three software solutions generally target different business sizes, let's take a look at the three solutions:

Xero: Small to Medium Sized Businesses

Xero is primarily designed for small to medium sized businesses and is a great choice for start-ups or businesses in the early stages of growth. It's particularly well-suited for service-based businesses, retail, and other industries with relatively straightforward operations.

Pegasus Opera: Medium Sized Businesses

Pegasus Opera caters to businesses with more complex needs, often with a manufacturing or distribution focus. It's designed to handle a larger volume of transactions and a more intricate business structure.

Dynamics 365 Business Central: Medium to Large Enterprises

Business Central is a comprehensive ERP system that can support businesses with hundreds or even thousands of employees. It's suitable for organisations with complex operations, multiple locations, and a need for advanced functionality.

Deployment

Xero: Cloud-based

Xero is exclusively a cloud-based solution. This means it's accessible from any internet-connected device, making it highly flexible for businesses and their employees. There's no need for on-premise hardware or software installations.

Pegasus Opera: On-premise or Cloud-based

Pegasus Opera offers both on-premise and cloud-based deployment options. An on-premise deployment requires the software to be installed on the company's servers, while a cloud-based version is hosted by Pegasus. Hosting can also be provided by Synergy Technology through a third-party provider, like Citadel Technology.

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Dynamics 365 Business Central: Cloud-based

Similar to Pegasus Opera, Dynamics 365 Business Central can be deployed either in the cloud or on-premise. However, that means that you need to have sufficient IT resources in-house to install product updates and maintain your software and hardware. Also, there are some features that are not available with the on-premise version. You can find out more here: Features not implemented in on-premises deployments of Business Central | Microsoft Learn.

Configurability

Configurability refers to the ability to modify a software system to fit a company's specific business processes without the need for bespoke coding and customisation. Let's compare the three platforms:
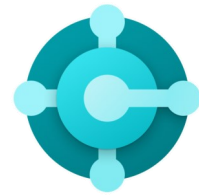
Xero: Low Configurability

Xero is primarily focused on accounting and financial management. While it offers some customisation options for workflows, reports, and dashboards, its core functionality is relatively fixed. It's best suited for small to medium-sized businesses with straightforward financial needs.

Pegasus Opera: Medium to High Configurability

Pegasus Opera is a more comprehensive ERP system that allows for a higher degree of customisation. It offers options to modify workflows, screens, and reports to align with specific business processes. This makes it suitable for businesses with more complex operations and industry-specific requirements, especially those in the Manufacturing or Distribution Industries.

	Xero	Pegasus Opera 3 SE	Dynamics 365 Business Central
Solution	Xero	Pegasus Opera 3 SE	Dynamics 365 Business Central
Size of business aimed at	Start-up / small businesses	Small / medium size businesses	Medium / large enterprises
Scalability	Limited	Very Scalable	Very Scalable
Deployment	Cloud-hosted (SaaS) only	On-premise, or cloud-hosted	Cloud-hosted (SaaS) only
Configurability	Low configurability	Configurable by module	Highly configurable for more complex businesses
Core Functionality	Accounting, invoicing, expense tracking	Accounting, invoicing, inventory, manufacturing, distribution	ERP system with finance, sales, customer service, supply chain, operations
Features	Pre-defined, but limited, suitable for start-ups	Large range of features, selectable by module	Comprehensive, all-in-one suite of features
Licencing	Four different pricing plans with different functionality	Modular, only pay for what you need	Two main types of licences, full user, or limited
Payment Model	Subscription only	Purchase or subscription	Subscription only

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