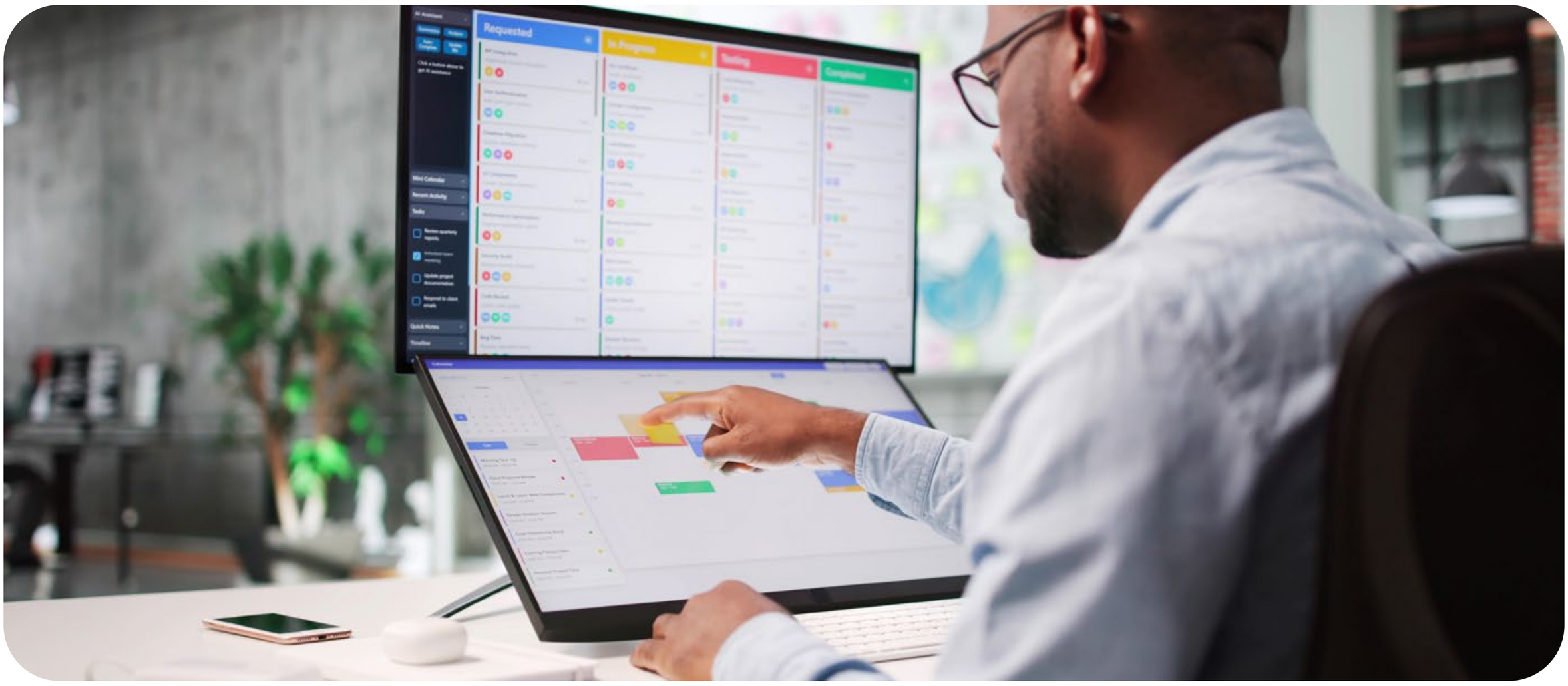
PARTNER ECONOMICS



When the Dynamics GP Migration Queue Is Full, the Deadline Won’t Matter

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Roughly 12,800 North American Dynamics GP customers need to move by the end of 2029. The channel can handle only about 2,100 new customer engagements a year. The migration queue will fill long before the deadline, leaving late movers competing for fewer qualified partners, higher-cost capacity, and more rushed implementations.

When the Dynamics GP Migration Queue Is Full, the Deadline Won't Matter

Microsoft restated the legacy Dynamics timeline in July 2026, and most of the coverage read it as a reprieve. Dynamics GP now has product availability and security updates running to April 30, 2031. Dynamics NAV's Annual Service Plan coverage ends the same day. Two more years than many customers had penciled in, and the natural conclusion is that there is time.

There is time on the calendar. There is not time or delivery capacity in the channel. Those are different constraints, and only one of them is under a customer's control.

The number that matters to a GP customer is not the end-of-support date. It is the date the qualified migration capacity in their market is fully committed. That date arrives well before 2029, for reasons that have nothing to do with Microsoft's roadmap and everything to do with how many firms can actually perform this work and how many customers each can take on in a year. The install bases were built over three decades by a channel working continuously. The unwind has been given roughly 4.5 years. That arithmetic does not resolve, and when demand cannot be met, it gets rationed. Rationing, not price, is the first thing a late customer runs into.

Two Deadlines, Not One

The single most common planning error is treating the end of support as a single event. For GP, it is two, and the earlier one governs.

Milestone	Date	What actually ends
GP product enhancements and regulatory updates	December 31, 2029	Payroll, sales tax, and year-end regulatory updates stop. The software keeps running; it stops being legal.
GP security updates and product availability	April 30, 2031	Last security patches. No further licence purchases.
NAV Annual Service Plan coverage and new perpetual users	April 30, 2031	Enhancement and Advantage Plan coverage ends. No additional perpetual users for existing deployments.

Nothing switches off in 2029. That is precisely what makes it dangerous. A GP system on January 1, 2030, boots normally, posts normally, and quietly stops receiving the tax table and payroll regulatory updates that keep it compliant. The degradation is invisible until a filing, an audit, a cyber insurance renewal, or a lender's diligence request makes it visible, and by then, the remediation is on someone else's schedule.

So the working deadline for a GP customer that runs payroll or files sales tax in the United States or Canada is the end of 2029, not April 2031. That is three years and two months from now.

Then note what sits immediately behind it that most GP customers would not be aware of: NAV and Business Central on-premises customers face end of licensing on April 30, 2031, sixteen months after the GP wall. The two populations do not queue politely one after the other. They overlap and compete for the same consultants, data-migration engineers, and year-end cutover weekends.

The Arithmetic of the Microsoft Channel

The combined population is roughly 57,000 organizations worldwide: about 16,000 on Dynamics GP and about 41,000 on NAV or Business Central on-premises. Set that against the supply side.

In North America, the number of partners with genuine, demonstrable capability to execute an ERP migration of this kind is roughly 300. There are far more firms in the Microsoft Directory, but only 300 for this work. Three hundred firms that can scope a legacy GP or NAV environment, move the data, rebuild the customizations and integrations, and stand behind the go-live. And the historical throughput of a Microsoft ecosystem partner is about seven new customer engagements per year. That figure is total new-customer capacity, not incremental migration capacity, and a migration is a heavier engagement than a greenfield implementation.

Three hundred partners at seven engagements each is 2,100 new customers per year in North America. Every year, for everything, including the net-new business those firms also need to win to stay solvent.

Measure	Figure	Note
North American install base to move	~21,000	Illustrative regional split, see Sources
Annual North American channel capacity	2,100	300 partners at 7 engagements each
Years of work in the backlog	10.0	At the current throughput
Calendar remaining to April 30, 2031	4.5 years	From November 2026
Capacity available in that window	~9,800	Assuming every engagement is a migration
Customers with no path to capacity	~11,000	53% of the North American base

The regional split is an estimate and should be read as one. GP installations have always been heavily weighted toward the United States and Canada; NAV originated in Denmark and remains weighted toward Europe, at about 55% of all installs. Taking roughly 80% of the GP base and roughly 20% of the NAV and Business Central on-premises base gives about 21,000 North American organizations. Move those assumptions by 10 points either way, and the conclusion does not change because the gap is not marginal. It is a factor of two.

The Arithmetic of the Microsoft Channel

> ***Run the GP population against its own deadline, and the results get starker. Around 12,800 North American GP customers need to be off by the end of 2029, which requires about 4,000 migrations per year. That is 1.9 times the entire North American channel's total annual new-engagement capacity, before a single NAV customer is served and before a single ordinary new customer is sold anything.***

One more comparison is worth sitting with. The 57,000 install base was assembled over roughly three decades, with GP in the market since the early 1990s and Navision since the late 1980s, by a partner channel that was larger then than it is now. That works out to an average build rate of about 1,700 customers a year worldwide.

> ***Moving 21,000 North American customers in 4.5 years requires about 4,700 per year in a single region.***

Roughly two and a half times the historical global build rate, in a fraction of the geography, on a deadline.

Divided evenly, each of the 300 credible North American partners would need to absorb about 70 migrations. Ten years of their normal annual output, delivered in four and a half.

Rationing Comes Before Price

The usual prediction is that prices rise. They will, and that is the least of it. When supply is fixed, and demand is deadline-driven, the first thing a supplier does is not raise the price - they choose what customer to serve.

A partner with more qualified demand than capacity has to stop selling and start selecting. The selection criteria are entirely rational and entirely unfavourable to the customer who waited:

Clean environments first.

A GP installation on a current version, with modest customization, documented integrations, and coherent master data, is a predictable engagement. A heavily customized GP 2016 environment with fifteen years of undocumented modifications, or one that has several ISVs or one large ISV product, is a major scoping risk. Given the choice, a partner takes the first one.

Known relationships first.

Existing customers and referrals from existing customers get the slot ahead of an inbound inquiry from an organization that has not spoken to a partner in eight years.

Larger and simpler first.

Better margin per unit of scarce consultant time.

Rationing Comes Before Price

This is the part that inverts the intuition. **The customers most likely to leave the decision late are disproportionately those running the oldest, most customized environments with many ISV products and the least documented environments, because that is usually why the project keeps getting deferred**. Those are exactly the environments a partner declines when it has its pick. Waiting does not just make the work more expensive. It moves a customer to the back of a queue that is being sorted against them.

The Quality of Late Capacity

Assume a late customer gets a slot. What they get is not what an early customer got.

A partner's senior migration people are its scarcest asset, and in a sold-out market, they are committed first, at premium rates, to the engagements booked earliest. Capacity added late is added at the margin: newer hires, subcontracted resources, partners extending beyond their real competence because demand is there and revenue is hard to refuse. The same dynamic appeared in every constrained technology market over the last thirty years, with Y2K remediation as the clearest example. Fixed deadline, finite qualified supply, and a final eighteen months in which rates rose and the average quality of delivered work fell at the same time.

For an ERP migration, that cost is not abstract. It is a mis-scoped cutover, a general ledger that does not reconcile, a subledger that does not tie, and a remediation project running through the following year at day rates set by the same shortage. The premium a late customer pays is not only the higher day rate. It is the higher day rate multiplied by the greater number of days, and then the rework.

There is also a compounding effect on the customer's own side. A migration requires the customer's controller, operations lead, and IT staff for months, and those people are not more available in a crisis than they are now. An emergency migration competes with a year-end close, an audit, or a peak season, and the customer's own capacity constraint arrives exactly when the partner's does.



The Escape Routes Are Also Full

Two reasonable objections, and neither survives contact with the same arithmetic.

The first is that a customer under pressure can leave the Microsoft ecosystem. True, and often sensible on the merits. But NetSuite, Sage Intacct, and Acumatica are served by implementation channels of comparable finite size, and those channels are already absorbing their own pipelines. A displaced Dynamics population arriving late does not find spare capacity there. It finds a second queue, staffed by firms that also have to learn a legacy GP or NAV data model they did not build. Changing vendors changes the destination. It does not create consultants.

The second is that AI will close the gap. This one deserves more credit than it usually gets, and it is still not a rescue. AI is already meaningfully compressing parts of a migration: schema mapping, code analysis, test generation, data cleansing, and the documentation of undocumented customizations. Assume that compression is real and continues.

It raises throughput per partner. It does not increase the number of partners who can be held accountable for a go-live, and accountability is the binding constraint. The scarce input is not keystrokes. It is the judgment to decide what a twenty-year-old customization was actually for, whether the business still needs it, and who is responsible for the consequences when the first month-end close runs on the new system. Nor does AI help evenly. It works best where data is structured and documentation exists, which is to say it helps clean environments most and neglected environments least.

> ***AI widens the gap between the prepared customer and the unprepared one rather than closing it.***

And if AI doubles effective capacity, the same market logic applies to the price. Demand that must be served by a fixed date does not reward a supplier for passing on efficiency gains.

What Is Actually Still Open

Nobody upgrades a network until it stops working. Nobody replaces a server until it fails. Nobody moves an ERP system until they have to; when they do, it's an emergency, and emergencies are priced differently from planned work. That instinct is not irrational. The perpetual licence is paid for and the system does the job. But the instinct is calibrated to a world where the supplier of the fix has slack, and in this specific window, the supplier does not have slack.

The genuinely open window is narrower than the deadline and wider than it looks, because most of what determines the cost of this project is work a customer can do without a partner:

Book capacity contractually, not conversationally.

A place in a partner's 2028 delivery schedule is worth securing while partners are still competing for the work rather than selecting among it. A signed engagement with a dated delivery slot is a different asset from a good relationship and a verbal assurance.

Do the data and customization work now.

Master data cleansing, deduplication, documenting every modification and integration, and retiring the ones nobody uses. This is the long pole in every migration; it is the largest single driver of scope risk; it does not require scarce consultant time; and it is what moves an environment from the pile a partner declines to the pile a partner takes.

Decide the destination early and independently.

Business Central, another cloud ERP, or a vertical solution. Deciding under time pressure, in a market where the partner's capacity is the scarce good, is how customers end up buying whatever the available partner happens to sell.

Treat the end of 2029 as a compliance date, not a technology date.

It is the point at which regulatory updates stop. Work backward from a go-live that is safely within a clean fiscal year, then back through the length of a real migration, and the start date is closer than the deadline suggests.

The Common Thread

There is no shortage of warnings about the 2029 and 2031 dates. Partners have been saying it for years, and the message has largely been heard as a sales pitch, which is understandable, because it has often been delivered as one. The point here is different, and it is not really about Microsoft.

The constraint is not the deadline.

> ***It is that roughly 57,000 organizations are being asked to complete, inside four and a half years, a volume of work that the channel that built those install bases would take a decade to perform.***

When a fixed supply meets demand that cannot be deferred, the market clears through price, selection, and a decline in the quality of what is delivered at the end. All three of those work against whoever moves last.

The customers who move in the next eighteen months will negotiate with partners who still want the work. The customers who move in 2029 will negotiate with partners who are choosing between them. The date on the Microsoft lifecycle page is not the deadline that matters. The deadline that matters is the day the good capacity is committed, and nobody publishes that one.

Sources: Dynamics GP lifecycle dates, product enhancements and regulatory updates ending December 31, 2029 and security updates ending April 30, 2031: Microsoft Learn, Dynamics GP lifecycle policy. Dynamics GP product availability ending April 30, 2031, Dynamics NAV Annual Service Plan and additional perpetual user licences ending April 30, 2031, and Dynamics SL product availability ending January 15, 2030: Microsoft Dynamics 365 blog, “Explore migration options for Microsoft Dynamics NAV, Microsoft Dynamics GP, and Microsoft Dynamics SL customers,” July 28, 2026. Install base of approximately 41,000 NAV and Business Central on-premises customers required to move by 2031: attributed to Microsoft, relayed in industry conversation but not independently published. Install base of approximately 16,000 Dynamics GP customers worldwide. Approximately 300 North American partners with genuine migration capability, and an average of approximately seven new customer engagements per partner per year: Partner Economics channel estimate based on practitioner interviews, not a published figure. The 80% North American share of the GP base and 20% North American share of the NAV and Business Central on-premises base are illustrative assumptions used to make the regional arithmetic explicit, not measured figures as they are not published; every derived North American number in this paper inherits that label. Historical build rate of approximately 1,700 customers per year worldwide is derived from the combined install base over an assumed 33-year period. GP in market since the early 1990s and Navision since the late 1980s. Y2K remediation rate and quality dynamics are cited as historical analogy, not as a measured comparison.

Partner Economics publishes analysis of channel and partner economics for organizations from small business up to approximately $1 billion in revenue. This paper is analysis, not advice on any specific migration, and no vendor sponsored it.