

The State of ERP in Finance & Other Sectors in 2022/23

Research Report



Contents

- 1: **Introduction**
- 2: **How ERP is driving change in finance**
- 3: **ERP deployment**
- 4: **ERP implementation risks and challenges**
- 5: **What do finance professionals think of their ERP?**
- 6: **Finance professionals' upcoming priorities**



The State of ERP in Finance
& Other Sectors in 2022/23:
Research Report

Introduction

1

CHAPTER 1:

Introduction

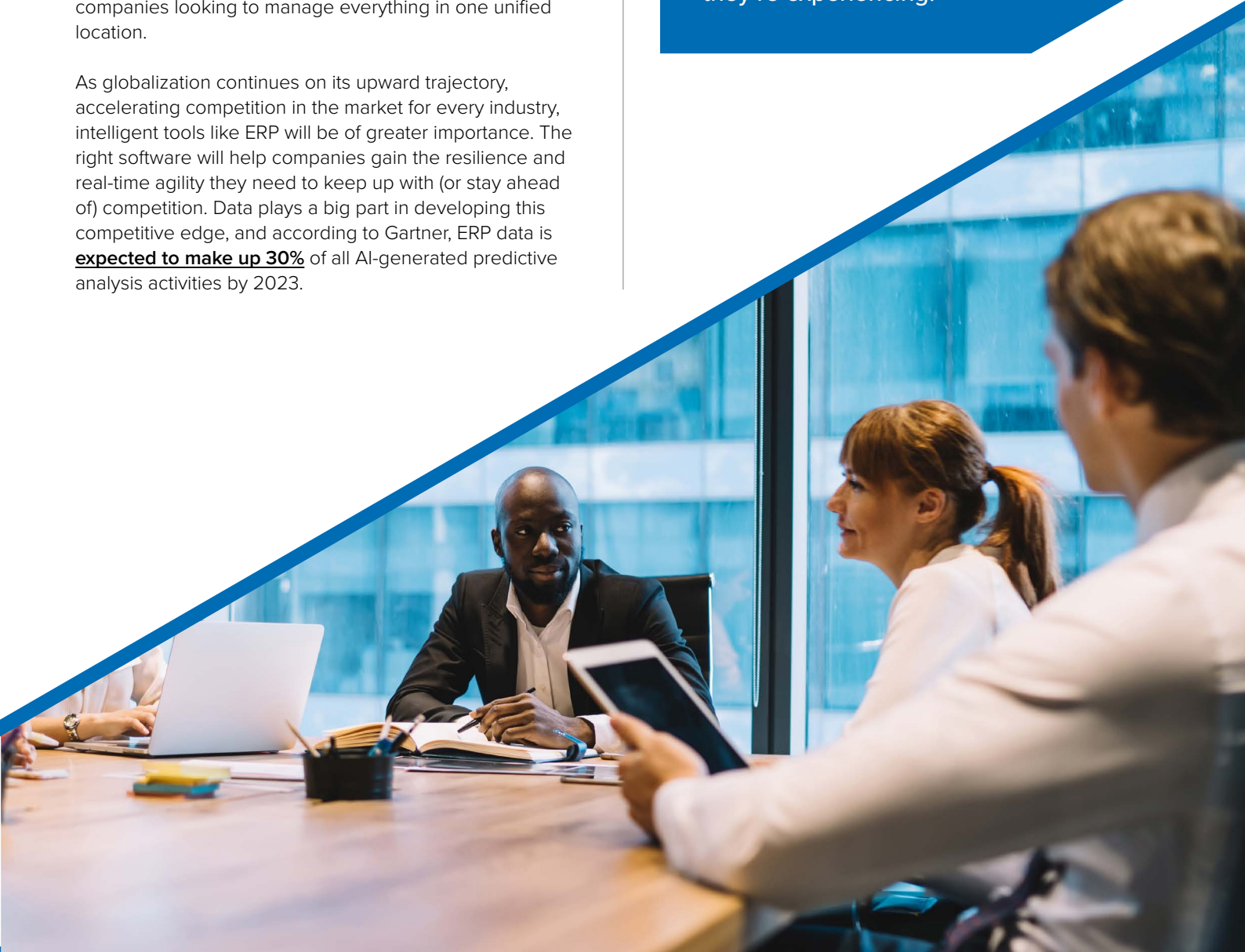
Enterprise Resource Planning (ERP) software is critical for growing organizations looking to integrate business processes and applications, and for those wanting to consolidate their operations. As more businesses realize the value of centralizing their database, the global ERP market is predicted to reach **\$117.09 billion** by the year 2030, with the cloud market forecast to see the biggest growth.

Software services are continuously getting better too, with technology much more advanced than it used to be. Historically, ERP systems were independent suites that didn't communicate with other systems in the business. But today, ERP software is able to bring together multiple functions, from supply chain, operations and manufacturing to commerce and human resources. Furthermore, ERP systems are just as valuable for financial management activities, providing a comprehensive solution for companies looking to manage everything in one unified location.

As globalization continues on its upward trajectory, accelerating competition in the market for every industry, intelligent tools like ERP will be of greater importance. The right software will help companies gain the resilience and real-time agility they need to keep up with (or stay ahead of) competition. Data plays a big part in developing this competitive edge, and according to Gartner, ERP data is **expected to make up 30%** of all AI-generated predictive analysis activities by 2023.

Over two thirds of private organizations **surveyed by Deloitte** also reported plans to accelerate digital transformation in the COVID-19 aftermath, which includes adopting ERP solutions. But what are the challenges and risks that businesses should know about? How satisfied are business leaders with their current ERP solution? And what needs to be done in order to get the most out of your investment?

Our research dives deep into the state of ERP in a post-pandemic world, providing valuable insight into what major companies are spending, what they're prioritizing and what setbacks they're experiencing.



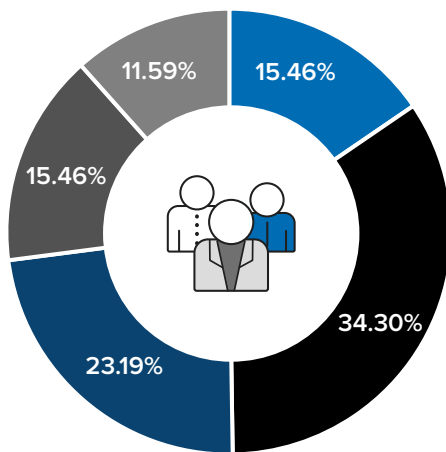
Survey demographics

Insights for Professionals surveyed 207 senior professionals in the US and the UK. Over half of the respondents work in Finance, with the other 49% working across various sectors, such as Manufacturing, Technology, Construction, Education, Government, Health, Transport and others.

Company size

The survey respondents represent midsize to large companies; ranging from 250-499 employees (15%), 500-999 employees (34%), 1,000-4,999 employees (23%), 5,000-24,999 employees (15%) to huge corporations with 25,000+ employees (12%).

How many employees are there in your organization?



- 250 - 499
- 500 - 999
- 1,000 - 4,999
- 5,000 - 24,999
- 25,000 or more

Which country are you based in?



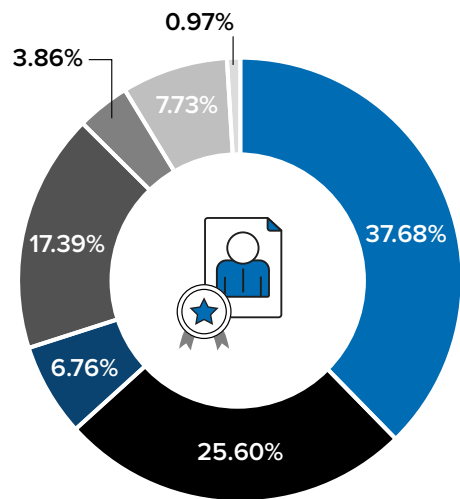
Industry — finance vs other sectors



Seniority level

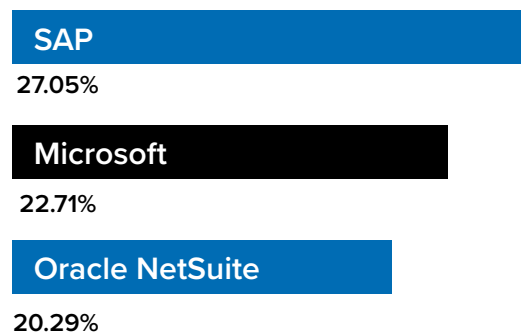
In terms of the respondents themselves, they have varying degrees of seniority within their organizations, but are all managerial level or above. The largest group of survey participants (almost two thirds) are managers or senior managers. This is followed by directors (17%), C-Suite executives (8%), department heads (7%) and VPs (4%).

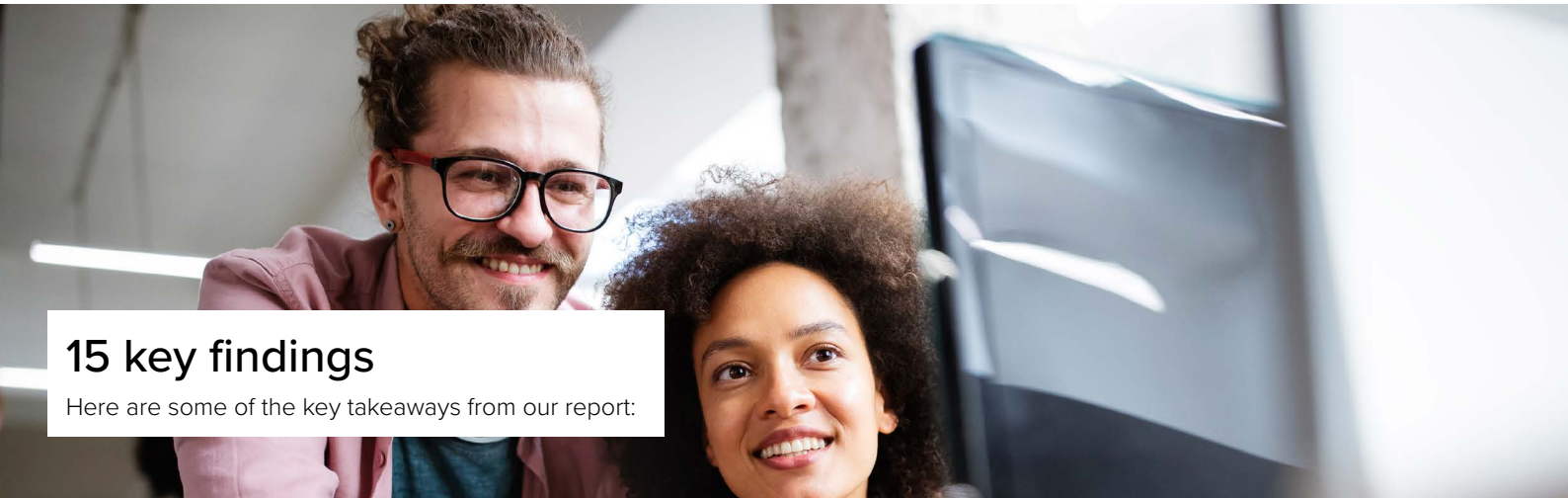
Select your authority level



- Manager
- Senior Manager
- Head of
- Director
- VP
- C-Suite
- Other

Which ERP vendor do you currently use? (Top 3)





15 key findings

Here are some of the key takeaways from our report:

1. Increased visibility into data was **reported by 67%** of companies
2. **Over half of organizations** currently deploying ERP are benefiting from optimized processes
3. Smaller businesses with less than 1,000 employees are almost **twice as likely to benefit** from process optimization with ERP (compared to larger organizations with 25,000 employees)
4. Over **50% of companies** use cloud-based ERP software, while a quarter use hybrid software
5. Increasing **operational efficiency** is the main reason for deploying ERP for **61% of professionals** across all sectors
6. In the **Finance** industry, improving productivity and collaboration is the main reason to invest in ERP for **nearly two thirds** of companies
7. **44% of professionals** report problems with data quality as their main challenge when implementing ERP software
8. As many as **41% of non-Finance businesses** consider effective training and change management as their number one barrier to success with ERP deployment in the workplace
9. A huge **57% of companies** want to see improvements in staff training or extra support in helping teams familiarize themselves with ERP technology – and believe this to be key in improving ERP effectiveness across the board
10. The vast majority of ERP users (**87%**) are **satisfied with the results** they have seen after implementing the new system
11. Nearly **45% of professionals** using Microsoft ERP say they are ‘very satisfied’ with their solution, compared to just a quarter of those who are ‘very satisfied’ with SAP or Oracle NetSuite
12. Smaller companies with less than 1,000 employees are **more than twice as likely** to see the full value of their ERP software and consider the system to be very flexible, compared to larger organizations with 25,000+ employees
13. Oracle NetSuite’s reporting feature ranks the highest, with **43% of customers** being very happy with this functionality
14. In the **Finance** sector, **over half of the companies** using ERP plan to switch vendors within the next 9 months
15. Across all sectors, **71% of businesses** intend to invest in cloud technologies to enhance their ERP software

The State of ERP in Finance
& Other Sectors in 2022/23:
Research Report

How ERP is driving change in finance

2

CHAPTER 2:

How ERP is driving change in finance

The complexities of the finance sector render it vulnerable to a number of challenges. In a time of transformation and change, these challenges are even more apparent, such as the ever-increasing costs associated with admin and manual paperwork, shifting laws and regulations, as well as rising customer demands.

Another challenge is the growing cybersecurity risk in today’s digital environment. ERP systems make it easy to manage access levels, granting permissions and access to data based on job roles. At the same time, a unified database helps to create consistency and standardization, while ensuring accuracy of mission-critical data. This can improve security at every level, guarding against cyberattacks.

Averaging around **350,000+ exposed sensitive files**, the finance sector is one of the most at-risk industries for cybercrime. And while data tells us that **most finance companies** are very good at detecting and containing cyberattacks, they’re not quite as adept at preventing them from happening in the first place.

This is another reason why CFOs are migrating to intelligent systems such as ERP. With ramped up security

and capabilities – including bank reconciliation, tax management, capital management, account receivables, purchase management and rich financial reporting – ERP software is altering the landscape for finance teams.

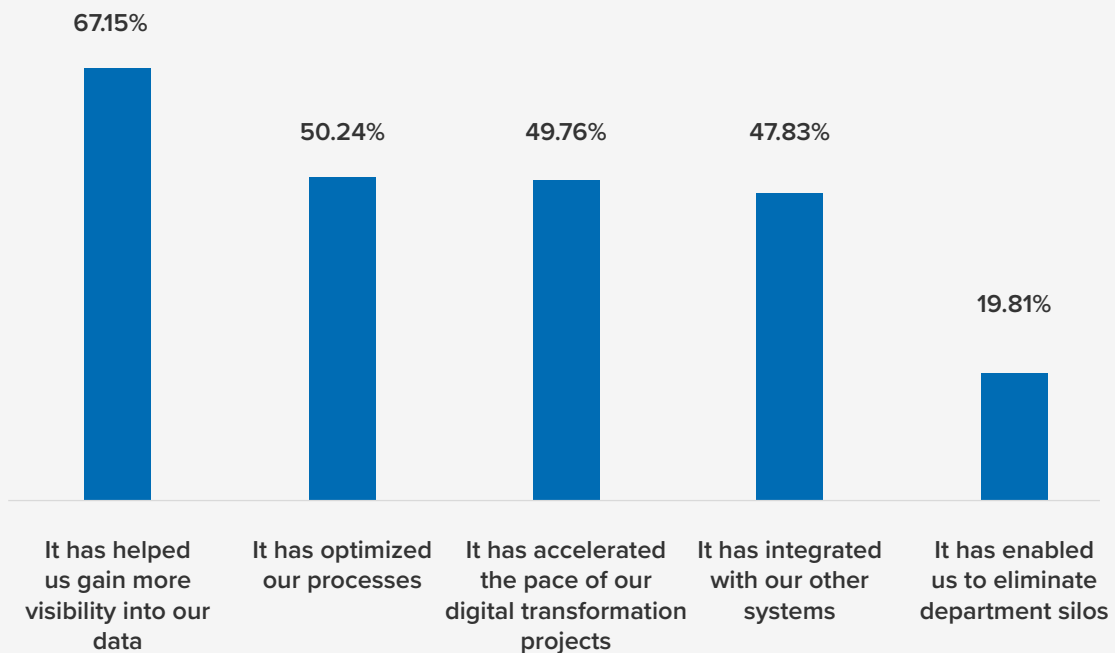
Most notably, ERP accelerates transformation and dramatically increases business efficiency, paving the way for a smarter, more productive future. As a result, employees are more satisfied and empowered in their roles, customer satisfaction goes up and companies can enable change and growth.

Top benefits of ERP

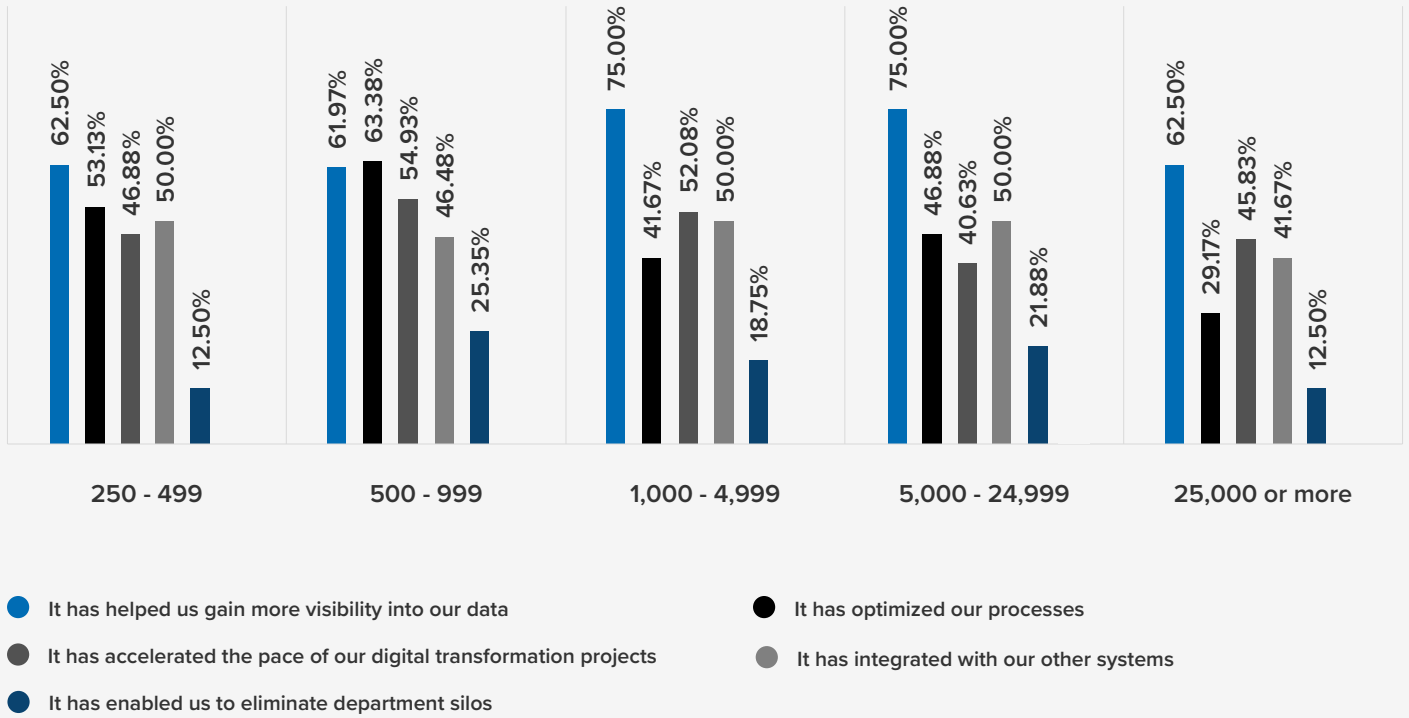
We asked our survey group how their organization has benefited from the deployment of ERP software so far. The biggest gain is increased visibility into data, with almost 70% of respondents agreeing that their company has benefited in this way. This is followed by optimized processes, with over half of professionals reporting this.

What’s more, around 50% of respondents say that ERP has accelerated the pace of digital transformation projects, while a smaller but still significant number (20%) also reported the elimination of department silos, which can help to improve data sharing and collaboration.

How has ERP transformed your business so far?



Digging deeper into feedback based on company size, it's clear that smaller organizations are the ones to really reap the rewards. Among companies of over 25,000 employees, only 29% found that ERP optimized their processes – that's significantly less than businesses with 250-999 employees (53%).



This disparity could be down to the scale and level of the integration required, as well as the amount and quality of data being handled. Larger companies with thousands of employees also have to consider an effective change management strategy in order to overcome problems of resistance.

However, one benefit remains consistent across all companies, regardless of size – getting over 60% of votes from respondents is visibility of data, which highlights the powerful impact of consolidation of information into one centralized location.

Only **29%** of companies of over 25,000 employees found that ERP optimized their processes.

The State of ERP in Finance
& Other Sectors in 2022/23:
Research Report

ERP deployment

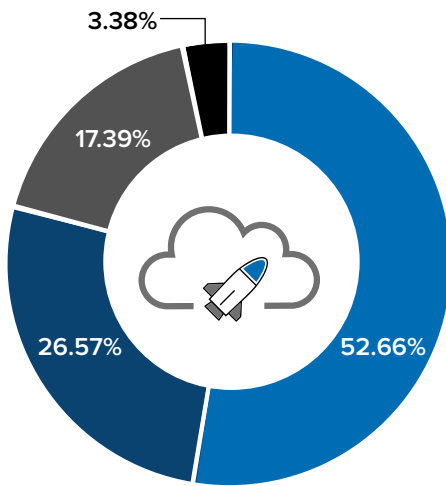
3

CHAPTER 3:

ERP deployment

Looking at methods of deployment, it's clear that most organizations (over half) favor cloud-based software, while a significant number (over a quarter) are deploying a hybrid model. Overall, there's still a substantial group (17%) using on-premise ERP.

Which ERP deployment model do you use?

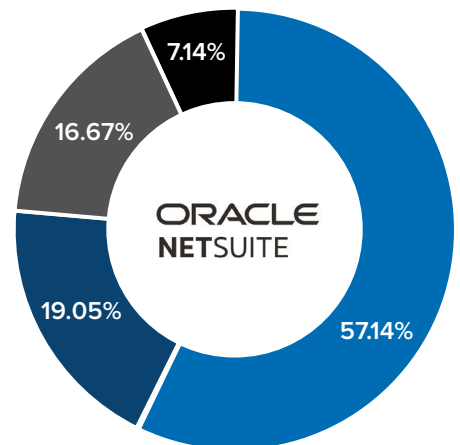
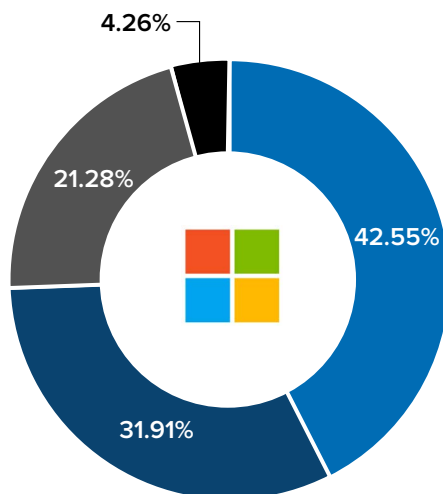
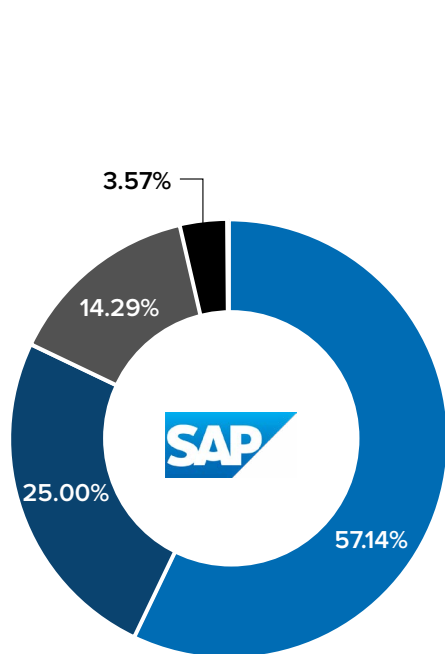


● Cloud ● Hybrid ● On-premise ● Don't know

Breaking it down by vendor, we can see a similar pattern for SAP, Microsoft and Oracle. However, cloud uptake is much more prominent with SAP and Oracle, with only 43% of Microsoft customers operating in cloud (compared to almost 60% for SAP and Oracle customers).

43% of Microsoft customers operate in the cloud (compared to almost 60% for SAP and Oracle customers).

Microsoft has a much larger segment of on-premise software users (over 20%), but more notably, more than 30% of its customers are deploying the hybrid model. This is compared to just 25% for SAP users, and 19% for Oracle.



Cloud is seeing the fastest growth

When implementing an ERP solution, one of the main considerations is the deployment model. Among the four different models, cloud is growing fastest, with a clear trend for increasing cloud adoption in the years to come.

While the global ERP market is reported to have a CAGR rate of 10% (2021-2030), the global cloud ERP market is reported to have **17% CAGR growth** for a similar period (2022-2028). Some of the top players in this market include Oracle, SAP, Microsoft, Sage, Epicor and Workday.

According to Gartner, more than **51% of IT spending** on system infrastructure and software will be via the cloud rather than traditional solutions. A study by Accenture also tells us that **53% of UK CIOs** are looking for more intelligent ERP systems that harness the power of machine learning, AI and automation – and cloud is the way to do this.

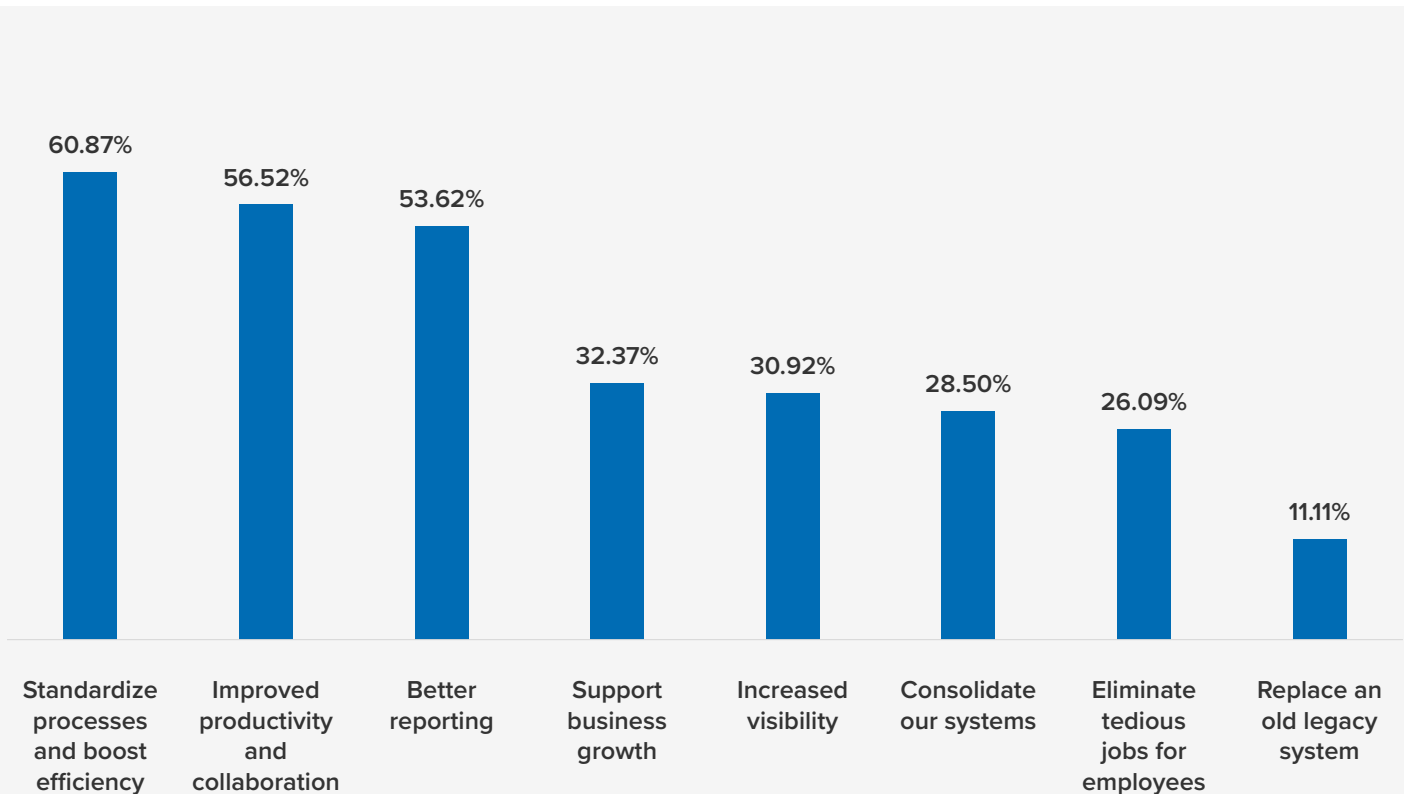
Cloud systems also provide increased visibility and collaboration opportunities, enabling easy sharing and optimization of data across all levels and departments and making the shift from legacy systems an inevitable choice for future growth.

Despite these benefits, on-premise still provides more control over both data and security. Because data is stored locally, sensitive company or customer information never leaves the organization. This can be a decisive advantage, particularly for dealing with today’s mounting compliance requirements. For businesses looking to bridge the gap or get the best of both worlds, hybrid ERP can be a good middle-of-the-road approach.

Main reasons for ERP deployment

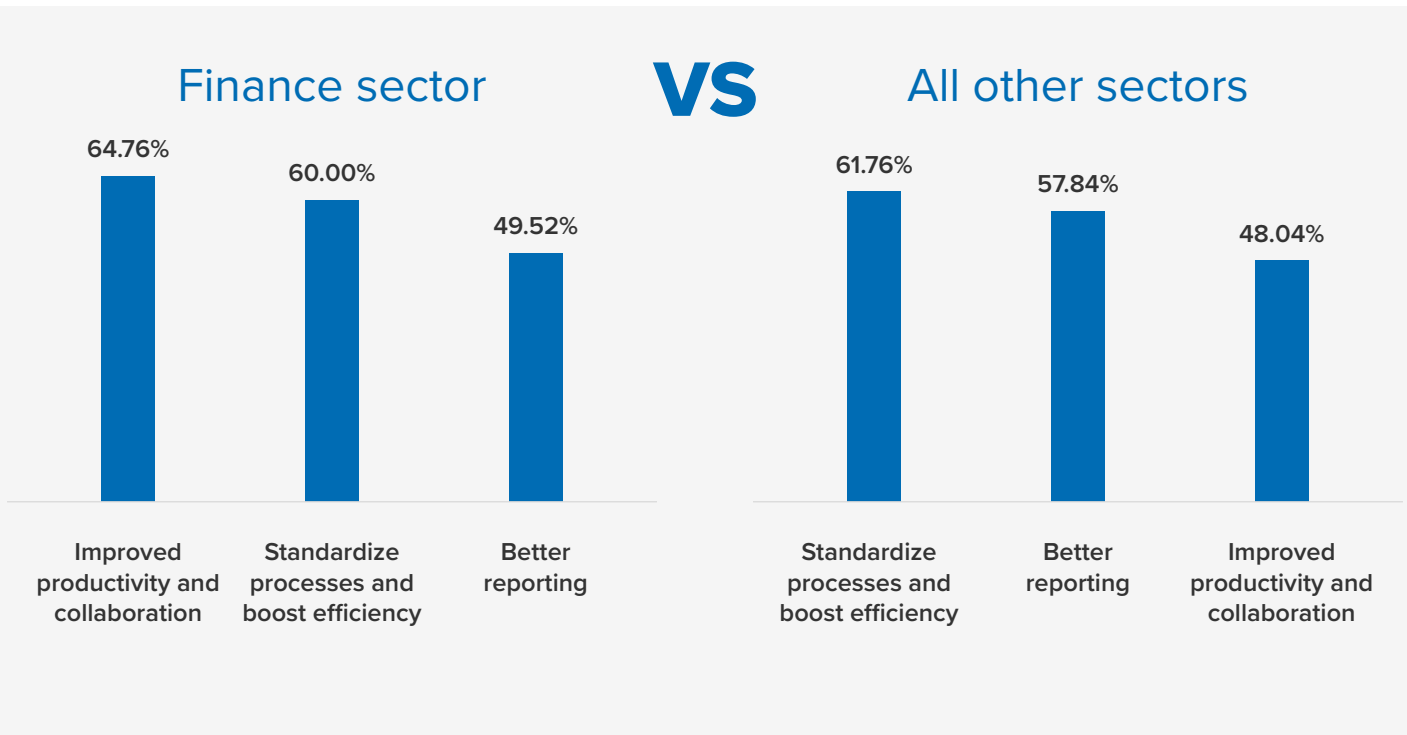
Ultimately, whatever deployment model you choose, the benefits of ERP solutions are clear. We asked our survey participants for the top reasons behind their decision to implement ERP software, and the three biggest reasons include being able to standardize processes and boost efficiency (61%), improving collaboration and productivity across all departments (57%) and fine-tuning the ERP reporting process (54%).

Other reasons highlighted are to support business growth, increasing visibility, consolidating systems, reducing manual repetitive tasks for employees and to replace an outdated legacy system.



Breaking it down by sector, however, it's clear that productivity and collaboration between different business functions is the main reason for investing in ERP for Finance businesses, with nearly two-thirds of professionals selecting this as their main motive (65%). This is compared to just 48% of respondents in all other sectors.

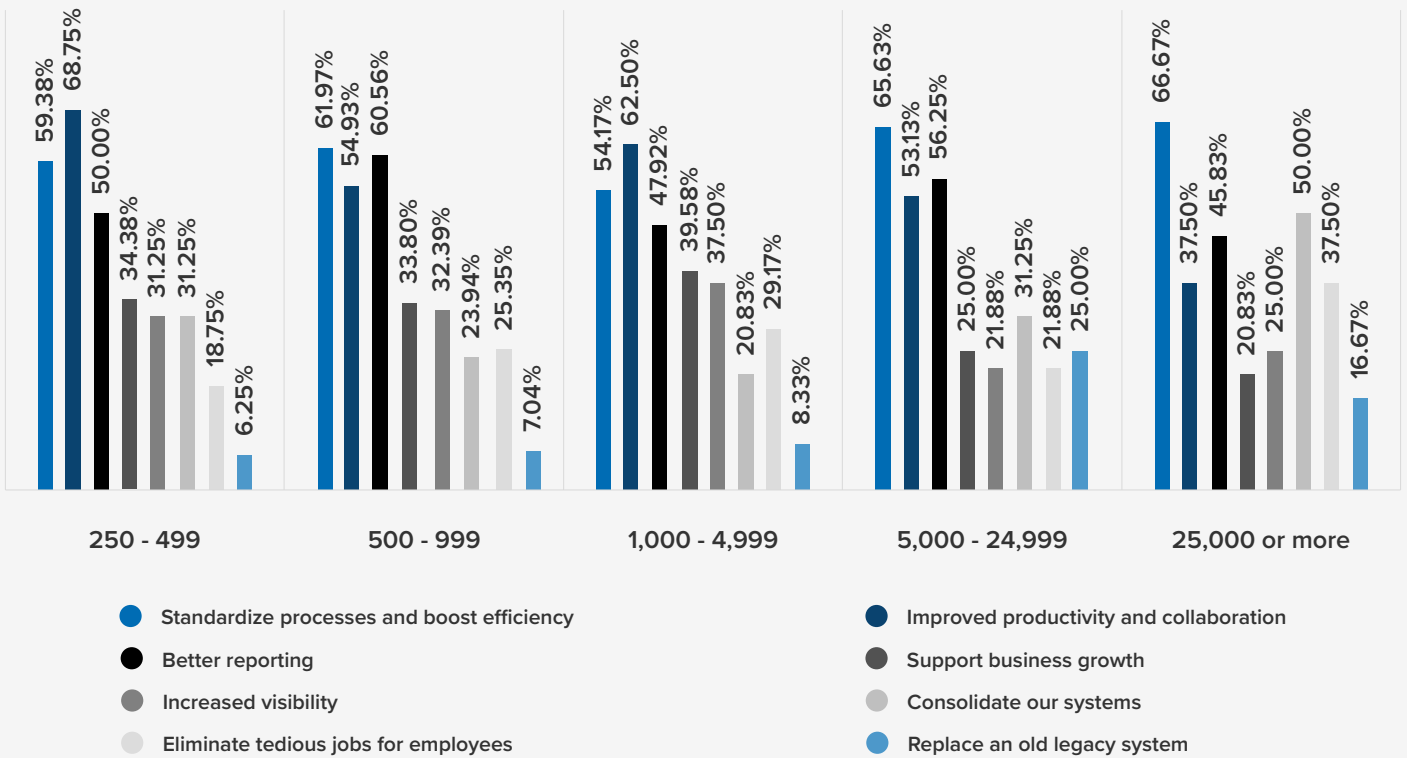
For all other industries excluding Finance, the biggest objective for ERP deployment (with 62% of the votes) is to standardize processes, boost efficiency and save money. This indicates the intense need for collaboration and cooperation in Finance, a sector that's been traditionally plagued with siloed ways of working. In fact, data silos are a problem for almost **60% of finance teams** – so the need for centralized data management is critical.



Data silos are a problem for almost **60%** of finance teams, so the need for centralized data management is critical.

If we look at the answers based on company size, the need to ‘standardize processes and boost efficiency’ is either the number one reason or at least in the top three, regardless of the size of the business.

However, there’s a marked difference in other motivating factors. Companies with upwards of 5,000 employees are far more interested in replacing old legacy systems, making transformation a priority. Understandably, larger corporations are less interested in business growth, while organizations with less than 5,000 employees rank growth much higher.



50% of large corporations - with 25,000 or more employees - reported that consolidating their systems was their second biggest reason for deploying ERP (compared to 22% of small firms with 500-4,999 employees).

The State of ERP in Finance
& Other Sectors in 2022/23:
Research Report

ERP implementation risks and challenges

4

CHAPTER 4:

ERP implementation risks and challenges

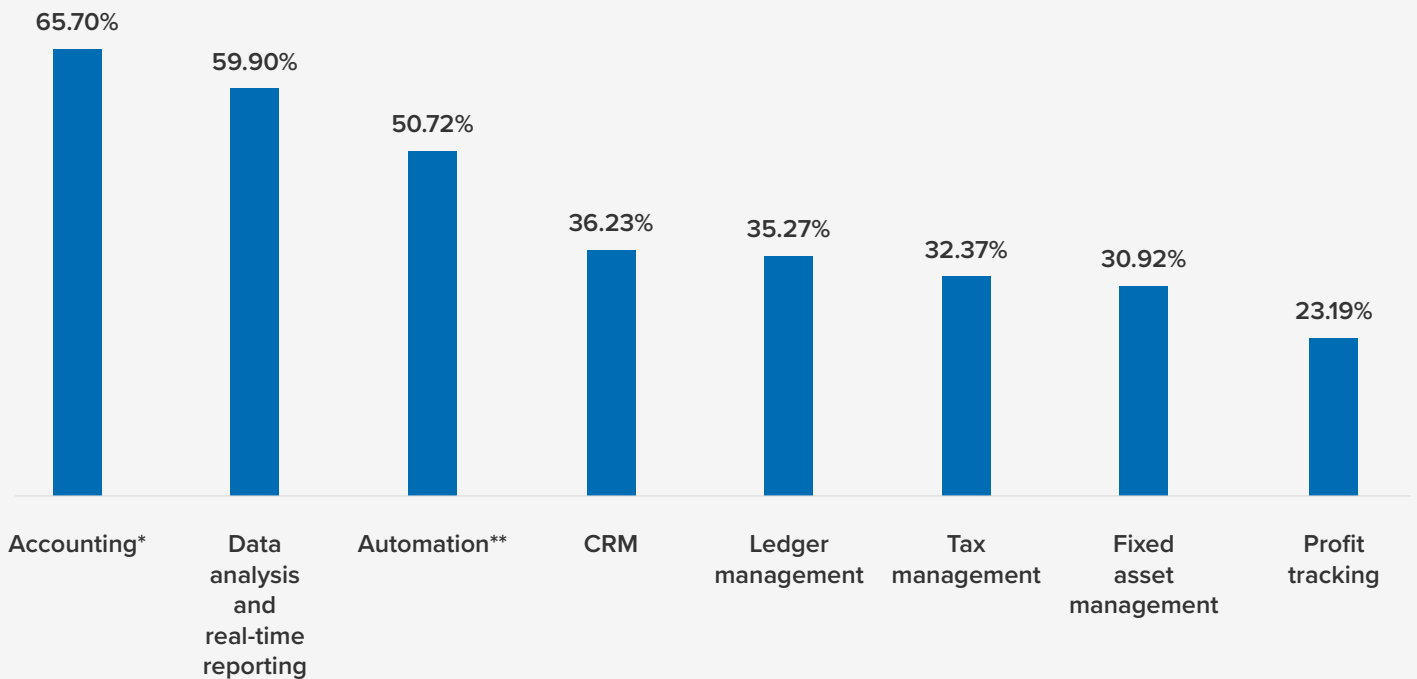
As with any new technology, ERP comes with its challenges and risks, and these can trip you up from a very early stage in your journey. For instance, understanding which existing processes need to be integrated is key. Furthermore, if your ERP solution isn't adequately flexible, you may need to adapt these processes to get the most out of the technology.

Overview of ERP functions

Before we dive into the issues that businesses have experienced during implementation, it's important to get a view of how teams are using ERP software in their day-to-day jobs.

The three main functions that stand out are accounting (66%), data analysis and real-time reporting (60%) and automated processes such as invoicing and payroll (51%). Other uses for ERP within teams and organizations across a typical working day include CRM, ledger management, tax management, fixed asset management and profit tracking.

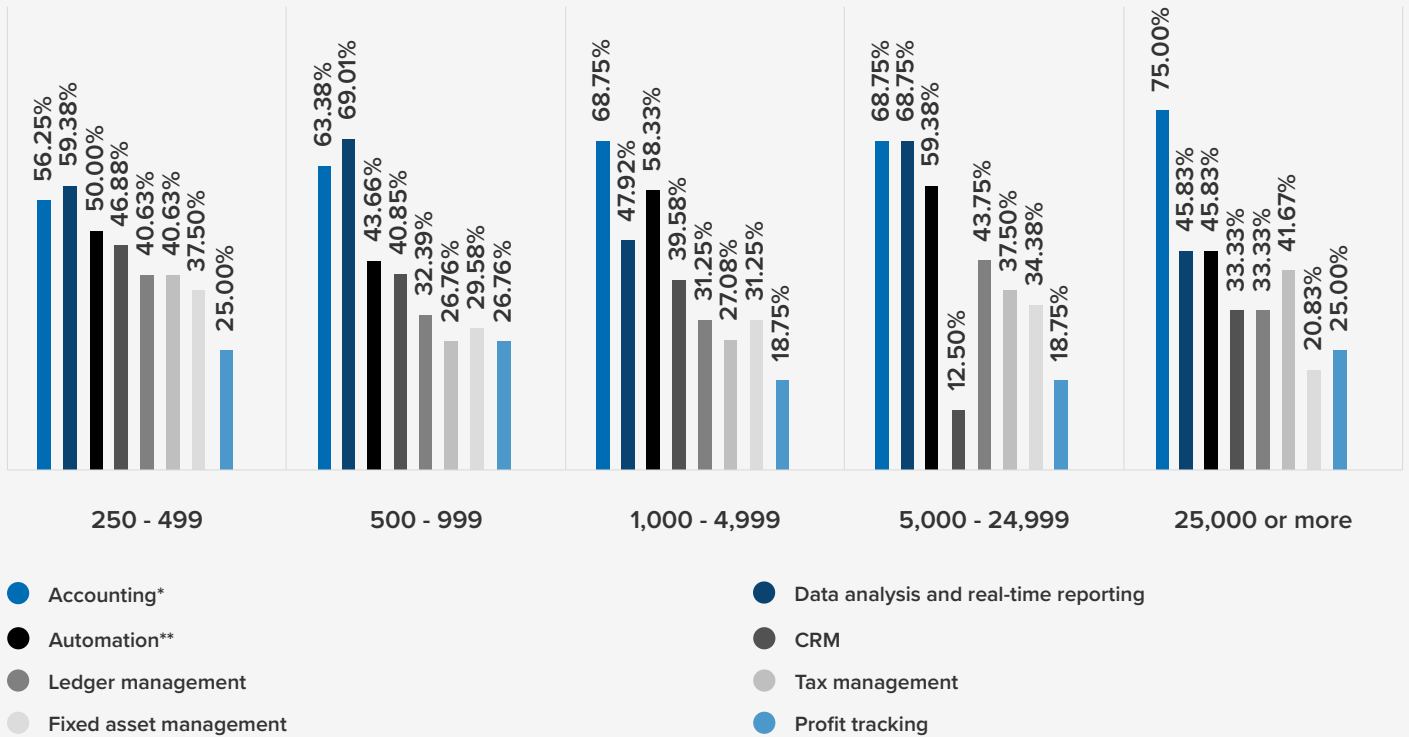
What ERP functions do you frequently use in your day-to-day job?



*Accounting (i.e. accounts payable and accounts receivable, budgets and forecasting)

**Automation (i.e. invoicing, payroll, order processing and more)

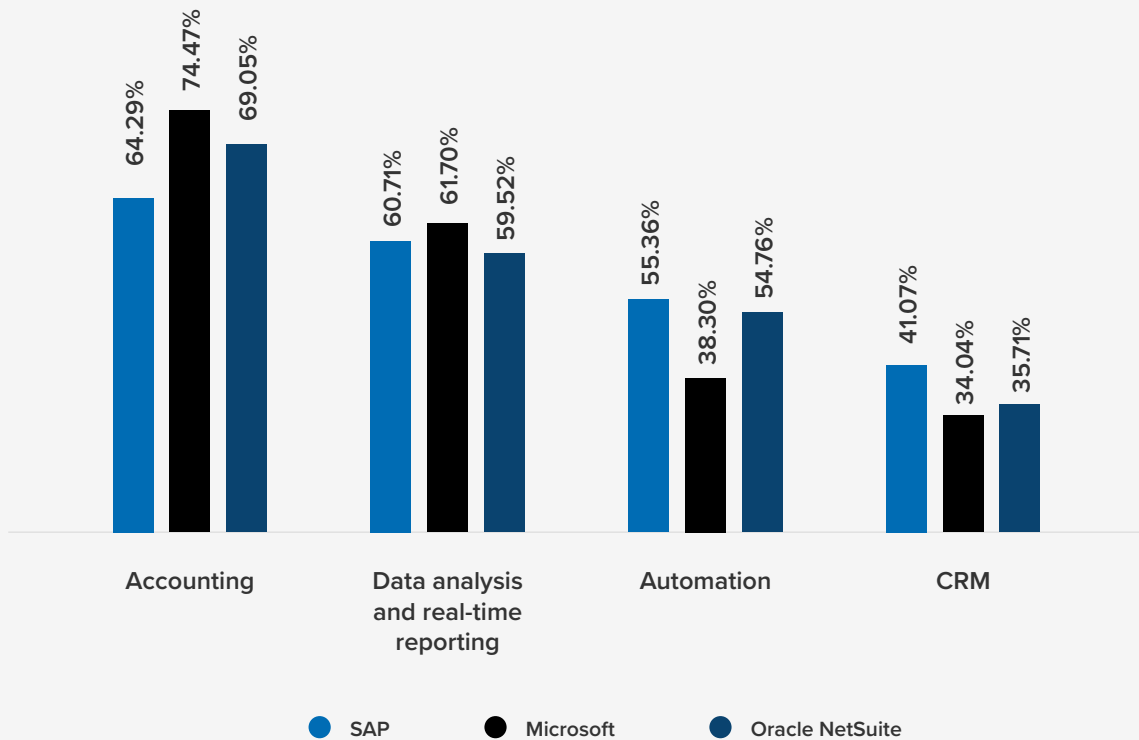
While ERP functions vary in terms of importance for all company sizes, the need for an ERP accounting function becomes a bigger priority for those with more employees.



Around 42% of small firms - with a workforce of 250-4,999 employees - typically use the CRM function within their ERP solution (compared to 13% of large companies with up to 24,999 employees).

Looking at the different vendors, the trend appears similar, with accounting being the most used function of ERP software. This is followed closely by data analysis and real-time reporting and automation. However, automating processes is only selected by 38% of Microsoft customers – compared to 55% of both SAP and Oracle customers.

Top 4 ERP functions by vendor



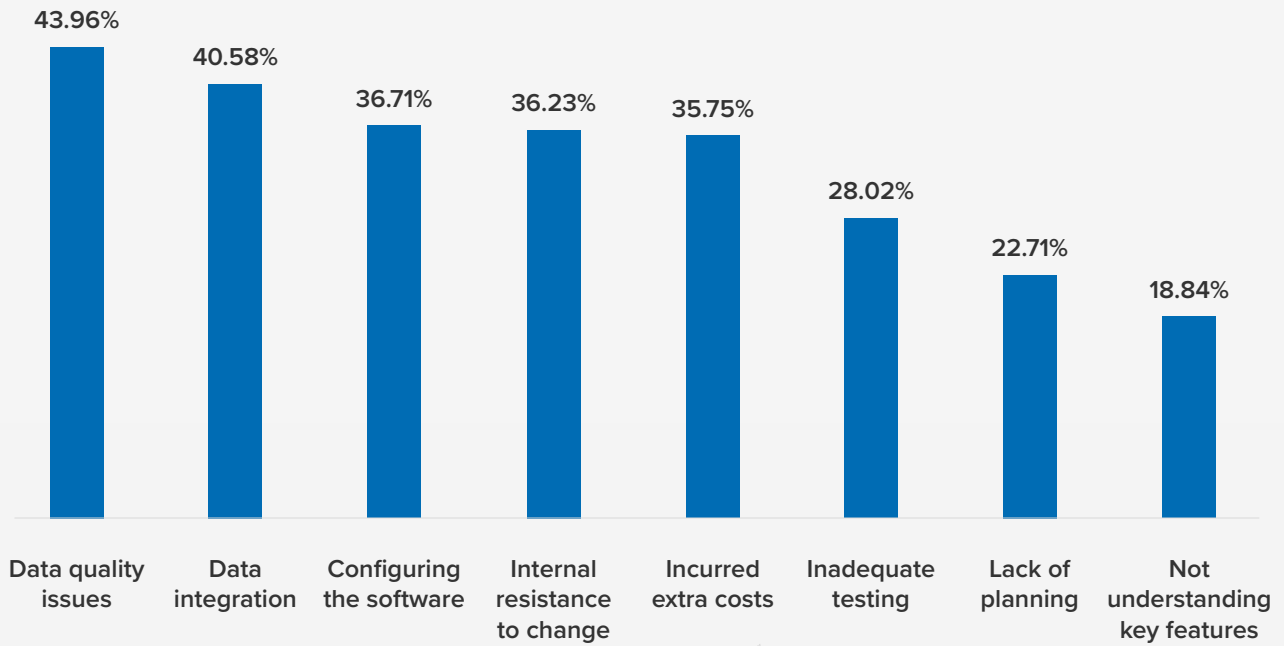
Top 3 most used functions of ERP software:

- | Accounting
- | Data analysis and real-time reporting
- | Automation

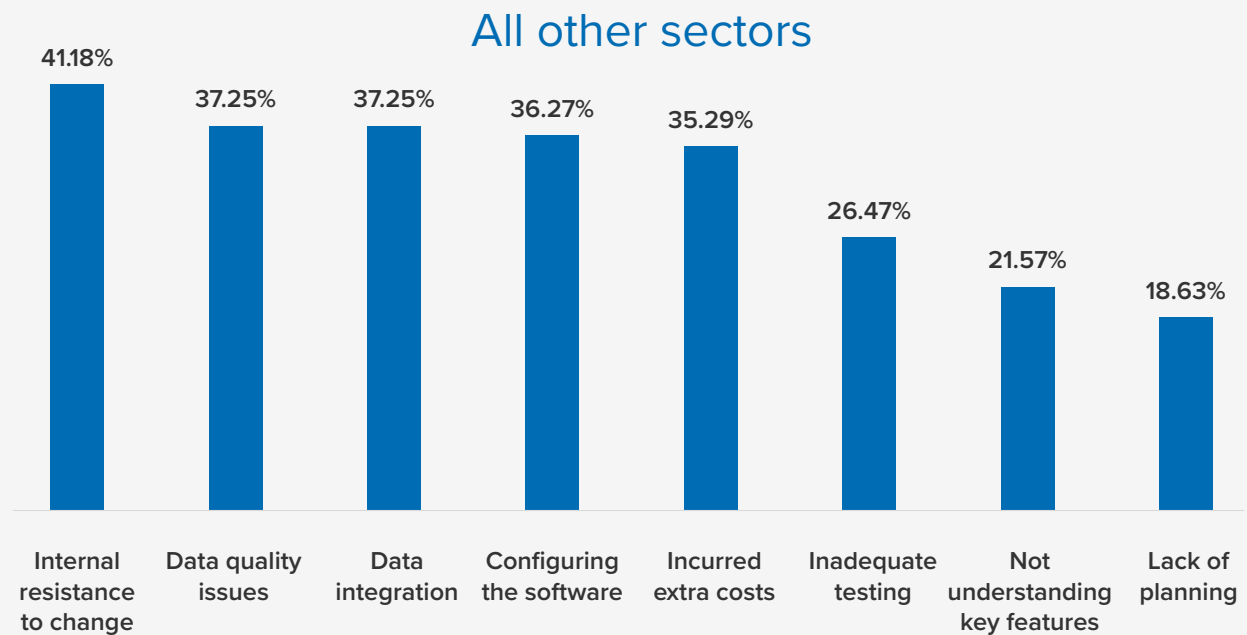
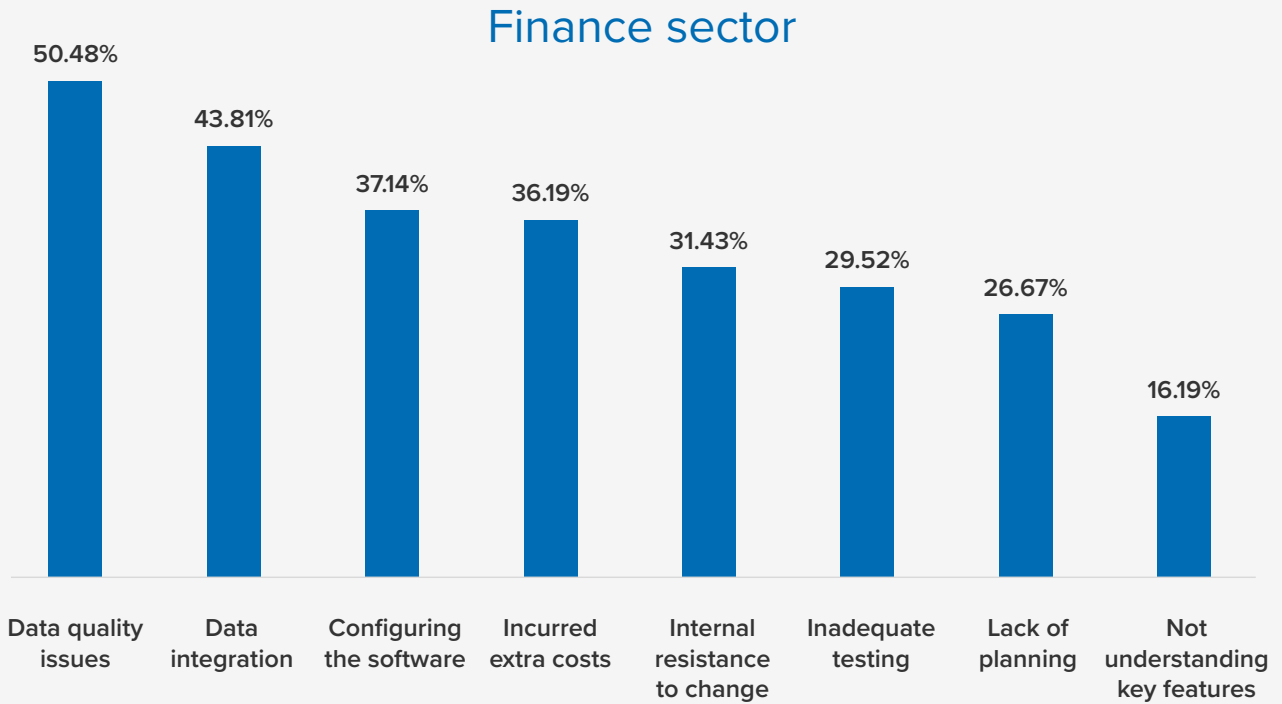


Key challenges/risks with ERP implementation

The biggest reported problem from our survey group is data quality, garnering 44% of the votes across all regions, and for all company sizes. Other prominent challenges highlighted by professionals include data integration (41%), configuring the software (37%), staff resistance to change (36%) and going over budget with additional incurred costs (36%).



Data quality is clearly a much bigger problem within the Finance sector, with over half of professionals expressing it as an implementation challenge. This is compared to just 37% in all other sectors, and could be due to the prevalent issue of outdated technology and disparate ways of working.



The main challenge reported in non-Finance sectors is internal resistance to change, with 41% of the votes (compared to just 31% for Finance companies). However, it's worth pointing out that managing change resistance will vary greatly depending on company size and culture.

Larger organizations tend to have a more embedded structure, which can cut two ways when it comes to changing culture. And although resistance is less reported within the Finance industry, the importance of change management shouldn't be forgotten if businesses are to make ERP implementation successful.

A shocking statistic from Gartner indicates that **55-75% of all ERP projects fail** to meet their objectives – and one of the top causes is failure to embrace change. It's paramount for the entire organization (and all stakeholders) to understand the purpose and strategy behind the move.

Project leaders will need to define the need for change and clearly promote the benefits of the new system. They should continually and repeatedly articulate and endorse the wider vision, and be transparent about budget and resources from the get-go.

How to maximize value from ERP solutions

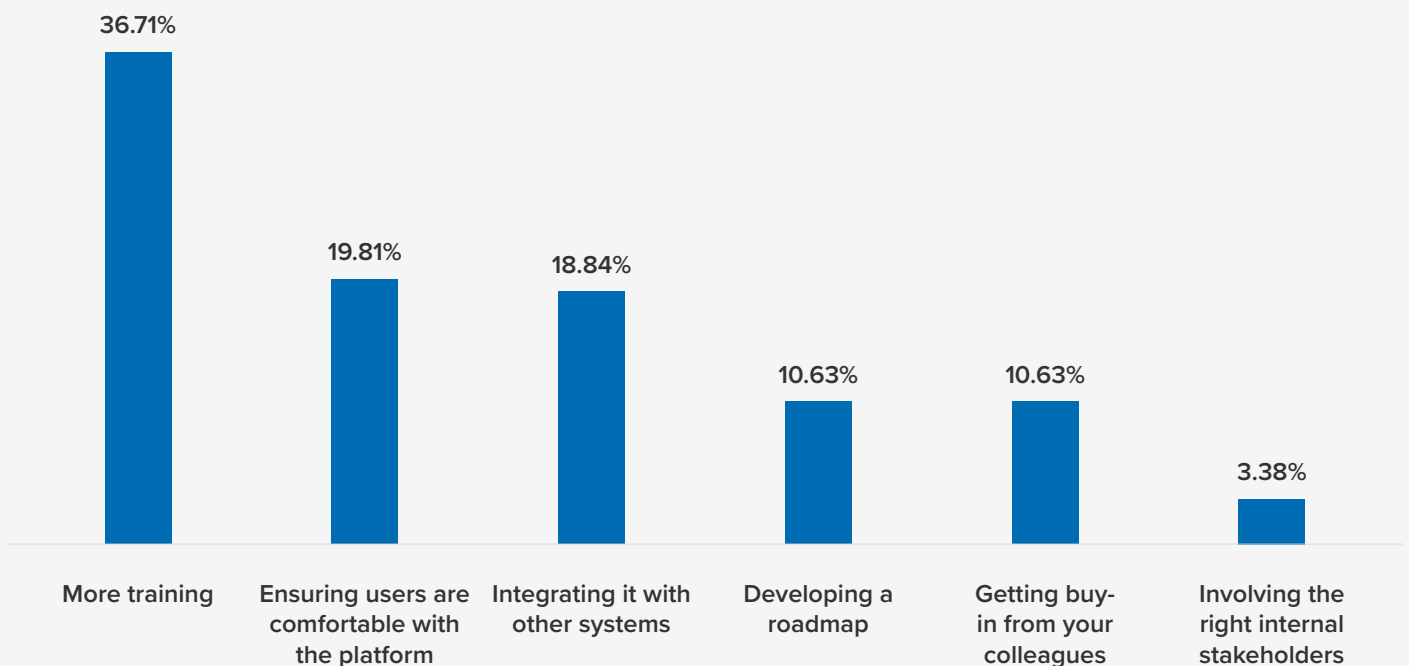
Although data quality and data integrations were the biggest problems overall within our sample set, the group had different ideas for making ERP work better in the workplace.

When asked about what support, tools or resources could help them get the most value out of their ERP solution, our survey group showed a strong desire for additional training, with over a third agreeing that this was a necessity for improvement. This was followed next by the need to ensure users are comfortable with the platform, with 20% of the votes.

These answers indicate widespread concern for the ability of humans to adapt to technology. Again, the need for change management is undisputable, regardless of industry or company size. The human element of technology deployment can often be overlooked, but as Gartner reports, almost **three quarters of workers** experience medium to high stress levels when affected by change, including new technology deployment.

Ensuring teams are comfortable with new technology also nurtures the bottom line, as according to McKinsey, organizations with effective change management in place **surpass ROI goals by 143%**, while those with little or no change management only achieve 35% of expected ROI.

What would help you get maximum value from your ERP solution?



The State of ERP in Finance
& Other Sectors in 2022/23:
Research Report

What do finance professionals think of their ERP?

5

CHAPTER 5:

What do finance professionals think of their ERP?

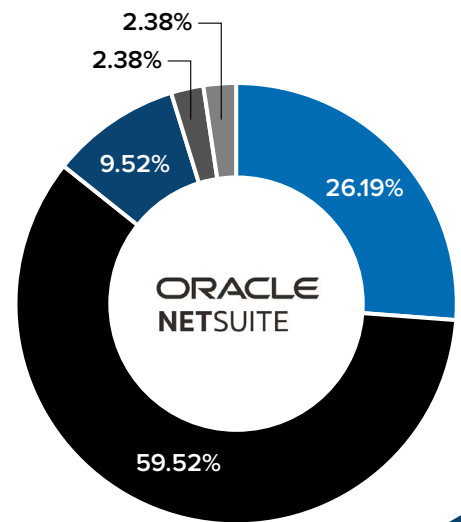
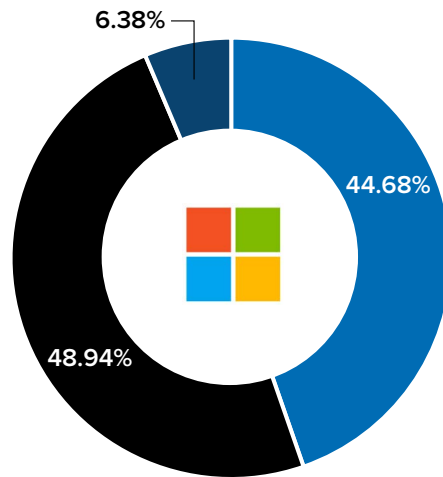
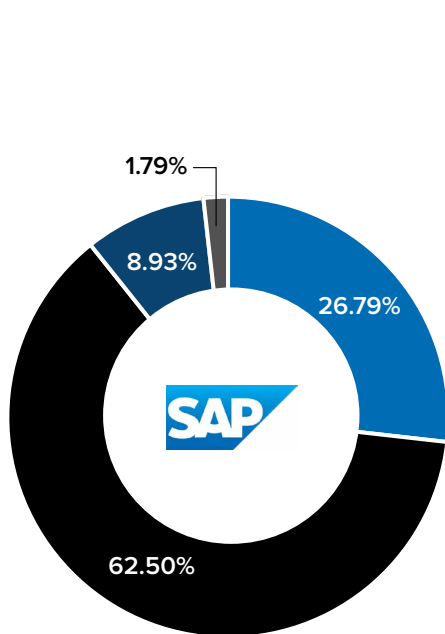
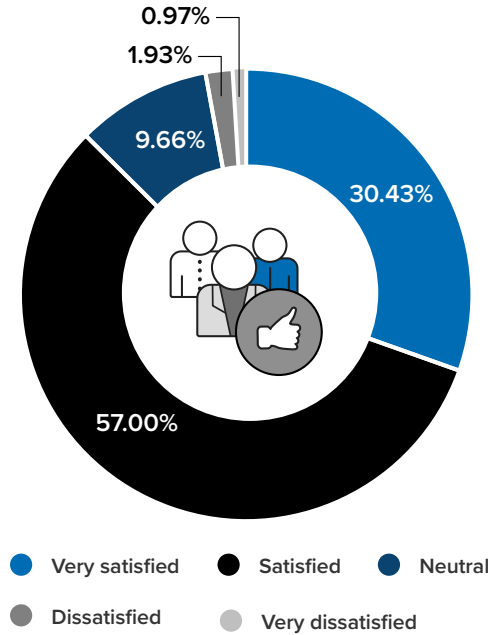
Our research also provides an interesting overview of how happy current users are with their company's ERP software.

Overall user satisfaction

At a glance, 87% of professionals we asked are either 'satisfied' or 'very satisfied' with their current software, indicating that ERP as a whole is a success across all industries and sectors. Less than 10% remain 'neutral', and less than 3% are 'dissatisfied' with their current ERP solution.

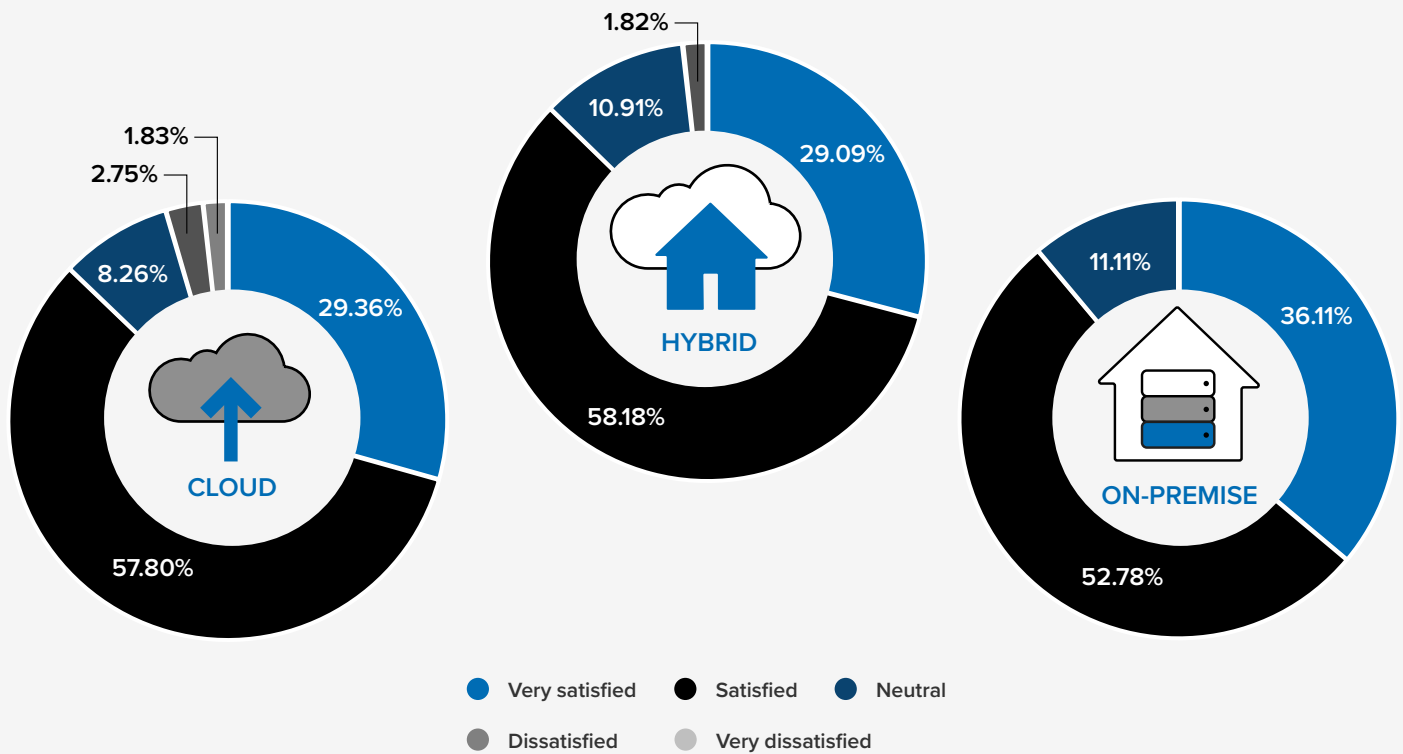
Delving deeper into vendor-specific data, there's a clear difference between users who are in the 'very satisfied' camp. Nearly 45% of Microsoft customers are 'very satisfied' with the software they're using – compared to a quarter who feel this way about SAP and Oracle NetSuite. This tells us that some users aren't getting the maximum benefits from their services.

How satisfied are you with your current ERP solution?



Looking specifically at deployment model, most professionals in our survey are fairly happy with ERP. Interestingly, over a third of users (36%) say they're 'very satisfied' with their on-premise system, compared to 29% adopting a cloud or hybrid model.

ERP deployment model satisfaction

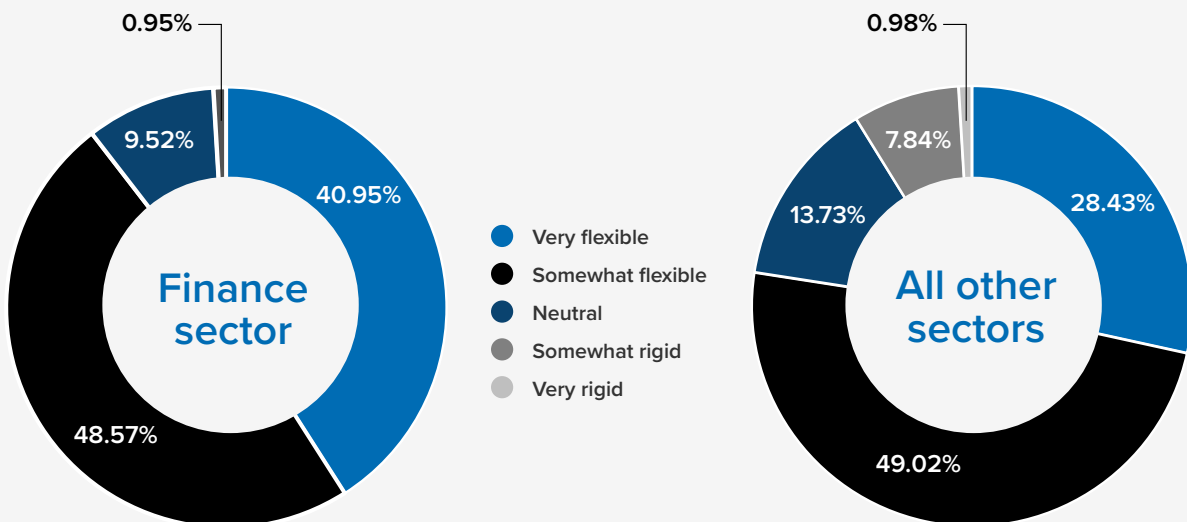
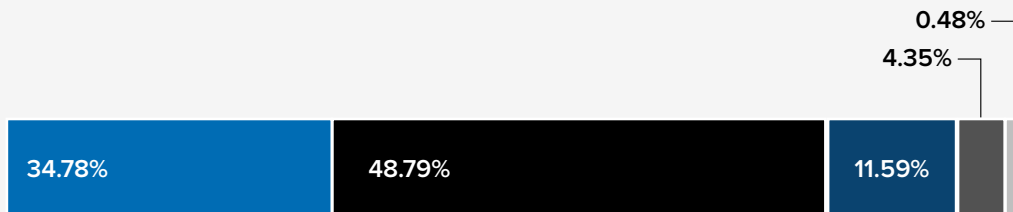


Despite the huge growth and popularity of cloud, one of the biggest advantages of on-premise is having complete control over your data and security, which may have played a part in the survey responses.

ERP system flexibility

When it comes to how flexible users consider their ERP systems to be, 82% believe they're either 'somewhat flexible' or 'very flexible'. While 12% had a 'neutral' response, less than 5% consider their ERP software as 'somewhat rigid' or 'very rigid'.

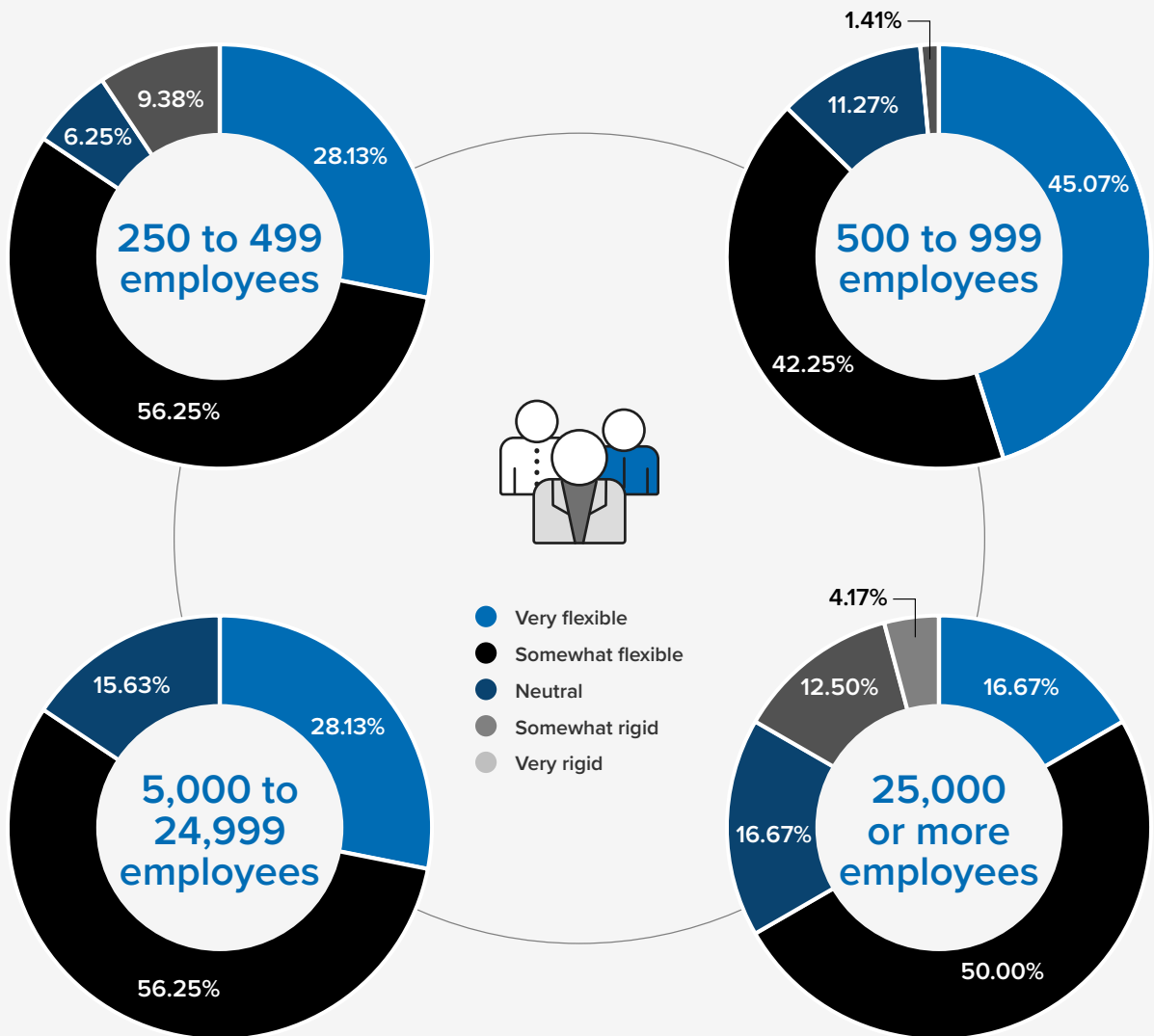
How would you rate the flexibility of your ERP system?



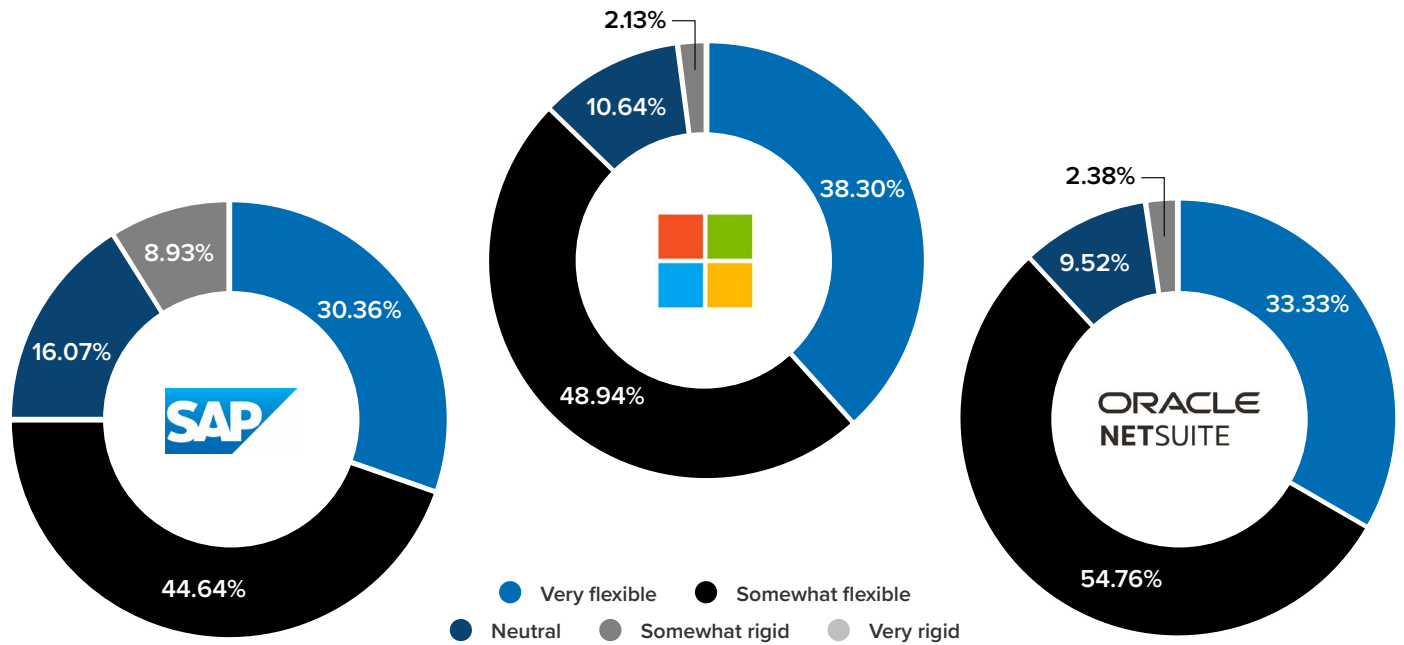
The data varies a bit more between sectors, with almost 41% of finance professionals rating their current system as 'very flexible' (compared to just 28% in non-Finance sectors). What's most concerning though is that in all other sectors, bar Finance, almost 9% of respondents claim their system is 'somewhat or very rigid', while almost 14% are 'neutral'.

Based on company size, it could be suggested that larger organizations are struggling to see the full value of ERP, with less than 17% of businesses with 25,000+ employees rating their software as 'very flexible' (compared to 45% of companies with 500-999 employees).

Over a third of these larger organizations also rate their current system as 'neutral', 'somewhat rigid' or 'very rigid' – more than twice as much as any other segment.



Breaking it down by vendor, Microsoft comes up on top with almost 40% of its customers claiming that the software offers high flexibility for their needs. In terms of rigidity, SAP has the largest group of users who could be unsatisfied in this regard. A quarter of SAP customers either rank the system 'neutral' or 'somewhat rigid' – that's more than double compared to Microsoft and Oracle customers.



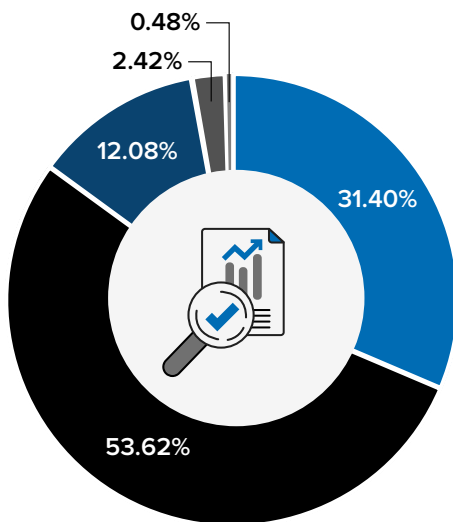
25% of SAP customers rated the flexibility of their ERP system as 'neutral' or 'somewhat rigid'.

Review of reporting capabilities

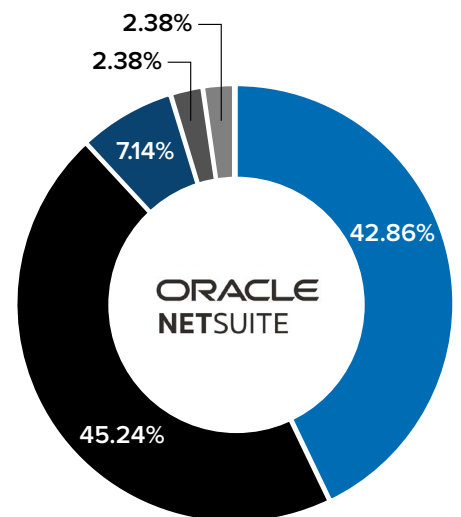
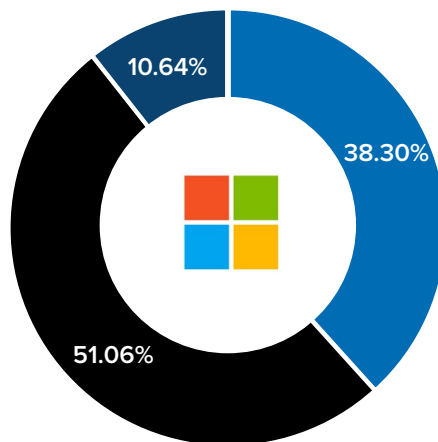
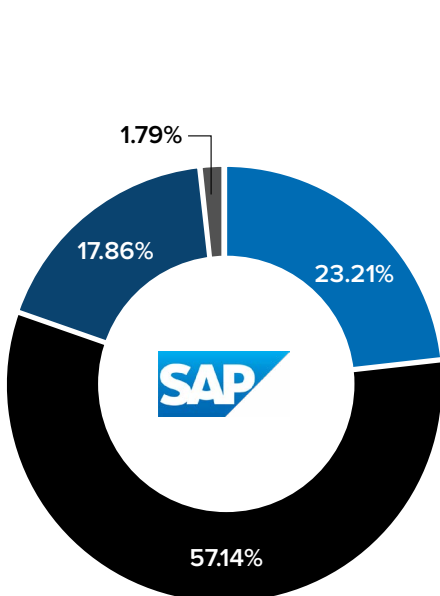
Looking at the report-generating features of current ERP systems, over 85% of professionals are pleased with the technology. While over 12% remain in the 'neutral' camp, less than 3% are unhappy with what they're using.

Almost 43% of Oracle NetSuite users are 'very satisfied' with the software's reporting capabilities, while over 38% are 'very satisfied' with Microsoft. In comparison, only 23% of SAP customers feel the same. What's more, nearly 20% of professionals using SAP are 'neutral' or 'dissatisfied' about their current reporting functions.

How satisfied are you with your ERP solution's reporting capabilities?



- Very satisfied
- Satisfied
- Neutral
- Dissatisfied
- Very dissatisfied



ERP and customer experience

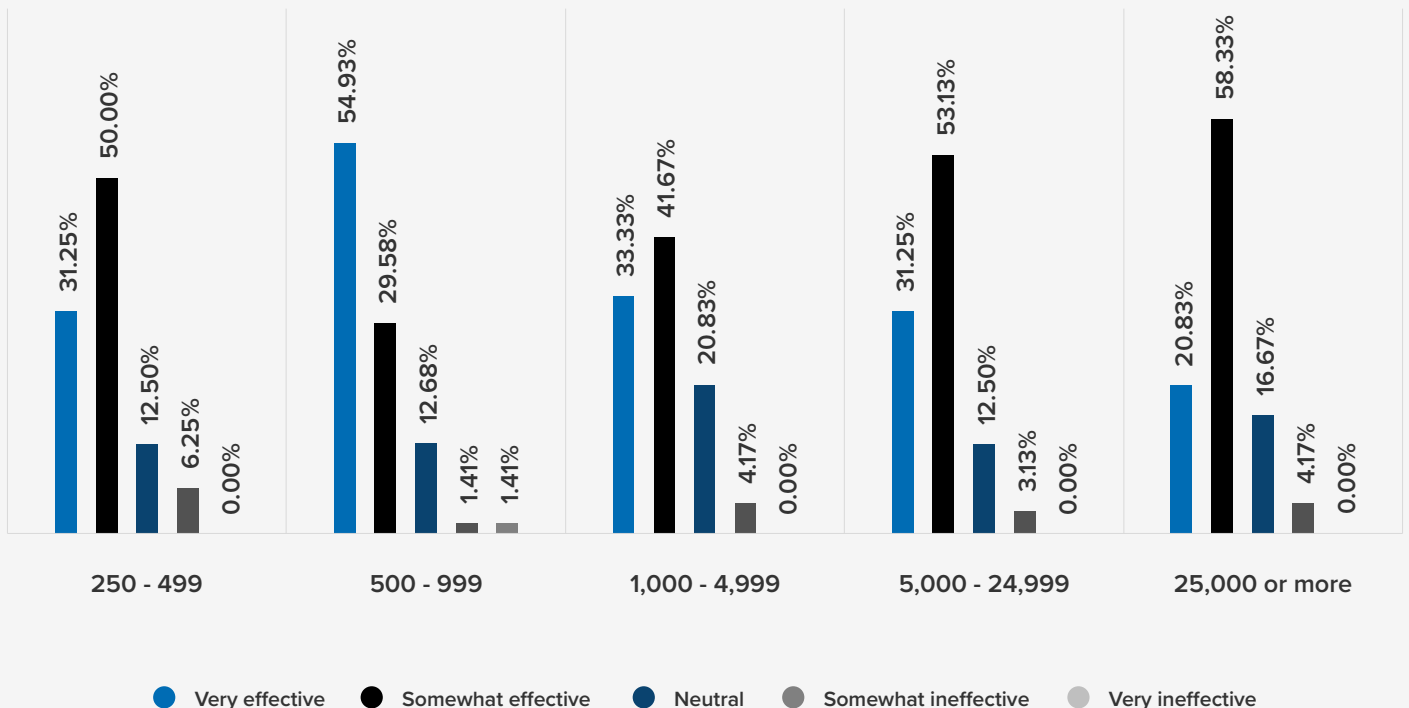
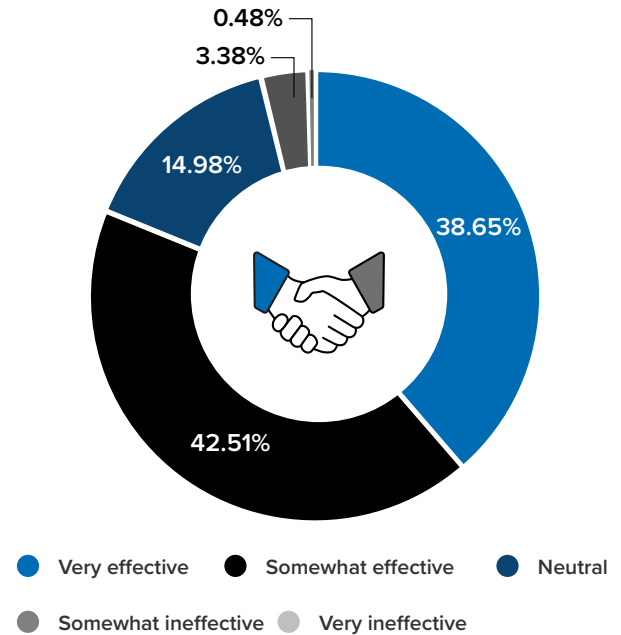
Another advantage of deploying ERP is to improve customer experience (CX). When asked how effective their ERP software has been so far at enhancing their customer experience strategy, our respondents were largely satisfied (over 80%).

However, almost 15% sit in the 'neutral' camp, indicating that some users aren't maximizing the benefits of ERP for customer communication.

Smaller companies seem to be getting the most benefit from ERP platforms, according to our data. Businesses with 1,000+ employees are less likely to rate ERP as 'very effective' for enhancing customer experience, and are more likely to select 'somewhat effective'.

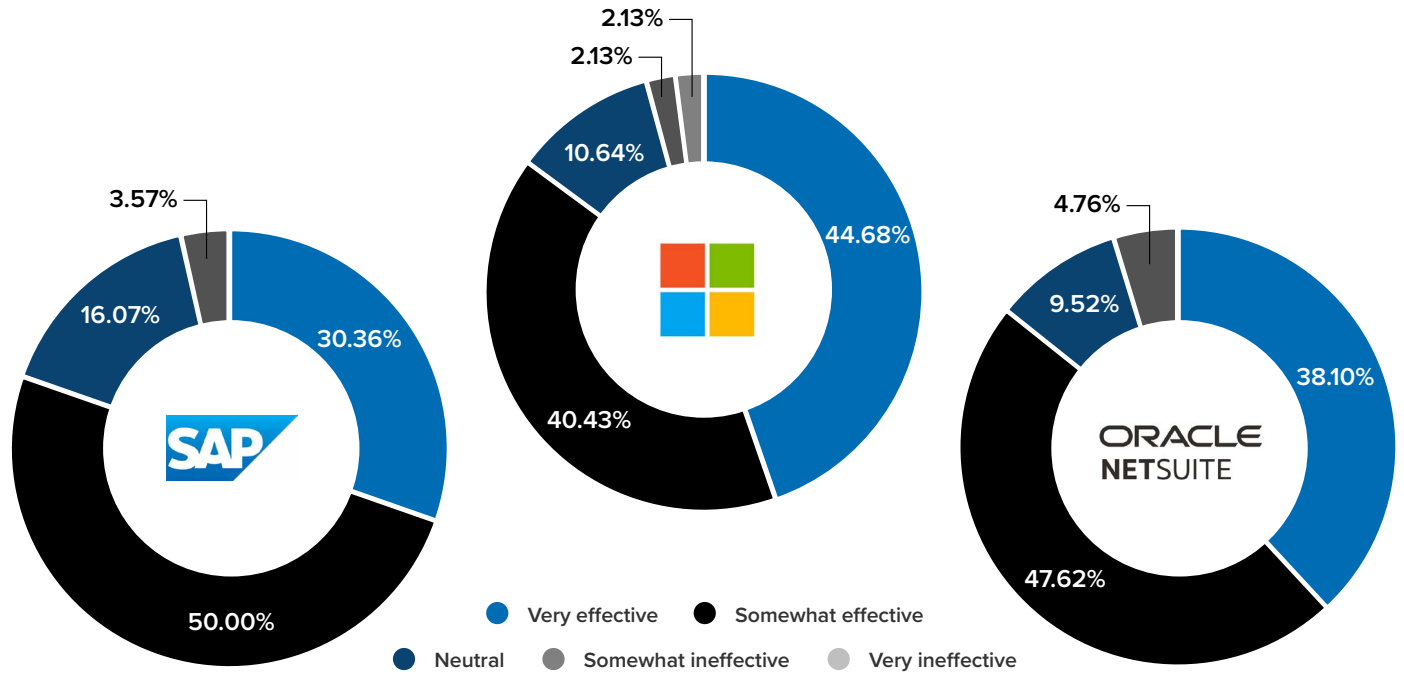
On the flipside, over half of smaller organizations (500-999 employees) rate their ERP solution as 'very effective'. While this sentiment isn't reflected by companies with less than 500 employees, this could be down to budget and cash flow restrictions, as well as lack of time and in-house expertise.

How effective is your ERP in enhancing your customer experience?



Drilling down further into vendors, the most highly ranked is Microsoft, with almost 45% of users considering the software to be 'very effective' for CX (compared to just 30% of SAP users).

And while nearly 20% of SAP users rate the platform as 'neutral' or 'somewhat ineffective' for CX purposes, both Microsoft and Oracle fall under 15%.

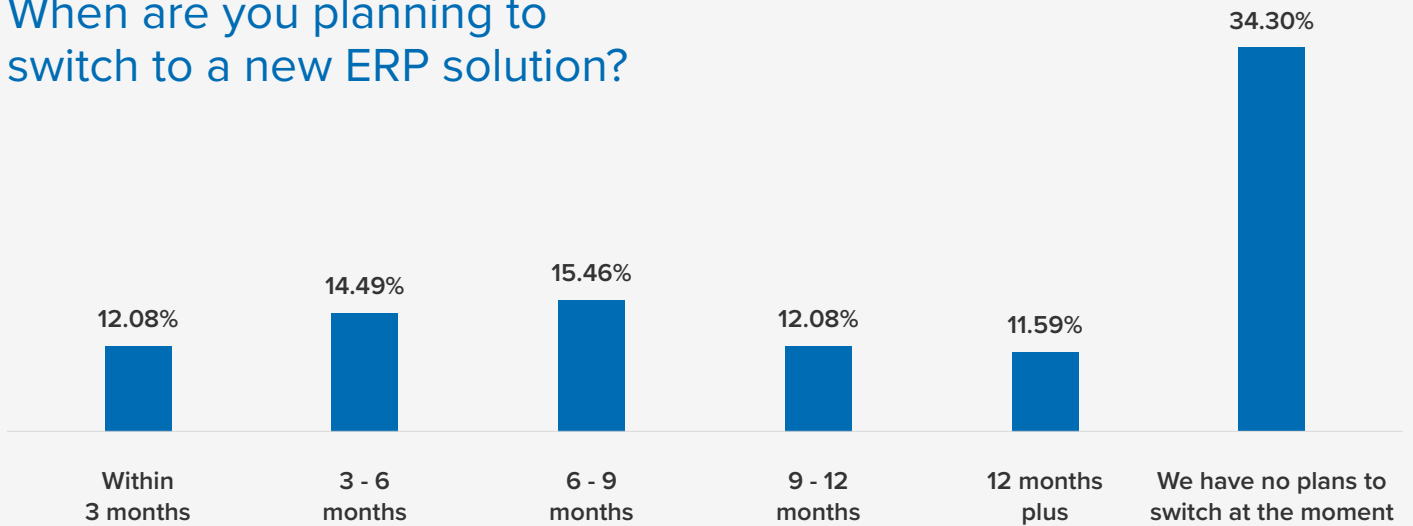


45% of users consider Microsoft's ERP solution to be 'very effective' for CX.

Are users looking to switch to a new ERP solution?

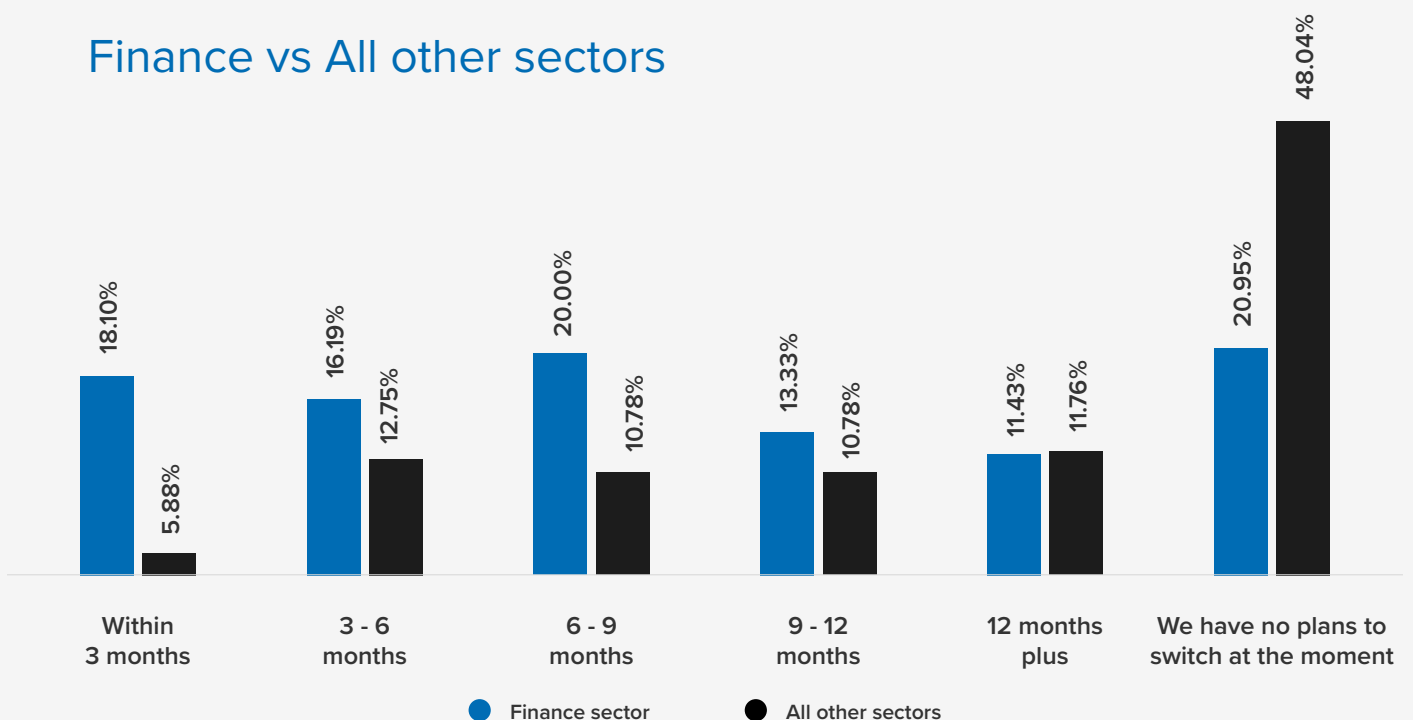
We asked survey participants about their plans, if any, to change or upgrade their ERP software in the next 12 months or so. Over a third have no plans to switch.

When are you planning to switch to a new ERP solution?



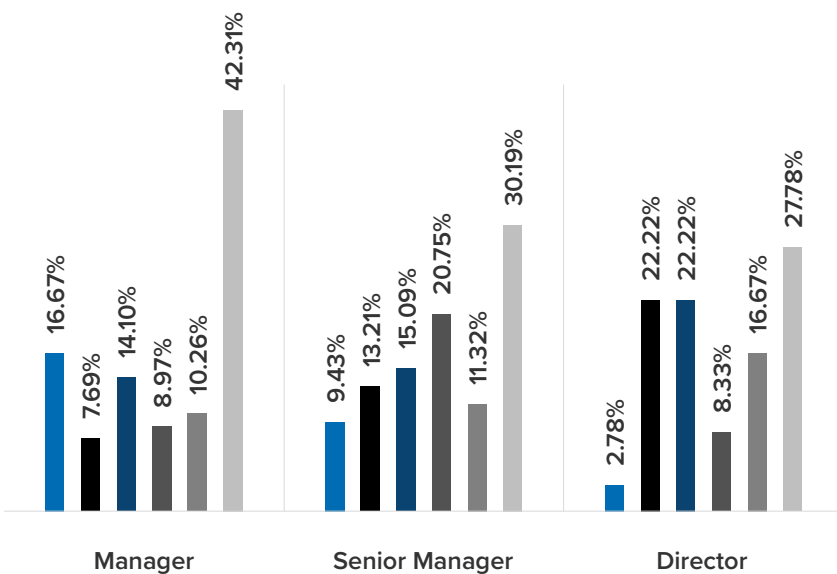
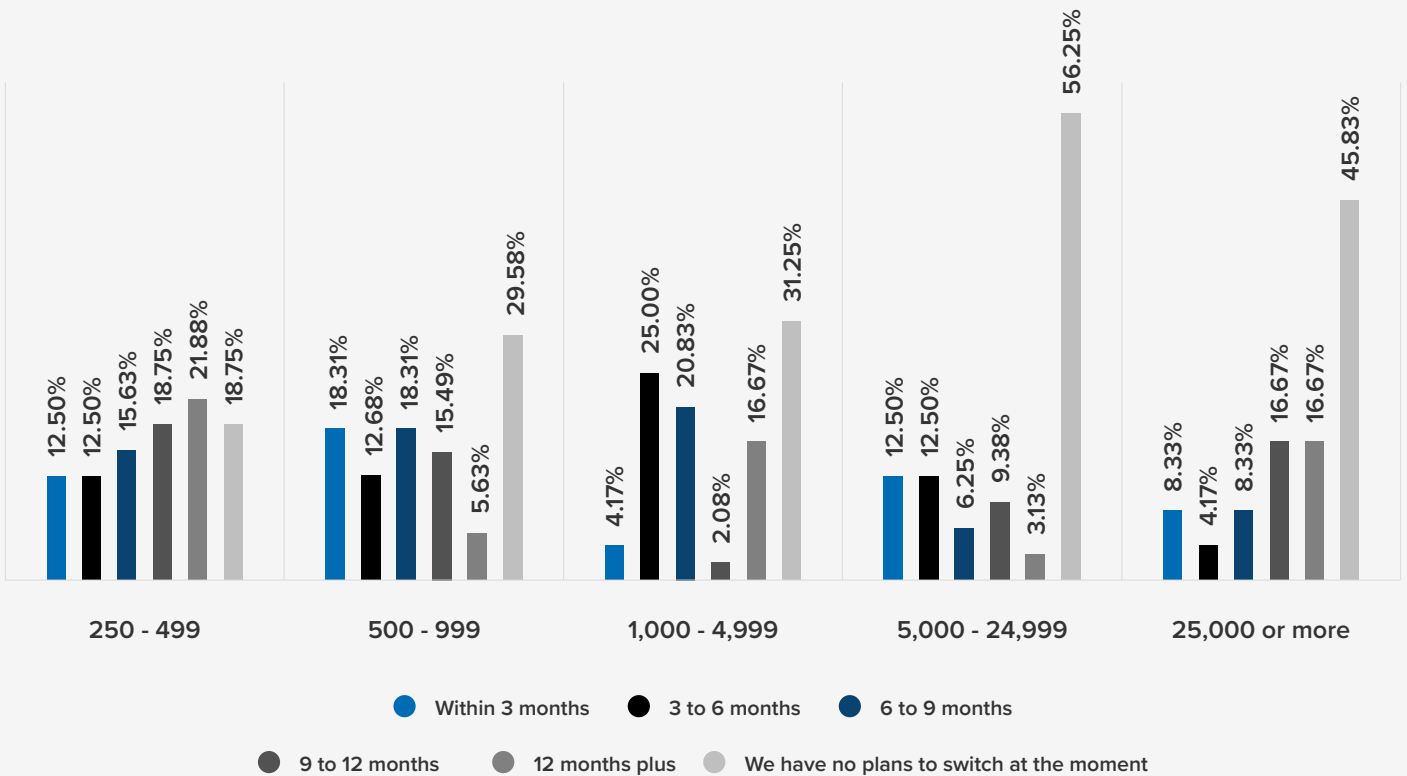
In all non-Finance sectors, as many as half of respondents have no plans to switch (compared to only 21% in the Finance sector). What's concerning is that nearly 55% of Finance companies are planning to switch providers within 9 months (compared to nearly 30% in the non-Finance sectors).

Finance vs All other sectors



However, despite half of non-Finance businesses showing no desire to change providers in the coming months, these sectors actually reported higher levels of dissatisfaction with ERP flexibility. Their reluctance to switch could suggest other problems, such as lack of confidence in migrating to a new system or lack of support and buy-in from business leaders.

If we look at company size, larger organizations are less likely to change to a new product. For companies with 5,000-24,999 employees, as many as 56% say they won't be switching anytime soon. This is similar for companies with 25,000+ employees, with 46% responding in the same way.



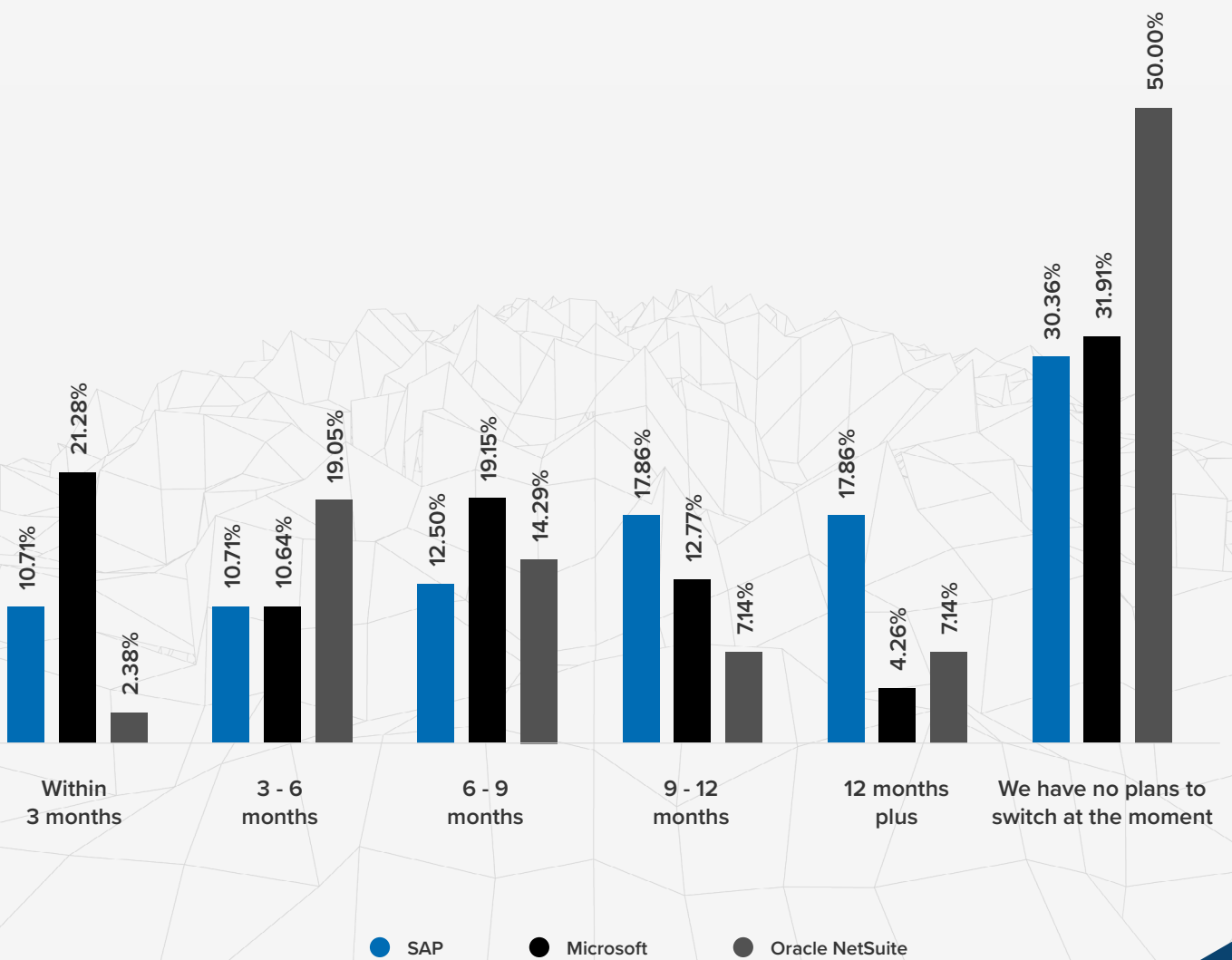
Based on seniority level, a concerning 44% of directors are looking to switch to a new ERP solution anywhere between 3 to 9 months (compared to 22% of managers).

What's more, a large proportion (42%) of managers have no plans to switch at all, showing a disconnect between different stakeholders.

While most respondents are satisfied/very satisfied with their current ERP solution (irrespective of vendor), a concerning 21% of users say they plan to leave Microsoft within 3 months (compared to only 2% of Oracle NetSuite users). This is also despite the positive feedback on system flexibility and CX capabilities from Microsoft customers.

Despite being least satisfied with functions such as flexibility, reporting and CX, only a third of SAP customers plan to switch to a new ERP provider within the next 9 months, with a significant 30% having no plans to switch at the moment.

Unsurprisingly, companies using Oracle NetSuite are less likely to switch to a new ERP solution (50%) compared to the other two vendors. This could be because customers are very happy with Oracle’s reporting capabilities.



The State of ERP in Finance
& Other Sectors in 2022/23:
Research Report

Finance professionals' upcoming priorities

6

CHAPTER 6:

Finance professionals’ upcoming priorities

To fully understand the current state of ERP technology and services in the finance sector, it’s important to look at what businesses are focused on changing or improving.

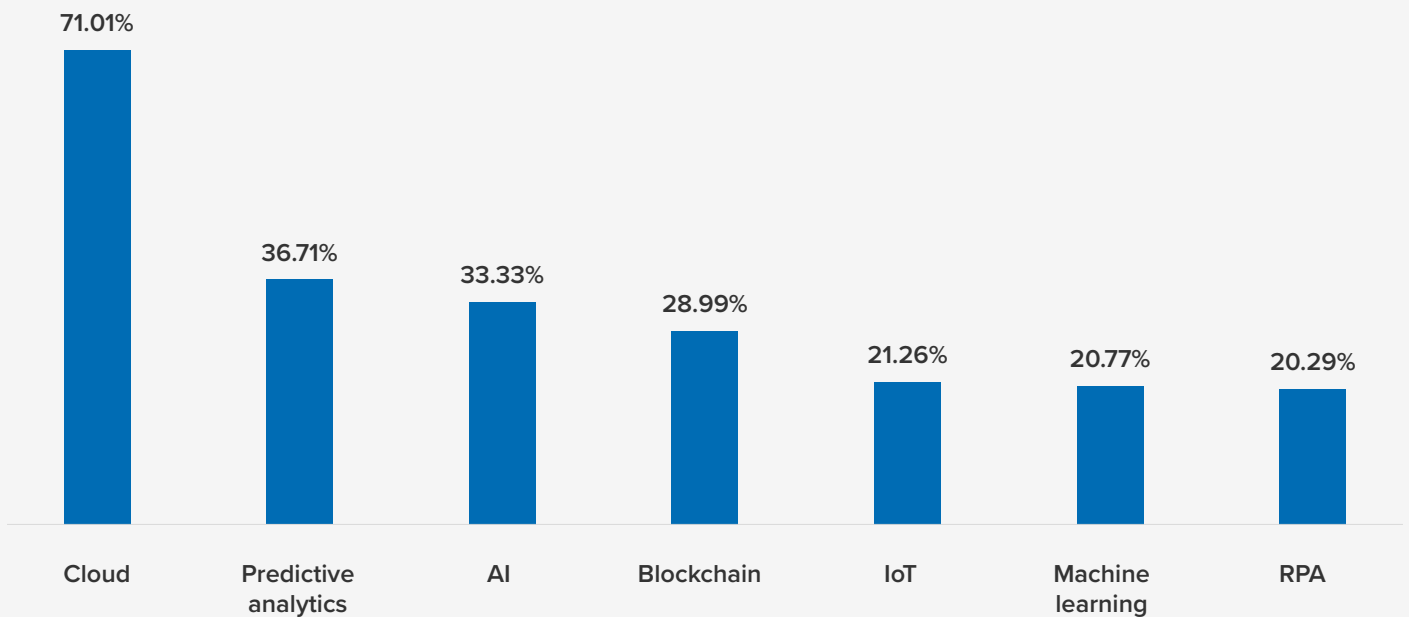
As highlighted earlier in our report, there are a number of challenges and risks that come with ERP deployment, including data quality, data integration, software configuration issues, workforce change resistance and additional costs being incurred. Furthermore, professionals in our survey group also show a desire to focus on finding ways to maximize ERP potential.

Continued investment in technology is something that organizations have to budget for in order to improve outcomes, and maintenance and complex customizations will require additional costs.

Supporting technologies

When asked about what additional technology investments they intend to make to augment ERP, a huge 71% of respondents said they would focus on cloud. This aligns with the growing trend of cloud-based ERP systems, and the pressing need for companies to accelerate their transformation journey in a post-COVID world.

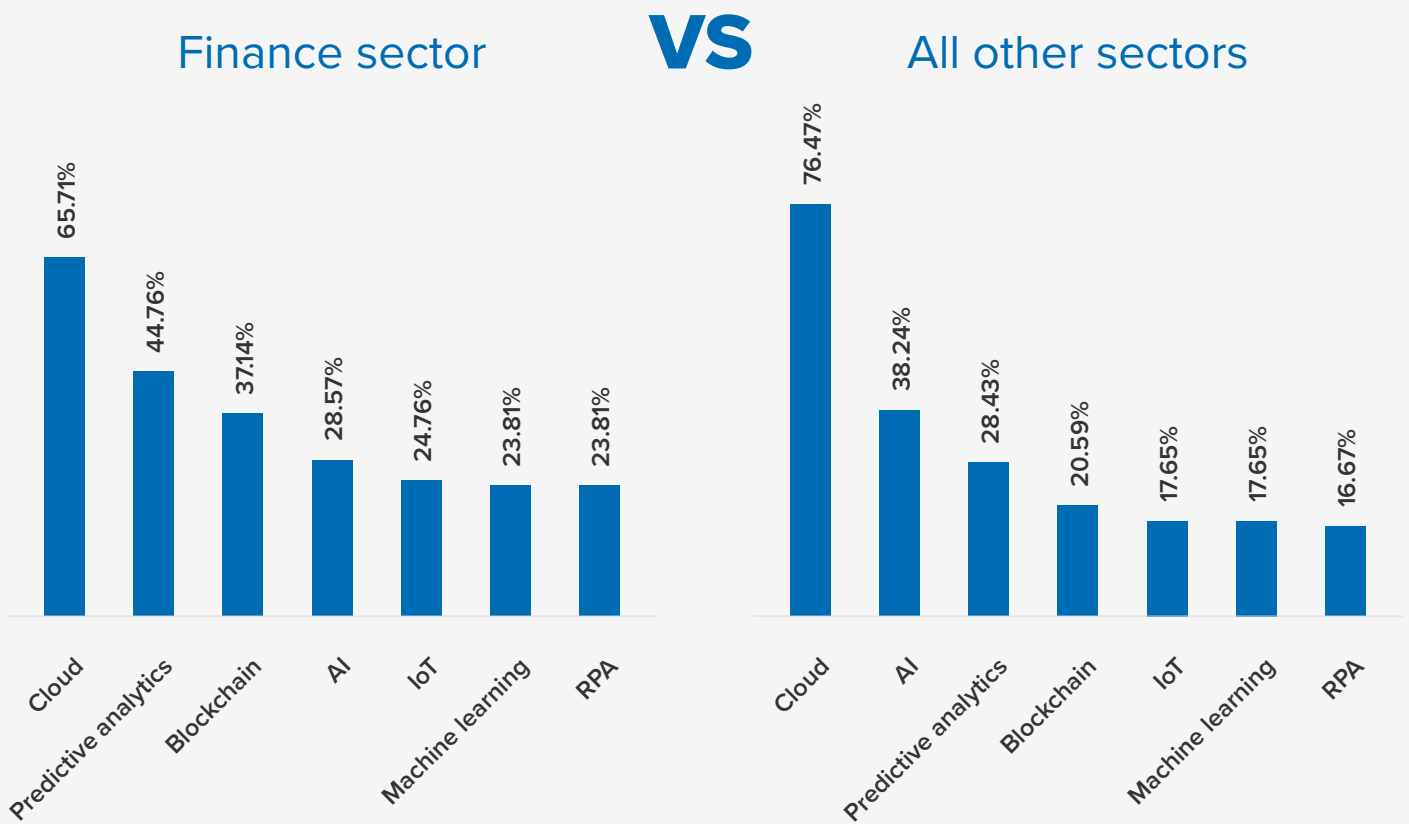
What additional intelligent technologies do you plan to use to augment your ERP?



Other technologies mentioned by professionals in our survey are predictive analytics (37%), AI (33%), blockchain (29%), IoT (21%), machine learning (21%) and RPA (20%).

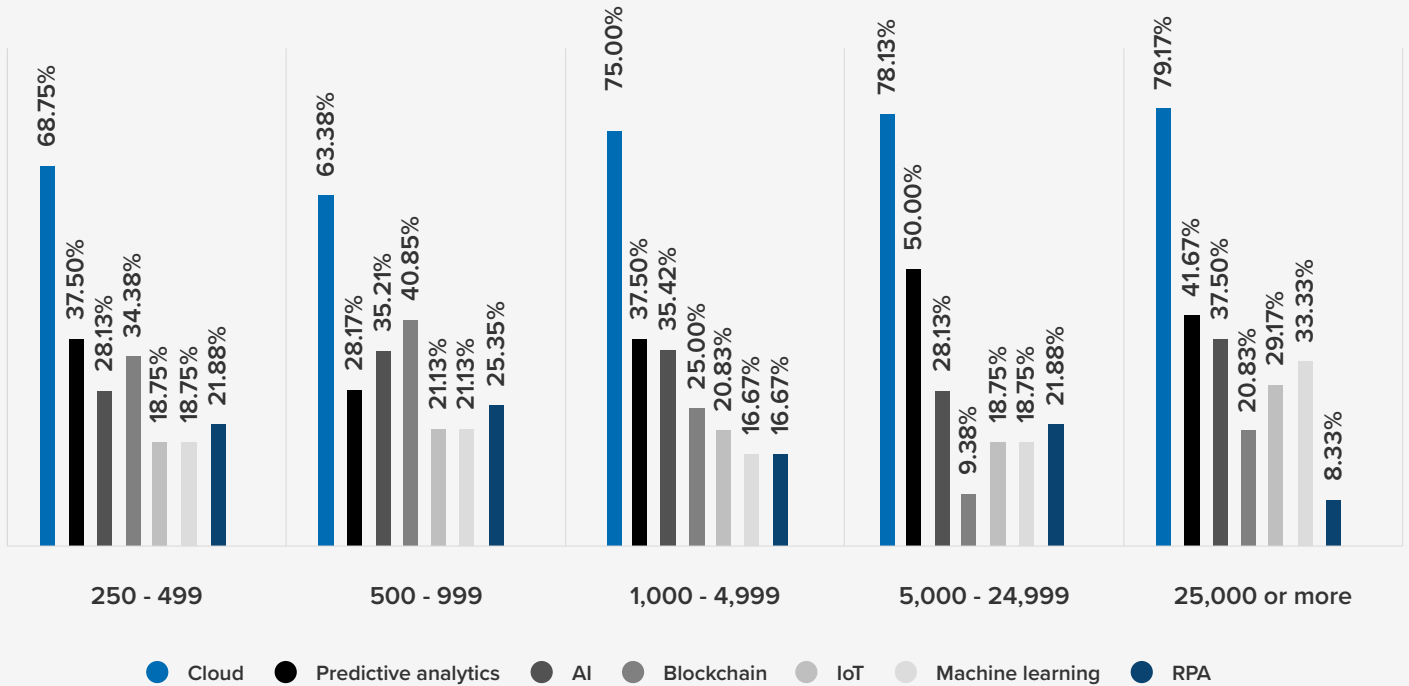
A similar trend for cloud adoption and enhancement can be seen across all sectors. However, those in the Finance industry are also focusing on predictive analytics, with 45% of the votes (compared to just 28% in all other sectors).

Over a third (37%) of Finance companies also plan to utilize blockchain to increase transparency, build trust and improve security. This is compared to just 21% in other sectors, indicating that the Finance sector is particularly passionate about creating more secure transactions and reducing compliance costs.



45% of businesses in the Finance industry are interested in predictive analytics, compared to just 28% in all other sectors.

Unsurprisingly, cloud is a priority for all businesses, regardless of size. But one of the key priorities that stands out for smaller companies is RPA, something which is less of a concern for larger organizations. This could be due to the fact that smaller companies aren't as mature in their automation journey.



CLOUD
is a priority for
71%
of businesses
across all sizes.

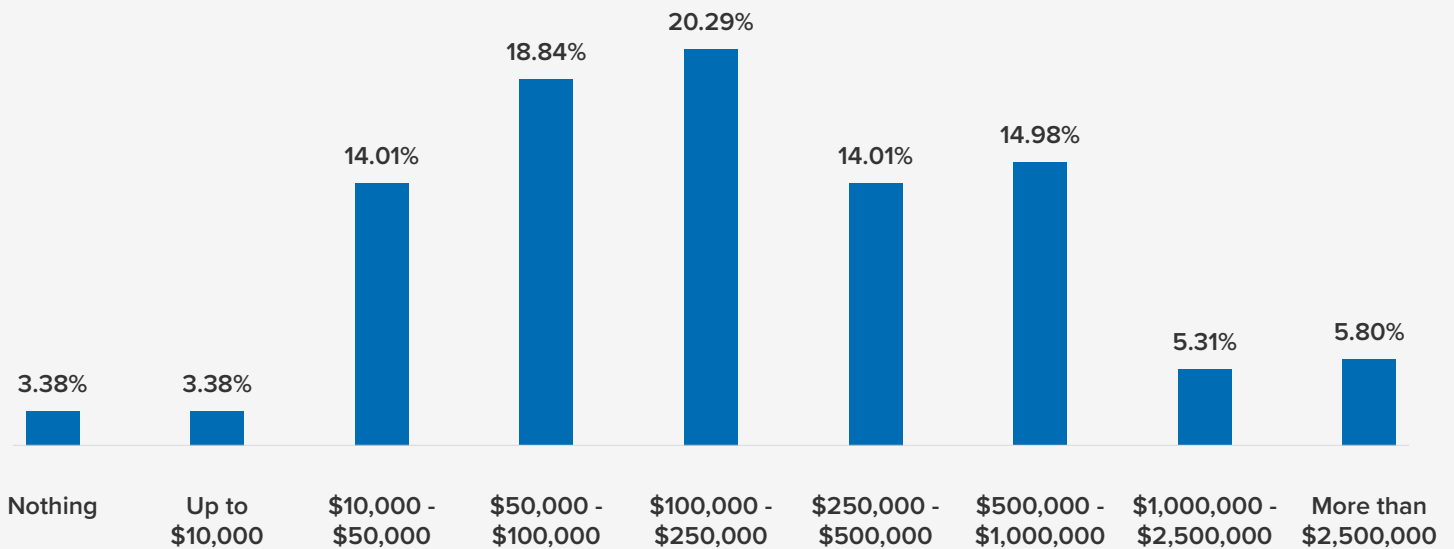
Intelligent technology spending

We also asked our survey sample how much they intend to spend on intelligent technologies in the next 12 months. The largest group (20%) plan to spend \$100,000 to \$250,000, while the second largest group plan to spend \$50,000 to \$100,000 (19%).

Around 14% will allocate \$10,000 to \$50,000 of their budget, and the same percentage will allocate \$250,000 to \$500,000, while 15% plan to spend between \$500,000 and \$1,000,000. A small percentage (5%) will spend up to \$2,500,000, and 6% intend to spend over that amount.

What's worth noting is that only 3% will be spending less than \$10,000, and 3% have no plans for further spending in the next year.

How much are you willing to spend on intelligent technologies?



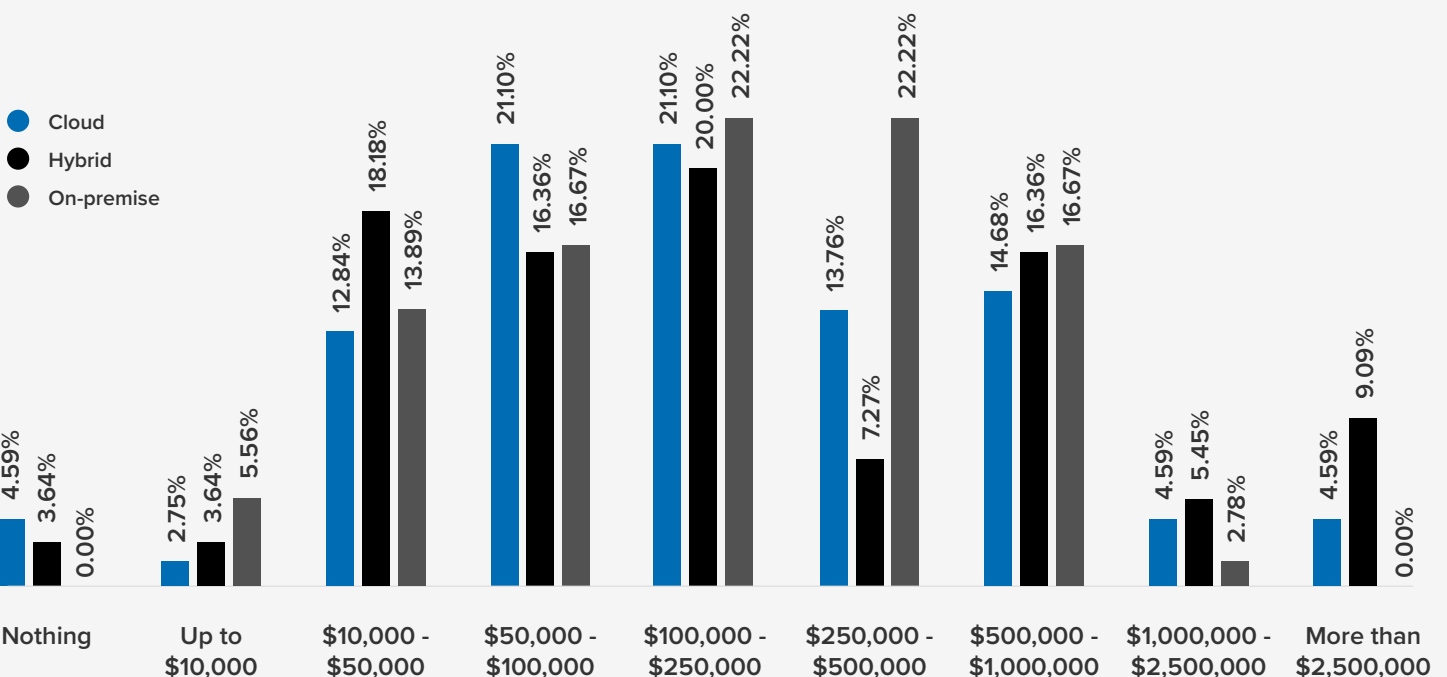
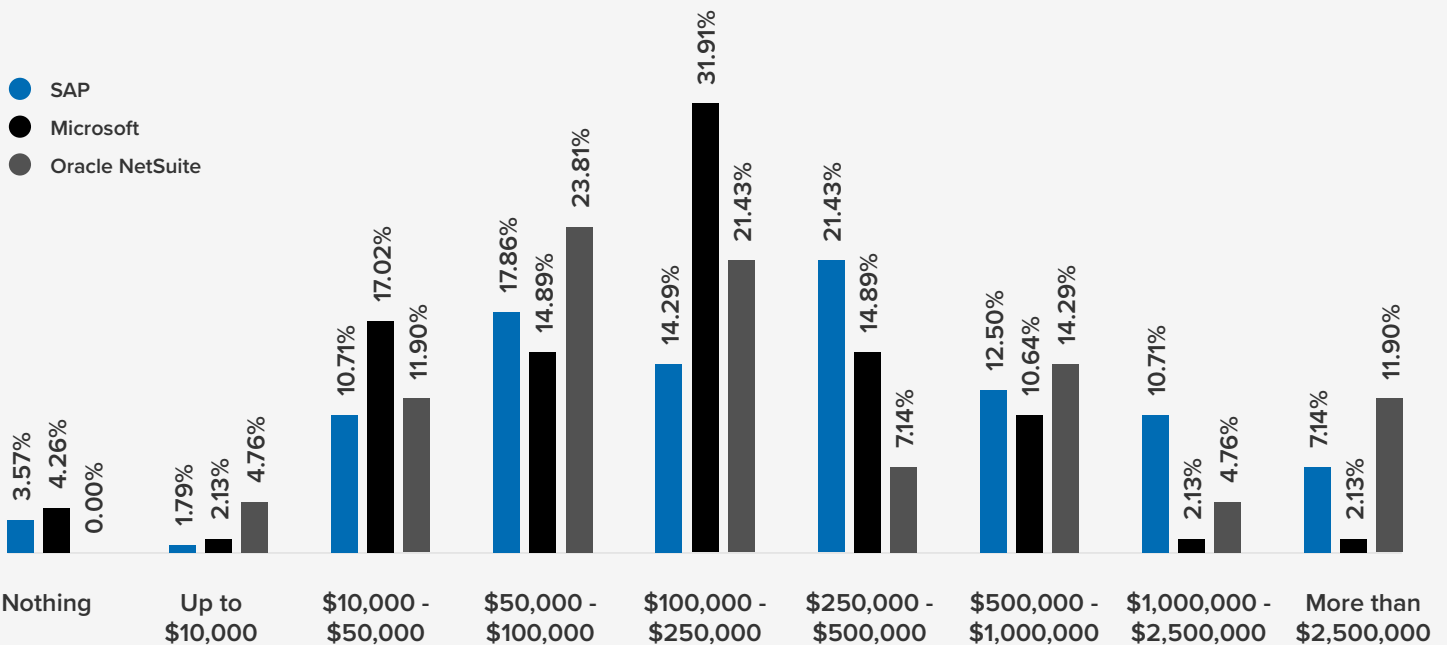
Around 29% of senior decision makers are prepared to spend between \$250,000 - \$1,000,000 to augment their ERP.

If we look at vendor-based answers, nearly two thirds (64%) of Microsoft customers are willing to spend between \$10,000 and \$250,000 on intelligent technologies. Meanwhile, nearly a third of SAP customers would be willing to spend between \$50,000 and \$250,000.

Overall, it appears as though Oracle NetSuite and SAP customers are the biggest spenders. Around 30% of these segments intend to invest more than \$500,000 on new tech to augment their ERP, compared to just 15% of Microsoft customers.

Over 42% of cloud customers are looking to spend between \$50,000 and \$250,000 on intelligent technologies in the next 12 months. And around 16% of customers operating a hybrid or on-premise ERP system are prepared to allocate between \$500,000 and \$1,000,000 of their budget.

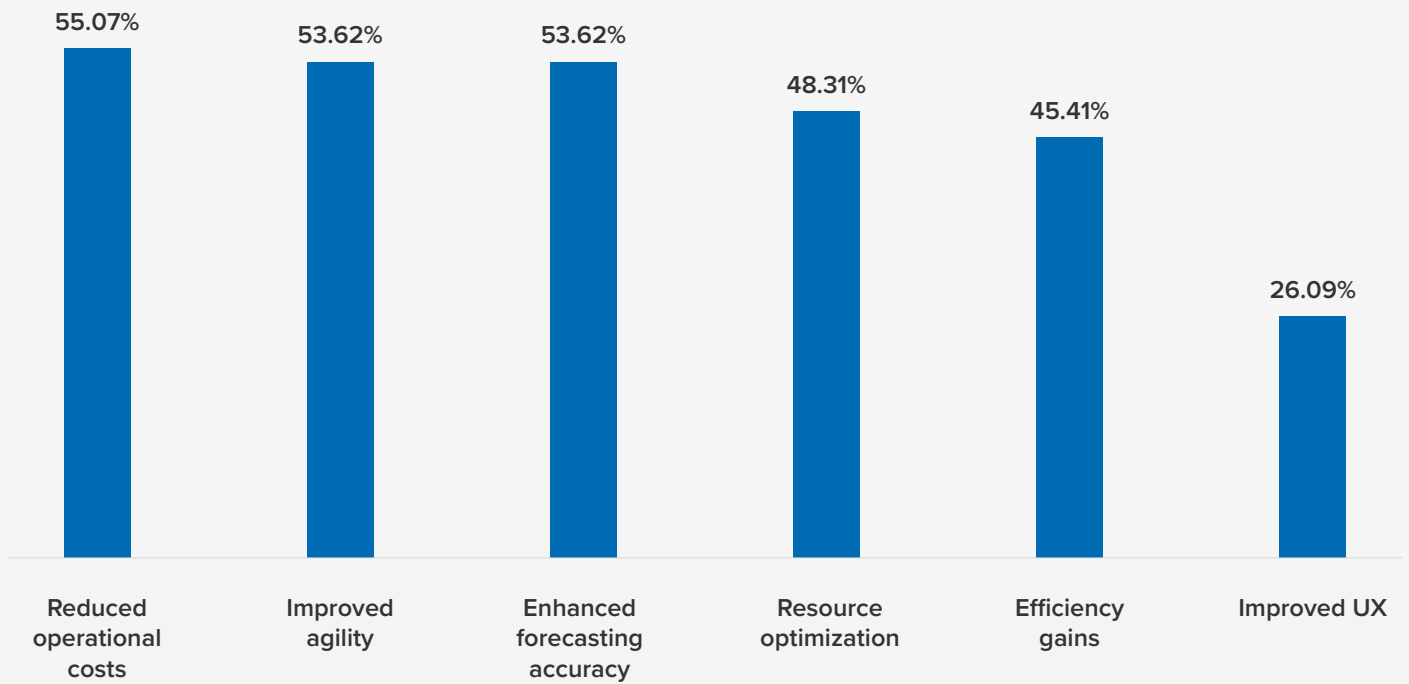
What's also worth noting is that hybrid adopters have the largest group wanting to spend over \$1 million, with 5% willing to invest up to \$2.5 million and nearly 10% willing to invest over that amount.



Expected/desired outcomes

When asked about what they hope to gain from investing in these additional technologies, many respondents named reduced operational costs (55%), improved agility (54%) and enhanced forecasting and accuracy (54%). Other potential gains highlighted include optimized resource planning, higher levels of efficiency, and improved UX.

What do you hope to gain from investing in new intelligent technologies?



Conclusion

The benefits of ERP for Finance, as well as the Manufacturing, Technology, Construction, Education and Transport sectors, are undeniable – with some of the biggest gains being increased visibility into data, optimized processes and digital transformation.

Although not as highly reported, it's still important to mention the breaking down of silos – an age-old problem that's plagued the financial industry for many years. In today's connected world, where businesses rely on a collaborative culture to improve services for customers, ERP stands out as one of the main technologies to prioritize.

In terms of deployment, no matter the model, effective planning is paramount. As our results show, there are a number of challenges businesses are facing, and one of the most overlooked factors for failure is the human element of technology adoption. Before beginning any ERP initiative, a change management program must be rolled out.

A study by Google tells us that almost **70% of successful change management** programs offered training and support both before and after go-live. If you want to improve ERP uptake and team buy-in, it's vital to create a harmonious relationship between people and technology.

Only when these two principal components work together can organizations get the most value from their ERP solution and create better, more efficient and more informed ways of working.

About Insights for Professionals

IFP gives you access to the latest business knowledge that's customized for you. We provide high quality, credible and relevant resources for senior professionals in one place.

An easy to access and personalized library to help you when you are researching specific topics, seeking practical advice, or simply want to stay ahead of what's happening in your industry. To do this we gather the best content from suppliers, brands and industry experts, as well as doing our own research.

