PANORAMA
CONSULTING GROUP

2023 Clash of the Titans

SAP vs. Oracle vs. Microsoft vs. Infor

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Introduction

Panorama Consulting Group developed this analysis to compare the "titans" of the ERP industry: SAP, Oracle, Microsoft, and Infor.

The report analyzes responses collected from Panorama's Enterprise Software Benchmark Survey between October 2021 and August 2022. The dataset includes 142 respondents who have recently implemented SAP, Oracle, Microsoft, or Infor enterprise systems for their organizations. The analysis is based on a variety of solutions offered by these four vendors.

VENDOR OVERVIEW

The four titans are considered "Tier 1" ERP vendors. This means the vendor provides a flagship offering designed for companies with more than $750 million in annual revenue. Most companies of this size have complex processes or complexity around consolidation and entity management.

While these vendors target enterprise-sized organizations, they also have systems suited for a variety of company sizes. An overview of each vendor is provided below:

SAP's customers are typically enterprise-sized and midmarket companies. SAP solutions can be deployed in a public or private cloud, or in a hybrid environment.

Oracle provides a set of core applications as well as industry-specific applications. The vendor has a comprehensive set of cloud options, including public cloud, cloud at customer, and on-premises.

Microsoft's enterprise software options include a variety of solutions within its Dynamics 365 offering. Microsoft is continually developing new data centers to support its cloud capabilities across its solution set.

Infor's focus has been on its industry-specific ERP solutions, which are designed for enterprise-level and small and medium-sized businesses. These solutions are delivered in the multi-tenant cloud.

Panorama is in no way affiliated with SAP, Oracle, Microsoft, Infor, or any other software vendor or reseller.

Respondent Overview
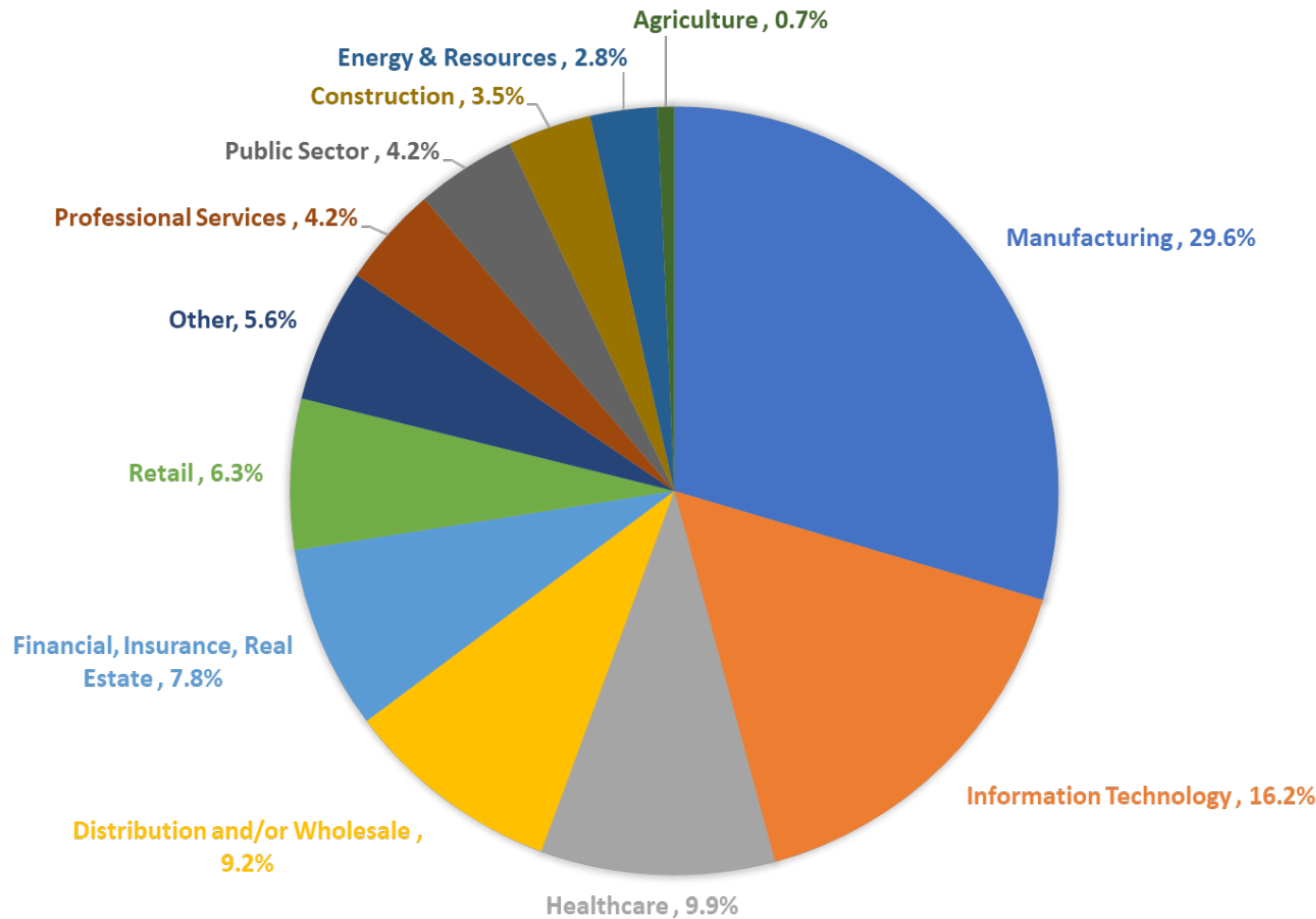
$1.5 billion
Median Annual Revenue

6,500
Median Number of Employees

64.1%
Percentage of Multinational Organizations

Industry Breakdown

- Agriculture , 0.7%
- Energy & Resources , 2.8%
- Construction , 3.5%
- Public Sector , 4.2%
- Professional Services , 4.2%
- Other, 5.6%
- Retail , 6.3%
- Financial, Insurance, Real Estate , 7.8%
- Distribution and/or Wholesale , 9.2%
- Healthcare , 9.9%
- Information Technology , 16.2%
- Manufacturing , 29.6%

TYPES OF PROJECTS

There are a variety of types of projects that involve enterprise software. Three of the most notable include:

- ERP Implementation – a technology-focused project

- Technology Enabled Business Improvement – a project involving process redesign with systems enablement

- Digital Business Transformation – a project leveraging digital technologies to create a new digital business model

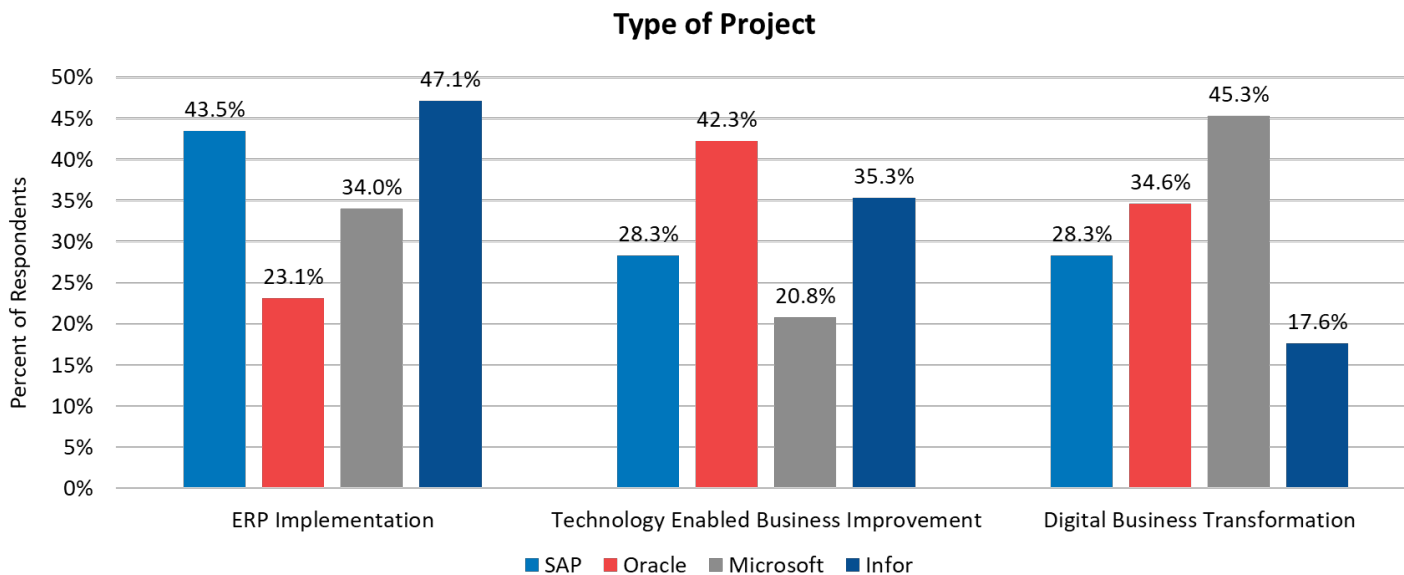We asked respondents which of these project types best described their project.

Digital business transformation is most common among Microsoft customers.

In our experience, more clients are looking at the Microsoft technology stack in a broad scope. This includes not just the Dynamics 365 ERP products but Azure, Dynamics Sales and Marketing (to increase customer engagement), PowerBI (to improve analytics and insight), and PowerBI tools (as low code to increase their configuration and personalization capabilities).

Digital business transformation is least common among Infor customers.

We have found that Infor clients are coming to understand the importance of updating their systems to increase and improve their functional footprint. As this is their first priority, these projects would be considered ERP implementations. Infor has made significant improvements to their industry-specific ERP solutions, which have enabled the vendor to better serve customers' requirements with their core solution and ensured faster time to value.

Type of Project

Bar chart titled "Type of Project". Y-axis: Percent of Respondents, 0% to 50%.

ERP Implementation: SAP 43.5%, Oracle 23.1%, Microsoft 34.0%, Infor 47.1%

Technology Enabled Business Improvement: SAP 28.3%, Oracle 42.3%, Microsoft 20.8%, Infor 35.3%

Digital Business Transformation: SAP 28.3%, Oracle 34.6%, Microsoft 45.3%, Infor 17.6%

Legend: ■ SAP ■ Oracle ■ Microsoft ■ Infor

INCLUDED BUSINESS FUNCTIONS

ERP systems can automate a variety of business functions. Many organizations add functionality over several project phases.

We asked respondents what business functions they included in their project. Respondents could select from common business functions, such as Finance & Accounting, Human Capital Management, and Supply Chain Management.

A focus on Warehouse & Inventory Management functionality is most common among Infor customers.

Infor customers in our survey looked to their ERP solution to address current and future challenges. Foremost among these was supply chain issues that manifested as inventory management challenges. Infor's functionality is designed to optimize order fulfillment, inventory optimization, and forecasting.

A focus on Enterprise Asset Management functionality is most common among SAP customers.

SAP respondents were heavily represented in capital intensive industries such as oil and gas, pharmaceutical, food and beverage, and automotive. In these industries, the criticality of physical assets, predictive maintenance, and consistent and reliable supply made EAM a high priority function for implementation.

A focus on Reporting & Analytics functionality is most common among Oracle customers.
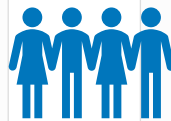
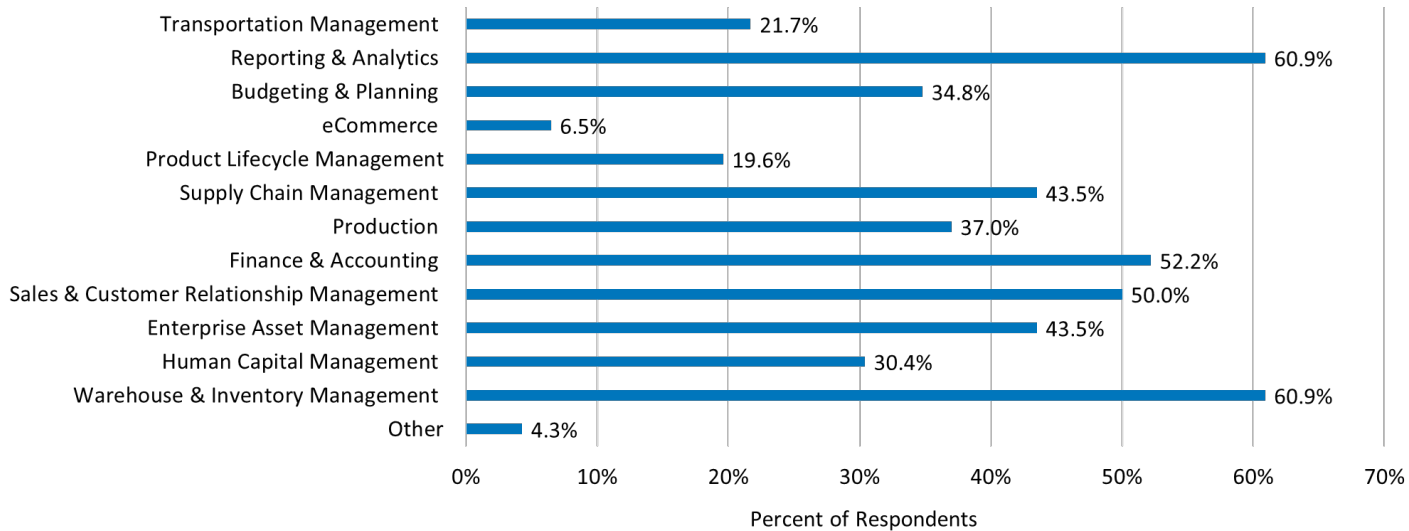**A focus on Human Capital Management functionality is most common among Microsoft customers.**
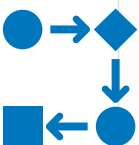
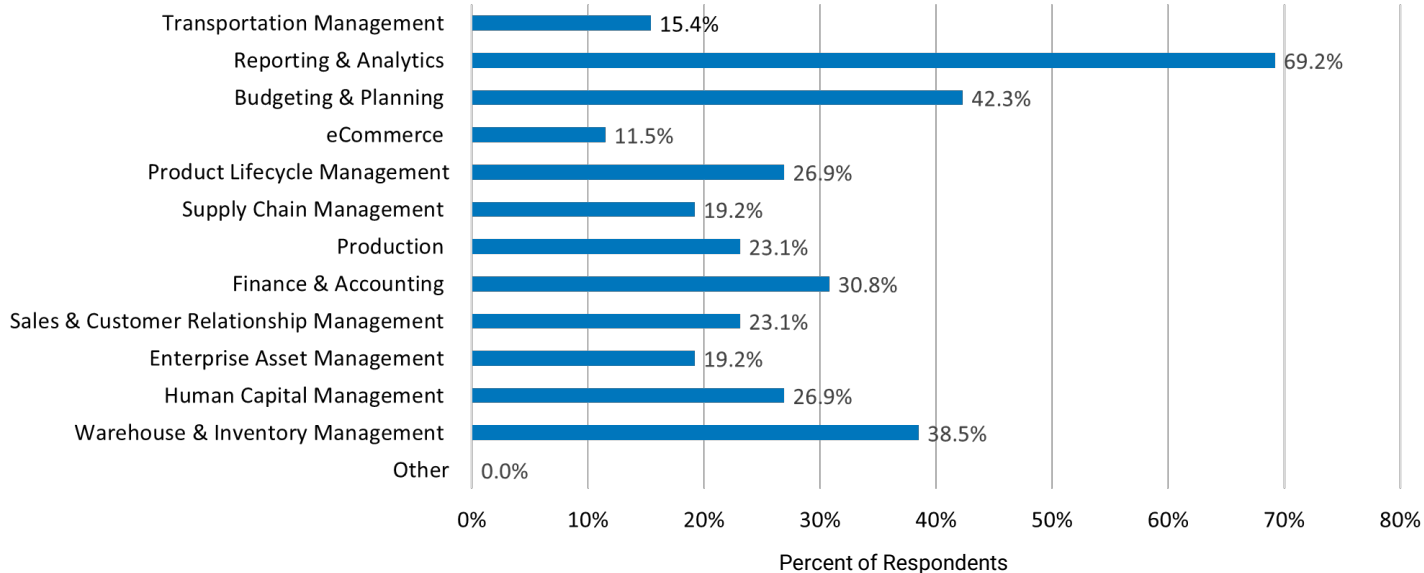**A focus on Supply Chain Management functionality is least common among Oracle customers.**

A focus on Product Lifecycle Management functionality is least common among Microsoft customers.
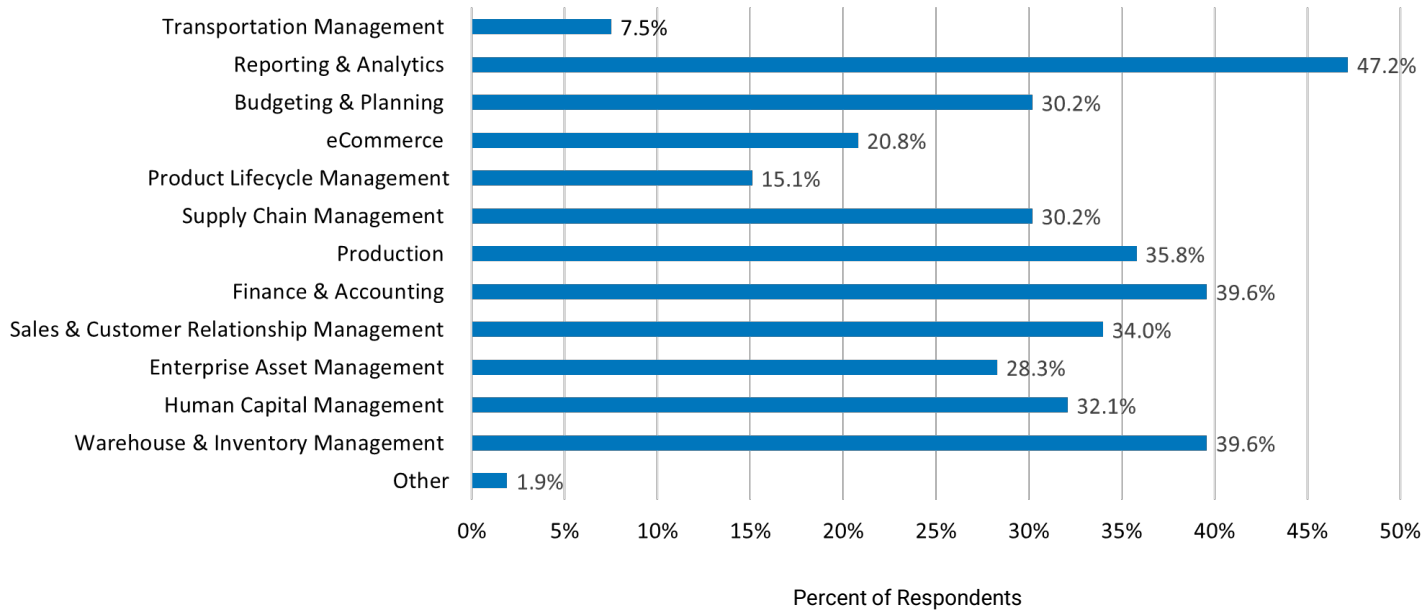
Functions Included in Project - SAP

Function	Percent
Transportation Management	21.7%
Reporting & Analytics	60.9%
Budgeting & Planning	34.8%
eCommerce	6.5%
Product Lifecycle Management	19.6%
Supply Chain Management	43.5%
Production	37.0%
Finance & Accounting	52.2%
Sales & Customer Relationship Management	50.0%
Enterprise Asset Management	43.5%
Human Capital Management	30.4%
Warehouse & Inventory Management	60.9%
Other	4.3%

Percent of Respondents

Functions Included in Project - Oracle

Function	Percent
Transportation Management	15.4%
Reporting & Analytics	69.2%
Budgeting & Planning	42.3%
eCommerce	11.5%
Product Lifecycle Management	26.9%
Supply Chain Management	19.2%
Production	23.1%
Finance & Accounting	30.8%
Sales & Customer Relationship Management	23.1%
Enterprise Asset Management	19.2%
Human Capital Management	26.9%
Warehouse & Inventory Management	38.5%
Other	0.0%

Percent of Respondents

Functions Included in Project - Microsoft

Function	Percent
Transportation Management	7.5%
Reporting & Analytics	47.2%
Budgeting & Planning	30.2%
eCommerce	20.8%
Product Lifecycle Management	15.1%
Supply Chain Management	30.2%
Production	35.8%
Finance & Accounting	39.6%
Sales & Customer Relationship Management	34.0%
Enterprise Asset Management	28.3%
Human Capital Management	32.1%
Warehouse & Inventory Management	39.6%
Other	1.9%

Percent of Respondents

Functions Included in Project - Infor

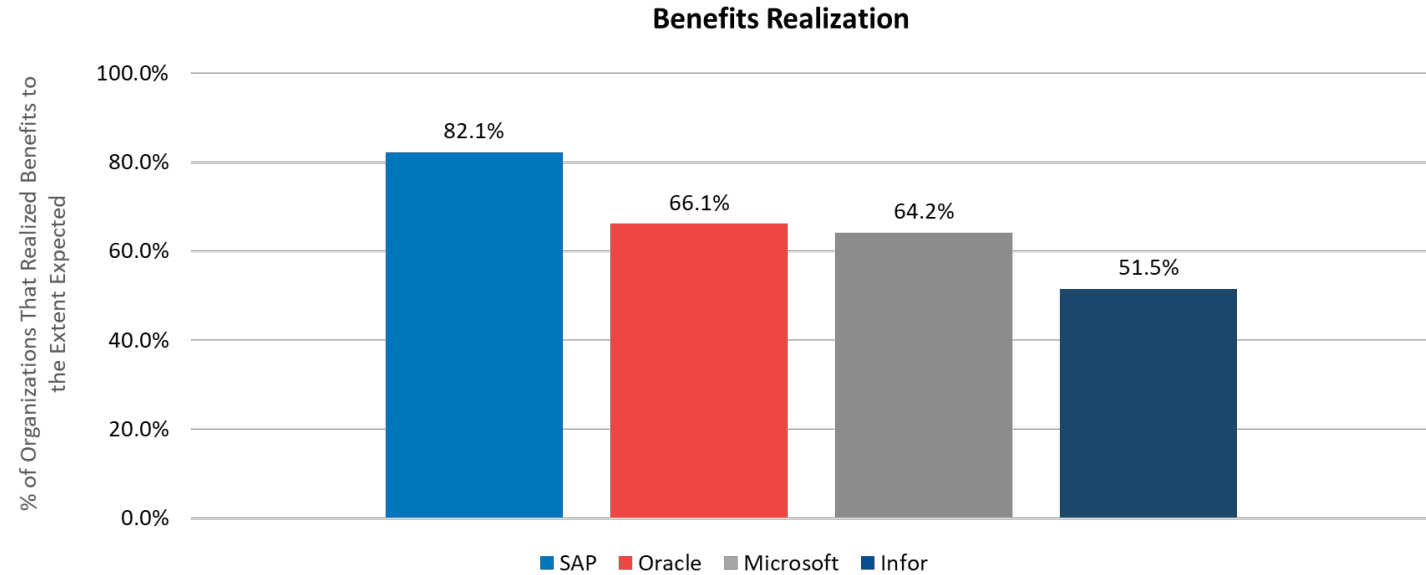| Function	Percent
Transportation Management	5.9%
Reporting & Analytics	64.7%
Budgeting & Planning	41.2%
eCommerce	17.6%
Product Lifecycle Management	35.3%
Supply Chain Management	52.9%
Production	70.6%
Finance & Accounting	88.2%
Sales & Customer Relationship Management	41.2%
Enterprise Asset Management	23.5%
Human Capital Management	29.4%
Warehouse & Inventory Management	94.1%
Other	0.0%

Percent of Respondents

BENEFITS REALIZATION

Before beginning any type of project, organizations should develop a benefits realization plan that outlines the specific business benefits they hope to achieve. Using key performance indicators, organizations can then measure their progress toward achieving these benefits.

We asked respondents what benefits they quantified before implementation in terms of certain categories, such as "Inventory Levels" and "Customer Experience." If a respondent initially quantified benefits in a certain category and indicated they had one project phase live for at least a year, we asked them if they fully realized the benefit(s) in that category.

To find the average benefits realization for customers of each vendor, we calculated the percentage of respondents that fully realized their expected benefits in each category and then averaged all those percentages for SAP customers, Oracle customers, Microsoft customers, and then Infor customers.

> **SAP customers were most likely to achieve full benefits realization for the types of benefits they quantified.**

SAP respondents, on average, came from companies with higher employee counts. Many of these respondents prepared ROI calculations prior to purchase and implementation. The effort to quantify benefits before engaging in a major ERP or transformation project enables firms to measure benefits realization, better manage their projects, and focus on critical value creation.

Benefits Realization

Bar chart titled "Benefits Realization." Y-axis: "% of Organizations That Realized Benefits to the Extent Expected," ranging from 0.0% to 100.0%. Bars: SAP 82.1%, Oracle 66.1%, Microsoft 64.2%, Infor 51.5%. Legend: SAP, Oracle, Microsoft, Infor.

PROJECT COST

While organizations want to ensure high benefits realization, they shouldn't spend so much on their project that their long-term ROI is negative. That said, high project costs are not a sign of overspending as long as the organization is on track to realize benefits that cover these costs.

We asked respondents to estimate the total they spent on all completed project phases.

### Organizations that completed implementation of an Infor product spent the most on their projects.*

Information provided by Infor customers showed a large portion of respondents were new clients of Infor. The higher cost is an expected and natural consequence of license purchases, implementation, training, and resource costs. Further, the large majority moved from on-premise to cloud-based solutions, which typically requires additional user training. Fortunately, in cloud implementations, these costs are offset by improved flexibility, functionality, and user experience.

Organizations that completed implementation of an SAP product spent the least on their projects.*

SAP respondents had a large number of clients moving from older versions of SAP (such as R3 and ECC) to S/4HANA. The familiarity of clients with SAP, the conversion credit for previous licenses, and the migration tools available helped contain costs for these firms. With the upside of a new digital core, we expect to see many more of these conversions in the future.

*Cost normalized based on average number of licenses purchased

The first graph depicts the average project cost for each vendor. Normalizing this cost based on the average number of licenses purchased brings us to different figures, as seen in the second graph.

Project Cost

Normalized Project Cost
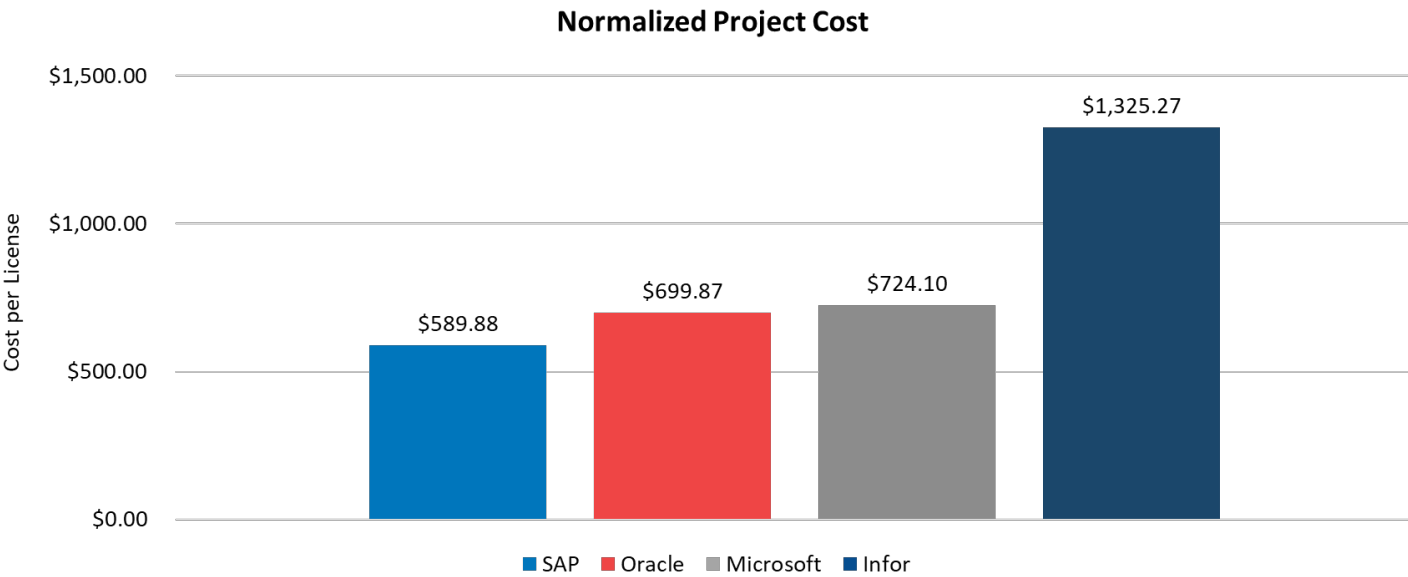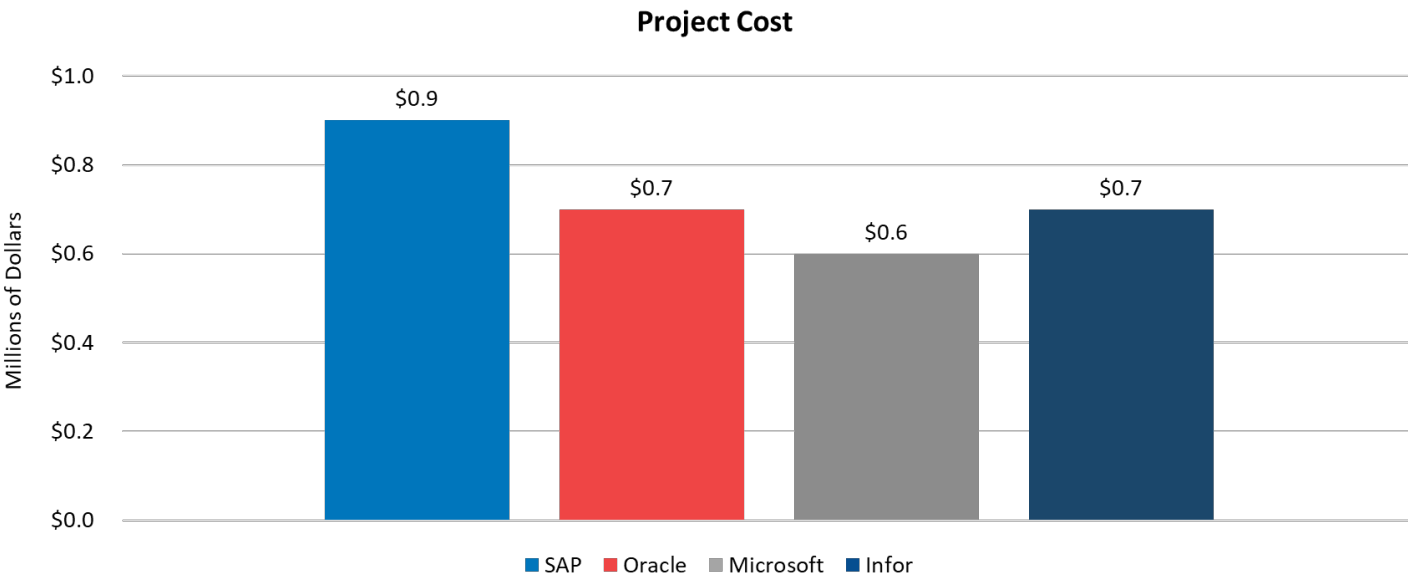
PROJECT DURATION

While it's natural to want ROI as soon as possible, rushing to go-live is one of the quickest routes to project failure. The road to success is lined with activities that require months, sometimes years, to complete.

We asked respondents to estimate the total duration of all completed project phases.

Organizations that completed implementation of an Infor product spent the longest amount of time on their projects.*

As indicated by the cost data, most of the respondents implementing Infor were new customers undergoing a full implementation. Even with Infor's established methodology, these kind of projects include extensive design, configuration, testing, and training, and thus take significant time to complete. Another reason for the long timeline could be that the majority of these respondents were manufacturing companies requiring a broad scope of functionality.

Organizations that completed implementation of an SAP product spent the shortest amount of time on their projects.*

Our data revealed that SAP projects focused heavily on upgrading to new versions of the solution. SAP has committed significant time and resources to their migration tools, and it shows when you look at the costs and timelines of these projects. In our experience, many clients use upgrades as an opportunity to abandon old customizations and adopt standard functions in the new system. This drives down implementation and testing time.

*Duration normalized based on average number of licenses purchased

The first graph depicts the average project duration for each vendor. Normalizing this duration based on the average number of licenses purchased brings us to different figures, as seen in the second graph.

Project Duration

Normalized Project Duration
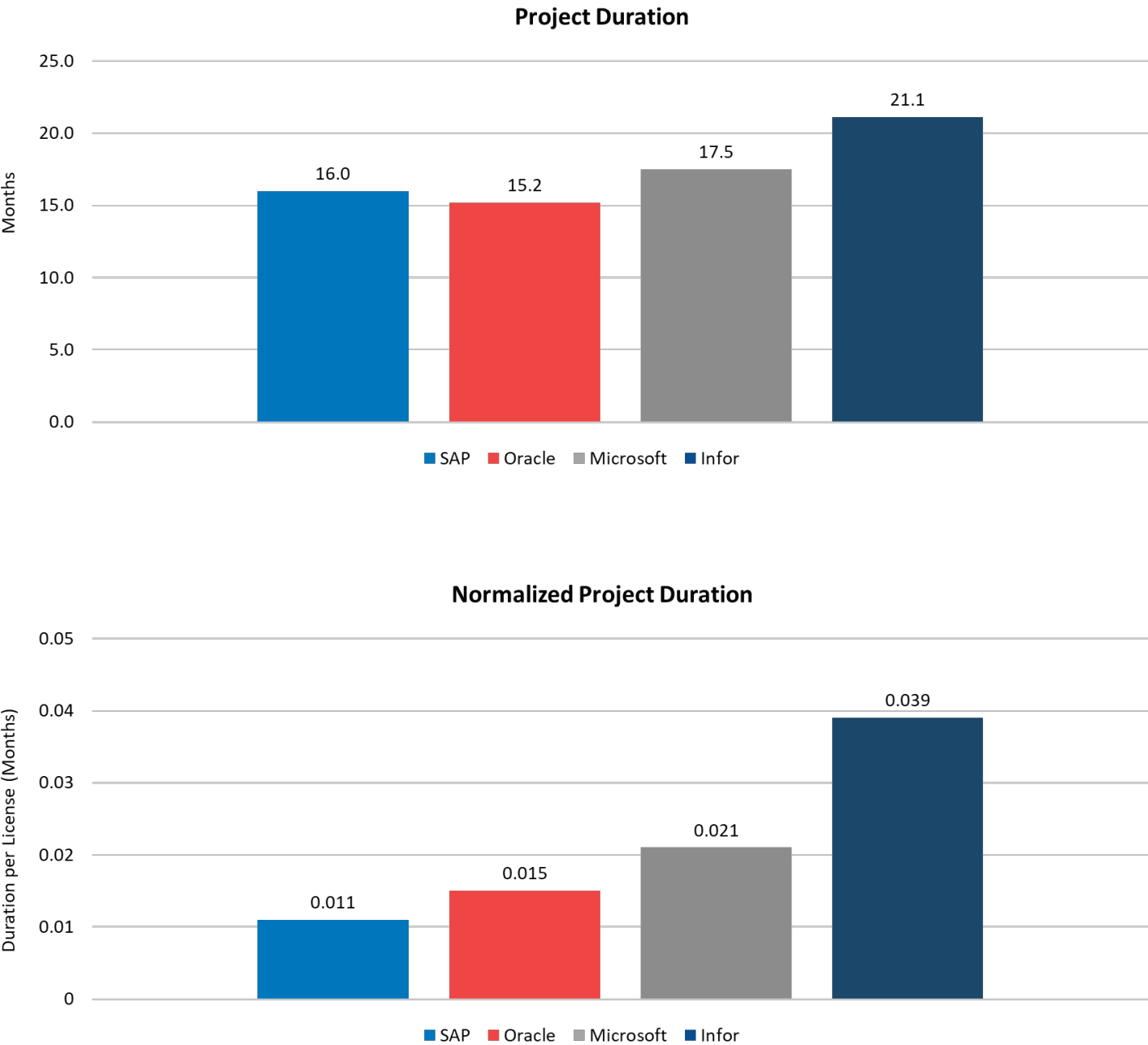
Conclusion

Is one of these ERP vendors right for you? The only way to find out is to assess the current state of your technology and data, and then define corporate objectives and an information strategy to support these objectives. This will help you determine your future state and decide what technology is needed to get there.

SAP, Oracle, Microsoft, and Infor each have a variety of strong products that can support data-driven decision making, but you must understand the type of data inputs you need and the key performance indicators you want to track.

Panorama's ERP consultants can help you determine your organizational goals, especially those related to data and analytics. We know that today's enterprise systems are designed to do much more than automate transactions, and we want to ensure you realize the full potential of these robust systems.

About Panorama
Consulting Group

Panorama Consulting Group is an independent, niche consulting firm specializing in business transformation and ERP system implementations for mid- to large-sized private- and public-sector organizations worldwide. One-hundred percent technology agnostic and independent of vendor affiliation, Panorama offers a phased, top-down strategic alignment approach and a bottom-up tactical approach, enabling each client to achieve its unique business transformation objectives by transforming its people, processes, technology, and data.

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▶ ERP Contract Negotiation	▶ Turnaround Analysis
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▶ Digital Strategy	▶ Financial Restructuring
▶ Technology Assessment	▶ Operational Restructuring
▶ Change Management	▶ Project Auditing & Recovery
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