Healthcare ERP Buyers Guide

Software Provider and Product Assessment

EXECUTIVE SUMMARY

iSG® Research

Healthcare ERP

Enterprise resource planning (ERP) systems have become essential to healthcare organizations, integrating financial, operational and administrative processes to improve efficiency, compliance and patient care delivery. Over three decades, ERP has evolved from manufacturing tools into platforms that connect departments such as finance, supply chain, human resources and clinical operations. Today's ERP systems unify data and workflows, enabling healthcare providers to manage their financial health, operations and resources more effectively.

ISG Research defines healthcare ERP systems as comprehensive software platforms designed to integrate and manage the core processes of healthcare enterprises while recording transactions and financial consequences. This supports accounting, finance and compliance.

> **Unlike ERP implementations in other industries, healthcare systems must balance financial efficiency with patient safety and regulatory compliance.**

ERP systems in healthcare consolidate data from functions such as finance, supply chain, human resources, grants management and facilities into a unified database. This integration improves real-time visibility across financial, operational and clinical domains, helping executives and managers enhance decision-making and resource utilization while maintaining strict regulatory compliance.

Unlike ERP implementations in other industries, healthcare systems must balance financial efficiency with patient safety and regulatory compliance. ERP platforms in this sector are designed to meet rigorous uptime standards and support continuous operations for clinical and administrative staff. They must integrate seamlessly with clinical workflows, ensuring that supply chain, procurement and workforce data flow directly into patient care environments. This healthcare-specific orientation transforms ERP from a financial tool into a foundational component of the overall care delivery infrastructure.

Hospitals and health systems require ERP platforms tailored to the sector's complexity, addressing 24/7 operational reliability, intricate accounting processes and stringent regulatory mandates. These systems unify finance and operations by linking general ledger, payables, receivables, grants, project accounting and cost accounting with supply chain and facilities management. They support patient billing integration, materials management, procurement, vendor contracts, inventory and device tracking. Fixed asset modules cover facilities, biomedical and leased assets, while revenue cycle and analytics components provide transparency into reimbursements, pricing, denials and patient cost trends.

In addition to hospitals, integrated delivery networks, ambulatory centers and long-term care facilities rely on ERP to align financial operations with clinical objectives. Linking ERP data to

patient outcomes and operational metrics provides a clearer picture of profitability by service line, procedure and physician group. These systems also enable multi-entity organizations to consolidate financial results, allocate shared service costs and manage multi-state regulatory compliance while maintaining transparency for stakeholders.

Healthcare ERP systems must also handle the industry's unique accounting challenges, including complex revenue recognition under multiple payer contracts, charity care reporting, price transparency and grants management. They support CFOs and finance leaders in improving cost management through service-line accounting, case-mix analysis and overhead allocation. Systems also ensure compliance with programs such as the 340B Drug Pricing Program, manage perpetual inventory accuracy and track lots and expirations for pharmacy and surgical supplies. These functions allow healthcare organizations to strengthen financial governance while reducing waste and improving the use of limited working capital.

Today's healthcare ERP systems embed audit trails, segregate duties and automate approval workflows that enhance control and accountability. These features help providers satisfy external audit requirements and maintain data integrity across financial, procurement and clinical systems. By integrating governance and risk management into daily operations, healthcare ERP software strengthens internal controls and ensures continuous compliance with HIPAA, HITECH and other regional privacy mandates.

ERP software adoption in healthcare continues to accelerate as providers modernize legacy systems. Initially slow due to cost and implementation risk, cloud-based ERP software is now the preferred model for improving scalability, reliability and access to analytics. Cloud systems reduce infrastructure costs, streamline upgrades and facilitate faster deployment across multiple care sites. We assert that by 2028, over 80% of ERP systems purchased by non-product companies will be deployed in the cloud to promote continuity, improve performance and lower costs.

ERP and Continuous Accounting
Market Assertion

By 2028, over 80% of ERP systems purchased by non-product companies will be deployed in the cloud to promote continuity, improve performance and lower costs.

Robert Kugel, CFA
Executive Director, Business Research

iSG Research

Artificial intelligence (AI), generative AI (GenAI), natural language processing (NLP) and agentic technologies are redefining ERP systems in healthcare. Early features such as anomaly detection and automation in billing and reporting improve accuracy and reduce administrative burden. AI-enabled assistants manage repetitive accounting and inventory tasks, accelerate reconciliation and support predictive analytics in demand forecasting, labor allocation and supply optimization. We assert that by 2028, almost all providers of ERP software will have incorporated AI to reduce workloads and errors and speed processes.

AI-driven forecasting and resource optimization tools are also improving patient throughput and staff utilization. Predictive analytics help organizations anticipate supply shortages, manage equipment lifecycles and forecast patient volume based on seasonal or demographic trends. These insights allow finance and operations leaders to make proactive, data-driven decisions that reduce costs while maintaining high-quality patient care.

When replacing or upgrading ERP systems, healthcare organizations must take a strategic approach that aligns modernization with compliance, financial integrity and patient-centered goals. Today's systems emphasize configurability and interoperability, allowing hospitals to adapt to evolving regulatory standards and integrate with clinical, billing and electronic health record (EHR) systems. Terms such as "configuration" and "customization" define how ERP systems adapt to user needs without altering core functionality. A well-planned modernization strategy ensures a secure, scalable and efficient ERP software environment capable of supporting the future of healthcare delivery.

> **Integrating ERP and clinical systems allows healthcare organizations to link financial performance with patient outcomes.**

Modernization strategies increasingly focus on interoperability between ERP software and clinical systems such as EHRs, practice management and patient billing platforms. Integrating these systems allows healthcare organizations to link financial performance with patient outcomes, enabling precision in cost accounting and resource utilization. This connection gives executives a unified view of revenue, expenses and care quality, aligning operational and clinical priorities. Additionally, API-enabled interoperability simplifies mergers and acquisitions by accelerating data integration across newly affiliated facilities. As ERP systems continue to evolve, healthcare providers will evaluate software providers not only on functionality and compliance but also on the ability to support value-based care and data-driven performance management.

Although ERP systems integrate multiple enterprise functions, this Buyers Guide focuses on capabilities most relevant to healthcare enterprises. These include accounting and financial management, grants management, inventory, fixed asset, procure-to-pay, cost accounting, compliance and risk management, as well as AI-enabled analytics and reporting.

The 2025 ISG Buyers Guide™ for Healthcare ERP evaluates software providers and products in key areas, including accounting and financial management, compliance, risk management, inventory, procurement, fixed assets, cost accounting and analytics. This research assessed the following software providers: Infor, Microsoft, Oracle, Oracle NetSuite, Sage Intacct, SAP S/4HANA, TechnologyOne and Workday.

Buyers Guide Overview

ISG Research has conducted market research for over two decades across vertical industries, business applications, AI and IT. We have designed the ISG Buyers Guide™ to provide a balanced perspective of software providers and products that is rooted in an understanding of business and IT requirements. Utilization of our research methodology and decades of experience enables our Buyers Guide to be an effective method to assess and select software providers and products. The findings of this research provide a comprehensive approach to rating software providers and rank their ability to meet specific product and customer experience requirements.

> **ISG Research has designed the Buyers Guide to provide a balanced perspective of software providers and products that is rooted in an understanding of business and IT requirements.**

The 2025 ISG Buyers Guide™ for Healthcare ERP is the distillation of continuous market and product research. It is an assessment of how well software providers' offerings address enterprises' requirements for healthcare ERP software. The Value Index methodology is structured to support a request for information (RFI) for a request for proposal (RFP) process by incorporating all criteria needed to evaluate, select, utilize and maintain relationships with software providers. The ISG Buyers Guide evaluates customer experience and the product experience in its capability and platform.

The structure of the research reflects our understanding that the effective evaluation of software providers and products involves far more than just examining product features, potential revenue or customers generated from a provider's marketing and sales efforts. It can ensure the best long-term relationship and value achieved from a resource and financial investment We believe it is important to take a comprehensive, research-based approach, since making the wrong choice of healthcare ERP software can raise the total cost of ownership, lower the return on investment and hamper an enterprise's ability to reach its potential. In addition, this approach can reduce the project's development and deployment time and eliminate the risk of relying on opinions or historical biases.

ISG Research believes that an objective review of existing and potential new software providers and products is a critical strategy for the adoption and implementation of healthcare ERP software. An enterprise's review should include an analysis of both what is possible and what is relevant. We urge enterprises to do a thorough job of evaluating healthcare ERP software and offer this Buyers Guide as both the results of our in-depth analysis of these providers and as an evaluation methodology.

Key Takeaways

Healthcare ERP platforms integrate financial, operational and administrative processes to strengthen visibility, compliance and resource utilization across complex care environments. These systems unify data flows across finance, supply chain and workforce operations while supporting the regulatory and uptime requirements unique to healthcare. Research highlights how cloud deployment, embedded controls and interoperability with clinical systems improve governance and operational coordination. As AI and automation expand, ERP systems become increasingly central to cost management, performance insight and care-delivery alignment.

Software Provider Summary

The ISG Buyers Guide™ for Healthcare ERP evaluates **8** software providers offering products supporting financial management, compliance, inventory, procurement, fixed assets, cost accounting and analytics. The research ranked the top three overall leaders as Oracle, SAP S/4HANA and Workday. Providers were classified using weighted performance in Product Experience and Customer Experience for ISG quadrant placement. Oracle, Sage Intacct, SAP S/4HANA and Workday were rated as Exemplary, with no providers rated as Innovative. Oracle NetSuite was rated as Assurance, and Infor, Microsoft and TechnologyOne were rated as Merit.

Product Experience Insights

Product Experience, representing 80% of the evaluation, focuses on Capability (35%) and Platform (45%) which includes adaptability, manageability, reliability and usability. Oracle, SAP S/4HANA and Workday achieved the highest performance as Leaders in this category, supported by breadth and depth across healthcare ERP system capabilities and robust platform architecture that enables adaptability, manageability, reliability and usability. Leaders demonstrated enterprise-grade platform capabilities across varied roles and contexts.

Customer Experience Value

Customer Experience, representing 20% of the evaluation, focuses on validation and TCO/ROI. Oracle, SAP S/4HANA and Oracle NetSuite were the Leaders in this category showing strong customer advocacy and clear investment in success outcomes. Providers with lower performance often lacked publicly available customer validation or failed to demonstrate structured ROI measurement and proactive lifecycle engagement.

Strategic Recommendations

Healthcare organizations should evaluate ERP system modernization as a strategic initiative that reinforces financial integrity, compliance and operational coordination across care settings. Buyers should prioritize platforms that combine strong configurability, interoperability with clinical and billing systems and embedded intelligence to improve visibility and decision support. Organizations benefit from selecting systems that integrate governance controls, reduce customization risk and support multi-entity consolidation. A structured roadmap enables healthcare providers to align ERP software investments with regulatory demands, performance goals and long-term care delivery priorities.

How To Use This Buyers Guide

Evaluating Software Providers: The Process

We recommend using the Buyers Guide to assess and evaluate new or existing software providers for your enterprise. The market research can be used as an evaluation framework to assess existing approaches and software providers or establish a formal request for information from providers on products and customer experience and will shorten the cycle time when creating an RFI. The steps listed below provide a process that can facilitate best possible outcomes in the most efficient manner.

1. Define the business case and goals.

   Define the mission and business case for investment and the expected outcomes from your organizational and technological efforts.
2. Specify the business and IT needs.

   Defining the business and IT requirements helps identify what specific capabilities are required with respect to people, processes, information and technology.
3. Assess the required roles and responsibilities.

   Identify the individuals required for success at every level of the enterprise from executives to frontline workers and determine the needs of each.
4. Outline the project's critical path.

   What needs to be done, in what order and who will do it? This outline should make clear the prior dependencies at each step of the project plan.
5. Ascertain the technology approach.

   Determine the business and technology approach that most closely aligns to your enterprise's requirements.
6. Establish software provider evaluation criteria.

   Utilize the product experience: capability and platform with support for adaptability, manageability, reliability and usability, and the customer experience in TCO/ROI and Validation.
7. Evaluate and select the software provider and products properly.

   Apply a weighting the evaluation categories in the evaluation criteria to reflect your enterprise's priorities to determine the short list of software providers and products.
8. Establish the business initiative team to start the project.

   Identify who will lead the project and the members of the team needed to plan and execute it with timelines, priorities and resources.

   Using the ISG Buyers Guide and process provides enterprises a clear, structured approach to making smarter software and business investment decisions. It ensures alignment between strategy, people, processes and technology while reducing risk, saving time and improving outcomes. The ISG approach promotes data-driven decision-making and collaboration, helping choose the right software providers for maximum value and return on investment.

The Findings

The software providers and products evaluated in the research provide product and customer experiences, but not everything offered is equally valuable to every enterprise or is needed to operate in business processes and use cases. Moreover, the existence of too many capabilities in products may be a negative factor for an enterprise if it introduces unnecessary complexity. Nonetheless, you may decide that a more comprehensive set of capabilities in the product is important, and where they match your enterprise's requirements.

An effective customer relationship with a software provider is vital to the success of any investment. The overall customer experience and the full lifecycle of engagement play a key role in ensuring satisfaction and long-term success. Providers with dedicated customer leadership, such as chief customer officers, tend to invest more deeply in these relationships and prioritize customer outcomes to TCO and ROI expectations. It is equally important that this commitment to customer success is clearly demonstrated throughout the provider's website, buying process and customer journey.

## Overall Scoring of Software Providers Across Categories

The research finds Oracle atop the list, followed by , SAP S/4HANA and Workday. Providers that place in the top three of a category earn the designation of Leader. Oracle and SAP S/4HANA have done so in five categories, Workday in four and Oracle NetSuite in one category.

The overall representation of the research below places the rating of the Product Experience and Customer Experience on the *x* and *y* axes, respectively, to provide a visual representation and classification of the software providers. Those providers whose Product Experience have above median weighted performance to the axis in aggregate of the two product categories place farther to the right, while the performance and weighting for the Customer Experience category determines placement on the vertical axis. In

Healthcare ERP
Overall

Providers	Grade	Performance
Oracle	A-	*Leader* 85.4%
SAP S/4HANA	A-	*Leader* 84.0%
Workday	B++	*Leader* 80.5%
Sage Intacct	B++	76.5%
Microsoft	B+	74.3%
Infor	B+	73.0%
Oracle NetSuite	B+	71.6%
TechnologyOne	B	64.5%

ISG Source: ISG Research
Healthcare ERP Buyers Guide
© 2025 Information Services Group, Inc.

short, software providers that place closer to the upper-right on this chart performed better than those closer to the lower-left.

The research categorizes and rates software providers into one of four categories: Assurance, Exemplary, Merit or Innovative. This representation of software providers' weighted performance in meeting the requirements in product and customer experience.

Healthcare ERP
ISG Buyers Guide™

ASSURANCE	EXEMPLARY

Oracle

SAP S/4HANA

Oracle NetSuite

Sage Intacct   Workday

Infor

Microsoft

TechnologyOne

MERIT	INNOVATIVE

Customer Experience (vertical axis)

Product Experience (horizontal axis)

Source: ISG Research
Healthcare ERP Buyers Guide
© 2025 Information Services Group, Inc.
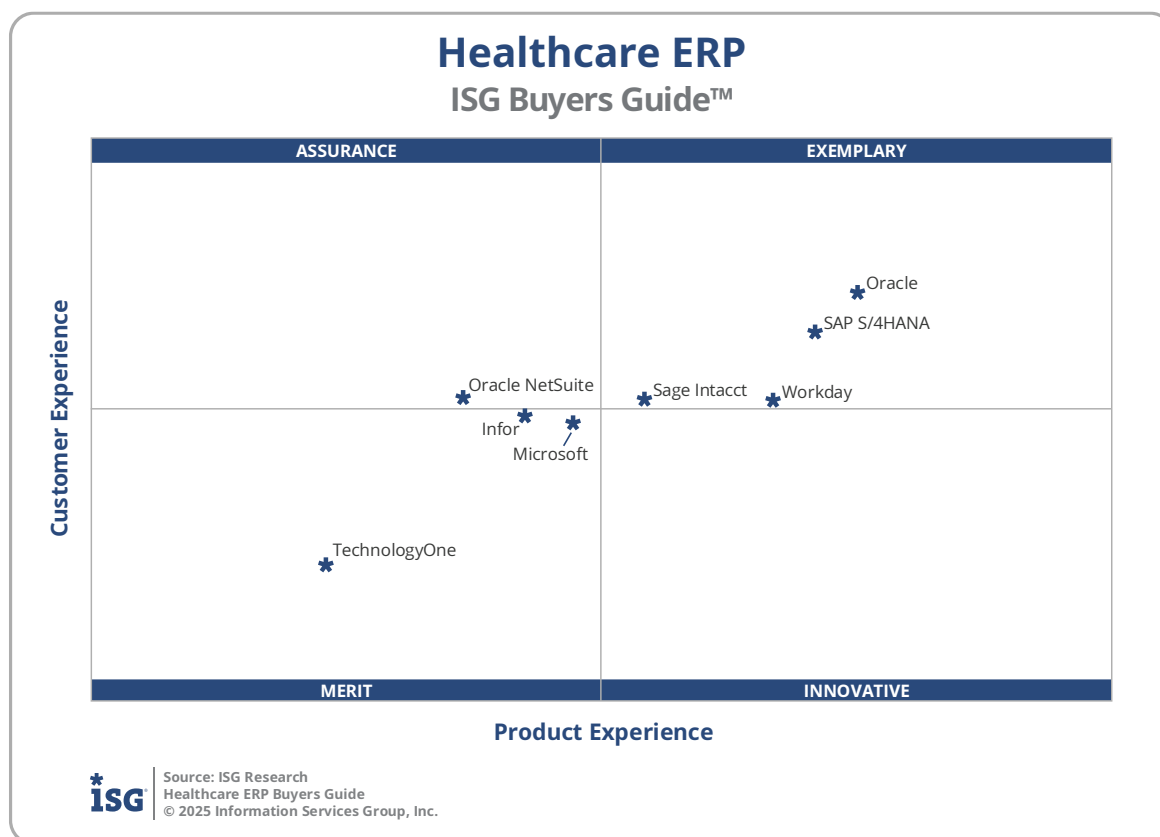
Exemplary: This rating (upper right) represents those that performed above median in Product and Customer Experience requirements. The providers rated Exemplary are: Oracle, Sage Intacct, SAP S/4HANA and Workday.

Innovative: This rating (lower right) represents those that performed above median in Product Experience but not in Customer Experience. No providers are rated Innovative.

Assurance: This rating (upper left) represents those that performed above median in Customer Experience but not in Product Experience. The provider rated Assurance is: Oracle NetSuite.

Merit: This rating (lower left) represents those that did not surpass the median in Customer or Product Experience. The providers rated Merit are: Infor, Microsoft and TechnologyOne.

We advise enterprises to use this research as a supplement to their own evaluations, recognizing that ratings or rankings do not solely represent the value of a provider nor indicate universal suitability of a set of products.

Product Experience

The process of researching products to address an enterprise's needs should be comprehensive and evaluate specific capabilities and the underlying platform to the product experience. Our evaluation of the Product Experience examines the lifecycle of onboarding, configuration, operations, usage and maintenance. Too often, software providers are not evaluated for the entirety of the product; instead, they are evaluated on market execution and vision of the future.

The research results in Product Experience are ranked at 80%, or four-fifths, using the underlying weighted performance. Importance was placed on the categories as follows: Capability (35%) and Platform (45%). Oracle, SAP S/4HANA and Workday were designated Product Experience Leaders.

Healthcare ERP
Product Experience

Providers	Grade	Performance
Oracle	A-	Leader 67.5%
SAP S/4HANA	A-	Leader 66.2%
Workday	B++	Leader 64.8%
Sage Intacct	B++	60.7%
Microsoft	B+	58.8%
Infor	B+	57.2%
Oracle NetSuite	B+	55.6%
TechnologyOne	B	51.2%

Source: ISG Research
Healthcare ERP Buyers Guide
© 2025 Information Services Group, Inc.

Customer Experience

The importance of a customer relationship with a software provider is essential to the actual success of the products and technology. The evaluation of the Customer Experience and the entire lifecycle an enterprise has with its software provider is critical for ensuring satisfaction in working with that provider. The ISG Buyers Guide examines a software provider's customer commitment, viability, customer success, sales and onboarding, product roadmap and services with partners and support. The customer experience category also investigates the TCO/ROI and how well a software provider demonstrates the product's overall value, cost and benefits, including the tools and resources to evaluate these factors.

The research results in Customer Experience are ranked at 20%, or one-fifth of the 100% index, and represent the underlying provider validation and TCO/ROI requirements as they relate to the framework of commitment and value to the software provider-customer relationship.

The software providers that evaluated the highest in the Customer Experience category are Oracle, SAP S/4HANA and Oracle NetSuite. These category leaders best communicate commitment and dedication to customer needs. While not a Leader, Sage Intacct was also found to meet a broad range of customer experience requirements.

Healthcare ERP
Customer Experience

Providers	Grade	Performance	
Oracle	A	*Leader*	17.8%
SAP S/4HANA	A-	*Leader*	17.1%
Oracle NetSuite	B++	*Leader*	15.9%
Sage Intacct	B++		15.8%
Workday	B++		15.7%
Infor	B++		15.6%
Microsoft	B++		15.5%
TechnologyOne	B		13.2%

Source: ISG Research
Healthcare ERP Buyers Guide
© 2025 Information Services Group, Inc.

Software providers that did not perform well in this category were unable to provide or make sufficient information readily available to demonstrate success or articulate their commitment to customer experience. The use of a software provider requires continuous investment, so a holistic evaluation must include examination of how they support their customer experience.
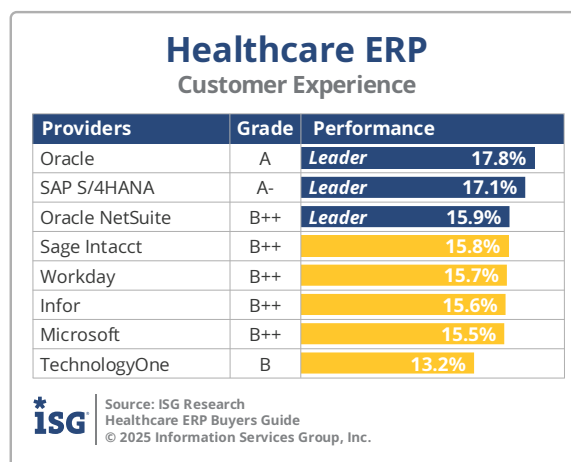
Appendix: Software Provider Inclusion

For inclusion in the 2025 ISG Buyers Guide™ for Healthcare ERP, a software provider must be in good standing financially and ethically, have at least $50 million in annual or projected revenue verified using independent sources, sell products and provide support on at least two continents, and have at least 25 customers. The principal source of the relevant business unit's revenue must be software-related, and there must have been at least one major software release in the past 12 months. For inclusion in this report, providers must have the following capabilities: Patient Billing, Grants and Fund Accounting, Cost Accounting, Hospital Inventory & Supply Chain, Regulatory Compliance, Analytics and Data and Patient Engagement.

The research is designed to be independent of the specifics of software provider packaging and pricing. To represent the real-world environment in which businesses operate, we include providers that offer suites or packages of products that may include relevant individual modules or applications. If a software provider is actively marketing, selling and developing a product for the general market and it is reflected on the provider's website that the product is within the scope of the research, that provider is automatically evaluated for inclusion.

All software providers that offer relevant healthcare ERP software products and meet the inclusion requirements were invited to participate in the evaluation process at no cost to them.

Software providers that meet our inclusion criteria but did not completely participate in our Buyers Guide were assessed solely on publicly available information. As this could have a significant impact on classification and ratings, we recommend additional scrutiny when evaluating those providers.

Products Evaluated

Provider	Product Names	Version	Release Month/Year
Infor	Infor CloudSuite	N/A	April 2025
Microsoft	Dynamics 365 Finance	10.0.44	June 2025
Oracle	Oracle Enterprise Resource Planning	25C	July 2025
Oracle NetSuite	NetSuite ERP	2025.2	July 2025
Sage Intacct	Sage Intacct	2025 R3	August 2025
SAP S/4HANA	SAP S/4HANA Cloud Public Edition	2508	August 2025
TechnologyOne	Global SaaS ERP	2025A	July 2025
Workday	Workday Enterprise Management Cloud	2025R1	March 2025

About ISG Software Research and Advisory

ISG Software Research and Advisory provides market research and coverage of the technology industry, informing enterprises, software and service providers, and investment firms. The ISG Buyers Guides provide insight on software categories and providers that can be used in the RFI/RFP process to assess, evaluate and select software providers.

About ISG Research

ISG Research provides subscription research, advisory, consulting and executive event services focused on market trends and disruptive technologies. ISG Research delivers guidance that helps businesses accelerate growth and create more value. For further information about ISG Research subscriptions, please visit research.isg-one.com.

About ISG

ISG (Nasdaq: III) is a global AI-centered technology research and advisory firm. A trusted partner to more than 900 clients, including 75 of the world's top 100 enterprises, ISG is a long-time leader in technology and business services sourcing that is now at the forefront of leveraging AI to help organizations achieve operational excellence and faster growth. The firm, founded in 2006, is known for its proprietary market data, in-depth knowledge of provider ecosystems, and the expertise of its 1,600 professionals worldwide working together to help clients maximize the value of their technology investments.