ERP Deployment in 2025: On-Premise and Hybrid Models

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ERP Software Solutions Supporting On-Premise Deployment in 2025

Overview: Cloud vs. On-Premise ERP in 2025

Enterprise ERP landscapes in 2025 are shaped by a strong push toward cloud solutions, yet on-premise ERP remains significant due to various strategic considerations. Analysts forecasted that by 2025 over 85% of organizations would embrace a “cloud-first” strategy (Source: netatwork.com), and indeed cloud ERP adoption has accelerated. Cloud-based ERP offers scalability, faster deployment, and reduced internal IT overhead, aligning with many digital transformation initiatives. However, a wholesale cloud migration is not feasible or desirable for every enterprise. Many organizations remain cautious about moving 100% to the cloud due to concerns over security, compliance, data sovereignty, and complex

integrations with existing systems (Source: nogalis.com). As a result, **hybrid ERP** models – blending on-premises and cloud components – have become the dominant approach. Industry experts predict that by 2025 most large enterprises will operate hybrid ERP environments, combining private/on-premise systems with public cloud services to balance performance and agility with control over sensitive data (Source: nogalis.com)(Source: panorama-consulting.com). In summary, while cloud ERP is now mainstream, on-premise ERP deployments continue to play a critical role in enterprise IT strategies, particularly for companies with strict regulatory or operational requirements.

Major ERP Vendors Supporting On-Premise Deployment (2025)

Many leading ERP vendors still offer on-premise or self-hosted versions of their software in 2025, even as they emphasize cloud offerings. Below we review major vendors and their on-premise support status:

SAP

SAP continues to provide robust on-premise ERP options in 2025, chiefly through **SAP S/4HANA (on-premise edition)**. SAP S/4HANA – the flagship ERP replacing SAP ECC 6.0 – can be deployed on-premises (self-managed in a customer's data center or private cloud) or in SAP-managed cloud modes. A large portion of SAP's install base is still running legacy **SAP Business Suite 7 / SAP ECC** on-premise, and SAP has extended support timelines to accommodate these customers. Notably, SAP pushed the end of mainstream maintenance for ECC 6.0 from 2025 to 2027 (with extended support available until 2030) (Source: theregister.com). Furthermore, SAP announced it will offer a **"private edition" transition option** to extend support through 2031–2033 for select customers with very complex landscapes, provided they sign up for a RISE with SAP cloud-subscription transition deal (Source: theregister.com). This effectively gives large enterprise customers on ECC or S/4HANA on-premise additional breathing room until 2033 under specific conditions. Importantly, SAP stresses this is not an indefinite extension of on-prem maintenance but a bridge for those planning a cloud move (Source: theregister.com). In terms of deployment flexibility, SAP S/4HANA comes in multiple flavors: a **traditional on-premise version** (with yearly feature pack updates), **SAP S/4HANA Cloud (public multi-tenant)**, and **SAP S/4HANA Cloud, private edition** (a single-tenant version often hosted via RISE with SAP). This allows customers to choose pure on-premise, pure SaaS, or hybrid models. Many large SAP customers are pursuing a hybrid approach – for example, running S/4HANA or SAP ECC on-premise while consuming certain cloud services (such as SAP SuccessFactors for HR or SAP Analytics Cloud) in parallel. SAP's roadmap signals that while on-premise deployments (including **SAP Business One** for small businesses) will be supported well into the 2030s, the company's strategic focus is on cloud offerings and its RISE with SAP program. Nonetheless, as of 2025 SAP acknowledges that a significant share of its customer base requires on-premise or private-cloud ERP due to customization and compliance needs, and it continues to update the on-premise S/4HANA product annually with new features.

Oracle

Oracle supports on-premise ERP through its legacy product lines and offers a range of deployment models in 2025. Oracle's strategic cloud ERP offering is **Oracle Fusion Cloud ERP** – a SaaS solution (part of Oracle Cloud Applications) which is cloud-only. However, Oracle has a large installed base of on-premise ERP systems from its **Applications Unlimited** portfolio, including **Oracle E-Business Suite (EBS)**, **PeopleSoft**, **JD Edwards EnterpriseOne**, and **Siebel CRM**. Oracle has committed to continued support and development of these on-premise suites: under its continuous innovation model, Oracle delivers periodic updates to EBS 12.2, PeopleSoft 9.2, etc., without requiring major upgrades. In fact, Oracle has been extending Premier Support for these products on a rolling basis – as of 2025, Oracle assures customers that E-Business Suite 12.2 (and related products) will have Premier Support **through at least 2036**(Source: oracle.com)(Source: oracle.com). This aligns with Oracle's public promise that its on-premise "Applications Unlimited" products will not face forced end-of-life in the near term, allowing customers to modernize at their own pace. For example, Oracle EBS 12.2, PeopleSoft 9.2 and JD Edwards 9.2 all receive ongoing enhancements and are guaranteed support well into the 2030s (Source: oracle.com). That said, Oracle is simultaneously encouraging customers to adopt its cloud offerings. Many new ERP capabilities (especially emerging technologies like advanced analytics or AI features) are introduced in the Oracle Fusion Cloud suite first. Oracle also provides **hybrid deployment options** – for instance, some customers run Oracle Cloud ERP modules alongside on-premise EBS, integrating them. Oracle's **Cloud@Customer** model is another alternative for those needing cloud functionality on-premise: Oracle can deploy cloud hardware on the customer's site (e.g. **Oracle Dedicated Region Cloud@Customer** or Exadata Cloud@Customer) to run Oracle Cloud Applications within the client's data center, addressing data residency and latency requirements. In summary, Oracle in 2025 offers considerable deployment flexibility: customers can remain on-premise with EBS/PeopleSoft/JDE (with support extended for a decade+), move to Oracle's SaaS ERP in the public cloud, or implement hybrid strategies. Oracle's roadmap shows no hard de-support date for its on-premise ERPs (instead, yearly extensions of support), but the clear innovation focus is Oracle Fusion Cloud. Over time, Oracle is likely to invest more heavily in cloud-native functionality, while ensuring on-premise customers are not left unsupported. Enterprise IT decision-makers should note Oracle's dual commitment: **long-term support for on-premise ERP** to protect existing investments (Source: oracle.com), alongside aggressive growth of its cloud ERP customer base.

Microsoft Dynamics

Microsoft primarily sells its modern ERP solutions under the **Dynamics 365** brand, which are largely cloud-based – but Microsoft still provides on-premise and hybrid deployment options in 2025. The Dynamics 365 ERP portfolio includes **Dynamics 365 Finance & Operations** (also known as Finance and Supply Chain Management, the enterprise ERP formerly Dynamics AX) and **Dynamics 365 Business Central** (SMB ERP, successor to NAV). Both of these can be deployed on-premise, despite being

marketed as cloud services. For example, **Dynamics 365 Finance & Operations (on-premises)** is offered for companies that cannot use the Azure cloud, allowing deployment on customer-managed servers (Source: neteye-blog.com). This on-prem version uses a local infrastructure connected to Microsoft's cloud for some services (Lifecycle Services, updates) but keeps business data and application servers on the client's environment – a solution for industries or regions where cloud is not viable. Similarly, **Dynamics 365 Business Central** has an on-premise edition (essentially the continuation of Dynamics NAV) which Microsoft continues to update in parallel to the cloud version. Starting in 2025, Microsoft has shifted new Business Central on-prem licensing to a subscription (named user per month) model, aligning pricing with its cloud SaaS (per Microsoft's policy update effective April 1, 2025) (Source: dynamics101.com).

In addition to these, Microsoft has **legacy on-premise ERP products**: **Dynamics GP** (Great Plains) and **Dynamics SL** (Solomon) for mid-market and project accounting, which are still used by many customers. These older systems are under extended support but not receiving major new features. Microsoft has published a lifecycle timeline for Dynamics GP indicating mainstream development ends by 2028, with extended support (security fixes) until 2031 (Source: msdynamicsworld.com). In fact, Microsoft recently announced an end-of-life date: GP will get no new updates after 2029, and extended support will cease in 2031 (Source: msdynamicsworld.com). This signals that GP (an on-premise SMB ERP) is being phased out in favor of cloud offerings or migration to Business Central. Meanwhile, Microsoft's **Dynamics 365 Customer Engagement (CRM)** also had an on-premises version (Dynamics 365 CE Server, v9.x); support for this on-prem CRM was extended from 2025 to 2027 to accommodate customers still self-hosting CRM (Source: crmsoftwareblog.com).

Microsoft's overall ERP strategy is "cloud-first" – the full featured Dynamics 365 applications are intended to run on Azure as SaaS, and that is where Microsoft delivers updates on a continuous basis (multiple release waves each year). However, Microsoft recognizes that certain customers (particularly in government, defense, or those with air-gapped networks) require on-prem or private cloud deployments. Thus, it offers a **deployment spectrum**: pure cloud SaaS, customer-managed on-prem, and hybrid configurations. A hybrid example is a company running Dynamics 365 on-premises but connecting to cloud-based **Power Platform** or using cloud add-ons for advanced analytics. Technically, the on-prem versions tend to lag slightly in new features compared to the cloud (due to the need for update packages), but Microsoft has committed to keep them reasonably in sync. In terms of roadmap, Microsoft will continue supporting on-premise deployments of Finance & Operations and Business Central for the foreseeable future, but clients should be aware of the diminishing support horizon for legacy products like GP and SL. New functionality (e.g. AI integrations, cloud services) will often require at least a hybrid setup. Microsoft's approach in 2025 is to **support customers "where they are"** – enabling cloud migrations but not abandoning those who genuinely need on-premise ERP for regulatory or operational reasons.

Infor

Infor, known for its industry-focused ERP solutions, offers both on-premise and cloud deployment options in 2025, though it is strongly encouraging a transition to its cloud offerings. Infor's flagship ERP systems – such as **Infor LN** (for discrete manufacturing industries), **Infor M3** (for distribution, fashion, process manufacturing), **Infor Syteline/CloudSuite Industrial**, and **Infor Lawson** (for healthcare/public sector) – have traditionally been available for on-premises installation. Infor still supports and sells these as on-premise products, and it releases periodic updates for them. For instance, **Infor LN** (originally the Baan system) had a new on-prem version 10.8 released in 2023 for customers to upgrade to (Source: erpadvisorsgroup.com). Infor's deployment strategy is dual: every major Infor ERP is offered as part of a **CloudSuite** (multi-tenant cloud version hosted on AWS) and also as a **self-managed deployment**. Infor LN, for example, is the core of CloudSuites like Automotive, Aerospace & Defense, etc., and **is offered both on-premises and in the cloud** to meet customers' needs (Source: erpadvisorsgroup.com).

However, Infor's roadmap clearly leans toward cloud as the future. The company has set most of its R&D on developing **Infor CloudSuite** multi-tenant capabilities and "last-mile" industry features delivered via the cloud platform. Infor has stated it is on a "cloud adoption trajectory" and is **encouraging legacy on-premise users to migrate** to the CloudSuites (Source: erpadvisorsgroup.com). Certain legacy versions have reached End of Maintenance (for example, older LN and Baan versions fell out of extended support in 2021) (Source: erpadvisorsgroup.com). Infor's support policy (General Product Lifecycle) means on-premise versions eventually move from mainstream support to extended, then to sustaining support (no new fixes) after a number of years (Source: erpadvisorsgroup.com). Currently, customers on fairly recent versions (e.g. LN 10.7 or 10.8, M3 13.x) continue to receive support and updates, but those on very old releases are pushed to upgrade or migrate.

From a **deployment flexibility** perspective, Infor still provides **full choice**. A company can opt for **Infor CloudSuite (multi-tenant SaaS)** for a "cloud-first" experience, choose a **single-tenant hosted deployment** (Infor will host a dedicated instance on AWS or Azure, which is essentially on-prem software managed off-prem), or **deploy on-premise on their own infrastructure**. Hybrid arrangements are also possible, e.g. keeping an on-premise core ERP but using Infor's cloud-based **Birst** analytics or other cloud modules. Many **industry-specific requirements** drive Infor customers to remain on-prem: for example, some **aerospace & defense firms** require Infor LN on secure networks due to ITAR compliance, and some **public sector** clients using Infor Lawson (now CloudSuite Financials) have been slower to move to cloud due to data sovereignty concerns. Infor's messaging to customers is that the **CloudSuite** versions (running on AWS) offer faster innovation – including AI capabilities, easier integration, and a lower upgrade burden – but Infor is not abandoning on-prem users and will support them through at least this decade. Prospective buyers should weigh that Infor will deliver the **"best of Infor"** (new UI, AI, etc.) in the cloud first, yet **on-premise deployment remains fully viable** for those who need it, with the same base functionality (Source: erpadvisorsgroup.com).

Epicor

Epicor is a mid-market ERP vendor whose solutions are widely used in manufacturing, distribution, and retail sectors. Epicor has long offered on-premise ERP software and continues to support on-prem deployments in 2025, even as it pivots to a cloud-first model for new customers. Epicor's principal product, known as **Epicor Kinetic** (previously Epicor ERP 10), can be deployed either on-premise or in the cloud, giving customers a choice of environment. In fact, Epicor highlights itself as "a leading cloud *and* on-premises ERP solutions provider" across industries (Source: dynamicssquare.com). This reflects Epicor's hybrid approach: they market **Epicor Kinetic Cloud** (a SaaS offering hosted by Epicor) for those seeking a cloud subscription model, while also allowing customers to **license Kinetic for on-premise installation** on their own servers or private cloud. Many of Epicor's long-time customers (especially in manufacturing) still run their ERP on-premise for reasons such as extensive customizations, plant-floor integrations (e.g. with machines/PLCs), and the desire for direct database access. Epicor acknowledges this and thus continues to release on-premise versions concurrently with cloud updates. For example, the **2025.1 release of Epicor Kinetic** is available to both cloud and on-prem users (cloud users get it automatically, on-prem users can apply the update package).

At the same time, Epicor is clearly nudging its user base toward the cloud. The company launched an initiative called **"Ascend with Epicor"**, aimed at accelerating cloud adoption for customers on legacy on-prem systems (Source: erpadvisorsgroup.com). Epicor has acquired several new technologies (e.g. BI tools, e-commerce solutions) and integrated them into its cloud platform, emphasizing the benefits of cloud connectivity. While **Epicor still supports its on-prem solutions**, some older product versions have reached end-of-life, and others will in the coming years (Source: erpadvisorsgroup.com). For instance, **Epicor ERP 9 and 10 (legacy versions)** are being phased out in favor of Epicor Kinetic. Epicor's **Prophet 21** (distribution ERP) and **Eclipse** (electrical distribution) products, historically on-premise, also now have cloud-hosted options. The vendor's message at its 2025 customer conference was that cloud offers better ROI and easier upgrades, but the transition should be on the customer's timetable (Source: erpadvisorsgroup.com).

In terms of support horizon, Epicor has not announced a cutoff date for on-premise Kinetic – they continue to provide updates and have a significant on-prem user community. However, new capabilities (for example, Epicor's AI assistant **Epicor Virtual Agent / "Prism"**) may require cloud connectivity or are first introduced in the cloud environment. Epicor is ensuring that **deployment flexibility** remains a selling point: prospective buyers can opt for **multi-tenant SaaS**, **single-tenant hosted**, or **on-premise** licensing. A notable trend is some customers choosing a middle route: e.g. running Epicor in a **managed hosted environment (private cloud)** which is essentially the on-prem version operated off-prem by a partner – this gives them control over update timing and customization, akin to on-prem, but with outsourced infrastructure. To conclude, Epicor in 2025 actively supports on-premise ERP deployments and commits to those customers' success, even as it charts a path toward a predominantly cloud future.

Organizations evaluating Epicor should plan for that long-term cloud roadmap but can be confident that **on-premise deployments are still fully supported by Epicor** in this timeframe (Source: dynamicssquare.com).

SYSPRO

SYSPRO is an ERP vendor focused on small and mid-sized manufacturers and distributors, and it has a long history of on-premise solutions. In 2025, SYSPRO remains committed to offering **choice of deployment**: its ERP can be deployed **on-premise or in the cloud**, or in hybrid modes, depending on customer preference. SYSPRO explicitly states that its solution *"can be deployed either in the cloud, on-premise, or accessed via any mobile device"*(Source: us.syspro.com). This flexibility is a core part of SYSPRO's value proposition, as many of its customers operate in industries (industrial manufacturing, electronics, food & beverage) where they may prefer on-premise control or may not have reliable internet in factory locations. The SYSPRO ERP product is the same codebase regardless of deployment; customers can choose a traditional perpetual license and install on their own servers, or opt for SYSPRO's cloud hosting (which might be on Azure or a partner data center). **Hybrid deployments** are also supported – for example, a SYSPRO customer might run the main ERP on-premise but use cloud services for backups, or run one instance on-premise at headquarters and another instance in the cloud for a remote division, etc. SYSPRO has invested in web-based interfaces and APIs to ensure the software is accessible and modern whether on-prem or cloud (Source: us.syspro.com). In terms of vendor roadmap, SYSPRO has not indicated any plan to discontinue on-premise support. On the contrary, they recognize that **regulatory concerns** often drive customers to keep data in-house for audit and compliance reasons (Source: syspro.com). Therefore, SYSPRO will continue to release new versions that can be self-hosted. For SYSPRO users, the decision often comes down to internal IT capability and cost model: on-premise gives total control and a capital expense model, while cloud removes infrastructure management in favor of subscription pricing. Since SYSPRO targets a segment where many firms historically ran on Windows servers on-site, it is expected that a good portion of their client base will still be on-prem in 2025. Overall, SYSPRO exemplifies a vendor maintaining full **deployment model flexibility** to accommodate customer needs, without pushing exclusively to cloud.

Other ERP Vendors and On-Premise Options

Beyond the "big names" above, there are several other ERP vendors – including niche and industry-specific providers – that support on-premise deployment in 2025:

- **IFS** – *IFS* (focused on enterprise asset management, aerospace & defense, service management) offers its latest product **IFS Cloud** either as a cloud service or as an on-premise deployment. Despite the "Cloud" name, IFS allows customers (especially in defense or other sensitive industries) to self-host the full IFS solution on their own infrastructure for data control. IFS is known for serving

industries like defense contractors, aviation, energy, where on-prem or highly secure deployments are often mandated. They have not announced any end to on-prem support; new versions can be installed on-premise or in private clouds, with IFS providing updates twice a year.

- **QAD** – *QAD*, which provides ERP for manufacturing (especially automotive, industrial, life sciences), introduced a cloud SaaS version called **QAD Adaptive ERP**. However, QAD also continues to offer **on-premise licenses** for its ERP. Many long-time QAD customers still run older on-prem QAD EE or SE versions. QAD is encouraging migration to its cloud, but for 2025 it still supports on-premise deployments and even released on-premise updates for QAD Adaptive ERP (the software can run on customer's servers or QAD's cloud). Particularly in automotive supply chains, some companies opt for on-prem due to integration with plant equipment and legacy customizations.

- **Deltek** – *Deltek* specializes in ERP for **government contractors, professional services, and architecture/engineering firms**. Its flagship **Deltek Costpoint** (for GovCon) and **Deltek Vision/Vantagepoint** (for A&E firms) have traditionally been on-premise applications. In 2025, Deltek offers both cloud-hosted and on-premise versions. For example, **Costpoint 8** can be either accessed as a Deltek cloud subscription or installed on-premise; the software is the same. Costpoint is explicitly *"available as both web-based and on premise"*, serving the compliance needs of government contracting firms (Source: softwareadvice.com). Many defense contractors choose on-prem deployments of Deltek ERP to meet **DCAA compliance, ITAR data control, and facility security** requirements. Deltek has continued to upgrade its on-premise software (Costpoint 8.2 in 2025) in parallel with its cloud offerings. There is no announced end-of-support date for on-premise Costpoint; the vendor likely will support it as long as significant customers demand it, given the sensitivity of its client base.

- **Sage** – *Sage* caters to small and mid-market companies with a mix of accounting and ERP products. Several Sage ERP products are on-premise: **Sage 100 and 300** (on-premises SMB ERP/accounting systems), **Sage X3** (enterprise management for mid-sized firms, available on-prem or hosted), and others like Sage 500 (legacy). While Sage has invested in cloud-native products (e.g. Sage Intacct is cloud-only), it has not phased out its on-premise lines. **Sage X3** in particular is still widely deployed on-premise (often on Windows or Linux servers at customer sites) especially in process manufacturing and distribution. Sage provides updates for X3 on-prem and has a roadmap of improvements. However, new functionality like AI or advanced analytics might come via cloud-connected modules. Sage's strategy is to support its existing on-prem users (with X3 and 100/300 having support plans into the future) while offering paths to cloud for those ready. In 2025, a Sage customer can still choose a completely on-premise implementation of X3 or opt for a partner-hosted cloud – the **flexibility remains**. It's worth noting Sage 100/300 are under "classic" maintenance and continue to get annual tax and compliance updates, with no end-of-life announced.

- **Infor (Other products)** – In addition to LN and M3, Infor has various niche ERPs (e.g. **SyteLine/CloudSuite Industrial**, **SX.e/CloudSuite Distribution**, **System21**, **Visual**, etc.). Many of these have on-premise legacy user bases. Infor generally offers a path for each: e.g. **CloudSuite Industrial** (SyteLine) can be on-prem or cloud, **CloudSuite Distribution** is the cloud evolution of SX.e which many wholesale distributors still run on-premises (Source: erpadvisorsgroup.com). Infor's **Lawson** (CloudSuite Financials/Healthcare) was often run on-prem in government and healthcare; the latest version is cloud-first but on-prem versions of older Lawson are supported through 2030. Essentially, all Infor customers in 2025 have the **option to stay on-premise** for now, though the vendor's clear goal is to transition them to cloud over time.

- **Epicor (Other products)** – Epicor's portfolio includes industry-specific solutions like **Prophet 21** (for distribution), **Eclipse** (electrical), **BisTrack** (lumber/building materials), and **Retail solutions**. Most of these were originally on-premise software. Epicor in recent years built cloud versions (e.g. Prophet 21 cloud, BisTrack cloud) but still supports on-premise deployments. For example, some **Prophet 21** customers self-host the system in their own data centers. Epicor has been unifying these under its cloud strategy, but in 2025 it still releases on-prem updates or at least supports the last on-prem versions of each. Over time, Epicor might converge these into the Kinetic platform, but as of 2025 **on-premise is still a standard deployment** for many of these niche ERPs.

- **Aptean** – *Aptean* is a vendor that has acquired many niche ERP systems (for food & beverage, process manufacturing, distribution, etc.), such as Ross ERP, JustFood, Aptean Process Manufacturing, Made2Manage, etc. These products historically are on-premise (Windows/SQL-based) solutions used by mid-market companies. Aptean offers cloud hosting for them now, but also continues to sell and support **on-premise versions**. For example, a food processing company can run **Aptean Ross ERP on-premise** if desired, or let Aptean host it; Aptean's strategy is to meet the customer's preferred deployment model. Many of these niche ERPs have smaller customer bases that are slower to move to cloud, so Aptean in 2025 keeps on-premise support active to retain those clients.

- **IFS and Unit4** (Europe-focused vendors) – As mentioned, IFS allows on-prem deployment of its IFS Cloud solution. Similarly, *Unit4* (which serves services industries, public sector and nonprofits) historically had an on-premises ERP (Unit4 Business World). Unit4's latest **ERPx** platform is cloud-native, but the company has stated it will continue supporting on-prem customers for a number of years and, if necessary, can deploy certain modules on-prem or in private clouds for clients with sovereign data needs. By 2025, most Unit4 new deployments are in the cloud, but large public sector customers in Europe still running on-prem can upgrade to newer versions without moving to multi-tenant cloud.

- **Open-Source and Self-Hosted ERPs** – There is a category of ERP solutions that are open-source or community-driven, which by nature support on-premise (self-hosted) deployment. Examples include **Odoo**, **ERPNext**, **Dolibarr**, and others. These can be downloaded and installed on the company's own servers or private cloud, giving full control over data and customization. While these systems typically cater to small businesses or specific use cases (and are not "vendors" in the traditional sense), they are an important part of the on-premise ERP landscape in 2025. For instance, *Dolibarr* ERP/CRM is touted as a top open-source ERP option for those who want an on-premise solution with no license fees (Source: thecfoclub.com). Likewise, **Odoo** (open-source edition) is often deployed on-premise by SMEs worldwide. These solutions are attractive for organizations with IT capability to support them and who desire **source code ownership, flexibility, and avoidance of SaaS fees**. The prevalence of open-source ERP highlights that in 2025, not all roads lead to vendor-hosted cloud – companies with the right resources can choose to run their ERP in-house using community-supported platforms.

In summary, a wide array of ERP vendors – from giants like SAP and Oracle to mid-sized players like IFS, QAD, Deltek, Sage, and specialized vendors – **continue to offer on-premise ERP** options in 2025. This is often driven by their customers' demands in specific industries. Next, we discuss those industry factors in more detail.

Industry-Specific Needs for On-Premise ERP

Certain industries have characteristics that make on-premise (or private, self-controlled) ERP deployments preferable or sometimes mandatory, even in 2025. Below are a few sectors and why they often require on-prem or hybrid ERP:

- **Government and Public Sector:** Government agencies and public-sector organizations handle sensitive citizen data and critical services, leading to stringent requirements around data governance, security, and sovereignty. While cloud adoption is occurring in government, many agencies are **recalibrating toward on-premise or hybrid models** for core systems (Source: govtech.com)(Source: govtech.com). A key reason is that governments demand **full control and ownership of data** – with on-prem infrastructure, they retain sovereignty with no third-party having access to or hosting their data (Source: govtech.com). Additionally, public-sector CIOs have found that **cloud costs can escalate** (due to bandwidth and data egress fees), especially for data-intensive services like video archives or GIS data, making on-prem more predictable in budget over the long term (Source: govtech.com)(Source: govtech.com). There have been cases where a well-designed on-prem system is significantly cheaper over a multi-year period than a cloud equivalent (Source: govtech.com). **Compliance and security** are paramount: some government data cannot legally be hosted outside certain jurisdictions or on shared infrastructure. As a result, many

governments use **private clouds or on-prem data centers** – sometimes leveraging open-source platforms to avoid vendor lock-in (Source: govtech.com). For mission-critical applications that must be "always on" (tax systems, public safety systems, etc.), officials often favor on-premise as it avoids dependence on an internet connection or external provider outages (Source: govtech.com). A recent commentary noted that the next era of government IT will likely be **"hybrid by design — but on-premise by default"** for core, data-heavy systems (Source: govtech.com). This sentiment captures how the public sector expects to blend cloud convenience with on-prem assurances. Therefore, ERP vendors serving government (e.g. Tyler Technologies for local government ERP, or Oracle and SAP for federal systems) must offer on-prem or sovereign cloud versions to meet RFP requirements. In 2025, we see governments modernizing ERP by perhaps using cloud-based modules (for citizen engagement, analytics) in tandem with on-prem financial or HR systems – a pragmatic hybrid approach.

- **Defense and Aerospace:** The defense industry (including military agencies and defense contractors) has some of the strictest requirements for information security. Many defense-related environments are air-gapped or operated on secure networks with high clearance levels. These organizations often **cannot use public cloud** for classified or sensitive data. **On-premise ERP** is commonly the only option for handling data classified as secret or top-secret, or even unclassified technical data under ITAR export control. For example, a defense contractor building military equipment might run their ERP (such as SAP, IFS, or Infor LN) in an on-premise datacenter enclave that meets DoD security controls. Even when cloud is used, it must be a specialized **Government Cloud** (e.g. AWS GovCloud, Azure Government) with appropriate certifications – and not all ERP vendors offer full functionality in these restricted clouds yet. Moreover, defense programs often require **extensive customization and integration** with manufacturing execution, logistics, and secure communications systems; an on-premise deployment can be tailored in ways a multi-tenant cloud might not allow. Given these factors, ERP vendors that serve defense (e.g. IFS, Infor's CloudSuite Aerospace & Defense, Oracle with its National Security Regions, SAP via its NS2 unit) all support on-prem or at least single-tenant secure cloud deployments. In 2025, defense organizations are cautiously exploring cloud for unclassified workloads, but core ERP for critical operations is typically kept on-prem/hybrid for maximum control.

- **Manufacturing and Industrial:** The manufacturing sector presents several motivations for on-premise ERP. First, many manufacturing plants have **operational technology (OT)** systems (SCADA, PLCs, production machinery) that interface with the ERP for shop floor control, inventory, etc. These integrations are often latency-sensitive and benefit from having the ERP server on the local network. If an internet connection goes down, a plant with an on-premise ERP can continue operating, whereas a pure cloud ERP could halt production. Indeed, manufacturers with remote or overseas plants (where connectivity is unreliable) often choose on-premise deployments for resilience. Second, manufacturers commonly heavily **customize** their ERP to fit unique production processes or

to integrate with custom equipment. On-premise ERPs historically have allowed deep customization (even modification of source code in some cases). While modern cloud ERPs offer extensibility, they often discourage core modifications and enforce more standardization. Companies with decades of custom ERP extensions may find it easiest to stick with an on-prem version to preserve those custom processes. Third, **real-time control and performance** is a factor – e.g. a high-volume factory may generate huge transaction volumes (scanning, assembly records) where having a local database can be faster for real-time updates than sending data to the cloud and back. Additionally, some manufacturing verticals have **regulatory requirements** (e.g. FDA validation in pharmaceuticals) that make them slower to apply the continuous updates of cloud; they prefer to control update timing on-prem to re-validate systems as needed. That said, many manufacturers are moving to hybrid models – perhaps using on-prem ERP at plants but a cloud-based corporate ERP for financial consolidation, or using cloud analytics on data fed from an on-prem ERP. Vendors like SAP, Oracle, and Infor all cite manufacturing as a domain where **hybrid ERP** will remain common: core production modules could run on-premise, while ancillary modules (maintenance, CRM, etc.) might be cloud-based (Source: nogalis.com)(Source: panorama-consulting.com). In sum, manufacturing firms in 2025 continue to show a strong preference for on-premise or edge-local ERP instances for reliability and integration, even as they adopt cloud solutions in other parts of the business.

- **Healthcare:** Healthcare providers (hospitals, clinics) manage extremely sensitive patient data and must comply with privacy laws like HIPAA (in the U.S.) and GDPR (in Europe). Historically, many hospital systems – including ERP components for finance and supply chain – were run on-premise within hospital IT departments. In 2025, this sector is gradually embracing cloud (for example, cloud-based electronic health records or HR systems), but there remains a tendency to keep critical systems on-prem or in private clouds for **data protection and uptime** reasons. Large hospital networks often have on-premise ERP for materials management and patient billing integrated with on-premise clinical systems. They worry that downtime or breaches in a cloud service could be life-threatening (impacting patient care), so they invest in robust on-prem infrastructures with redundancy. **Data sovereignty** is also an issue: public sector healthcare (like national health systems) sometimes mandate patient data stays on systems directly controlled by the health authority. ERP vendors serving healthcare, such as Infor (with Infor Healthcare/Lawson) and Oracle (with PeopleSoft or its Oracle Healthcare platform), still offer on-prem solutions to meet these needs. Another consideration is **integration with legacy medical systems** – many hospitals have old systems that might not interface easily with cloud APIs, so an on-premise ERP can be more readily integrated via the hospital's network. That said, the pandemic and telehealth boom have pushed healthcare toward cloud in some areas, so we see a mix: e.g. a hospital might use a cloud HR system (Workday) but an on-prem ERP for hospital inventory and finance because it ties into their on-prem electronic health record system. In 2025, healthcare organizations are highly risk-averse about data,

so unless a cloud ERP has a flawless security track record and clear compliance, they will keep core data on-prem. Many are adopting a **hybrid cloud** strategy, using cloud analytics or patient engagement apps while retaining base transaction systems on-prem.

- **Financial Services:** Banks and financial institutions have typically been conservative about core systems (many still run on mainframes). While core banking systems are a separate category from ERP, larger financial institutions also use ERP for general ledger, procurement, etc., and often have chosen on-premise enterprise ERPs (Oracle, SAP) to ensure control and meet regulatory oversight (regulators often scrutinize where and how data is stored). In some jurisdictions, financial regulators require that critical systems be **under the bank's direct control or within approved data centers**. In recent years, banks have started moving some workloads to the cloud (especially with the rise of highly secure banking clouds), but there is still a preference to keep the **"brains" of financial transaction processing in-house**. Additionally, financial firms require very low latency and high availability – they invest heavily in fault-tolerant on-prem systems. We observe many banks using a hybrid model: e.g. running SAP or Oracle ERP on private cloud infrastructure in a colocation that they control, while leveraging cloud services for CRM or analytics. The ERP vendors like SAP have introduced financial services cloud offerings, but given the stringent risk management in this sector, on-premise deployments aren't disappearing quickly in 2025.

- **Energy and Utilities:** Companies in oil & gas, utilities, and mining often operate in remote locations (oil rigs, mines, etc.) where connectivity is limited. These companies also have critical operational systems (for managing assets, work orders, etc.) that must function in real time. They have often deployed ERP modules (like plant maintenance, asset management) on site. For instance, an oil drilling site might run a local instance of an ERP or maintenance system to ensure continuity if the satellite link fails. Data sovereignty can also be an issue in nationalized oil companies. Thus, while head offices of energy firms might be moving to cloud ERPs for corporate processes, the field operations may still rely on on-premise instances or edge computing that sync with central systems periodically. This hybrid edge computing trend is another reason on-premise ERP hasn't vanished – **edge ERP deployments** are essentially specialized on-premise instances that ensure local autonomy.

In all the above industries, **compliance and integration** needs drive the retention of on-premise ERP. Many organizations must adhere to laws about data residency (e.g. government data must not leave the country, or certain personal data must remain on certified infrastructure). On-premise deployment guarantees knowing exactly where data is stored and who has access, which is a comfort level some organizations are not yet willing to give up (Source: govtech.com). Additionally, the complexity of integrating a cloud ERP with a web of on-premise legacy systems can be daunting – sometimes it's simpler to keep the ERP on the same network as those legacy systems. For these reasons, **on-premise ERP remains alive and well in industry verticals with strict compliance, high security needs, or unique operational constraints**(Source: nogalis.com). ERP vendors have adapted by offering industry-

specific cloud environments (e.g. government cloud, defense cloud, FDA-compliant cloud) to try to accommodate these sectors in the cloud, but as of 2025 a significant share still choose on-prem or hybrid deployments to meet their requirements.

Deployment Flexibility: On-Premise, Cloud, and Hybrid Comparisons

When evaluating ERP solutions in 2025, organizations are concerned not just with features but also with how the software can be deployed. **Deployment flexibility** has become a key differentiator among ERP vendors. Most leading ERPs offer multiple deployment models, which can be summarized as:

- **On-Premise:** The ERP software is installed on servers controlled by the company (either on-site or in a company's private data center or hosting facility). The company's IT team is responsible for maintaining the infrastructure, managing databases, applying upgrades/patches, and ensuring security. On-premise deployment provides the highest level of control: enterprises know exactly where their data resides and can configure the environment and security to their exact standards. It also allows extensive customization of the software (including code changes in some cases), and integration with other on-prem systems is straightforward within the local network. The downsides are the **overheads**: companies must invest in hardware, data center space, and skilled personnel to manage the system. Upfront costs can be high (capital expenditure for licenses and hardware), though ongoing costs might level out over time. On-premise ERPs also typically require scheduled downtime for version upgrades, which the company manages. Despite these challenges, on-premise can be ideal for businesses with **privacy or latency demands**. For example, in highly regulated industries or those with privacy laws, **on-premise deployment gives a level of assurance and accountability that cloud might not**(Source: us.syspro.com)(Source: govtech.com). Companies with global operations sometimes deploy on-prem ERP instances in each region for performance and compliance, rather than relying on a single cloud instance halfway around the world. In 2025, as discussed, all major vendors (SAP, Oracle, Microsoft, etc.) still offer on-premise versions or support for their software, albeit some under newer licensing terms (e.g. subscription licenses for on-prem from Microsoft instead of perpetual).

- **Cloud (SaaS) ERP:** In a cloud deployment, the ERP runs on a vendor's or cloud provider's infrastructure and is delivered "as a service" over the internet. The vendor (or a partner) manages the hardware, networking, and often the application updates. Customers typically pay a subscription fee per user or module. **Cloud ERP** has advantages in terms of faster initial deployment (no hardware procurement), elasticity (the ability to scale users or storage up and down), and offloading of maintenance (the vendor applies updates, handles backups, etc.). It also usually ensures that all customers are on the latest version, which can be beneficial for receiving new features continuously.

The trade-offs include less direct control (data is in someone else's data center), potential issues with **data residency** if the cloud data center is in a different region (though many vendors offer regional hosting options), and reliance on internet connectivity for access. Some companies also find that **total cost of ownership** for cloud can be higher over a long horizon, since subscription fees are perpetual, whereas an on-prem system's costs amortize after initial investments (Source: govtech.com)(Source: govtech.com). Nevertheless, cloud ERP growth is strong because it alleviates a lot of IT burden. Vendors like Workday or **Oracle NetSuite** are exclusively SaaS ERP and boast rapid deployment and ease of use. Even traditionally on-prem vendors have introduced SaaS versions (e.g. SAP S/4HANA Public Cloud, Infor CloudSuites, Epicor Kinetic multi-tenant, etc.). A **notable trend** in 2025 is many vendors moving to subscription licensing across the board – for instance, Microsoft and SAP now often sell subscriptions even for on-premise deployments – blurring the financial difference between cloud and on-prem. The decision then hinges on operational preferences rather than cost alone. **Security and uptime** are often cited as concerns with cloud, but top ERP vendors have invested heavily in cloud security, and many cloud ERPs offer uptime SLAs that exceed what a single enterprise could achieve on-prem. One thing to consider is that cloud ERPs typically **limit customization** to configurations and extensions (to maintain multi-tenant integrity), which can be either a pro (forces best practices) or a con (less flexibility) depending on the customer's perspective.

- **Hybrid ERP:** In practice, most large enterprises in 2025 have a mix of systems – thus **hybrid ERP** deployments are very common. Hybrid can mean a few things: it can be a **mix of on-premise and cloud ERP modules** (for example, a company uses an on-premise ERP for manufacturing but uses Salesforce or a cloud HR system alongside it), or it can refer to splitting components of a single ERP system across on-prem and cloud. A good example of the latter is a **two-tier ERP** strategy: a corporation might run a Tier-1 ERP in the cloud at headquarters but have Tier-2 ERPs on-premise in each subsidiary or plant for local operations, all integrated together. Another hybrid scenario is using cloud services to extend an on-prem ERP – e.g. using a cloud-based e-commerce portal that feeds orders into an on-prem ERP. Many ERP vendors facilitate hybrid models by building robust integration tools. **Integration and interoperability** are critical in hybrid setups (Source: nogalis.com). Vendors have responded by providing APIs, middleware, and integration platforms to connect cloud and on-prem worlds. SAP, for instance, offers the SAP Cloud Platform Integration to link on-prem ECC/S4 with cloud apps; Microsoft's Power Platform can connect Dynamics 365 and on-prem data; Oracle has integration cloud services for tying EBS to Oracle Cloud apps. **Hybrid deployments can give the "best of both worlds"** – companies can keep sensitive or performance-critical processes on-premise while leveraging cloud innovation for other functions. For example, a manufacturer might keep production and finance on-prem, but use a cloud CRM and a cloud talent management module, integrating them with the core ERP. As noted by SYSPRO in a whitepaper, deciding where to deploy ERP is not an all-or-nothing choice – one can *"split your ERP into on-premise and cloud components to get the best of both worlds"*, such as using a cloud portal for suppliers but on-premise production

control 34†page=8 . The key for hybrid success is ensuring real-time data flow between the parts, which often means using VPN connections, scheduled syncs, or edge computing. In 2025, hybrid strategies are seen as a **pragmatic approach** for large enterprises: in fact, many analysts predict hybrid ERP will be the dominant model for the foreseeable future (Source: panorama-consulting.com). It allows gradual cloud adoption without abandoning established on-prem systems. The complexity, however, is higher – companies need to manage both cloud and on-prem environments and ensure security across both.

When comparing these models, decision-makers should consider factors like **cost structure** (CapEx vs OpEx), **internal IT capabilities**, **regulatory requirements**, **customization needs**, and **vendor roadmap alignment**. For instance, if a vendor clearly signals that future innovation will be cloud-first, a company might lean towards at least a private-cloud or hosted model to not be left behind feature-wise. On the other hand, if a company has made heavy investments in data centers and has unique processes, staying on-prem (or moving to a private cloud with a managed service) could be more cost-effective and less disruptive. It's also not a static decision – many organizations adopt a transitional approach: **today on-prem, tomorrow maybe cloud**. In such cases, it is important to choose ERP software that can be deployed in either mode and potentially moved from one to the other. Several vendors (SAP, Oracle, Epicor, etc.) allow license portability or migration programs to help customers shift from on-premise to cloud subscriptions when they are ready.

To illustrate flexibility: SAP S/4HANA's **functional parity** between on-prem and cloud editions means a customer can start on S/4HANA on-premise and later move to S/4HANA private cloud with minimal reimplementation. Microsoft's on-prem Dynamics can be migrated into Azure-hosted versions fairly directly. Epicor customers can "lift and shift" on-prem Kinetic into Epicor's cloud with assistance from the Ascend program. This flexibility is crucial because many CIOs want to ensure that choosing on-prem now doesn't lock them out of going cloud later. Conversely, some cloud-first companies negotiate exit strategies (e.g. access to data) in case they ever want to bring the system back on-prem for compliance reasons.

In summary, **2025 is an era of flexible ERP deployment**: enterprises can choose on-premise for control, cloud for convenience, or a mix of both. The comparison comes down to trade-offs in control vs. responsibility, customization vs. standardization, and upfront vs. recurring costs. There is no one-size-fits-all – a small tech startup might go 100% cloud ERP to minimize IT overhead, whereas a multinational bank might keep core ledgers on-prem for control. The good news is that ERP vendors have responded by keeping multiple options open. Virtually all major ERP solutions can be obtained in an on-premise form factor if needed (even those primarily marketed as cloud, via private cloud deployments). The **hybrid cloud** trend suggests that **coexistence is the norm** – rather than debating cloud *versus* on-prem, many organizations are figuring out the optimal blend of the two.

Running ERP On-Premise in 2025: Technical, Operational, and Cost Considerations

Deploying and operating an ERP on-premise in 2025 comes with a distinct set of considerations compared to cloud ERP. Decision-makers must weigh these technical, operational, and financial factors:

- **Technical Infrastructure & Expertise:** An on-premise ERP requires the company to provide the computing infrastructure – servers (with adequate CPU, memory), storage (often SAN/NAS for database files), networking, and often high-availability and disaster recovery setups (e.g. failover clusters, replication to a backup site). In 2025, many companies utilize virtualization or containerization for on-prem ERP to improve resource utilization and portability. They may also deploy on-prem ERP on **hyperconverged infrastructure** or in their own private cloud environments. The company's IT team (or a hired systems integrator) is responsible for installation, configuration, and tuning of the ERP system (application servers, database, middleware). This requires specialized expertise in both the ERP software and underlying technology (e.g. Oracle or SQL Server databases, Linux/Windows OS administration, etc.). Additionally, **security** is a major technical responsibility – on-prem users must handle things like user access controls, encryption, network firewalls, and security patching for both application and OS. While vendors provide patches and guidelines, it's on the customer to apply them timely. In the cloud SaaS model, many of these tasks are handled by the vendor; on-prem, the buck stops with the customer's IT. For organizations with robust IT departments, this control is a welcome advantage; for those with limited IT capacity, it can be a challenge. In 2025, some enterprises address this by contracting **managed services** to run their on-prem ERP (for example, they deploy the ERP in a co-location data center and let a partner manage it) – effectively creating a private cloud. But even then, they maintain more control than in multi-tenant SaaS. One technical advantage often cited for on-premise ERP is the ability to tightly **integrate with other on-prem systems** at the database or LAN level, potentially with lower latency and without needing cloud connectors. This can be important for real-time automation (manufacturing lines, warehouse systems, etc.). On the other hand, integrating on-prem ERP with modern cloud services (like an e-commerce platform or machine learning service) may require additional middleware or exposing APIs through the company firewall, which adds complexity.

- **Operational Control and Customization:** Operating ERP on-premise grants a high degree of control over when and how changes are made. Companies can decide when to perform version upgrades or apply patches (within the support policy limits), allowing them to schedule around business needs and to thoroughly test changes in a controlled environment. This can reduce the risk of disruption from updates – a contrast to cloud SaaS, where updates are often auto-applied on the vendor's schedule. Companies in regulated industries value this control: e.g. they might need to re-validate the system after an update, so being able to delay until ready is crucial. On-prem ERP also typically

allows deeper **customizations**. For example, some on-premise ERP systems allow modifications to source code or database triggers – things that would be forbidden in a multi-tenant cloud. This means an on-prem ERP can be bent to very specific business processes. However, highly customized on-prem systems can become a double-edged sword, making future upgrades more difficult (often termed "technical debt"). It's a common scenario that companies customized their on-prem ERP over decades and now face challenges moving to newer versions or to cloud because those custom features have to be re-built or abandoned. Nevertheless, in 2025 many enterprises still see customization capability as a necessity because their competitive processes differ from what off-the-shelf software offers. Additionally, on-premise systems can better accommodate **integration with on-site equipment** – for instance, a factory can have direct connections from machines to the ERP without data leaving the premises.

- **Cost Considerations:** The cost model of on-premise ERP is markedly different from cloud. **On-Premise costs** are typically front-loaded: customers usually purchase a perpetual license upfront (a large one-time fee, often based on number of users or modules) and then pay annual maintenance (usually ~20% of license cost) for support and updates. They also need to invest in hardware, storage, networking gear, database licenses, backup solutions, and data center facilities (power, cooling, physical security). This means a significant **capital expenditure (CapEx)** at the start. However, over a multi-year period, on-premise can sometimes have lower TCO if the hardware and licenses serve for many years with only maintenance fees. In contrast, **cloud ERP costs** are entirely **operational expenditure (OpEx)** – subscription fees per month that include infrastructure. Over time, these recurring fees can add up. In some analyses (especially for large enterprises with stable user counts), the breakeven point where cloud can become more expensive than on-prem can be as short as 3-5 years. A Forbes article in 2024 noted that many ERP customers are realizing cloud isn't always cheaper in the long run, even though it eliminates CapEx. Additionally, cloud costs can be unpredictable if they depend on usage (storage, transactions, etc.), and data egress fees can surprise customers (Source: govtech.com). A public-sector example showed on-prem storage being one-tenth the cost of cloud over a lifecycle for large data volumes (Source: govtech.com). On-premise costs, while more predictable, do carry risk of **underutilization** (you might over-buy hardware capacity) or **obsolescence** (if you need to refresh servers every 5-7 years, that's a periodic CapEx hit). In 2025, hardware costs (especially for high-performance servers and cybersecurity measures) are non-trivial. Moreover, the shortage of IT skills can mean higher personnel costs to maintain on-prem systems. Some vendors have adjusted their pricing models: Microsoft and others now offer **subscription licensing for on-premise** deployments (Source: community.dynamics.com)(Source: dynamics101.com), effectively spreading software costs over time similar to cloud, but you still handle the infrastructure.

To illustrate the cost difference: running a mid-sized ERP on-prem might involve buying $500k of hardware and $1M of software licenses, then ~$200k/yr in maintenance and another $200k/yr in personnel and facilities. Over 5 years that's perhaps $3M total. The same ERP in cloud might be $50k per month subscription = $3M over 5 years, plus maybe some implementation and integration costs. The **total** could end up similar, but the spending pattern and risk allocation differ. Cloud shifts the risk of infrastructure underutilization to the vendor, while on-prem you pay upfront regardless of usage. **Predictability** is a factor – some CFOs prefer the steady subscription expense, others prefer owning an asset. Organizations need to perform a careful **total cost of ownership (TCO)** analysis over a realistic horizon (5-10 years) to compare options. Notably, one must include intangible costs: on-prem allows reuse of existing assets (e.g. you might leverage your current data center which has sunk costs), whereas cloud might allow downsizing of IT staff (saving some cost).

Another cost consideration is **maintenance and support timelines**. Vendors sometimes charge premiums for extended support if you stay on-prem past a certain date (as SAP does post-2027 for ECC). Or they might increase maintenance fees annually. Cloud subscriptions might also increase over time (subject to contract terms). For example, Oracle offers "bring your own license" to cloud – if you already paid for an on-prem license, you can use it on Oracle Cloud Infrastructure with some cost adjustments, which is a way to preserve past investments. These nuances mean cost management for ERP is more complex than before, with hybrid arrangements possibly incurring both types of costs.

- **Operational Risks and Benefits:** Running ERP on-premise comes with operational risks such as system downtime, disaster recovery, and scalability limits. The company must design its environment for high availability – often using clustering or VM failovers – to avoid ERP outages that halt business. They also need a robust **disaster recovery (DR)** plan, usually involving replicating data to an off-site location or backup tapes, etc. In the cloud, DR is often built-in (with multi-zone replication), but on-prem it's the enterprise's responsibility to ensure backups and a failover site. If a catastrophic event (fire, flood) hits the data center, an on-prem ERP could be down for days unless a secondary site is ready. Thus, companies in 2025 often use a hybrid approach for DR: some replicate their on-prem ERP database to a cloud instance as a backup, or vice versa. **Scalability** is another factor – on-prem systems have finite capacity based on the hardware. If a business suddenly needs to scale up (new users, heavy workloads), they must procure and install new hardware, which can take time. Cloud ERP can usually scale faster by just increasing the subscription. That said, many enterprises size their on-prem systems with headroom for growth.

  On the positive side, an on-premise environment can be optimized specifically for the company's workload (tuning databases, using dedicated hardware for performance), potentially achieving very high performance for specific tasks. Some companies run mission-critical high-volume transactions (like complex manufacturing planning or huge batch processes) and prefer to have those on-prem to squeeze out every bit of performance without multi-tenant noise or cloud throttling. **Latency** is a

consideration: users on the same local network as an on-prem ERP often experience faster response times than they would to a cloud data center far away (though content delivery networks and edge caching have mitigated this in many cases).

Security is often cited as both a pro and con for on-prem. On one hand, companies feel more secure if data never leaves their facilities and they control access (Source: govtech.com). They can implement custom security measures and have internal audits. On the other hand, cloud vendors typically have very advanced security protocols and dedicated security teams that a single company might not be able to match. There have been instances of breaches in on-prem systems due to neglected patches or misconfigurations. So, security depends on the company's diligence. Organizations that prioritize security for on-prem ERP often invest in network segmentation, intrusion detection systems, and strict access policies to mitigate risks – essentially doing what a cloud provider would do, but in-house.

In 2025, many enterprises are adopting a **DevOps/SRE approach** to on-prem ERP management – automation of deployments, using infrastructure-as-code, continuous monitoring – to achieve cloud-like agility. Tools and best practices from the cloud world (containers, Kubernetes, CI/CD pipelines) are increasingly applied behind the firewall for ERP operations. For example, an organization might containerize certain ERP components for easier deployment and consistency across test/prod environments, even if the ERP wasn't originally designed for containers.

Another operational factor is **vendor support and skills availability**. With cloud ERP, the vendor's responsibility is greater (they ensure the system is up, etc.). With on-prem, the internal team must interact with vendor support for issues and often do more self-troubleshooting. Companies must ensure they have access to skilled ERP administrators and perhaps database administrators – which in some markets are in short supply. There is also the concern of **futureproofing**: if a vendor might reduce support for on-prem over time (e.g. slower response or fewer experts as most clients go cloud), running on-prem could become harder. So far, vendors like SAP and Oracle have kept large support teams for their on-prem products, but the talent pool might shift as more professionals train on cloud systems. Some enterprises mitigate this by training their staff or using third-party support firms.

From a **cost-benefit perspective**, organizations must consider intangible benefits of on-prem like **first-line control** (the enterprise's IT can immediately respond to incidents without waiting on a vendor) and **data locality** (all data stays within known boundaries, useful for demonstrating compliance). For example, operating on-prem often means if something goes wrong, internal teams can directly access logs, databases, etc. to fix it, whereas in cloud one might be abstracted from those details. This control is especially valued in environments where downtime penalties are huge or where one needs to customize support (some companies even keep source code escrow for their on-prem ERP to patch it themselves if needed – not possible in cloud).

In summary, running an ERP on-premise in 2025 **entails greater responsibility** but also offers **greater control**. Companies need to have (or hire) the right expertise, invest in reliable infrastructure, and plan for scalability and DR. The cost profile is front-loaded but potentially stable in the long term, whereas cloud is pay-as-you-go but can accumulate. There's no universally cheaper option – it depends on scale and usage. Each organization must align the choice with its **strategic priorities**: if absolute data control, customizability, and independence are top priorities, on-premise might be worth the costs; if agility, quick time-to-value, and offloading IT burden rank higher, cloud leans more attractive (Source: netatwork.com). Many find a **middle ground** by outsourcing some on-prem management (getting cloud-like benefits) or by keeping the most critical pieces on-prem and using cloud for others, thus optimizing both risk and cost.

Vendor Roadmaps and Support Timelines for On-Premise ERP

A crucial aspect for IT directors and CIOs planning their ERP strategy is understanding each vendor's roadmap for on-premise offerings: How long will on-premise be supported? Are there plans to phase it out or force cloud migrations? Here we compile insights on vendor roadmaps and support policies as of 2025:

- **SAP's Roadmap:** SAP has publicly committed to supporting its on-premise customers well into the future, but with some clear deadlines. The older **SAP Business Suite 7 (SAP ECC)** on-premise is on borrowed time: mainstream maintenance ends in 2027 and extended maintenance (for a fee) ends in 2030 (Source: theregister.com). SAP's message is that ECC customers should move to **SAP S/4HANA** before 2027 (or 2030 at latest). Recognizing that many customers won't make that timeline, SAP's CEO announced a special **extended support option till 2033** for those who sign a RISE with SAP commitment (Source: theregister.com). Essentially, if qualifying large customers need a couple more years beyond 2030, SAP will allow it under a cloud-transition subscription program. For **SAP S/4HANA on-premise edition**, which is the go-forward product, SAP has not given any end date – it treats S/4HANA on-prem as another deployment option of S/4HANA. In other words, as long as S/4HANA exists, an enterprise can technically run it on-premise or in private cloud. However, SAP's development emphasis is on cloud-delivered innovation (e.g. many new microservices and SAP Business Technology Platform enhancements are cloud-only). SAP has also introduced **SAP S/4HANA Cloud (public)** which has some functionality differences and a faster release cadence (quarterly). Some features might appear there first and later come to the on-premise version in annual Feature Packs. Thus, while SAP will **support on-premise S/4HANA for the foreseeable future**, customers should expect that over time SAP will encourage moving to **"RISE with SAP" subscription models** even for on-prem deployments. RISE allows customers to run S/4HANA in a private cloud (could even be their own data center or a hyperscaler) but convert to a subscription license. This indicates SAP's strategy to eventually have everyone on subscription pricing, though

not necessarily physically in SAP's public cloud. No plan has been announced to entirely discontinue on-premise S/4HANA – in fact, SAP often reiterates that some customers will *always* need private deployments (e.g. defense, some public sector). So through the 2020s, SAP on-premise will co-exist, with 2030 being the big date for legacy ECC. By 2030, SAP hopes most customers will have transitioned to S/4HANA (cloud or on-prem). A concern for SAP on-prem customers is third-party components' support – SAP noted some third-party parts of ECC won't be supported beyond 2027/2030 either (Source: theregister.com), hence the push. In summary, **SAP will support on-premise ERP through at least 2030s** (with conditions), but their roadmap is cloud-centric and new investments (AI, advanced analytics) are largely in cloud offerings.

- **Oracle's Roadmap:** Oracle has been very clear about its commitment to on-premise applications via its **Applications Unlimited** pledge. The announcement that E-Business Suite, PeopleSoft, JD Edwards, and Siebel all have Premier Support assured through at least 2036 shows Oracle is giving a *minimum 10-year runway* from 2025 (Source: oracle.com). In practice, Oracle has been extending support year by year (for example, every year since 2018 they added another year to the "at least until" date). This effectively means there is no hard end date – Oracle will continue supporting these as long as customers remain. They have moved these products to a **Continuous Innovation model**, meaning no new major versions (e.g. EBS will stay at 12.2, PeopleSoft at 9.2) but will get regular feature updates and certifying against new technologies. Oracle's strategy is twofold: keep on-prem customers satisfied (so they don't defect to competitors) and simultaneously sell them cloud modules or eventually a migration to **Oracle Fusion Cloud ERP** when ready. Oracle has **no plan to force-migrate** customers off PeopleSoft/EBS etc. – in fact, Oracle's messaging often contrasts SAP's S/4 deadline by saying Oracle will support you as long as needed. That said, Oracle is pouring most innovation into Fusion Cloud ERP and its related cloud services (Oracle ME for HR, etc.). The older on-prem systems get functional updates, but not at the pace of cloud. Oracle's **Oracle Cloud ERP (Fusion)** itself is only offered as SaaS; Oracle does *not* offer an on-premise version of Fusion Apps (the closest is the aforementioned Cloud@Customer where Oracle manages a cloud instance on your site). But Oracle doesn't need to, since it is keeping the legacy lines alive for on-premise clients. **NetSuite**, Oracle's mid-market cloud ERP, remains exclusively cloud (no on-prem), but Oracle also still sells **Oracle JD Edwards** to mid-sized manufacturing companies that want on-prem. Over the next decade, Oracle is likely to gradually shift more customers to cloud by attrition (e.g. if a PeopleSoft customer wants a major new capability, Oracle might say "consider Fusion for that"). However, Oracle's own support notes show even mainframe-based **Oracle Siebel CRM** is supported to 2036 – a sign Oracle will not do anything drastic. Oracle's roadmap thus provides **stability for on-premise through mid-2030s** and possibly beyond, with an underlying expectation that cloud adoption will grow organically in the meantime. From a risk perspective, Oracle customers on-prem have a safety net of many years, but should keep an eye on the functional parity and innovation gap with cloud. Oracle could at some stage slow down investments in on-prem updates if cloud adoption becomes dominant. For now, though, they are still releasing significant updates (e.g. PeopleSoft

recently got new UI and analytics updates). In summary, **Oracle has no announced end-of-life for on-prem apps**; support timelines stretch into 2036+ and likely will be extended further, aligning with Oracle's promise to let customers choose their timetable for cloud.

- **Microsoft's Roadmap:** Microsoft's approach to on-premise support has been a bit more nuanced. For its legacy ERP products (Dynamics AX 2012, Dynamics GP, Dynamics SL, Dynamics NAV), Microsoft has defined end-of-support dates or moved them to minimal updates. **Dynamics AX 2012 R3** (the last pre-cloud AX) goes out of extended support in January 2023 (it's effectively done, with encouragement to move to Dynamics 365 FO). **Dynamics NAV 2018** was the last NAV; NAV is superseded by Business Central, but Microsoft provided a path to Business Central on-prem (version 14 and then later versions under that name). The **Dynamics GP** timeline we mentioned shows support through 2028/2029 (mainstream) and 2031 (security fixes) (Source: msdynamicsworld.com). Microsoft has communicated that **Dynamics GP will not receive new features** beyond what's already planned, and urges SMB customers to consider Business Central (cloud or on-prem) as a replacement (Source: clarknuber.com). For **Dynamics SL**, support goes until 2028 for the last version, with no further development. Essentially, Microsoft is phasing out the older on-premises-only ERPs and consolidating around **Dynamics 365 (which can be cloud or on-prem)** and **Business Central (cloud or on-prem)**. The **Dynamics 365 Finance & Operations on-premises** option is still supported, but one should note Microsoft's fine print: customers must adhere to certain requirements (like having Software Assurance and using LCS for monitoring), and the on-prem version does not get all cloud services (e.g. some Azure ML or Power BI features require cloud connectivity). Microsoft extended the support for the on-prem Dynamics 365 server v9 (CRM) to 2027 as mentioned, indicating they will give ~5 years notice for any on-prem product's EOL. Looking forward, Microsoft is unlikely to outright kill the on-premise deployment option for Finance & Operations or Business Central as long as significant enterprise customers demand it – especially in sectors like government (where Azure Government might not cover all needs). But it is clear that **all new investments (AI features, integrations)** in Dynamics 365 assume a cloud-connected scenario (with Azure services). Microsoft's roadmap for Business Central, for example, includes improvements in both cloud and on-prem versions, but after 2025 new customers can only license it via subscription, signalling a push toward cloud economics even if running on-premise (Source: dynamics101.com). **Exchange Server vs Office 365** is an analogy: Microsoft still releases on-prem Exchange but with limited fanfare, focusing on cloud – we can expect a similar pattern with ERP. In conclusion, Microsoft will continue to make on-prem versions available for the foreseeable future, but these will likely have a **"modern lifecycle"** where continuous updates are required and support is only guaranteed as long as you stay current. There may come a point in the late 2020s where Microsoft reevaluates if on-prem Dynamics 365 is still needed, but given their large enterprise base (some of whom will always have isolated networks), one can assume **on-prem will be an option into the 2030s**. IT leaders using Microsoft ERPs should keep an eye on lifecycle announcements (like the GP 2029 end-of-life news (Source: msdynamicsworld.com)) and plan migrations accordingly – for

GP/SL users that likely means migrating to Business Central or another solution by 2028. For current Dynamics 365 on-prem users, watch for Microsoft's continued support statements, but so far no end date is set (just the requirement to update to new releases as they come).

- **Infor's Roadmap:** Infor, being privately held and focused on industry clouds, has been a bit less transparent in broad public announcements, but we can glean their direction. Infor has effectively stopped new license sales of some older products (like Baan 5 or older System21 versions), consolidating customers on newer versions or migrating them to CloudSuites. For **Infor LN and Infor M3**, Infor will support on-premise installations as long as customers stay on relatively current versions (10.x for LN, 13.x for M3). They did announce end of extended support for some old LN releases in 2021 (Source: erpadvisorsgroup.com), pushing customers to upgrade. Infor's **goal is to move clients to its multi-tenant CloudSuite** versions. They have, for instance, **ceased major on-prem version releases** for some products after the last one (LN 10.8, etc.), implying that future enhancements might only come to the cloud edition or in minor on-prem updates. However, Infor is aware that certain customers may **never move to multi-tenant** due to customizations; for those, Infor could offer **single-tenant cloud (essentially hosted on-prem)** or just let them stay on-prem and go into sustaining support eventually. Infor's official policy is that on-prem products eventually move to a sustaining support mode if not upgraded, where no new fixes are provided (Source: erpadvisorsgroup.com). We can expect Infor to continue releasing security patches and regulatory updates for on-prem versions for many years, but perhaps not new features, which will be reserved for cloud updates every 6 months. They have not published a specific de-support year for on-prem – rather, they try to convince each customer individually through TCO and feature arguments to move to cloud. One known factor: Koch Industries (Infor's owner) itself is a huge manufacturing conglomerate, likely using Infor products on-premises in some divisions, so Infor will certainly ensure on-prem support remains solid for their needs. For customers, the practical roadmap means **Infor on-prem is safe in the mid-term**, but those customers should watch Infor's maintenance announcements and be prepared that if they stay on-prem, they might eventually miss out on some of the latest capabilities (like certain AI-driven features or deep analytics which might only be in CloudSuite with Infor OS). Infor's support timeline for any given version is usually 5+ years mainstream, then extended, etc. As of 2025, LN 10.8 being the latest means mainstream support will likely go to around 2030 for it, and extended a few years beyond. So one could infer no forced cloud move until at least the early 2030s for LN or M3 customers. In summary, **Infor will technically support on-prem deployments into the 2030s** via its standard lifecycle, but customers should expect gentle pressure to adopt **hybrid/cloud upgrades** to stay current with innovation.

- **Epicor's Roadmap:** Epicor, having a large installed base of on-prem clients, is balancing continuing support with encouraging cloud migration. Epicor typically supports each major version for a number of years. With **Epicor Kinetic**, they have unified versioning for cloud and on-prem (the version numbers like 2024.2 apply to both). They likely will keep this dual release approach for the

foreseeable future, so on-prem users get the same updates (maybe a bit later) as cloud ones. Epicor has not announced any end-of-life for Kinetic on-prem. However, older products like **Epicor 9, Vantage, etc.** are no longer supported. **Prophet 21 on-premise** is still supported (the latest version can be self-hosted or cloud). Epicor's public communications (such as at Insights 2025) acknowledge that some **on-prem versions are approaching end-of-life** and customers should plan upgrades (Source: erpadvisorsgroup.com). For instance, any customer not on the current Kinetic version will need to get there. But once on Kinetic, one can conceivably stay on-prem for many years – Epicor will support that, though they would prefer migrating those to their SaaS. Epicor's **cloud momentum** is strong (they often highlight new cloud sign-ups), and they've introduced cloud-only features like Epicor Automation Studio (iPaaS) which integrate better with cloud deployments. Nonetheless, Epicor's industries (manufacturing, distribution) still have a good chunk of customers on-prem, so Epicor is unlikely to drop on-prem support in this decade. They might eventually decide to offer certain modules only in cloud, but the core ERP should remain available on-prem. They will also continue their program **"Ascend"** to entice on-prem customers to move. The roadmap likely involves making cloud increasingly appealing (through pricing, easier upgrades, additional services) such that by, say, 2030, the majority have transitioned, and then Epicor could reduce on-prem commitments. Right now in 2025, **Epicor's official stance is continued support for on-prem** – their website and materials advertise that customers can choose cloud or on-premises as suits them (Source: dynamicssquare.com). No forced decommission dates are set. Epicor does invest in ensuring its on-prem customers are on the latest technology stack (for example, they required some on-prem users to move to using Azure Active Directory for identity, aligning with cloud practice), so one might see incremental changes pushing on-prem environments to be more cloud-connected. In conclusion, for planning purposes, an Epicor customer can safely run on-prem through the next several years, but should stay current on versions and keep an eye on how Epicor's cloud offerings evolve, as that is clearly the strategic direction.

- **Other Vendors' Roadmaps:** For **IFS**, the vendor has explicitly said it offers choice of deployment. IFS releases two major updates of its product per year and allows on-premise customers to either apply them or skip some (with support if they stay within a certain range). IFS has many customers in defense (who often are on-prem) so they will likely support on-prem as long as those customers exist – one could reasonably expect 10+ years. **Sage** has continued releasing on-prem updates for X3 and 100/300, with roadmaps showing years ahead. Sage did stop major development on some on-prem (Sage 500 etc.), but those have replacements. **QAD** has not published an EOL for on-prem; they have a version called QAD Enterprise Edition that can be on-prem or cloud. **Unit4** likely will try to move to cloud-only eventually, but has to support existing customers for several years. **Deltek** appears committed to supporting on-prem Costpoint indefinitely, given their market; they continue to release version updates (Costpoint 8.**x** series) that can be deployed on-prem.

In general, **vendor support timelines for on-prem ERP now routinely stretch to 10+ years from the present**, reflecting that ERP systems are long-term investments and vendors don't want to alienate their install base. Even vendors born in the cloud (like Workday or NetSuite) acknowledge they have to integrate with on-prem environments since their customers operate in hybrid realities; while those vendors don't offer on-prem versions, their coexistence strategy indirectly supports the longevity of on-prem ERP at those customers.

One trend is that vendors are changing how they **deliver support** to on-prem customers: for example, both SAP and Oracle have moved to a model of continuous updates for current versions rather than big upgrades, which means on-prem customers are expected to apply regular patches (SAP calls them feature packs, Oracle calls them update bundles for EBS) to stay supported. This requires a more cloud-like operations mindset in the on-prem world. It also subtly encourages customers to think "if I'm doing constant updates anyway, maybe let the vendor do it in cloud." But for those who prefer control, at least they have the option to self-manage the cadence.

Another roadmap consideration is **support for underlying infrastructure**: e.g. will a vendor certify new database versions or operating systems for the on-prem ERP? So far, yes – e.g. Oracle EBS recently certified running on Oracle Database 19c and will likely certify 23c, etc. SAP will support S/4HANA on new OS/DB combos as they arise. But if a vendor were to stop certifying new tech for on-prem, that would effectively freeze on-prem in time. We haven't seen that yet in 2025 – vendors are still ensuring their on-prem customers can run on the latest Windows/Linux or cloud infrastructure if they host themselves.

Finally, **expert opinions** suggest that completely phasing out on-prem ERP will be a slow process. A Gartner prediction was that by 2025, the cloud shift would be well underway but not total (Source: netatwork.com). Indeed, many enterprises are **not fully converted** and still rely on on-prem systems. Forrester analysts have noted that ERP transformations are multi-year journeys and vendors have to accommodate those timelines (Source: forrester.com)(Source: forrester.com). In other words, vendors might have cloud-first aspirations, but they're being met with real-world customer pace which necessitates prolonged on-prem support. The consensus of industry experts in 2025 is that **hybrid IT is here to stay**, and ERP vendors will continue offering on-prem or private deployment options at least for high-end customers and regulated industries through this decade (Source: govtech.com).

To conclude the vendor roadmap discussion: there is **no immediate end-of-support crisis** for on-premise ERP from major vendors in 2025 – most have extended timelines and are providing paths forward. However, the **strategic direction** from virtually all vendors is cloud-centric. IT leaders should leverage the current support commitments (often out to 2030 or beyond) to plan a **long-term ERP strategy** that may involve moving to cloud or a next-gen platform on their own terms. It's wise to stay informed via vendor portals, user groups, and support notices about any changes in policy. For example, if SAP or Oracle in a few years decide not to extend support further, that will be a clear signal. As of now,

though, the message is "we support you on-prem, but please consider our cloud offerings." Being proactive – such as experimenting with hybrid deployments or subscribing to some cloud modules – can ease eventual transitions. Yet, as long as you have a valid support contract and reasonably up-to-date software version, **you can run your ERP on-premise in 2025 with full vendor backing**. The key is to ensure that aligns with your organization's future roadmap and that you're not caught unsupported when 2030 (or 2035) comes around.

Conclusion

ERP software deployment is at a crossroads in 2025 – the industry is witnessing a broad shift to cloud-based systems, but on-premise ERP remains a critical component of many enterprises' IT landscapes. We've seen that the largest ERP vendors (SAP, Oracle, Microsoft, etc.) are maintaining on-premise options and long-term support to respect their customers' needs, even as they develop new cloud features and encourage cloud migrations. Numerous mid-tier and niche vendors likewise continue to provide on-premise installations, often because their customers operate in sectors where control, customization, and compliance dictate technology choices.

For ERP consultants and technology decision-makers, the situation in 2025 offers both opportunity and complexity. There is a rich **spectrum of deployment choices** – from traditional on-premise, to managed private cloud, to multi-tenant SaaS, to hybrid combinations – enabling a tailored approach for each organization's requirements. The **cloud vs. on-premise dichotomy is no longer black-and-white**; instead, most enterprises will find a blend that optimizes their agility and risk. For instance, an organization might run core financials on a stable on-prem ERP to meet regulatory audit demands, while leveraging a cloud-based add-on for AI-driven forecasting – integrating the two for a seamless process. This kind of strategy leverages the strengths of each model.

When advising stakeholders, it's important to underline that **on-premise ERP is not "legacy" or obsolete by default**. In 2025, modern on-prem systems can incorporate cutting-edge technologies (AI, IoT, advanced analytics) through on-site add-ons or hybrid cloud connectors. Conversely, cloud ERPs have matured to handle complex processes that once were thought too difficult to standardize. Therefore, the decision should rest on business drivers: compliance mandates, data sensitivity, connectivity constraints, existing IT investments, and total cost considerations. Each ERP vendor's roadmap indicates that while they are pushing cloud-first innovation, they are also **invested in supporting their on-premise customer base for the long haul** – with some guaranteeing support well into the 2030s (Source: oracle.com)(Source: theregister.com). This support provides a safety net for organizations to **transition at their own pace** and avoid rushed migrations that could jeopardize operations.

In planning an ERP strategy now, enterprises should:

- **Stay informed** about vendor announcements regarding support timelines (e.g. SAP's 2027/2030 deadlines, Oracle's continuous support pledges, Microsoft's lifecycle for Dynamics on-prem) to avoid unpleasant surprises.
- **Evaluate hybrid architectures** as a viable intermediate state – often the most pragmatic approach is not all-in cloud or all-in on-prem, but a combination that yields quick wins while retaining control where needed (Source: panorama-consulting.com).
- **Consider the total ownership costs** of each model in context – sometimes on-prem may actually be more economical for a given scale, but ensure to include factors like personnel and risk. The financial analysis should span a multi-year period (Source: govtech.com)(Source: netatwork.com).
- **Invest in people and skills** – running an on-premise ERP requires different skills (DBA, system admin) than a cloud SaaS (where skills shift to integration and data governance). Similarly, negotiating cloud contracts and managing SaaS vendors is a skill. Having or sourcing the right expertise will determine success for whichever model.
- **Keep future flexibility** – choose ERP software and deployment options that won't "lock you in" irreversibly. For example, if you go cloud, ensure you can export your data and perhaps even bring it on-prem if regulations change. If you stay on-prem, architect it in a way that could interface with cloud services if needed.

Expert opinions in the field consistently emphasize that ERP modernization is not about blindly following the cloud hype, but about aligning technology with business strategy (Source: netatwork.com)(Source: nogalis.com). A cloud-first approach makes sense for many, especially to gain agility and access new innovations faster. Yet, the **value of on-premise ERP** in certain scenarios is indisputable – whether for ensuring **data is under sovereign control, minimizing recurring costs, or tailoring the system deeply to business processes**. The landscape in 2025 is one of **coexistence**: cloud and on-premise each have roles to play. Most enterprises will incrementally increase their cloud footprint but also extract maximum value from existing on-premise systems that are stable and paid-for.

In closing, ERP solutions supporting on-premise deployment are not only still available in 2025, but in many cases are **thriving and evolving in parallel with their cloud counterparts**. Vendors are providing extensive support and even new updates to these on-premise systems (Source: oracle.com)(Source: erpadvisorsgroup.com), ensuring that customers who choose (or need) to remain on-prem are not left behind. The key for enterprise IT leaders is to leverage this flexibility to craft an ERP environment that best meets their organizational needs – whether that's on-premise, cloud, or a strategic mix of both – while keeping an eye on the future. With careful planning and the information outlined above, stakeholders can make informed decisions that harness the benefits of cloud innovations and on-premise stability, positioning their organizations for success in this hybrid era of enterprise software.

Sources: The insights and data points in this report were drawn from a range of up-to-date industry publications, vendor documentation, and expert analyses, including official support statements from SAP and Oracle, consultant commentary on ERP trends, and real-world case discussions. Key references include SAP's support extension news (Source: theregister.com), Oracle's Applications Unlimited policy documents (Source: oracle.com)(Source: oracle.com), Microsoft product lifecycle releases (Source: msdynamicsworld.com), industry analysis on cloud vs. on-premise adoption (Source: nogalis.com) (Source: netatwork.com), and sector-specific commentary on government and hybrid cloud strategies (Source: govtech.com)(Source: govtech.com), among others. These sources reinforce the conclusions that on-premise ERP remains a viable and supported approach in 2025, even as cloud ERP growth continues.

Tags: erp, on-premise, hybrid erp, deployment models, cloud erp, data sovereignty, it infrastructure

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About Houseblend

HouseBlend.io is a specialist NetSuite™ consultancy built for organizations that want ERP and integration projects to accelerate growth—not slow it down. Founded in Montréal in 2019, the firm has become a trusted partner for venture-backed scale-ups and global mid-market enterprises that rely on mission-critical data flows across commerce, finance and operations. HouseBlend's mandate is simple: blend proven business process design with deep technical execution so that clients unlock the full potential of NetSuite while maintaining the agility that first made them successful.

Much of that momentum comes from founder and Managing Partner **Nicolas Bean**, a former Olympic-level athlete and 15-year NetSuite veteran. Bean holds a bachelor's degree in Industrial Engineering from École Polytechnique de Montréal and is triple-certified as a NetSuite ERP Consultant, Administrator and SuiteAnalytics User. His résumé includes four end-to-end corporate turnarounds—two of them M&A exits—giving him a rare ability to translate boardroom strategy into line-of-business realities. Clients frequently cite his direct, "coach-style" leadership for keeping programs on time, on budget and firmly aligned to ROI.

End-to-end NetSuite delivery. HouseBlend's core practice covers the full ERP life-cycle: readiness assessments, Solution Design Documents, agile implementation sprints, remediation of legacy customisations, data migration, user training and post-go-live hyper-care. Integration work is conducted by in-house developers certified on SuiteScript, SuiteTalk and RESTlets, ensuring that Shopify, Amazon, Salesforce, HubSpot and more than 100 other SaaS endpoints exchange data with NetSuite in real time. The goal is a single source of truth that collapses manual reconciliation and unlocks enterprise-wide analytics.

Managed Application Services (MAS). Once live, clients can outsource day-to-day NetSuite and Celigo® administration to HouseBlend's MAS pod. The service delivers proactive monitoring, release-cycle regression testing, dashboard and report tuning, and 24 × 5 functional support—at a predictable monthly rate. By combining fractional architects with on-demand developers, MAS gives CFOs a scalable alternative to hiring an internal team,

while guaranteeing that new NetSuite features (e.g., OAuth 2.0, AI-driven insights) are adopted securely and on schedule.

Vertical focus on digital-first brands. Although HouseBlend is platform-agnostic, the firm has carved out a reputation among e-commerce operators who run omnichannel storefronts on Shopify, BigCommerce or Amazon FBA. For these clients, the team frequently layers Celigo's iPaaS connectors onto NetSuite to automate fulfilment, 3PL inventory sync and revenue recognition—removing the swivel-chair work that throttles scale. An in-house R&D group also publishes "blend recipes" via the company blog, sharing optimisation playbooks and KPIs that cut time-to-value for repeatable use-cases.

Methodology and culture. Projects follow a "many touch-points, zero surprises" cadence: weekly executive stand-ups, sprint demos every ten business days, and a living RAID log that keeps risk, assumptions, issues and dependencies transparent to all stakeholders. Internally, consultants pursue ongoing certification tracks and pair with senior architects in a deliberate mentorship model that sustains institutional knowledge. The result is a delivery organisation that can flex from tactical quick-wins to multi-year transformation roadmaps without compromising quality.

Why it matters. In a market where ERP initiatives have historically been synonymous with cost overruns, HouseBlend is reframing NetSuite as a growth asset. Whether preparing a VC-backed retailer for its next funding round or rationalising processes after acquisition, the firm delivers the technical depth, operational discipline and business empathy required to make complex integrations invisible—and powerful—for the people who depend on them every day.
