

Enterprise Resource Planning (ERP): A SLED Market Overview

GovSpend's 2025 data provides insight into the latest cycle of an evolving market, with some buyers seeking baseline implementations and others looking to adopt emerging technologies. This iteration of ERP finds some state, local, and education (SLED) agencies looking to move from cobbled-together, on-premises systems to software-as-a-service (SaaS) solutions that provide significant reductions in technical support and that eliminate manual-processing gaps.

By contrast, those agencies that already have modern cloud-based solutions are looking to upgrade to technologies such as bot and chat interfaces that facilitate user interaction. Adaptive agentic tools are replacing more rigid robotic process automations (RPAs).

Given that ERP systems are the center of gravity for all central administrative activities, it's no surprise to find that this is a robust market. Sales in this space surged out of the COVID period, seeing new peaks in Q3 or Q4 of each year, with peak spending in Q3 2024 totaling nearly \$600 million. Spend data is still being collected; however, the total for Q3 2025, which stands at approximately \$350 million, will likely be below the year prior due to economic (e.g., tariffs, layoffs) and political volatilities (e.g., DOGE, federal shutdown) that created uncertainty for most of the year.



Over the last five years, SLED agencies have spent \$7.7 billion on ERP. The robustness of this market can be attributed to a strong balance of implementation support services combined with an expanding ecosystem of back-office modules, including an emerging set of citizen-facing options for mobility and self-service.

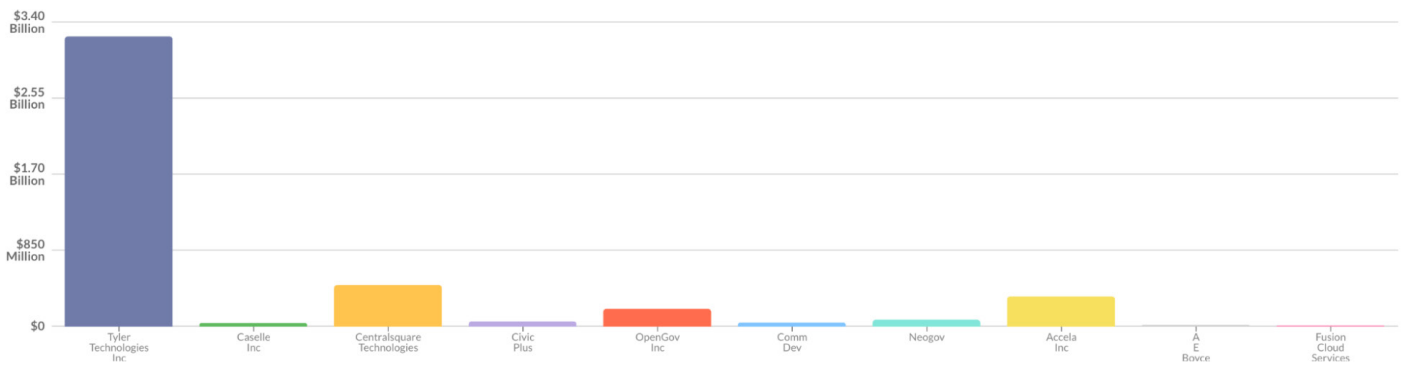
Key Providers and Market Share¹

GovSpend data shows a competitive, yet concentrated, marketplace. Tyler Technologies leads with nearly \$3.2 billion in total sales across the past five years. Workday ranks second with \$641 million, followed by Accela and Central Square, which have exceeded \$454 million and \$328 million, respectively.

While a few companies cast large shadows over the market, many smaller companies have joined the fray, seeking business among the thousands of local and education agencies that are often below the radar of major vendors. Newer vendors can also offer platforms that are native to the latest technologies, rather than solutions layered with generations of functionality.

Moreover, the SLED ERP market attracts many public-sector-focused companies, providing buyers with multiple qualified bidders and larger players with attractive acquisition options.

ERP Sales by Company

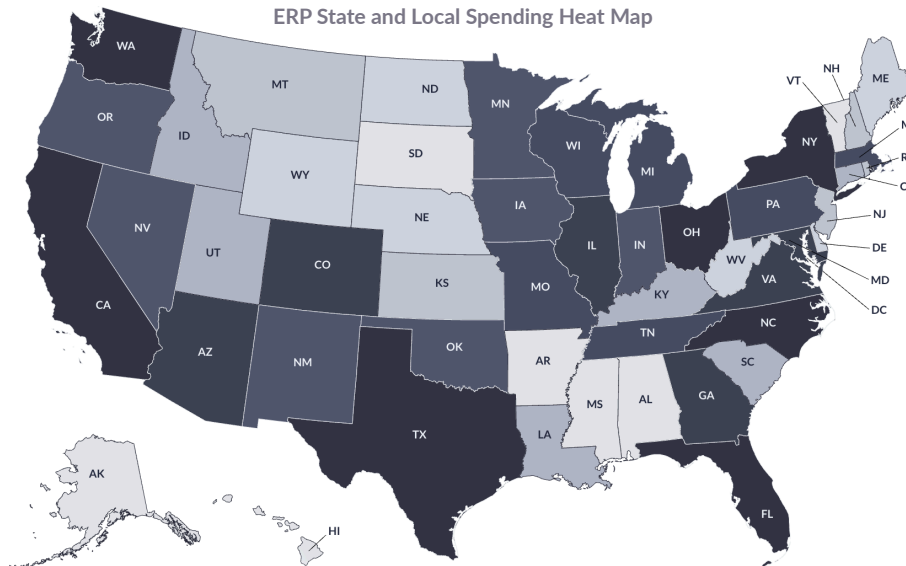


	2020	2021	2022	2023	2024	2025	Total
	Sum of Total Price	Sum of Total Price	Sum of Total Price	Sum of Total Price	Sum of Total Price	Sum of Total Price	Sum of Total Price
Tyler Technologies Inc	\$52,315,066.37	\$597,465,640.86	\$634,625,872.48	\$704,087,690.81	\$787,657,297.03	\$458,723,488.45	\$3,234,875,056
Work Day	\$2,072,563	\$125,935,572.14	\$164,562,381.52	\$121,685,908.68	\$142,110,014.31	\$88,005,613.34	\$644,372,052.99
Centralsquare Technologies	\$8,212,209.87	\$70,110,150.96	\$88,629,788.09	\$109,917,863.82	\$111,392,220.39	\$66,167,811.48	\$454,430,044.61
Accela Inc	\$6,063,636.93	\$62,933,119.12	\$60,867,689.65	\$61,197,833.94	\$78,461,591.45	\$58,367,697.80	\$327,891,568.89
OpenGov Inc	\$1,700,657.59	\$19,226,331.91	\$31,641,236.23	\$41,101,091.89	\$56,225,215.52	\$38,503,748.23	\$188,398,281.37
Aurigo Software Technologies	\$800,442.50	\$20,404,070.03	\$17,434,475.75	\$23,721,271.27	\$21,102,591.93	\$10,877,817.66	\$94,340,669.14
Oracle America	\$229,143.73	\$23,528,019.42	\$14,366,402.07	\$30,318,886.20	\$11,763,895.24	\$7,141,217.59	\$87,347,564.25
Workday	\$0	\$47,142,543.01	\$12,746,196.69	\$10,873,993	\$11,144,733.33	\$2,873,958	\$84,781,424.02
Carahsoft Technology	\$449,322.41	\$12,612,489.26	\$11,987,326.55	\$19,231,356.24	\$23,925,020.29	\$14,644,191.55	\$82,849,706.29
Neogov	\$1,266,207.93	\$9,875,902.24	\$12,663,704.38	\$13,873,712.22	\$16,700,039.78	\$11,469,522.37	\$65,849,088.92
... Show More Results							
Grand Total	\$90,963,445	\$1,198,183,780.27	\$1,507,721,642.85	\$1,527,237,562.57	\$1,757,383,222.05	\$1,063,100,060.31	\$7,144,589,713.06

¹Note: The vendors used for this data set were compiled using internal findings and the “ERP/Financial” category under the “Market Map: Administration” portion of Shea & Company’s Winter 2024 GovTech Market Overview.

Geographic Trends

Since financial and administrative solutions are a universal need of all SLED agencies, the sales map will tend to align to those states with the largest populations and the most local and education agencies.



ERP implementations and upgrades require significant levels of effort and extensive coordination among operational units. Thus, implementation cycles require multiple phases and can take five to ten years to complete. The earliest indicator of a major ERP effort is an initial solicitation for roadmap/strategic planning services. For example, [Prince George’s County \(MD\) Public Schools](#) has issued an RFP for comprehensive “Oracle cloud software acquisition, upgrade of existing on-premise, and support services,” that closes on March 13, 2026. The [City of West Fargo \(ND\)](#), [Walker County \(GA\)](#), and [Henrico County \(VA\)](#) also have open bids for new ERP systems and implementation services, with proposal due dates in Q1 of 2026.

The screenshot shows a bid details page for a project titled "Software and Implementation Services for an Enterprise Resource Planning Software Systems Environment (RFP) – #25-2900-11JOK". The page includes a summary, details, and a description of the project. The "Details" section lists the main contact phone, fax, and email, along with a note that the solicitation has some or all local funding. The "Buyer" section identifies the entity as Henrico County. The "Description" section explains that the County of Henrico, Virginia, and Henrico County Public Schools are requesting proposals for software and implementation services to establish a new ERP software systems environment. The primary goal is to leverage new technology to enhance operational effectiveness, streamline processes, and improve information access for citizens, staff, and vendors. This includes addressing challenges like limited integration, fragmented reporting, and a non-intuitive user interface in their current systems. The desired outcomes include enhancing operational effectiveness through an online portal and implementing robust project and grant-tracking functionality to reduce manual (MS Excel-based) tracking.

Due in 1 month	Due Date	Posted	Date Updated
01/08/2026	11/07/2025	11/10/2025	

Summary
Provide software and implementation services for an **erp** software systems environment.

Details
Files (5) | Historical Files (5) | History

Details
Main Contact Phone: 804-501-4000
Main Contact Fax: 804-501-4162
Main Contact Email: hin@henrico.us
Notes: This solicitation has some or all Local funding, additional requirements may apply.

Buyer
Entity Name: Henrico County

Description
The County of Henrico, Virginia, and Henrico County Public Schools are requesting proposals for software and implementation services to establish a new Enterprise Resource Planning (ERP) software systems environment. The primary goal is to leverage new technology to enhance operational effectiveness, streamline processes, and improve information access for citizens, staff, and vendors. This includes addressing challenges like limited integration, fragmented reporting, and a non-intuitive user interface in their current systems.

The desired outcomes include:

- Enhancing operational effectiveness through an online portal for timely, accurate, and complete information.
- Implementing robust project and grant-tracking functionality to reduce manual (MS Excel-based) tra

Procurement Activity and Opportunity Outlook

The SLED ERP market is expansive, with buyers engaged in cyclical upgrades and implementations in the most common areas of finance/accounting, HR/payroll, procurement, supply chain management, and grants management. Currently, more than 3,500 open bids can be found across 1,100 SLED agencies, with 22,000 contracts across 800 agencies set to expire within the next 24 months. In addition to these opportunities, GovSpend has tracked over \$75 billion in purchase orders, representing both formal procurement and discretionary spending in this core technology category.

Discussions around AI and automation are common in government planning sessions. GovSpend has identified more than 400,000 agency mentions of ERP and related components over the past five years, including as recently as:

- 11/19/2025: The [Austin \(TX\) Transit Partnership](#) Board Meeting heard an update on the operational benefits of a recent ERP implementation.
- 11/16/2025: The [Town of Clayton \(NC\)](#) met about the benefits and process of upgrading a 17-year-old ERP system.
- 11/11/2025: The [City of Cleveland Heights \(OH\)](#) discussed drafting an RFP for a new financial ERP system to enhance data management and operational efficiency.
- 11/6/2025: During the [Metropolitan Water Reclamation District of Greater Chicago \(IL\)](#)'s special IT budget meeting, research and funding needs for a new ERP and implementation services were presented.

The screenshot shows a YouTube video player for a meeting titled "Clayton Town Council Meeting - November 17, 2025". The video is paused at 10:29 / 3:57:53. The main content is a presentation slide titled "PURPOSE AND INITIATIVE" with the following bullet points:

- As part of the Town's strategic modernization efforts, we identified the need to upgrade our Enterprise Resource Planning (ERP System).
- A new Enterprise Resource Planning (ERP) system is essential to improving efficiency, transparency, and service delivery across all departments.
- The goal is to streamline operations, enhance data accuracy, and support better decision-making Town-wide.
- To begin this process, the Town developed a formal Request for Proposals (RFP) for Consulting Services for Enterprise Resource Planning (ERP) System Project Planning and Development of a Request for Proposal.

Below the video is a "Meeting Summary" section with the text: "During a Clayton Town Council meeting, discussions centered on the procurement process for upgrading the town's 17-year-old Enterprise Resource Planning (ERP) system, culminating in the selection of Barry Dunn as the consultant, with contract..."

On the right side of the video player, there is a transcript sidebar with a search bar and a list of matches. The matches are:

- 09:50 for the ERP RFP project that we have
- 10:27 may not know we've had our ERP system
- 10:42 for an ERP system. There's been a lot of
- 11:11 The new ERP system will be essential to
- 18:05 ERPs that may be on one of the contracts

At the top right of the transcript sidebar, it says "Add to Notebook" and "Share". Below the transcript, there is a section titled "Key discussion points about the ERP system included:" with the following bullet points:

- **Current System Age:** The town's current ERP system has been in place since July 2008, making it over 17 years old. It was noted that this is a long lifespan for an ERP system, given the advancements in such technologies.
- **Purpose and Initiative:** The town is undertaking this project as part of its strategic modernization efforts to upgrade its system. The new ERP system is considered essential for improving efficiency, transparency, and service delivery across all departments. The goal is to streamline operations, enhance data accuracy, and support better town-wide decision-making, particularly for procurement.
- **Consultant Selection Process:** The town developed a formal RFP process for consulting services to assist with developing an RFP for the ERP project, v selection, evaluation, contract...

This engagement reflects ongoing interest among agency leadership as their operational units adopt more sophisticated administrative processes over time. A few are in the early adopter stages, while many are dealing with the cultural aspects and risks of complex ERP efforts. Providers that monitor these discussions and align offerings with agency priorities will be best positioned to capture early-stage opportunities and influence upcoming procurement phases.

Market Priorities and Emerging Applications

As with most, if not all, technology areas, ERP is seeing rapid incorporation of artificial intelligence (AI) into the solution stack. In this case, AI is allowing for the development of an intelligent core and predictive analytics. Modern ERP solutions utilize single in-memory platforms, eliminating the need for separate transactional and analytical systems, which is crucial for informed decision-making, better forecasting, planning, and resource allocation.

Agentic AI will arm government employees with copilots designed to boost efficiency and deliver enhanced impact for constituents. Service oversight and delivery will shift from a “human in charge” model to more of a “human in the loop” model by eliminating routine manual procedures—and the inevitable human errors that come with them—freeing up time and talent for strategic concerns.

Looking Ahead

The SLED ERP market is poised to resume its aggressive expansion once the volatility of 2025 subsides. Efforts by Washington to cede decision-making to the states will drive the need for modernized ERP, as states, localities, school districts, and universities look to maximize the return on their own-source revenues and assets.

For vendors, the key to success can be found in understanding the patchwork of financial and administrative tools at each agency’s disposal and where they are in the technology migration from on-premises to cloud, from rudimentary components to intelligent ones.

GovSpend data indicates that ERP is of near universal interest, but with ever-more-flexible, cloud-based technologies coming to the market, competition will remain stiff as new and smaller players chase market share among the numerous small- and medium-sized agency buyers.