

# TRANSFORM YOUR ERP SOLUTION NOW, OR WAIT?

Many organisations in the energy & utilities sector have started the journey to transform their core ERP platforms, often to Cloud-based solutions, for example to SAP's S/4HANA, Oracle's Fusion or Microsoft's Dynamics product.

Given that the support for current products has been extended slightly, other organisations are still debating whether to invest now or to wait.

What is the right approach? And, if the decision is made to go ahead, then what are some of the big questions that need answering? At Project One, we are involved in many complex ERP transformation programmes within our energy & utilities customer base and are therefore well placed to share some views.

## WHAT HAPPENS IF YOU DEFER THE DECISION?

Given the cost and effort required and the fact that current products are still under support, it is tempting to defer the decision. However, this will cause issues:

1. Functional releases/upgrades to your current platform will be limited if the vendor has a newer product that they are now pushing. Consequently, business areas may be 'standing still' in an increasingly competitive marketplace.
2. Your surrounding IT estate may have compatibility issues with a legacy ERP product, not allowing you full advantage of newer technologies.
3. There may not be a simple upgrade path for you to follow to the newest Cloud-based product. This often requires a business-led transformation and may need a multi-year journey to plan, mobilise and deliver.



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## KEY QUESTIONS TO CONSIDER IF YOU ACT NOW

If you do make the decision to act, then there are a few key things to think about up-front:

**How do you make sure this is a business-led transformation and not an IT upgrade?** This could be a huge opportunity to make the most of the vendor expertise and research that has gone into developing the ERP products, and to re-organise your business processes around this best practice.

**Do you go with a Cloud-based or on-premise solution?** Mostly the answer will be Cloud-based, but there are implications to this that must be understood and planned for. For example, you will be tied into regular releases that will need regression testing and embedding into your business areas each time.

**What is the scope of the transformation?** There may be other parts of your business, e.g. delivery or asset management, that do not currently fit within your legacy ERP scope. This could be a great opportunity to standardise. On the flip side, you may want to split out your application estate into a more micro-services approach, to allow more rapid development and flexibility.

**Which vendor and systems integrator do you use?** You may want to standardise across geographies on one vendor, or this may be an opportunity to switch to a better business fit. On the systems integrator, a good cultural fit is essential, especially if you are entering into a long development relationship. Planning and executing a well thought out selection process is key to this, making sure you meet the delivery teams and not just relying on the sales pitch. Make sure the resulting contracts incentivise the right partnership behaviour.

**DOES THE SOLUTION ALLOW YOUR ORGANISATION TO MEET THE REQUISITE SECURITY AND REGULATORY OBLIGATIONS, SPECIFICALLY IN RELATION TO CUSTOMERS? (E.G. VULNERABLE CUSTOMERS, SWITCHING, DATA ETC.)**

[Click here](#) to read how we helped our customer, a FTSE 100 energy and utilities company, transform from their legacy SAP ECC6 ERP system to a cloud-based SAP S/4 HANA instance.

## DO YOU NEED CHANGE EXPERTISE?

Once you decide to act, this will be a significant investment, with corresponding high levels of delivery and benefit risk. At **Project One**, we work with customers to shape up and mobilise ERP-based transformation journeys, helping to select the right partners as an independent entity, driving delivery from your side and making sure that the resulting solution lands well into your business.

We would love to help, so please get in touch with [david.knappett@projectone.com](mailto:david.knappett@projectone.com) if you would like to talk through any aspect of your transformation journey.