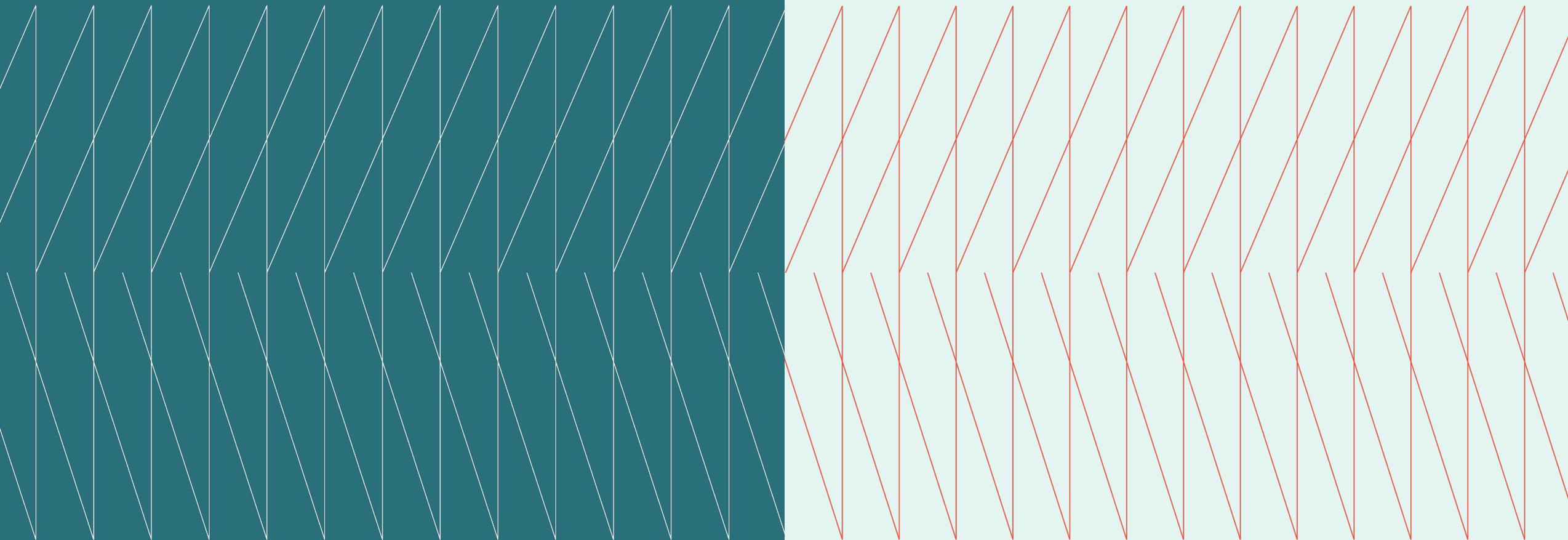# SAP Transformation

# Expert Exchange

Executive summary
March 5, 2026

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# Overview

On March 5, executives leading their ERP transformations met for a virtual roundtable discussion hosted by Merlin Jung. The conversation focused on the transition paths from legacy SAP systems to standardized modern SAP platforms. The four main themes discussed were: securing executive support by framing the transformation as a business transformation, standardizing business processes by eliminating custom software, embracing change management strategies and balancing speed, risk and readiness when choosing deployment strategies.

# Host

Merlin Jung,
Vice President, Global SAP CoE
Kyndryl

# Key topics

# Lead transformation as a business imperative, not a spend

- Gaining initial approval from corporate leadership requires framing the software upgrade as a comprehensive business transformation rather than an information technology project, though sustaining that support demands continuous, active effort.

- Several executives agreed that spending up to a year educating the chief executive suite serves as a necessary baseline practice for modernization. They successfully secured project funding by calculating the total cost of ownership and demonstrating how maintaining

legacy work processes from past decades inevitably sets the company up for operational failure.

- Participants noted a significant shift in corporate appetite for lengthy, expensive software overhauls, requiring teams to rethink how they present project value. To counter financial hesitation, one leader shared the strategy of designing intermediate rollout phases to partially fund the overall project, prioritizing early functional wins over waiting three years to demonstrate a return on investment.

- The host reinforced these executive sentiments by highlighting a successful internal transformation that utilized data-centric strategies to reduce run costs by fifty percent. By resisting the temptation to treat the upgrade as a mere technological refresh, the organization achieved significant financial savings while simultaneously empowering tens of thousands of users globally.

- A compelling perspective emerged regarding how project managers must maintain leadership engagement long after the initial budget approval. One participant proposed that senior executives must actively communicate with delivery teams multiple times a year. He argued that passive leadership support consistently causes the initiative to lose critical momentum whenever workers encounter inevitable delivery obstacles.

"We spent the better part of a year educating our executives on the case for change, recognizing that the days of spending massive budgets on multi-year projects are no longer financially practical."

— SAP Transformation Expert Exchange Member

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# Standardize ruthlessly to reduce complexity and enable scale

- Organizations are actively abandoning custom-built software solutions and fragmented applications in favor of standardizing their core operations onto a single integrated platform.

- The executive group universally agreed that heavily customized legacy environments resemble unmanageable monsters that artificially inflate operational maintenance costs. Consequently, leaders are pushing their internal departments to adopt standard software templates. They actively seek to retire separate satellite systems currently used for peripheral functions like real estate or treasury management.

- Participants highlighted the hidden operational costs associated with integrating external specialized applications into the main enterprise network, warning against the appeal of flashy niche tools. One executive pointed out that stitching these external tools together creates overwhelming maintenance complexity. He suggested that adopting a unified software suite

represents a far more practical and defensible financial decision for the overarching business.

- Executives also stressed the critical importance of keeping the project scope highly disciplined during the corporate transition. They advised delivery teams to strictly migrate only the data and software code that the business actively utilizes on a daily basis, warning against the common mistake of transferring obsolete historical records into the new system.

- A central motivation driving this standardization trend involves the urgent desire to prepare corporate information for artificial intelligence applications. The meeting host and multiple participants emphasized that organizations absolutely cannot leverage modern predictive software if their corporate data remains scattered across disparate databases. They advised cleaning and consolidating data entirely within the core system before attempting any technological modernization.

"If a software capability is not critical to differentiating us from our competitors, the standard out-of-the-box process provided by the vendor is absolutely good enough."

— SAP Transformation Expert Exchange Member

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# Actively orchestrate organizational change, don't assume adoption

- Managing the human element of a software overhaul is the most commonly underestimated challenge, prompting leaders to fiercely debate the actual merits of collaborative software design versus mandated change adoption.

- Executives expressed widespread frustration regarding employee reluctance to abandon familiar legacy workflows, particularly among senior staff members. One participant shared a cautionary scenario where the business rapidly deployed modern customer service software. Ultimately, the employees successfully demanded a technological workaround back to the obsolete system because they simply refused to adapt to the new interface.

- Despite acknowledging the critical importance of workforce transition strategies, multiple participants admitted their organizations still failed to execute them properly. They emphasized that simply instructing managers to communicate workflow changes is woefully inadequate;

companies must actively build comprehensive support structures to ensure the technology is embraced rather than feared.

- A strong divergence of opinion surfaced around how project teams should handle ERP implementation design decisions with everyday business users. While some leaders attempt to gather extensive input from global teams to build a consensus-driven corporate model, another executive argued fiercely against allowing a democratic design process during modernization.

- One executive cautioned that democratizing ERP implementation design drives scope creep by reopening decisions and expanding scope. He argued that firm guardrails on scope and standards, paired with strong adoption and enablement, are critical to preventing perpetual project delays.

"You can estimate your planned organizational change management efforts, multiply that number by ten, and you still will not have enough preparation to adequately guide your employees."

— SAP Transformation Expert Exchange Member

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# Choose a deployment strategy that balances speed, risk and readiness

- Companies struggle to determine the ideal deployment schedule, openly recognizing that both rapid, comprehensive rollouts and fragmented, phased approaches carry significant and distinct operational risks.

- Participants heavily debated the architectural structure of ERP rollouts. One organization divided their transformation into eight distinct delivery waves based on specific business functions. This deliberate pacing allowed them to slowly shut down old applications and realize immediate budget savings incrementally, rather than waiting years for a massive final launch.

- However, the phased approach revealed hidden internal vulnerabilities regarding employee fatigue and resource allocation. The executive leading this multi-wave strategy openly admitted that unexpected delays in the first implementation wave instantly cascade into all subsequent phases. This domino effect severely strains a lean workforce that must continuously manage the ongoing project while simultaneously performing their daily operational duties.

- An executive who executed an aggressively accelerated nine-month deployment reported vastly different consequences. While the organization achieved rapid technical modernization across multiple departments, the blistering implementation pace forced project managers to completely bypass crucial organizational change activities. This resulted in an incredibly expensive system that overwhelmed the workforce and failed to reduce overarching operational costs.

"We completed a rapid migration that introduced completely new analytics and service portals, but the sheer speed prevented us from adequately preparing our employees for the transition."

— SAP Transformation Expert Exchange Member

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The Expert Exchange is hosted by Kyndryl, Inc. Please contact Merlin Jung for additional questions about Kyndryl or our approach to SAP transformation.