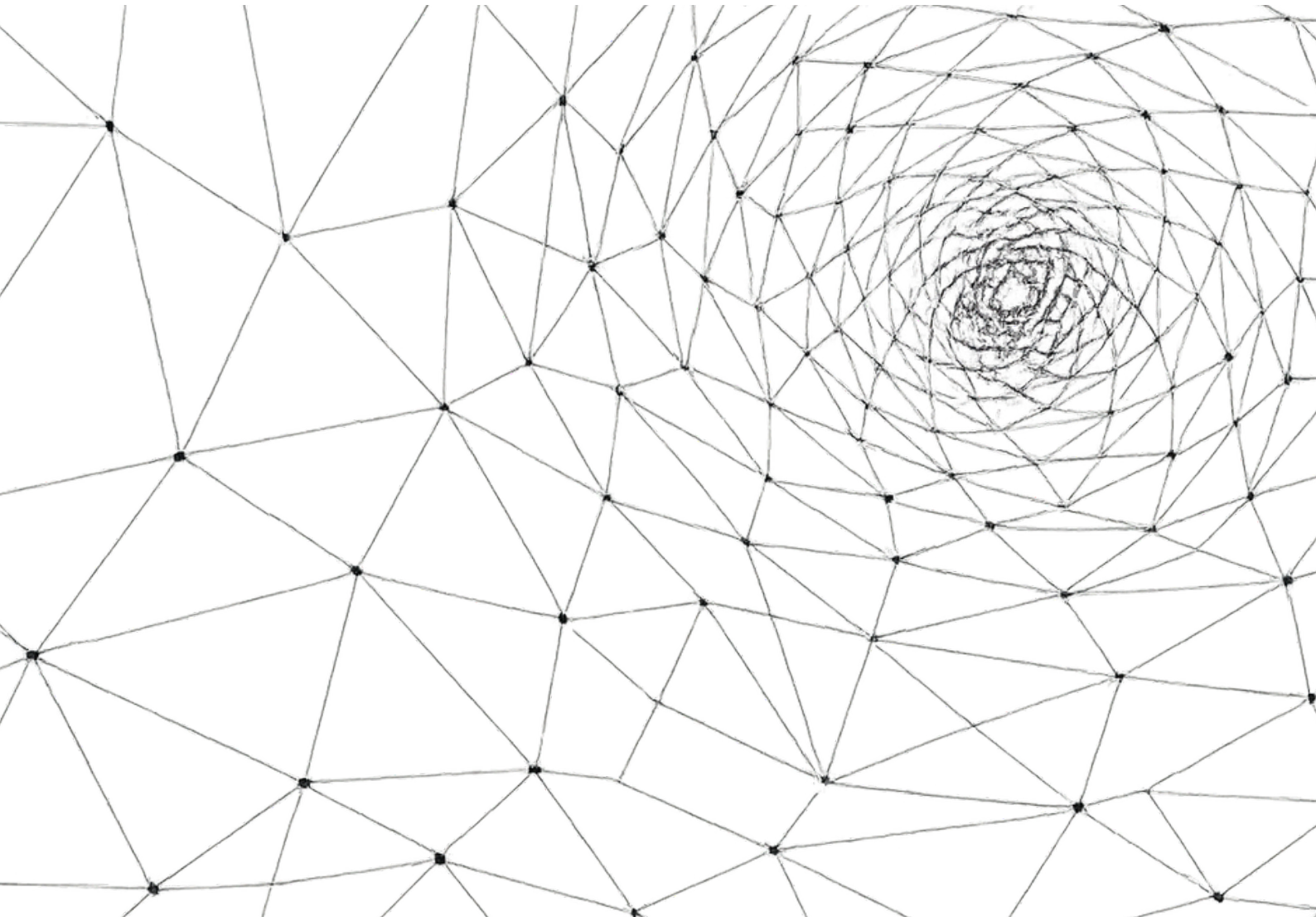


THE DIGITAL DRIFT

changemakers

Industry Report

2025



THE DISCUSSION TOPIC

The Discussion Topic

"It's not really the technology, it's about people's aptitude for change." - Richard Lee, Mace

The debate around digital transformation failure rates is hardly new. Back in 2015, only a quarter of programmes were considered successful. Ten years on, those odds have barely shifted. Despite hundreds of millions poured into ambitious initiatives, seven in ten still fail to deliver their intended goals [McKinsey, 2025].

Why? The problems run deeper than budgets and buzzwords. Legacy technology and resistant cultures continue to slow progress. Gartner recently found that 61% of large enterprises are still running ERP systems that pre-date the iPhone. And persuading long-serving employees to adopt unfamiliar ways of working is often harder than any technical upgrade.

Modernising your ERP is even more essential today than it has ever been. So how will you improve your chances of a successful implementation?

1. Culture & Change Management

"If you don't excite your team and get their buy in to process changes, how they approach their work, your clients and partners... you're not going to get the project success you set out to achieve." - Anonymous

Across sectors - from construction to healthcare - it's clear that people, not platforms, decide whether a project succeeds or fails.

Scepticism builds when past initiatives promise efficiency gains that never appear. Layer on complexity and over-engineering, and confidence collapses further. The result is disengagement.

Treating change management as an afterthought is a mistake. Without cultural buy-in, even the smartest technology will stall.

Actionable Solutions

Make culture a formal workstream. Assign budget, leadership focus and clear accountability, with senior sponsors visible and vocal in their support.

Build adoption into vendor selection. At tender stage, assess change readiness and how users will shape decisions, because the best tech is meaningless if your key personnel do not adopt it.

Prove value quickly. Deliver small and tangible wins that make everyday work easier and show that new systems solve real problems.

Keep training ongoing. Continuous coaching helps teams feel confident and removes fear of the unknown.

Simplify wherever possible. Complexity breeds frustration and clarity builds momentum.

2. Short-Termism vs the Long View

"The cost is certain and the savings are promises - that's the biggest challenge." - John Forrest, Spire Healthcare

Balancing immediate pressures with long-term strategy remains a constant challenge. Costs are still certain and benefits projected, and boards are increasingly impatient for outcomes.

But in a cloud-first world, it's less about "upgrading" yesterday's ERP and more about replace-and-modernise cycles. Quick wins are possible, but only when tied to a set of clear, measurable goals.

ERP implementations need not take years to implement and recognise benefits. Forward thinking System Integrators are able to implement modern ERP systems in months not years, allowing early adoption and continual enhancement, building on the core platform to take advantage of agentic and copilot functionality.

The sequence is simple: set the goal, lay the basics, deliver the win, then widen the scope.

Actionable Solutions

"We've promised huge transformational changes, but reality gets trimmed down, and people say - this isn't what we were promised." - Fernando Arias, NHS Property Services

Break transformations into modular roadmaps with short ROI cycles. Deliver measurable value in months to build confidence and buy breathing room for the bigger vision.

Anchor every initiative to one clear North Star - customer experience, patient outcomes, resilience - so the long-term ambition never gets lost.

Show boards that short-termism costs more in the end. Real case studies of failed shortcuts are persuasive.

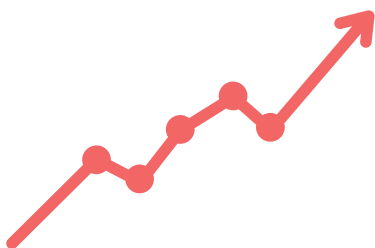
Pair ambition with pragmatism. Set bold goals, but prove them through phased pilots and practical rollouts.

3. ERP and the Data Dilemma

ERP is both backbone and bottleneck. Systems customised beyond recognition have left organisations with conflicting data sets, forcing finance and operations teams into endless manual reconciliations.

The risks of change are daunting. When modernisation projects fail, careers and reputations suffer. But avoiding the issue only embeds inefficiencies further.

What everyone agrees on: data and security are non-negotiable. Without them, automation and AI are built on sand.



Actionable Solutions

"Ultimately, security and data are non-negotiable - without them, everything else fails." - Ross Jones, Avanade

Prioritise data integrity and standardisation. A clean, trusted foundation reduces costly errors and accelerates innovation.

Make data consolidation a core workstream of the ERP journey. A single, governed model unlocks cloud services and agentic solutions that drive efficiency.

Favour cloud-based, standard ERP modules that are easier to maintain and evolve as business needs shift.

Invest in integration. One version of the truth across finance, operations and customer data enables sharper decisions and reduces wasted effort.

4. AI: Promise, Hype, and Distraction

"AI feels immensely distracting - all the board wants to know is: what are you doing in AI?" - Mathew Pearce, HSBC

AI is top of mind in every boardroom, but the gap between expectation and reality is widening. Leaders want results now, yet many organisations still lack the data maturity to deploy AI well.

In the right environment, AI is more than an efficiency lever, it's a profit engine. It can lift conversion, drive personalisation, unlock new services and revenue streams, and strengthen retention.

When rushed, AI rollouts disappoint: adoption stays low and risks stay high. By contrast, targeted deployments tied to clear commercial outcomes often succeed, especially where they remove repeat work and directly drive revenue.

The takeaway: AI works best as a complement to people, not a silver bullet.

Actionable Solutions

“Most innovations won't work. That's the point – they're experiments.”

Start with revenue-linked use cases - next-best action, churn prevention, dynamic pricing, personalised offers - so value shows up on the P&L.

Tie every initiative to clear commercial outcomes, with owners, baselines and timeboxes to measure uplift.

Put guardrails in place. Governance, auditability and security-first policies protect data, decisions and reputation as you scale.

Treat AI as augmentation. Equip teams with Copilots and agentic tools to remove toil so they can focus on judgement, creativity and customer impact.

CONCLUSION

Despite massive investment, digital transformation failure rates remain stubbornly high. The obstacles are as much human as they are technical.

ERP sits at the centre of the challenge. Legacy systems and fragmented data are slowing progress, while the perceived risks of change keep decision-makers cautious. At the same time, the hype surrounding AI creates pressure for quick wins that often backfire without solid foundations.

The route forward isn't mysterious. It requires giving culture as much attention as code and simplifying systems rather than customising them endlessly. Do that, and the cycle of failure can finally be broken.

True transformation comes from getting the basics right (people, data, and platforms), and then building from there. Those who master that balance will move faster and adapt better.