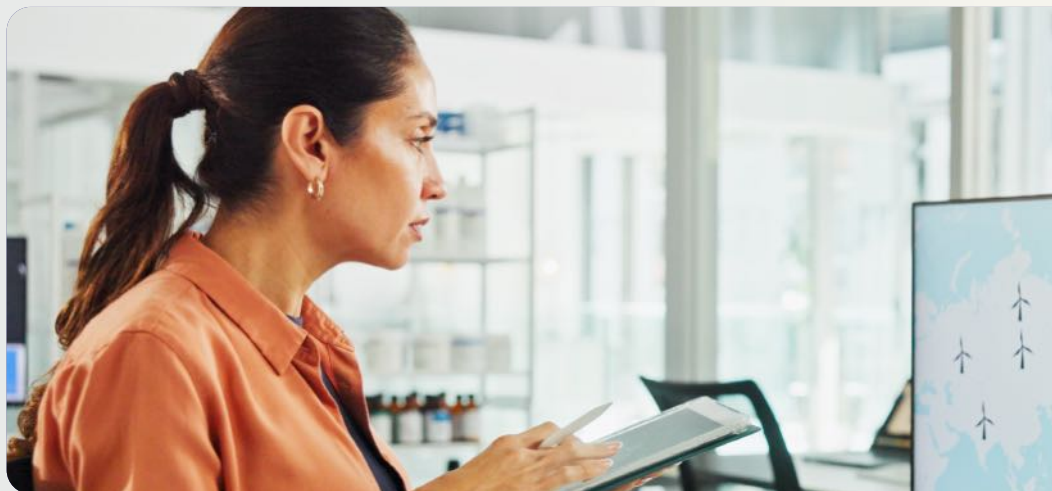


PROSCI EXPERT INSIGHTS

Unlock ERP and Digital Transformation Success

May 2025

Expert
Insights



PROSCI EXPERT INSIGHTS

Transformation

Unlock ERP and Digital Transformation Success:

Bridge the gap between technology and adoption

In today's competitive landscape, enterprise resource planning (ERP) systems and digital transformations represent significant investments that promise to revolutionize operations. Yet a troubling pattern persists: Despite billions spent annually on these initiatives, many fall short of expectations, not because of technological failures, but because organizations overlook their most critical asset—their people.

This guide highlights the path forward for organizations that are ready to break this pattern. You will discover how leading organizations integrate change management into their ERP and digital transformation strategies from the outset. By addressing the human side of technological change, you can protect your investment, accelerate adoption, and unlock the full potential of your transformation.

The State of ERP and Digital Transformations

Organizations invest in ERP systems and digital transformations to deliver significant value through enhanced efficiencies, lower costs, greater collaboration, improved data visibility, better decision-making, and more.

Such a transformation is a high-risk project for any organization, yet many still view it as simply a technology project. This misconception overlooks the critical importance of ensuring that employees can adopt and use the new system in their work.

Unfortunately, it's common to hear project teams say:

"Once we go live, everything will be fine."

"Training will solve all our adoption problems."

"Don't worry, change is always met with resistance—it will pass."

"We can't do change management because we have to implement quickly."

What these organizations don't understand is that **ignoring the people side of an ERP implementation or a digital transformation has big consequences**, leading to wasted resources, unrealized benefits, and complete project failure.

The True Costs of Overlooking People in ERP and Digital Transformations

When leaders consider the costs of ERP and digital transformations, they often fixate on the financial investments in technology, licensing fees, technical integration, and resources committed to the project. But those are just the obvious project costs.

When you fail to address the people-side impacts of a change, your people simply aren't ready to adapt to and use new ways of working. This creates additional costs for the organization, including:

- **Employee resistance** – decreasing engagement, morale and system adoption
- **Decreased productivity** – slowing work and creating bottlenecks
- **Increased errors** – requiring rework and extra training
- **Misaligned processes** – creating gaps and silos
- **Missed milestones** – leading to project delays
- **Missed objectives** – reducing project ROI

These and other consequences ripple throughout an organization, and the true cost of an ERP implementation compounds. It's no longer measured in dollars alone but in disrupted workflows, increased employee turnover, poor business outcomes, and erosion of trust.

Managing the people side of change isn't optional—it's essential to realizing value.

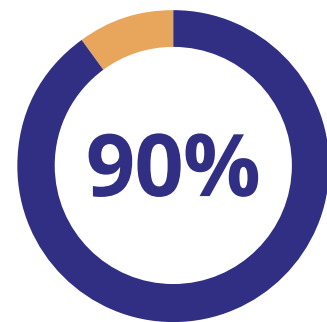
Prosci's Best Practices in Change Management – 12th Edition report reveals specific insights from 226 ERP implementations:

1. **45%** only partially met objectives
2. **4%** failed to meet objectives
3. **61%** exceeded their budgets
4. **71%** were behind schedule

In the same study, 448 respondents reported software upgrade/installations with similar outcomes:

- **41%** only partially met objectives
- **2%** failed to meet objectives
- **44%** exceeded budgets
- **57%** were behind schedule

These aren't just statistics—they represent real organizations that missed opportunities to transform and lead in their industries.



Did you know?

Over 90% of executives who have gone through an ERP implementation acknowledge they did not do enough to manage the organizational turmoil or are unsure how to minimize the distress that occurs during and after implementation.

Source: Gartner, 2024. How CFOs Should Champion Change for ERP Success.



Integrating the Technical and People Sides Drives ERP Success

Successful technology implementations start with project teams working together to integrate the technical side and people side of the change at the project's inception.

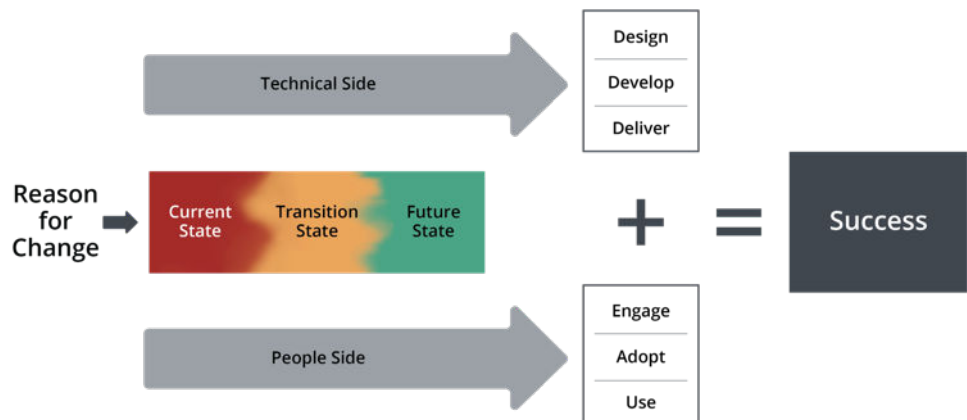
Why? Because the technical side only focuses on designing, developing and delivering the solution. When you enable people to engage, adopt and use the system, you remove barriers and significantly improve your chances of success. This is the critical role of organizational change management.

Resistance to change can be a formidable roadblock; getting buy-in from leadership and stakeholders across departments very early in the process is crucial to a successful implementation.

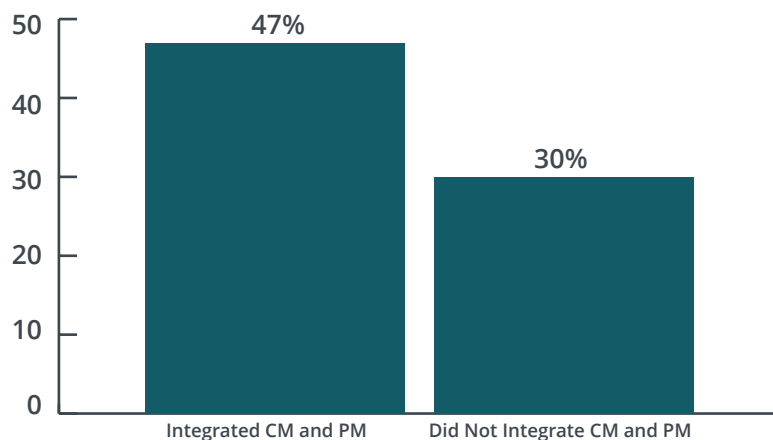
Source: Oracle NetSuite, 7 Key Implementation Challenges and Risks.



Prosci Unified Value Proposition



Impact of Integration on Meeting Objectives



Source: Prosci Research Hub ©2022

Organizations that forge this connection between technology and people create a powerful foundation for transformation.

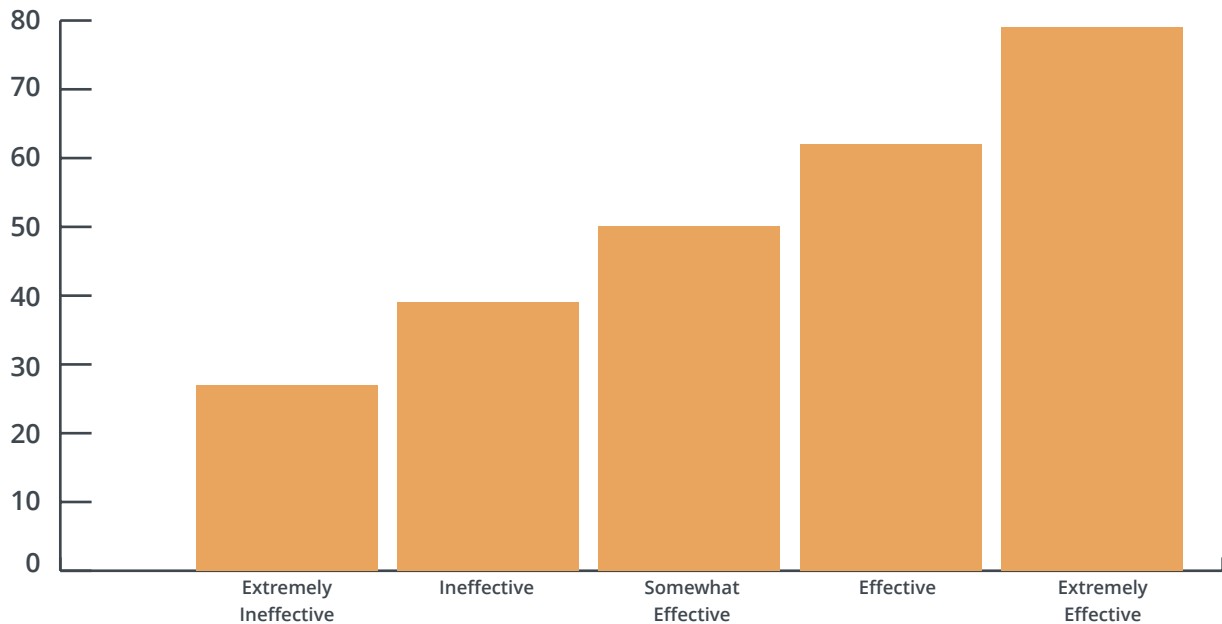
7 Success Factors for Digital Transformations

Our research reveals clear distinctions between organizations that merely implement technology and those that truly transform.

1. Active and visible sponsor ship – Prosci's Best Practices research consistently identifies engaged executive sponsorship as the single most important contributor to successful change. Projects with effective sponsors are far more likely to succeed.



Correlation of Sponsor Effectiveness With Meeting Objectives



Source: Prosci Research Hub ©2022

2. Middle manager engagement – Middle managers influence every aspect of ERP adoption and shape how teams respond to change because of their relationship and proximity to front-line employees.

3. Early and continuous stakeholder involvement – Engaging end users and other affected people from the

beginning helps align the systems with business needs while increasing commitment and support for the change.

4. Structured change management approach – Following a structured, proven approach, like our ADKAR® Model, ensures organizations address all aspects of individual change

Prosci ADKAR® Model

A**Awareness** – Of the need for change**D****Desire** – To participate and support the change**K****Knowledge** – On how to change**A****Ability** – To implement required skills and behaviors**R****Reinforcement** – To sustain the change

5. Process-transformation focus – Recognizing that ERP implementations fundamentally change internal processes as well as technology helps prepare users for new ways of working.

6. Comprehensive training strategy – Effective training goes beyond system functionality to include process changes and new ways of working, preferably with practice environments before system go-live.

7. Coordinated change ecosystem – Building a network of sponsors, managers and change champions creates a support system that improves adoption by 30% to 50% through consistent communication and peer influence.

Build an Organizational Change Ecosystem

Creating a robust change ecosystem significantly improves transformation outcomes. It fosters collaboration, reduces resistance, and enhances communication throughout the change journey.

Key roles in your change ecosystem

A well-developed change ecosystem includes interconnected roles that work together to drive successful transformation.

- **Primary Sponsor**

Your primary sponsor is typically a senior leader who is ultimately accountable for change success. This person authorizes and validates the change, establishes the vision, and communicates directly to the organization.

- **Sponsor Coalition**

This coalition of sponsorship consists of the primary sponsor's peers across affected parts of the organization. These sponsors provide critical cross-organizational support, ensure alignment with leadership, and maintain accountability for change success within their respective teams.

- **People Managers**

These middle managers and supervisors translate broader messaging about changes into team-specific impacts. They prepare and support their direct reports by fulfilling five roles: communicator, liaison, advocate, resistance manager and coach.

- **Change Agents and Champions**

Change agents advocate for the change within their peer groups, extending the reach of your organization's change management efforts. They motivate and inspire others, help drive adoption at the grassroots level, and provide valuable feedback to the change team about resistance and barriers to adoption.

Why do you need a change ecosystem?

A change ecosystem establishes a predictable flow of two-way communications, which helps you identify and address resistance early in the transformation process. It distributes change leadership across the organization, creating a deeper understanding of organizational impacts at every level and enabling tailored messaging tailored to impacted groups. It's also a powerful mechanism for sharing early successes, building momentum and confidence.

Most importantly, an effective change ecosystem builds lasting change capability in your organization and people. It extends your change management efforts and investments well beyond a single project and builds resilience for future transformations.



UKG Drives Post-Merger ERP Change With Prosci

Ultimate Software and Kronos merged to form UKG in 2020 and faced duplicate systems across all operations. Their “UKG 1” project integrated systems while managing change for 12,000+ employees.

Key success factors:

- Integrated Prosci Methodology into project management
- Applied ADKAR Model enterprise-wide
- Equipped managers with tools to guide teams through transition
- Built change capability “organically under the radar”
- Created Champions Program recognizing change adopters

Results: 56,301 users adopted the new platform within 45 days, and the organization grew to 15,000 employees.





Sunflower Electric Powers Through Change Management

When Sunflower Electric faced resistance during their Oracle Fusion implementation, they leveraged it as a strategic "change management litmus test." Implementing Prosci's methodology not only salvaged their ERP project but built lasting organizational change capability.

Key success factors:

- Educated leaders on change management roles through ECM workshops
- Created a "common language for change" via eLearning for all employees
- Deployed ADKAR Assessments to identify and address resistance
- Integrated project management with change management processes

Results: Successful Oracle implementation with 400 change-ready employees, redesigned SharePoint sites company-wide, automated field inspection of 31,000 assets, and eliminated 100+ spreadsheets



Building Change Readiness for ERP Success

When implementing new systems, change-ready organizations reimagine how work gets done, preventing costly disruptions and protecting their ERP investments. Building change readiness helps ensure adoption, mitigates resistance, and keeps employees from reverting to old behaviors or developing workarounds.

Here's a high-level overview of the key activities involved:

Assess the scope and impact of change – Understand who will be impacted, how, and to what degree.

Build a change ecosystem – Activate and prepare your primary sponsor, sponsor coalition, people managers and change agents.

Apply the ADKAR Model – Ensure people have all elements of successful individual change: Awareness, Desire, Knowledge, Ability and Reinforcement.

Provide practice opportunities – Create sandbox environments for users, and training that addresses technology and new processes.

Prepare middle managers – Equip these people managers with capabilities to lead their teams through change.

Mitigate and monitor resistance – Identify barriers, gain feedback, create mindset shifts, and look for warning signs of disengagement.

To achieve successful adoption of your ERP or digital transformation, you must prepare people, align leadership, and build readiness from the inside out.



Accelerate Your Transformation With Change Management

Organizations that integrate change management into their ERP implementations achieve significantly better outcomes. Prosci's Enterprise Solutions are designed specifically for complex, high-stakes technology transformations like yours.

Excellent Change Management Correlates With Success

7X

More likely to
achieve project
objectives

4.6X

More likely to
stay on or ahead
of schedule

1.4X

More likely to stay
on budget on or
under budget

Source: Prosci Research Hub ©2023

Our tailored approach combines proven approaches, expert change management insights, and scalable tools that enable your organization to:

- **Align leadership around a common vision.**
- **Build change capability across the organization.**
- **Accelerate user adoption and minimize resistance.**
- **Protect your technology investment.**
- **Deliver measurable business outcomes.**

Through structured change management, your organization will implement technology successfully while transforming how people work—creating sustained performance improvements that provide a competitive advantage.

The implications are clear: Effective change management isn't a nice-to-have. It's essential for protecting your ERP investment.

Drive ERP Success With Change Done Right

The success of your ERP implementation or digital transformation ultimately depends on your people's ability to adopt, use and optimize the new technology. By integrating change management principles from the beginning, you dramatically improve your chances of realizing the full ROI of your investment.

As you plan your next digital transformation initiative, remember that technical excellence alone isn't enough. The organizations that lead their industries consistently balance technological innovation with intentional people-side strategies. Through this integrated approach, you'll create a true organizational transformation that delivers measurable business value.

Ready to lead the way to successful ERP and digital transformations? Contact us to learn how we can help your organization grow stronger from change.

Transform Your ERP Investment Into Business Value

Change Done Right means bridging the gap between technology implementation and user adoption. At Prosci, we partner with organizations to ensure your significant ERP investment delivers the results you expect.

Our enterprise solutions combine research-backed methodology, expert advisory services, and capability building that addresses both technical and people sides of change. With Prosci as your partner, you'll not only implement successfully—you'll create an organization stronger and more resilient for future transformations.

Contact us today to discover how our tailored approach can help you achieve measurable success with your ERP or digital transformation initiative.



Have questions?
[Contact us](#) to learn more.

Follow Us:
[in](#) [v](#) www.prosci.com

Prosci

© Prosci, Inc. All rights reserved.