INFORMATION-PAPER

Vorschau

5 main risks when implementing SAP S/4HANA

How method, experience and tools drive a successful S/4HANA transformation.

Foreword

Since its market launch in 2015, SAP S/4HANA has established itself as the central foundation for the digital transformation of many companies. With its real-time processing, modern user interface and high level of integration capability, it promises not only increased efficiency but also strategic sustainability. However, the reality of the projects paints a different picture: Only a fraction of transformation projects run on time and within budget - and even fewer fulfill the originally defined business benefits.

In our day-to-day work with customers from a wide range of industries and of all sizes, we repeatedly find that the success of an **SAP S/4HANA project** depends less on the technology and more on strategic preparation, a methodical approach and organizational anchoring. The decisive factor is not whether you switch to SAP S/4HANA - but how.

This white paper highlights the five main risks that we believe determine project success or failure: Budget Overrun, Time Delay, Technical Complexity & Data Migration, Change Management and Lack of Value Realization. For each of these risks, we provide a practical insight, supplemented by study results, case studies and concrete solutions from our day-to-day project work at AKQUINET.

We invite you to use these insights as inspiration for shaping your own transformation strategy— with the goal of navigating your SAP S/4HANA journey safely through risk zones and creating real business value.

Key questions

How can budget overruns be avoided?

What causes delays?

How is technical complexity made manageable?

What does effective change management need?

How can sustainable value realization be achieved?

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1.   Budget overrun (financial risk)

SAP S/4HANA implementation projects harbor a significant financial risk, as many companies systematically underestimate the actual effort and costs. In a study by Horváth, **60%** of the companies surveyed reported significant deviations from the budget and schedule - **25%** exceeded the budget significantly and a further **40%** significantly [horvath-partners.com]. DSAG also points out that budgets that are set too tightly regularly lead to bottlenecks and missed targets [dsag.de].

A key driver of these budget deviations is unrealistic optimism: many project managers underestimate the complexity and duration of an S/4HANA project in the early stages. What appears to be a lean calculation in theory turns out to be a highly complex transformation project in practice. With realistic assumptions, the project plan would often be very different. In addition, the initial requirements are often set too low. As the project progresses, it then becomes apparent that processes, data quality, integrations and customizations are much more complex than originally assumed. This dynamic leads to *scope creep*, i.e. the creeping expansion of the project scope, with correspondingly rising costs.

Another aspect is the widespread practice of **tactical budgeting:** in many cases, projects are deliberately submitted for approval with budgets that are set too low - on the assumption that they will not be stopped once they have started, even if the actual costs increase significantly. In this early phase, there is often a lack of a reliable business case calculation and a clear assessment of potential financial risks.

There is also a systematic cause on the provider side: **profits from supplements.** Many implementation partners know that the highest margins are not in the initial scope of the contract, but in later change requests and extensions. If these supplements are not anticipated or contractually regulated, additional costs are incurred that further undermine budget planning.

Finally**, weaknesses in project management** - for example in decision-making or controlling changes in expenditure - further increase the financial risks. From AKQUINET's point of view, this is evident in many projects: Realistic cost planning in phase 0, transparent governance structures and an early risk assessment of the overall project are crucial in order to avoid budget overruns later on.

> To prevent budget overruns, it is crucial to conduct a detailed analysis of the current state and the future target architecture as early as the pre-project phase (Phase 0). AKQUINET supports this with a comprehensive Phase 0 analysis that thoroughly captures business processes, the existing system landscape, and functional requirements.

> The SAP Activate methodology provides a structured framework for accurate budget and resource planning. Additionally, value chain analyses help identify process areas with the highest value contribution, enabling clear prioritization from the outset.