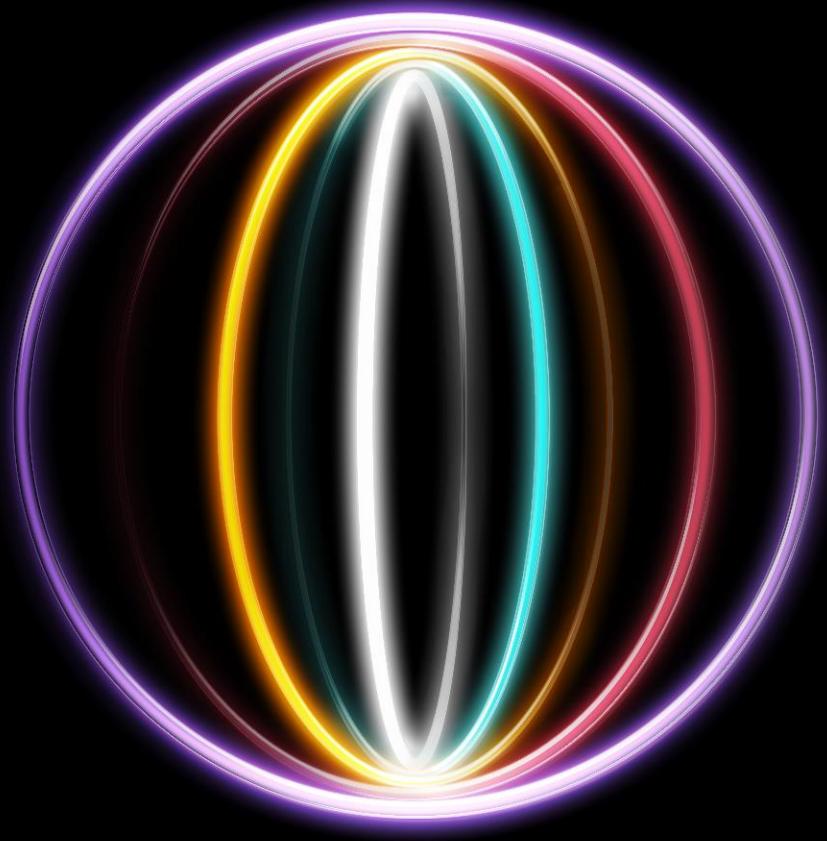


Deloitte.



GBS-enabled ERP Transformation

Refer to Deloitte Series on Business-led ERP Transformation 2024 [↗](#)

Thought Leadership | Denmark 2025

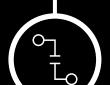
ERP Transformation | Drivers of organizational transformation

Organizations can unlock greater value from their ERP Transformation Journeys by aligning solutions with business goals, connecting processes seamlessly, and driving GBS-enabled transformations to integrate IT with organizational needs

Case for change



Organizations invest significant resources in implementing ERP systems, yet they frequently **FALL SHORT OF REALIZING THEIR FULL POTENTIAL VALUE**



In our experience, the primary challenge lies in the **DISCONNECT BETWEEN TECHNOLOGY, BUSINESS PROCESSES AND OPERATING MODEL**, resulting in solutions misaligned with organizational need



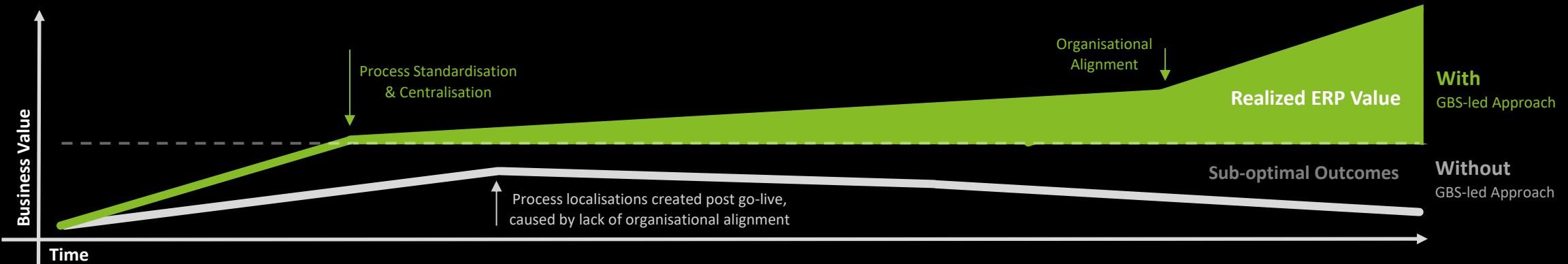
To unlock full value, **ORGANIZATIONS MUST PURSUE GBS-ENABLED ERP TRANSFORMATIONS** that align IT, processes, and organizational needs

87% of Senior Business Leaders* aim to realise value by Digital Transformation and Innovation. Organisations are increasingly facing digital disruption. Business transformations are driven by the need to adopt new digital technologies and innovate to stay competitive

62% of Organisations* Put a Focus on Improving Operational Efficiency and Agility. Agility is crucial in a rapidly changing business environment. Business transformations help organisations respond quickly to market changes, customer demands, and opportunities.

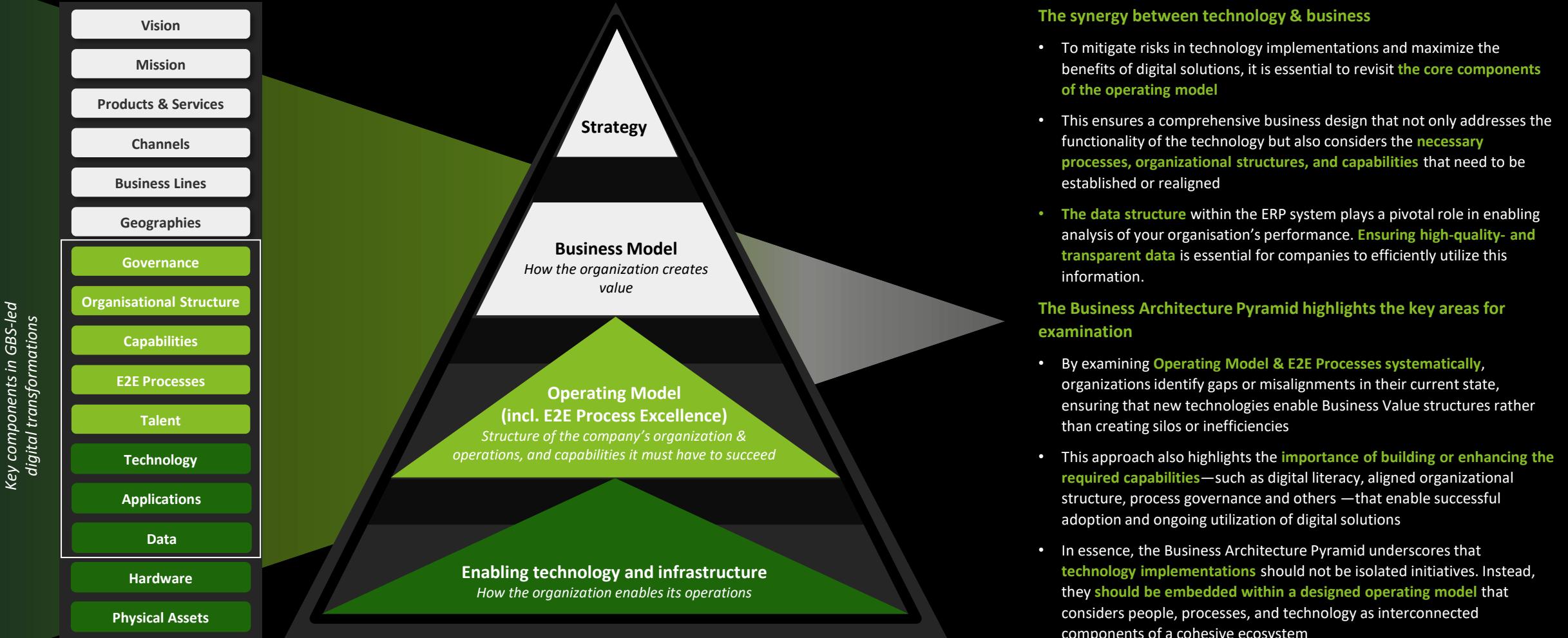
Finance Cost Reduction from 1.8% to 1.1% through GBS-enabled Transformation.** At Deloitte, we've seen GBS-enabled transformations reduce finance costs by streamlining processes, leveraging digital technologies, and enhancing operational efficiency.

GBS-led transformation enable organisations to realise full value (illustrative)



ERP Journey Capabilities | A GBS-led approach to maximize value of digital transformations

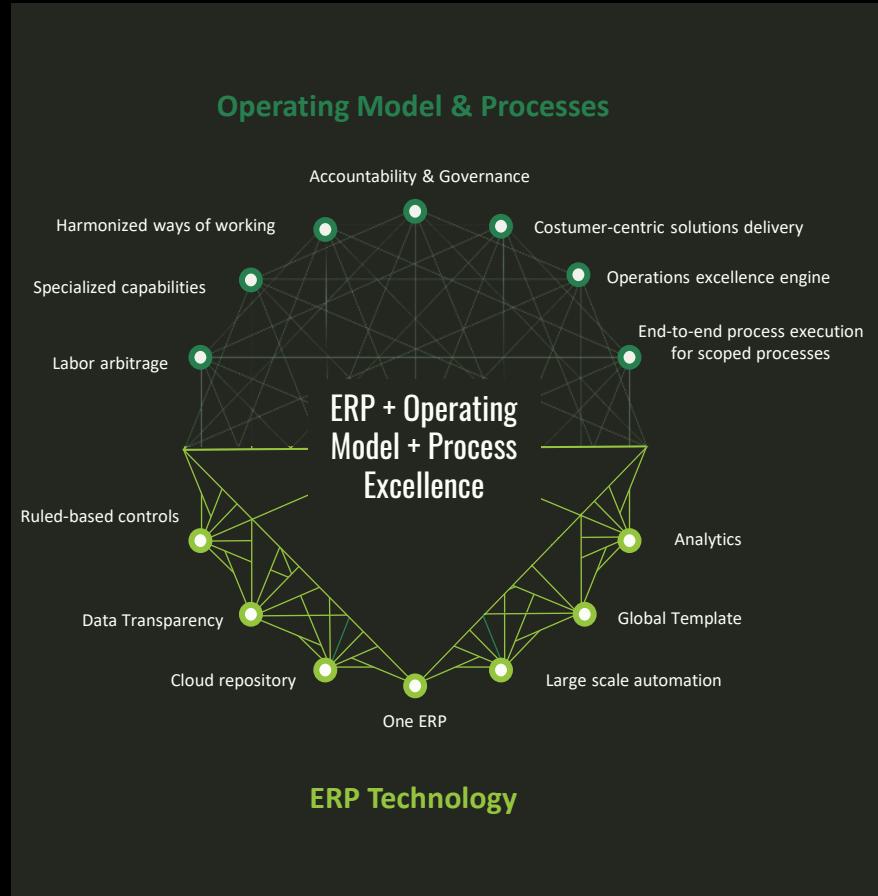
Technology alone cannot deliver business case benefits. To achieve full technological efficiency as well as organizational value, one must align end-to-end processes to the operating model



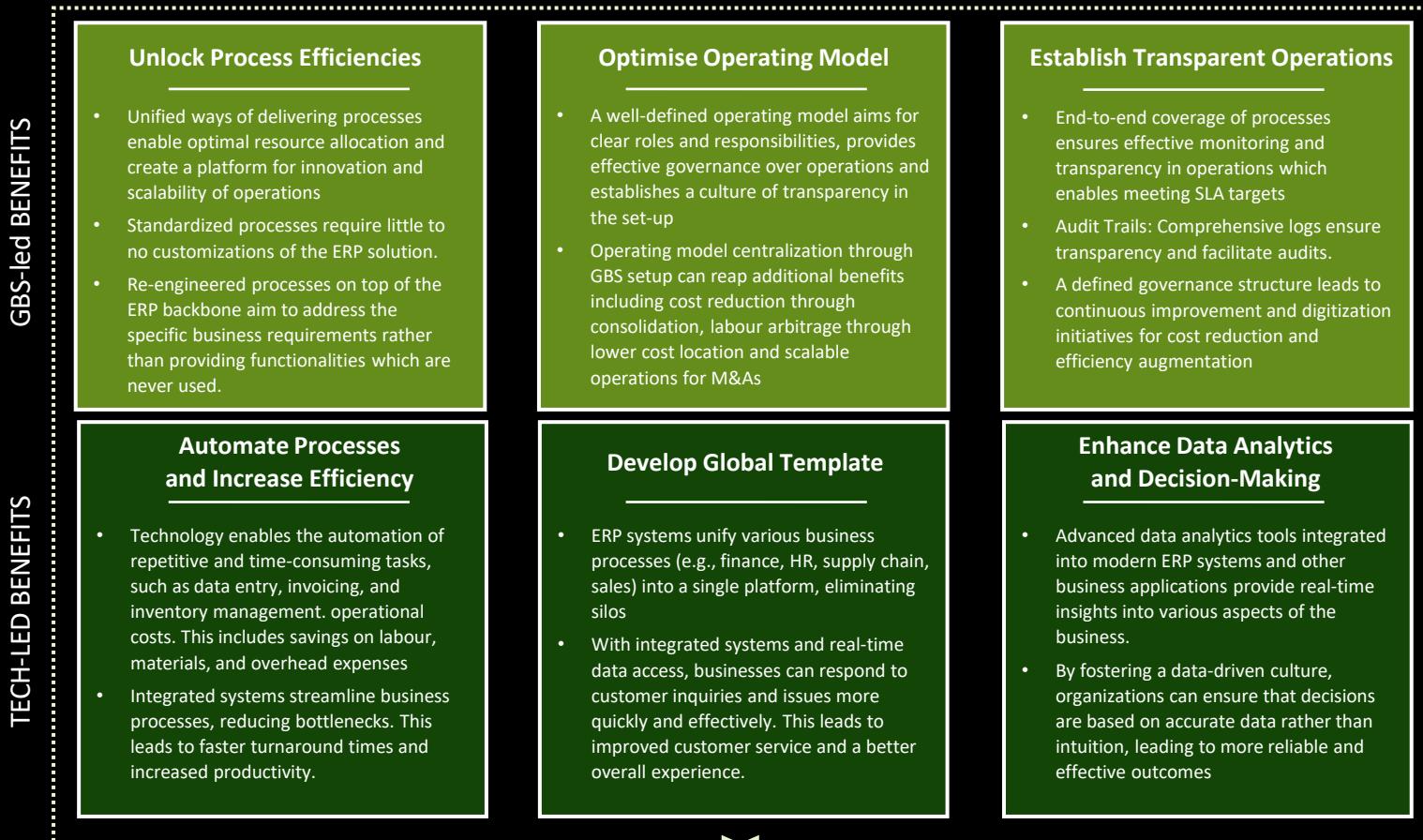
Key Benefits | Tangible examples of GBS-enabled transformation benefits

GBS-enabled ERP transformations anchored in re-engineered processes and organizational centralization deliver measurable ROI by streamlining operations, enhancing scalability, and driving enterprise-wide alignment for sustained efficiency and growth

Business & Tech Cross-Dependencies



Leveraging business-driven & tech-enabled benefits



BENEFITS*

~15-25% efficiency unlocked through process harmonization/ simplification and redundancy reduction

~ 10-15% benefits realized through centralization

Reduction in **Total Cost of Ownership** owing to Unified ERP landscape
~ 30-70% cost reduction through labour arbitrage (in case of lower cost location)

* Benefits generated in Deloitte-run projects within finance organisations

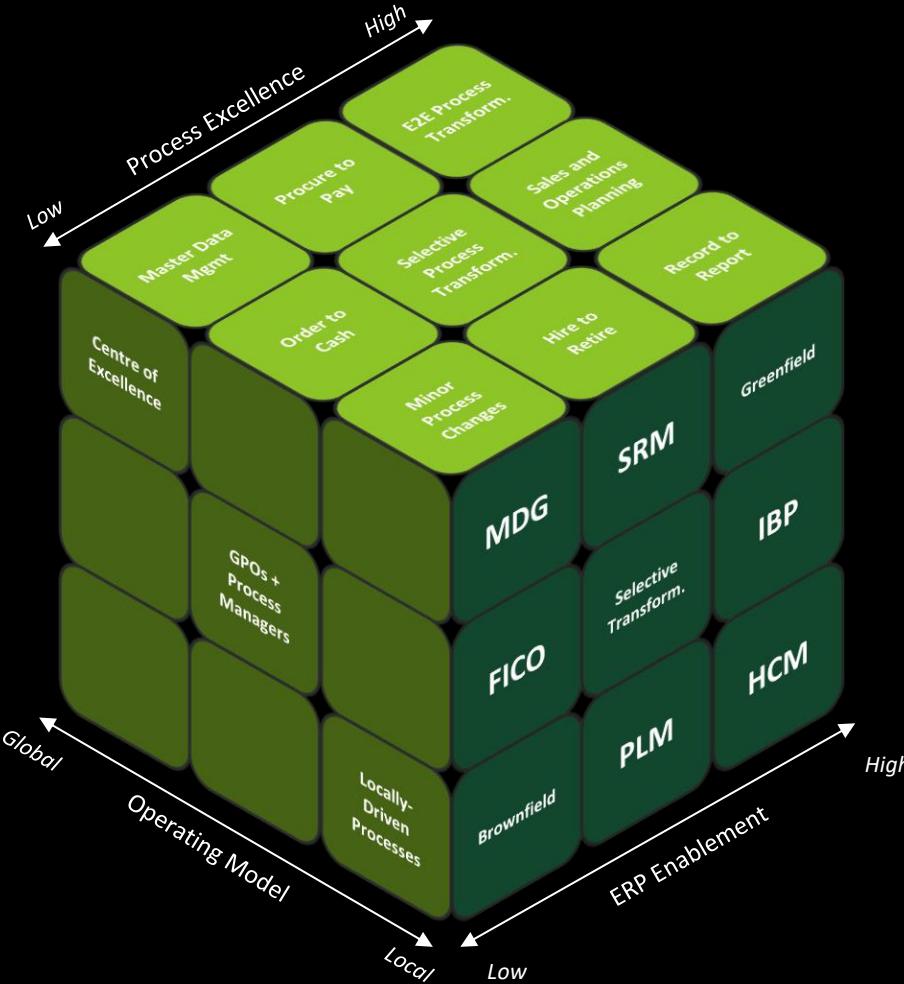
Our Approach | Utilise Organisational & Process alignment every step of the ERP Journey

Ensuring that the operating model and organisational processes remain fully aligned at every stage of the ERP transformation enables organisations to unlock their full potential and value

| OUR METHODOLOGY | LAY THE FOUNDATION | DESIGN & REFINEMENT | BUILD | TRANSITION AND STABILIZE |
|--|--|---|---|--|
| TECH-ORIENTED APPROACH FOR S/4 HANA  <i>Value capture</i>  | <ul style="list-style-type: none"> Assess current systems and processes Define project scope and objectives Establish governance and project team Develop a detailed project plan and timeline Build Value Case for the solution | <ul style="list-style-type: none"> Conduct workshops to gather requirements Design future-state processes and system architecture and document specification Validate design with key stakeholders Refine and finalise the design functional documentation | <ul style="list-style-type: none"> Configure S/4 HANA system based on design specifications Develop custom enhancements and integrations Perform unit and integration testing Prepare data migration strategy and tools | <ul style="list-style-type: none"> Execute data migration and system cutover Conduct user training and change management activities Monitor system performance and resolve issues Stabilise operations and transition |
| <i>enabled through...</i> OPERATING MODEL DESIGN  <i>Value capture</i>  | <p>Analyse Current State & Align on End-state Operating model</p> <ul style="list-style-type: none"> Define the ambition for centralization Mobilize global process ownership model for design enablement Agree on high level process splits between local and centralized org. Quantify the operational benefits, efficiency gains, and develop business case | <p>Design To-Be Organisation</p> <ul style="list-style-type: none"> Develop the org structure and roles of the future operational team to align with ERP functionalities & peripheral systems Define the FTE sizing and governance structure for the centralized org for operational delivery Develop the hiring and transition roadmap | <p>Activate Operate Organisation</p> <ul style="list-style-type: none"> Prepare the future office set-up with physical infrastructure and contracting Ensure IT infrastructure readiness for the new hires Establish the governance structure for hiring new employees Detail out the transition and go-live tasks for seamless transition | <p>Establish the To-Be organization</p> <ul style="list-style-type: none"> Initiate hiring of the to-be organization employees Manage Knowledge transfer, work shadowing and go-live on the new system and processes Establish the governance set-up to review the transition and go-live Track the performance of the processes which have been stabilized |
| <i>enhanced with...</i> PROCESS-TRANSFORMATION  <i>Value capture</i>  | <p>Define Taxonomy & Understand Current Maturity</p> <ul style="list-style-type: none"> Develop the process taxonomy and identify the ERP scope Document the pain points & existing maturity from E2E perspective Measure existing KPIs against benchmarks Prioritise Process Initiatives Establish initiatives and define roadmap Document redundant process variants | <p>Design Processes Based on Industry & SAP Best Practice</p> <ul style="list-style-type: none"> Design customer journeys and end to end processes Re-imagine end to end processes with the lens of harmonized service delivery Define business requirement and develop functional requirements document Risk & Controls Design & Automation | <p>Maintain & Update the To-Be Process Design</p> <ul style="list-style-type: none"> Track the progress of build and check whether the solution designed is as per the To-be design Support in User Acceptance testing Dynamically track the process variants to limit local variants and deviation | <p>Continuously Improve Processes Utilising Process Data Insights</p> <ul style="list-style-type: none"> Continuous Process Excellence utilising available process tools, and process automation solutions Efficiency Enhancement Initiatives with use of strong ERP governance solution, and gaining real-life process insights |

Combine Key Transformation Components in Practice | How to approach transformation

Based on the business needs, maturity level and risk profile, it is suggested to determine the degree of transformation and the approach to take across three key dimensions: Operating model changes, process changes, and ERP transformation from a technology perspective. Each option offers distinct benefits and involves unique risks.



Choosing the Right Approach

When embarking on an end-to-end GBS-enabled ERP transformation, organizations must navigate different paths based on their **maturity, ambition, and risk appetite**. The key lies in balancing operating model, process excellence, and ERP enablement to drive sustainable value.

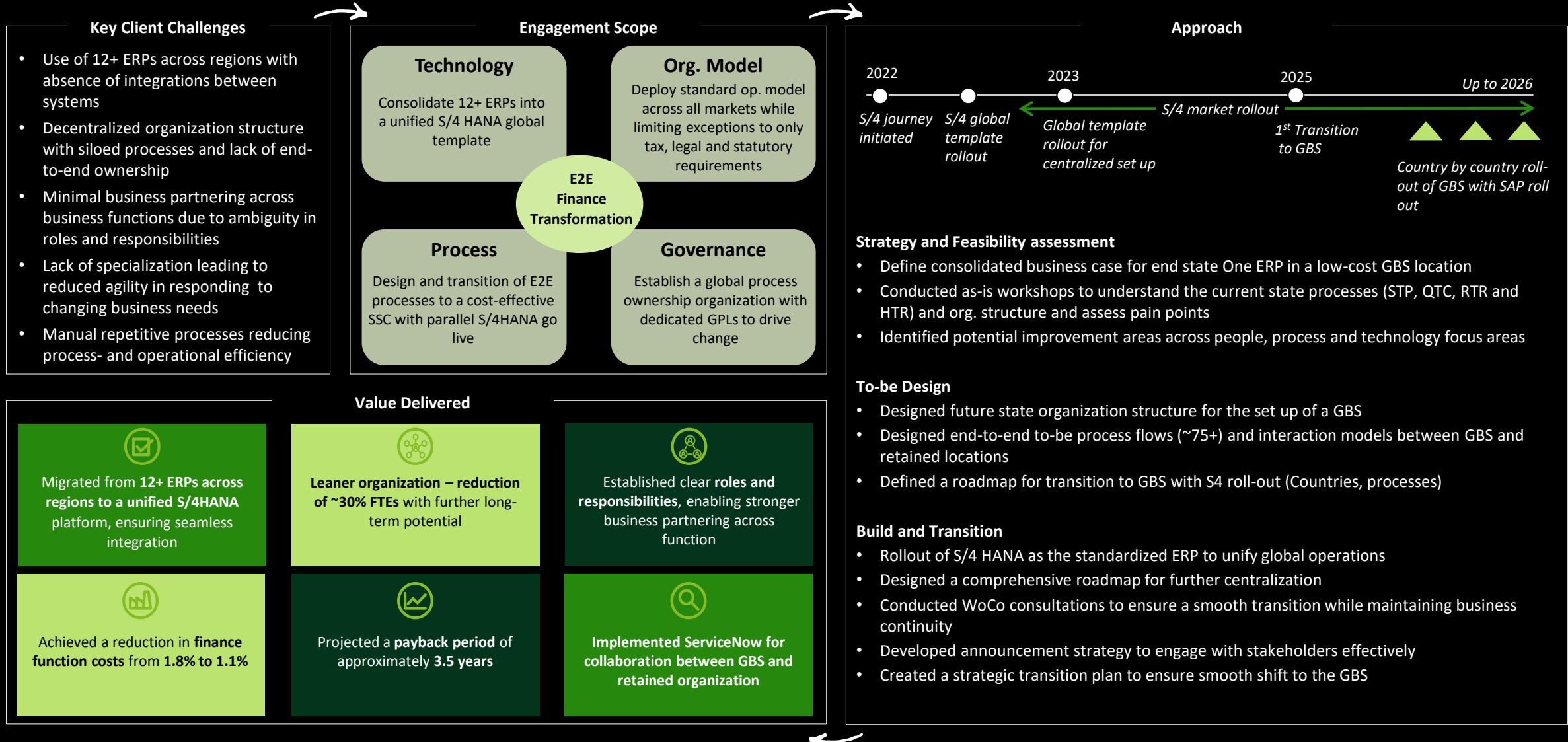
Although, there is not one answer and one solution-fits-all, a successful transformation starts with a clear understanding of **end-to-end processes, ownership within the business, and the level of centralization desired**.

- Companies with well-defined, mature processes can focus on **selective transformation**, optimizing specific areas while maintaining existing structures.
- Others may opt for a **greenfield approach**, redesigning their entire operating model, and data structure for maximum agility and scalability.
- Ensure involvement of **GBS organizations** from the start of journey so that they become catalysts to this journey instead of outcome takers

Ultimately, the right approach ensures that all business areas collaborate effectively, leveraging ERP as a strategic enabler rather than just a technology upgrade.

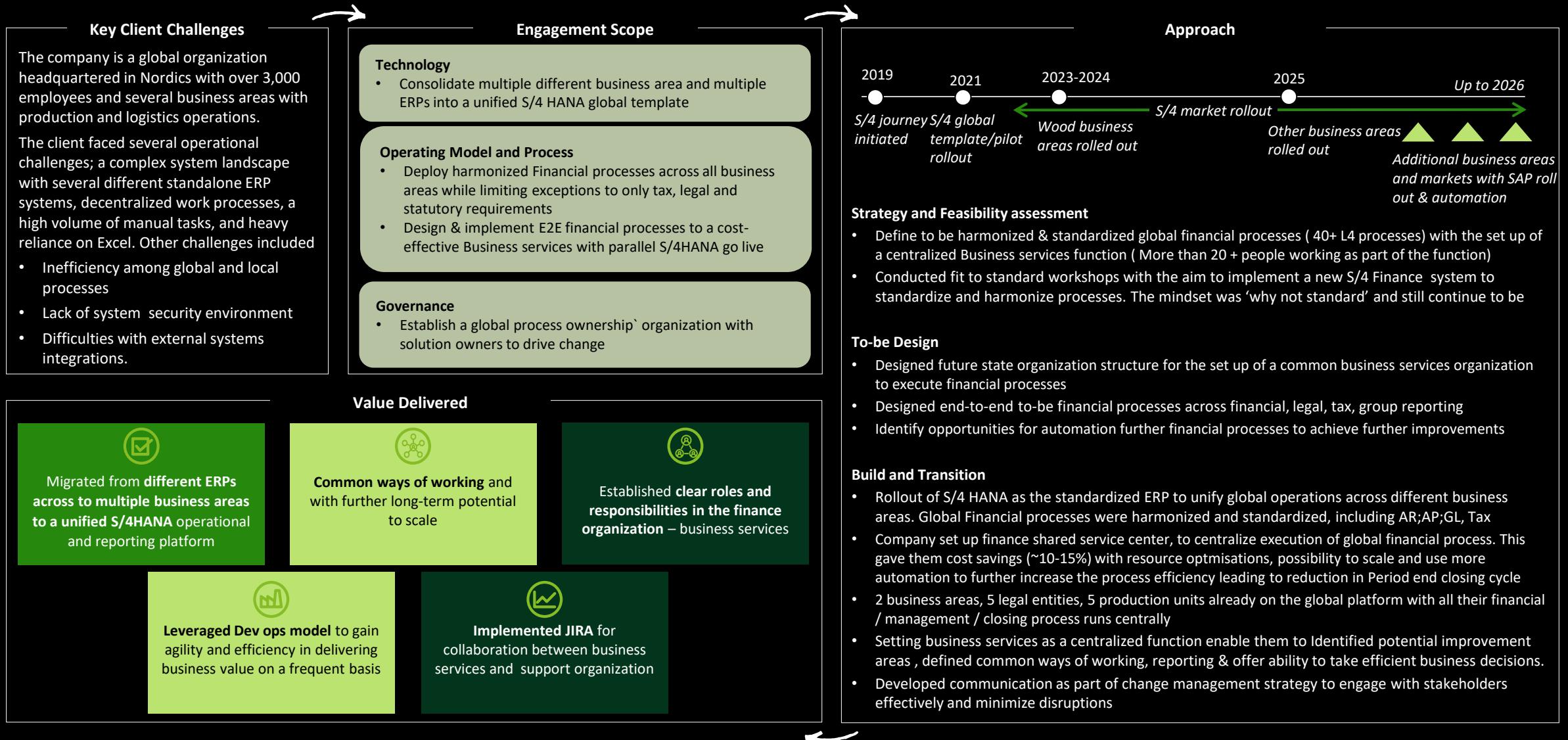
Client Case 1 | Finance Transformation for a Consumer Company

End-to-end finance transformation covering strategy, build, design and transition phase to new operating model & processes



Client Case 2 | Finance Transformation for an Industrial Products company

End-to-end finance transformation covering operating model design



TECHNOLOGY & TRANSFORMATION



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