The Cloud ERP Consideration Guide

As a business executive, you are considering a digital transformation project with a Cloud ERP (Enterprise Resource Planning) solution at its core. Maybe you have not even gotten this far in the consideration journey and are just feeling the pain and disruption of old, outdated, or underpowered business systems.

To move your business forward on a strong technical footing, it's critical to ask strategic, operational, technical, and financial questions. Here's a detailed guide of questions your executive team needs to be considering to move the conversation forward. These steps are organized by key focus areas:

Step 1: Strategic Vision and Business Alignment

Anchor ERP discussions in enterprise ambitions.

- **What are our strategic goals, and how can a next-gen Cloud ERP support them?**
  - Understand whether a modern ERP solution aligns with long-term business goals - growth, global expansion, agility, mergers/acquisitions, or improving customer experience.

- **How will this transformation differentiate us in the market?**
  - Consider how digital tools, optimized processes, and the use of automation might give you a competitive edge - more efficient supply chain and inventory, faster time to market, better analytics, or customer service.

- **Are we solving problems or simply copying old processes onto new systems?**
  - Ensure you're addressing underlying inefficiencies, not just replicating outdated processes in new software.

# Step 2: Operational Readiness

ERP is as much about people and processes as it is about software.

- **Are our internal processes standardized or highly customized?**
  - Standardized processes are easier to migrate. If highly customized, ask: Can we adapt to best practices embedded in the ERP? Are we still using these custom processes, or are they just holdovers?

- **Who will champion this change internally?**
  - Executive sponsorship and stakeholder engagement are key. Ask: Who owns the success of this transformation?

- **Do we have the talent and culture for digital change/change in general?**
  - Evaluate team readiness. Will there be a learning curve? Do you need change management or training programs?

Step 3: Cloud ERP Evaluation

Not all cloud models are created equal.

- **What type of Cloud ERP is best for our needs (public, private, hybrid)?**
  - Different models offer trade-offs in control, cost, and scalability. Know what matters most for your business.

- **How scalable and flexible is the solution?**
  - Can the ERP adapt to new products, locations, entities, or compliance requirements without major overhauls?

- **Does the ERP vendor specialize in our industry?**
  - Solutions like SAP Cloud ERP often offer industry-specific capabilities that reduce the need for customization.
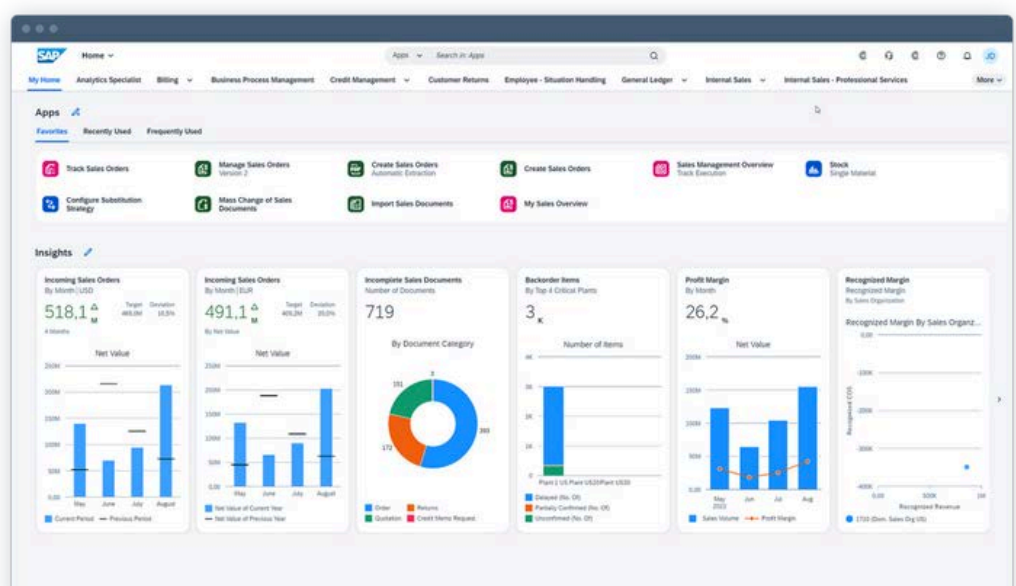
Step 4: Security, Compliance, and Risk

Digital trust is non-negotiable.

- **How does the solution handle data security, privacy, and compliance?**
  - Ensure adherence to regulations like GDPR, SOC 2, or HIPAA, depending on your industry.

- **What is the disaster recovery and uptime guarantee (SLA)?**
  - You need clear answers on business continuity and risk mitigation.

- **Who owns and controls our data?**
  - Ask about data portability, backup access, and exit strategies in case of vendor change.
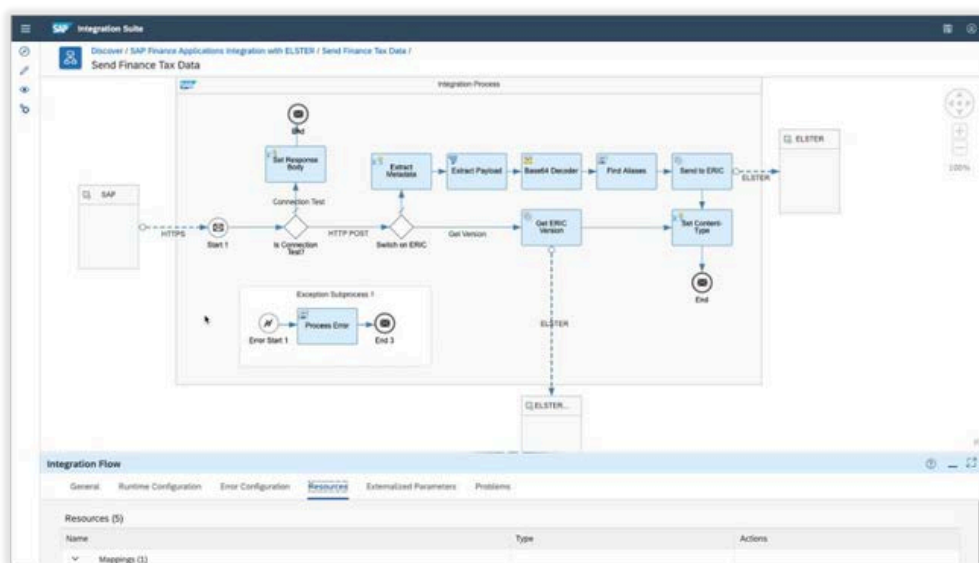
Step 5: Financial and ROI Considerations

ERP investments must be justified beyond licensing costs.

- **What is the total cost of ownership (TCO)?**
  - Go beyond licensing; consider implementation, customization, training, support, and upgrades. As well as savings in infrastructure and personnel (less consultants and IT resources focused on keeping the system running) when moving to a Cloud ERP solution

- **What ROI should we expect, and in what timeframe?**
  - Ask the vendor for reference cases, benchmarks, and realistic payback periods.

- **How are future upgrades and innovations handled?**
  - Will you benefit from continuous updates and AI/ML innovations without costly reimplementation?

Step 6: Implementation and Change Management

Technology alone does not guarantee transformation.

- **What is the estimated implementation timeline, and what resources will we need?**
  - Understand milestones, dependencies, and potential risks.
  - Time commitment from your current team, will you need 3rd party resources to help?

- **How will the ERP integrate with our existing systems (MES, PLM, etc.)?**
  - Seamless data flow is critical. Ask about APIs, middleware, and prebuilt connectors for both internal and 3rd party systems (EDI, Amazon, Shipping, Shopify…)

- **What support is available during and after implementation?**
  - Evaluate onboarding, support tiers, customer success, and partner ecosystem.

Step 7: Future-Proofing

Transformation is a journey, not a milestone.

- **Will this ERP solution support emerging technologies (AI, automation, IoT)?**
  - Your ERP should grow with you. Ask about the roadmap and innovation pipeline.

- **How often will we revisit our digital roadmap post-implementation?**
  - Transformation isn't one-and-done. Plan for continuous improvement and optimization.

If you have questions about this guide or cloud ERP in general, connect with our experts!

About Navigator Business Solutions

Organizations turn to Navigator Business Solutions when outdated processes and systems hinder their ability to grow and adapt. Navigator has guided more than 300 organizations through ERP transformation, simplifying complexity while accelerating time-to-value. With two decades of expertise and a fit-to-standard approach, Navigator delivers SAP Cloud ERP solutions tailored to industry realities.

Preconfigured best practices, combined with a workshop-driven methodology, help clients unlock agility, insights, and performance faster and with less risk. For growth-driven companies, Navigator is not just an implementation partner, but a strategic enabler of long-term success.