

# FIVE OBJECTIONS TO MOVING YOUR ERP WORKLOADS TO THE CLOUD AND HOW THE RIGHT MSP CAN OVERCOME THEM

FROST & SULLIVAN VISUAL WHITEPAPER  
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## Introduction

If the last 18 months in business taught us anything, it's that agility matters. Business must have resources in place to pivot as needed, both today and in the future, and those without a plan may not survive the next disruption. But today's technology is complex. A resilient digital enterprise requires multiple infrastructures, platforms and services, and making them work together may call for new skill sets that even modern IT departments find in short supply. Getting the technology foundation right is even more important for business-critical applications like Enterprise Resource Planning (ERP)—which entails sensitive data that must be protected during migration, but also must be moved with minimal downtime to ensure business continuity.

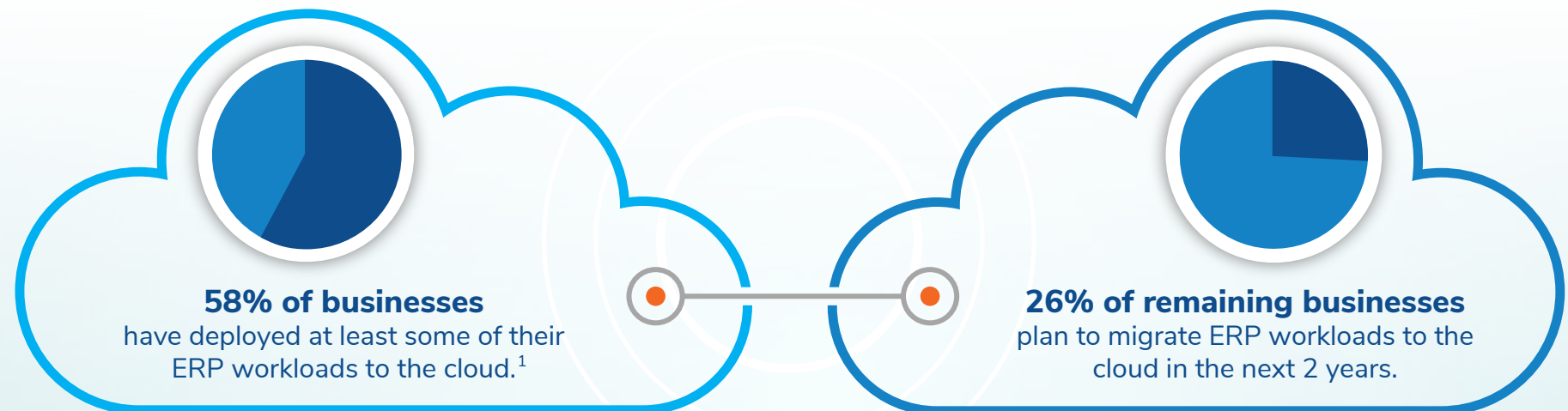
For those in charge of the digital journey, there's something personal at stake. Decisions you make can impact your corporate reputation as well as your own career. If you haven't fully digitized your business, you're at a crossroads. Any delay can put you behind competition, and a misstep can limit business growth and customer experience.

**A MANAGED SERVICE EXPERT CAN HELP YOU CONFIDENTLY STEP INTO THE NEXT ERA** of IT and ensure that your business is prepared to weather the next disruption that comes—whether next week, month, year, or in the years to come.



## Moving ERP to the Cloud

For many businesses, few workloads are more critical—and complex—than ERP systems, the workhorses of business operations. For the approximately 80,000 businesses that have long-relied on powerful ERP applications from leaders such as SAP and Oracle, this presents a dilemma. Moving to the cloud means access to new and flexible technologies, greater accessibility by employees regardless of location, and enhanced security and compliance. But the move itself can mean business disruption if not managed well.



1. Frost & Sullivan surveyed 763 decision-makers/ influencers for ERP systems deployment and upgrades in large organizations

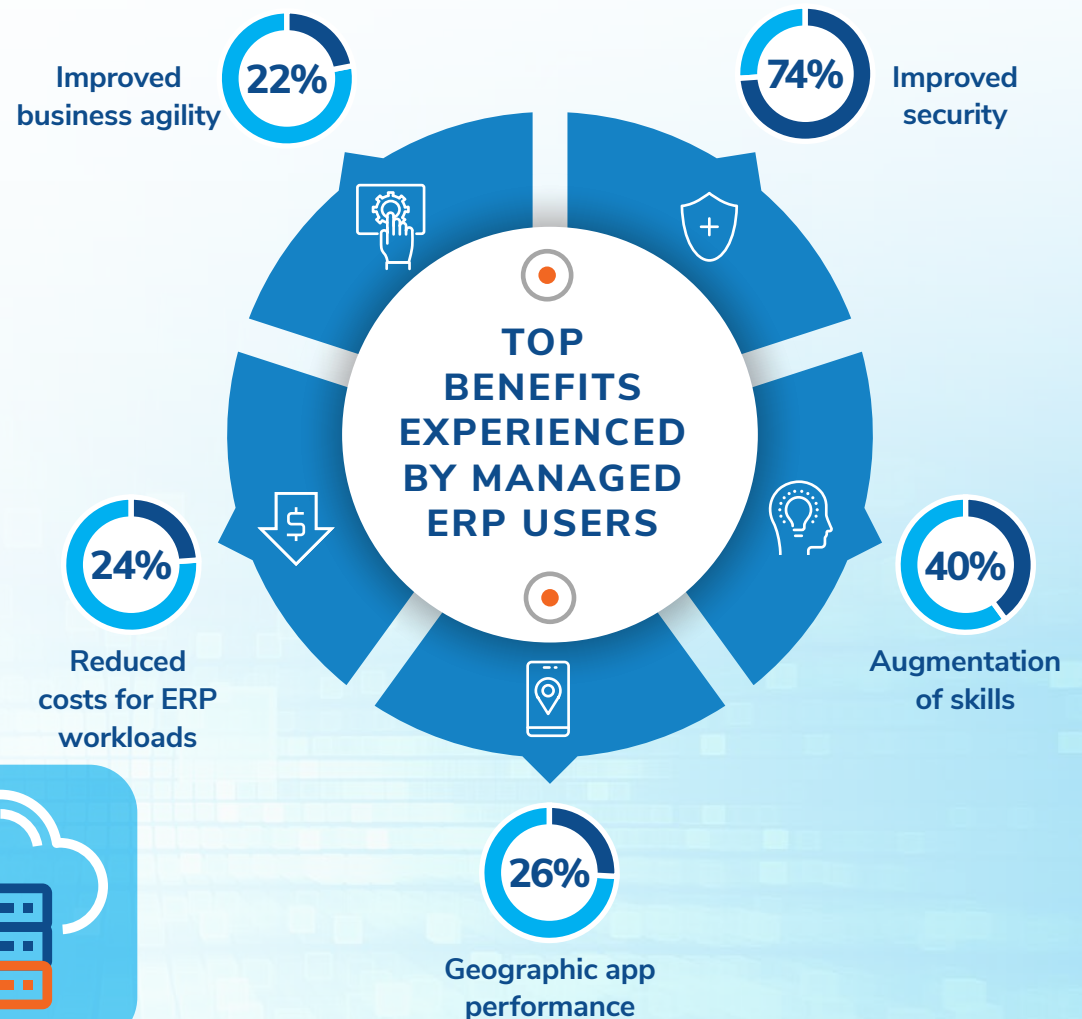
## Why Managed Services on the Cloud?

Many businesses struggle to migrate these data-intensive workloads successfully to the cloud without disrupting the business.

As a result, IT decision-makers planning a move of critical ERP workloads to cloud often face tough and detailed scrutiny among their own staff, business stakeholders, and company leaders. Respondents to the Frost & Sullivan survey cited business-impacting challenges that were both perceived and actual.

To overcome the challenges and gain a competitive edge, a growing number of organizations are turning to managed services providers (MSP). By partnering with an MSP, businesses are best positioned to address the concerns, gain the confidence of stakeholders, and deliver results.

Of all businesses surveyed by Frost & Sullivan, **36% are using an MSP to migrate and manage their cloud ERP workloads.**



On the following pages we address the top five challenges to moving ERP to the cloud, and how a managed services provider can help overcome them.

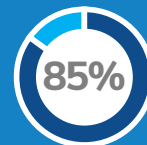
**OBJECTION  
#1****“I’ll just do it myself!”**

A common, initial view is the perception that cloud deployments are self-service. This belief can limit the initial preparation to tackle the move of critical ERP workloads to the cloud. Many businesses find migration of such large, legacy workloads more complex than anticipated. While procuring cloud instances is simple, managing the instances to ensure optimal performance for all users worldwide is more challenging. Businesses find that their in-house staff lack the expertise necessary to make the move successfully. Lack of expertise was cited as a challenge by 85% of non-cloud users considering a move to cloud for their ERP workloads.

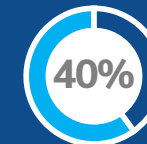
**THE MSP ADVANTAGE:** Among managed cloud ERP users, the majority rated their migration initiative as excellent or very good, and said the MSP added much-needed expertise to their in-house team.



of those who haven't moved to the cloud cited lack of expertise as hindering or stopping their migration.



of managed cloud users said their migration initiative was excellent or very good



said augmented skills was a key benefit of using an MSP for cloud ERP workloads

OBJECTION  
#2

# “I can’t ensure that my workload and data will be secure!”

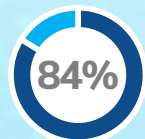
For potential cloud ERP consumers, ensuring the security of their workload and associated data is a critical requirement to moving their workloads to the cloud.

**THE MSP ADVANTAGE:** Among businesses that have deployed ERP in the cloud using an MSP, security is a top benefit as the MSP brings experience and best practices.

### Biggest Challenges for Non-Cloud Users When Moving ERP to the Cloud

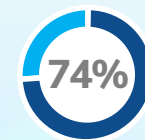


of non-cloud users said ensuring security



said regulatory compliance

### Biggest Benefit for Managed ERP Users



said enhanced security and compliance reporting





**OBJECTION  
#3**

**“I’ll lose control over my key workloads!”**

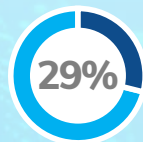
For some, the very idea of ceding control of their most sensitive and important workloads to a managed service provider may seem unthinkable. In fact, many businesses cite “loss of control over my workloads” as a key hindrance to migrating ERP to the cloud.

**THE MSP ADVANTAGE:** For businesses that have partnered with an MSP, the “loss” of control is a non-issue. A majority of managed ERP users said that their cloud ERP workloads performed better under the MSP’s management, and many also enjoyed the ability to re-focus their own staff on higher value projects.

**Key Challenges to Cloud ERP Migration Cited by Non-Users**

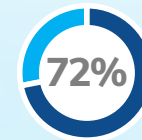


said loss of control over workload



said cultural adoption

**Key Benefits Experienced by Managed ERP Users**



cited better workload performance



cited ability to re-focus staff on high-value activities



cited faster time to value





OBJECTION  
#4

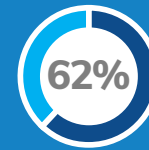
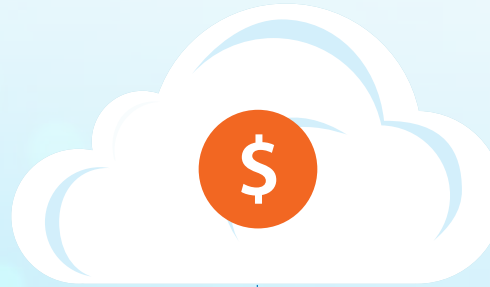
“If I hire someone to manage cloud ERP, my costs will go up!”

Some businesses focus on the topline costs to have an expert manage their cloud workloads.

**THE MSP ADVANTAGE:** Among actual managed cloud ERP users, a majority cite lower total costs under the MSPs guidance. By optimizing infrastructure, MSPs are often able to right-size and tune cloud deployments and suggest changes when needed—including turning down unused or underutilized resources. This can help contain costs and reduce infrastructure sprawl.



26%  
of non-users believe using an MSP for cloud ERP workloads will be cost-prohibitive.



62%  
of managed ERP users said the MSP was able to lower total costs for cloud ERP workloads.



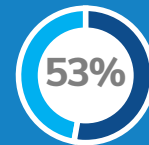
**OBJECTION  
#5****“If this fails, my career is shot!”**

It likely isn't at the forefront of many business discussions about digital transformation, but IT professionals know that their professional reputation—and the reputation of their business—as a leader or innovator within their industry can be significantly impacted by the success or failure of their digital transformation.

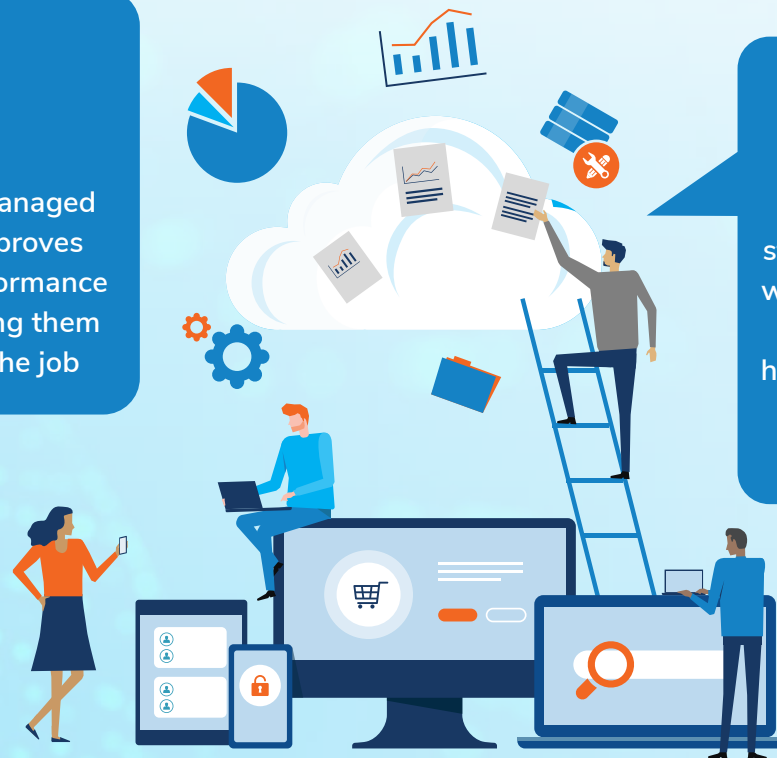
**THE MSP ADVANTAGE:** Almost half of managed cloud ERP consumers said that their managed service provider had helped them meet their company goals for business agility. Furthermore, they were being recognized as innovators in their industries, because they were able to redeploy resources to more strategic initiatives.



62%  
said that their ERP managed services provider improves visibility into app performance and operation, allowing them greater success on the job

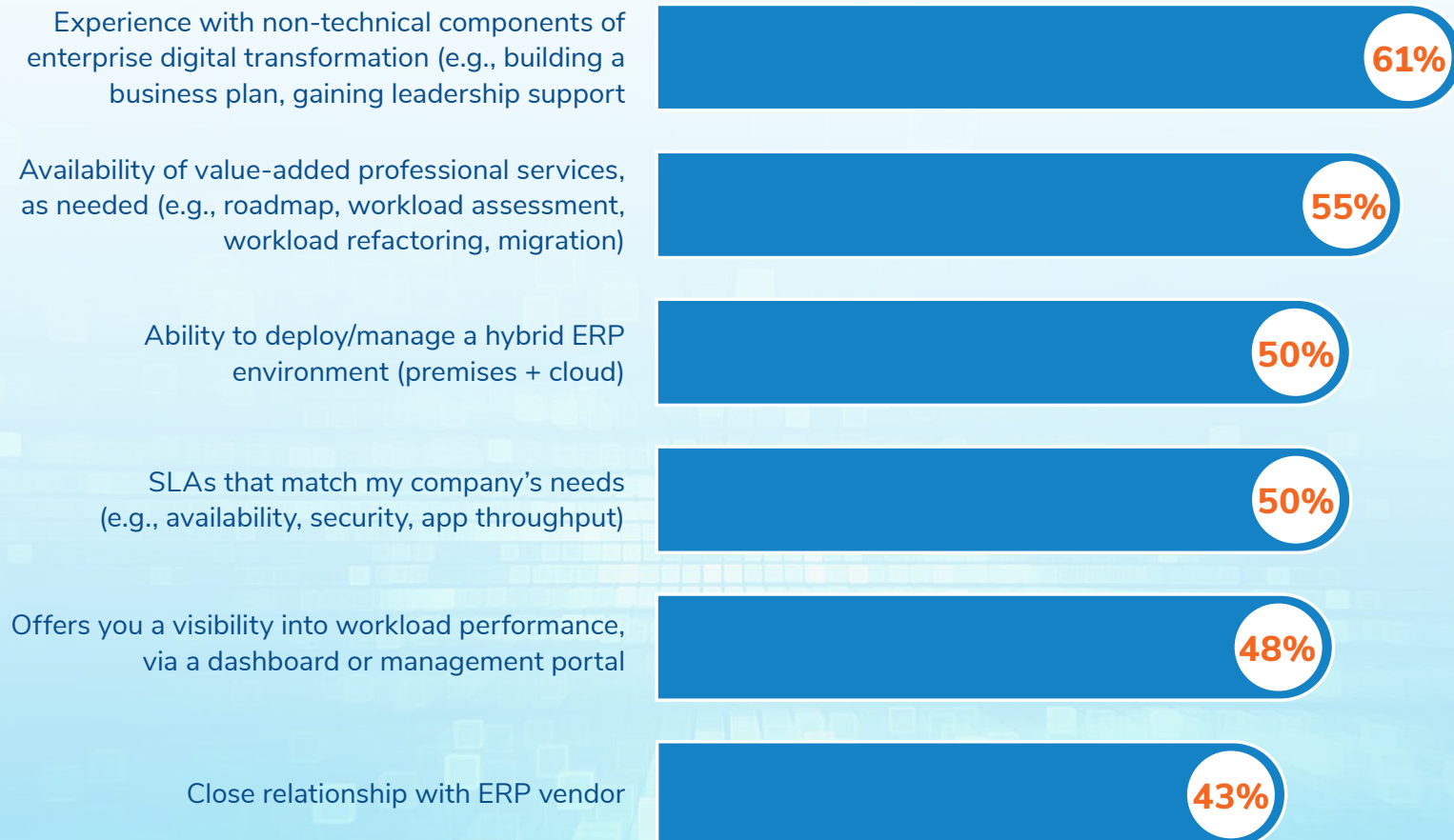


53%  
stated that partnering with an ERP managed services provider helps them reach their key performance indicators (KPIs).



## What are Businesses Looking for in an MSP?

Whether businesses have already moved their ERP workloads to cloud or are still in the planning stages, they have similar criteria when seeking a managed service provider. Businesses look for a provider that is a partner, has deep experience with technology and digital transformation and can be a trusted advisor along the journey.





## Choosing the Right Managed Cloud Services Provider

When it comes to migrating key workloads—like your ERP suite—to the cloud, what are the key factors a managed service provider should bring to the table? Consider:



- ▶ **Expertise in both the technology, and in professional services:** look for a provider with deep technology experience, as well as the practical background in successful deployments and complex app integrations to ensure a smooth migration.



- ▶ **Experience in offering a robust, integrated security experience:** Though data security may seem mere table stakes, not every managed service provider can demonstrate a high level of data security and a history of providing secure services and facilities to customers.



- ▶ **Understanding of building a strong business case:** Seek a managed cloud services provider that understands how to build a strong business case for managed services, and has developed tools and processes to help you use the cloud to your benefit through every aspect of your business model.



- ▶ **Relationships with technology providers:** Consider your managed cloud provider's relationship with the platform providers you choose. Those that are well-regarded by vendors like SAP and Oracle, and have strong relationships with them, will be best positioned to engage the platform provider for assistance when deploying unique configurations or difficult migration and can gain help with new reference architectures, technical support and similar assistance.

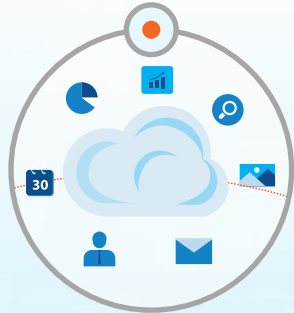


- ▶ **Ability to provide comprehensive solutions:** Your chosen provider should be able to manage any workload you wish to deploy or migrate, from the easiest email application to the most difficult ERP system. Having a provider that can handle both ERP and non-ERP workloads will help you get the cloud complete cloud solution that your business needs, regardless of what workloads that entails.

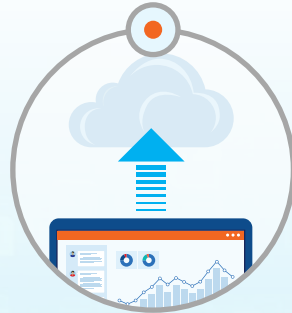
## The Last Word

While deploying mission-critical workloads like SAP or Oracle in the cloud may seem like a daunting proposition, engaging the assistance of a trusted managed cloud service partner can help ensure your success. Many businesses have turned to a skilled managed cloud services provider to gain valuable assistance in moving critical business workloads to cloud-based environments.

Those who have made the move to managed cloud services tout strong results, including:



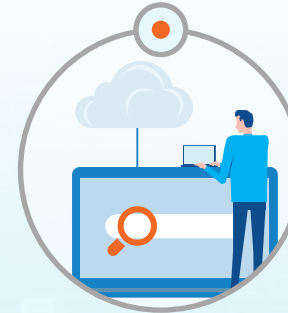
Optimal ERP workload performance



Faster delivery of cloud-based ERP workloads



Improved security and compliance



Enhanced business continuity and disaster recovery



Better service for internal and external customers

To achieve such positive results, businesses are choosing managed cloud providers with strong technical and consulting expertise, as well as broad and deep capabilities in security, application and data migration capabilities. **BY CHOOSING A KNOWLEDGEABLE PROVIDER, YOUR BUSINESS CAN ACHIEVE THE STRONG RESULTS ASSOCIATED WITH CLOUD MANAGED SERVICES.**

## NEXT STEPS



Learn more about what Kyndryl can do for you at  
[www.kyndryl.com](http://www.kyndryl.com)

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