IFS

The Business Transformation Lead's Guide to Legacy ERP Modernization in Manufacturing

With many solutions soon to become legacy with limited or no support, Business Transformation Leads in manufacturing face a defining cross-functional decision:

1. Do nothing and run the risk of being seriously compromised.

2. Commit to a costly, multi-year migration from the existing solution to its modern cloud counterpart.

3. Consider a more flexible, cost-efficient modernization strategy.

This decision is about more than technology – it's about orchestrating change that delivers measurable outcomes. For the Business Transformation Lead, priorities include benefits realization, adoption and change management (OCM), risk reduction, and business agility. The question is no longer about keeping pace with competitors; it's about ensuring the chosen approach delivers sustainable value without locking the enterprise into an expensive, inflexible commitment.

The Challenge:
A Complex and Costly Commitment

- **Prolonged Implementation Cycles:** Many migrations span 2–4 years, delaying time-to-value and pushing benefits realization further right on the roadmap while transformation teams are tied up in delivery.

- **Escalating Costs:** Upfront spend on licensing, infrastructure, partner services, data remediation, and training rises quickly. Indirect costs include competing change programs and OCM overhead across plants and functions.

- **Limited Flexibility:** Closed ecosystems constrain a composable strategy and make it harder to integrate best-of-breed MES, PLM, APM, and analytics while reusing what works today.

- **Operational Disruption & Change Fatigue:** Rebuilding processes and integrations from the ground up increases disruption risk and drains adoption energy—slowing standardization and continuous improvement.

The result? Transformation that consumes bandwidth and dilutes stakeholder confidence—reducing the capacity to deliver quick wins and cultural momentum.

The Opportunity:
Modernize Without Compromise

Purpose-built for manufacturers, IFS Cloud helps streamline production, scale smarter, and drive growth.

- Adopt an open, cloud-native architecture designed for integration, extensibility, and scale—supporting a composable operating model.

- Leverage built-in AI, automation, and role-based analytics to accelerate outcomes without heavy bolt-ons.

- Partner with a vendor whose roadmap is guided by customer outcomes—not locked-in commitments.

Why Legacy ERP Migration May Not Fit Your Manufacturing Future

For many manufacturers on legacy ERP, a shift to next-generation platforms is presented as inevitable. Transformation leaders are reassessing whether these programs truly enable rapid experimentation, standardized processes, and timely benefits realization in an AI-enabled manufacturing landscape.
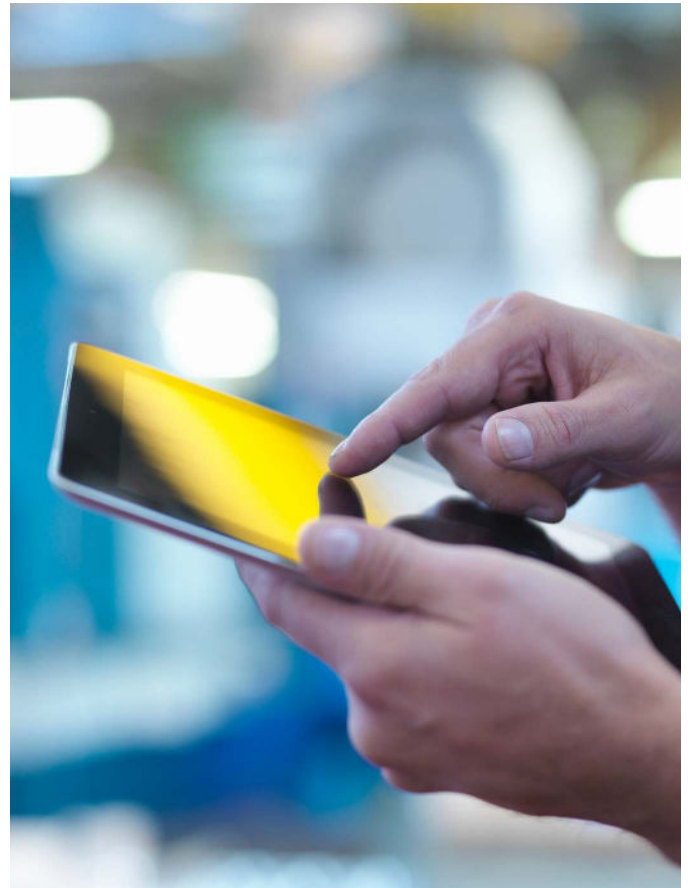
1. Project Complexity & Time-to-Value

- **Multi-Year Timelines:** 24–48 months of cross-functional effort delay value delivery and stall parallel improvement programs.
- **Disruptive Rebuilds:** Re-engineering custom workflows, integrations, and governance models requires extensive rework and change management.
- **Innovation Bottlenecks:** Core teams focus on ERP delivery while factory and customer-facing innovations wait in line.

2. Technology Constraints

- **Monolithic Design:** Tight coupling challenges domain-driven design and best-of-breed adoption.
- **Specialist Dependency:** Reliance on scarce certifications increases delivery risk and cost.
- **Vendor Ecosystem Lock-in:** Commercial and technical constraints reduce leverage and agility.

3. Cost Overruns & Hidden Risks

- **Rising TCO:** Subscriptions, custom development, integration layers, and data egress inflate run costs.
- **Contractual Lock-ins:** Long-term terms reduce leverage once onboarded.
- **Migration Ambiguities:** Data conversion, identity/SSO, and interface replication introduce delays and variability.

4. Missed Innovation & Adoption Windows

- **Gated Innovation**: Access to emerging capabilities (AI, event-driven automation) may lag or require extra licensing.
- **Integration Limits:** Composable strategies are harder when extensibility is constrained by proprietary tech.
- **Slow to Adopt:** Rigid architectures impede piloting, learning, and scaling change across sites.

Why Business Transformation Leads Are Turning to IFS Cloud

1. Purpose-Built for Manufacturing

- IFS Cloud aligns with manufacturing realities—from discrete to process, MTS to ETO.
- **Industry-Specific Capabilities:** Production planning, quality, shop-floor control, and supply chain orchestration with fewer heavy customizations.
- **Unified Platform:** ERP, EAM, FSM with a consistent experience.
- **Composable Architecture:** Deploy only what you need today (MRP, MES integration, aftermarket) and scale as you evolve.

2. Accelerated Time-to-Value

- Preconfigured templates and agile methods help go live in months, not years.
- Proven migration frameworks minimize downtime across production, inventory, and logistics.
- **Built for Change:** Pivot with reshoring, sustainability mandates, or supply volatility—without replatforming.

3. Intelligence Embedded in Every Workflow

- Built-in AI for predictive maintenance, intelligent scheduling, and demand forecasting—no bolt-ons required.
- **Real-Time Visibility:** Role-based analytics across lines, warehouses, and supplier networks.
- **End-to-End Control:** From capital projects to service, maintain observability and governance.

4. Change Enablement & Governance

- Faster adoption through consistent UX, role-based processes, and best-practice templates.
- Reduced change fatigue by sequencing value in manageable waves and leveraging open integration patterns.
- Clear benefits tracking with dashboards that tie operational KPIs to program outcomes.

IFS Cloud isn't just an ERP; it's a platform to modernize core operations while enabling composable architectures, measurable benefits, and sustained adoption.

Recommendations & Next Steps for Manufacturing Leaders

1. Assess the Fit: Is IFS Cloud Right for Your Transformation Roadmap?

- Run a Rapid Fit Assessment covering process scope, integration landscape, change impacts by function/site, and cloud strategy.
- Map data reuse and migration options alongside operating-model implications (governance, platform engineering, support).
- Outcome: A tailored fit report with scope, risks, and time-to-value potential.

"

IFS understood our change and integration needs faster than any other vendor."

Business Transformation Lead
High Tech Manufacturer

2. Compare Time-to-Value, TCO, and Risk

- Use an IFS comparison framework to evaluate licensing, consulting, infrastructure, and support costs alongside operational impacts.
- Assess timeline and the load on change, IT, and business SMEs across sites.
- Estimate ROI in business terms: adoption rate, cycle-time reduction, inventory turns, schedule adherence, and incident reduction.

"

IFS Cloud gave us faster time-to-value and more predictable outcomes than any legacy roadmap could offer"

Group VP, Transformation & Change
Global Manufacturing Group

3. Engage in a Business Value Workshop

- Identify high-impact use cases across value streams (AI-enabled planning, predictive maintenance, intelligent automation).
- Build a phased modernization plan aligned to enterprise architecture and site rollouts.
- Clarify governance for data, integration, security, and change management, including adoption KPIs and benefits tracking.

As a Business Transformation Lead, your ERP decision isn't just about replacement—it's about enabling a modern, secure, and composable digital core with measurable adoption and benefits. Choose flexibility, intelligence, and strategic freedom.

Contact IFS

About IFS

IFS is the world's leading provider of Industrial AI and enterprise software for hardcore businesses that make, service, and power our planet. Our technology enables businesses which manufacture goods, maintain complex assets, and manage service-focused operations to unlock the transformative power of Industrial AI™ to enhance productivity, efficiency, and sustainability.

IFS Cloud is a fully composable AI-powered platform, designed for ultimate flexibility and adaptability to our customers' specific requirements and business evolution. It spans the needs of Enterprise Resource Planning (ERP), Enterprise Asset Management (EAM), Supply Chain Management (SCM), and Field Service Management (FSM). IFS technology leverages AI, machine learning, real-time data and analytics to empower our customers to make informed strategic decisions and excel at their Moment of Service™.

IFS was founded in 1983 by five university friends who pitched a tent outside our first customer's site to ensure they would be available 24/7 and the needs of the customer would come first. Since then, IFS has grown into a global leader with over 7,000 employees in 80 countries. Driven by those foundational values of agility, customer-centricity, and trust, IFS is recognized worldwide for delivering value and supporting strategic transformations. We are the most recommended supplier in our sector. Visit ifs.com to learn why.