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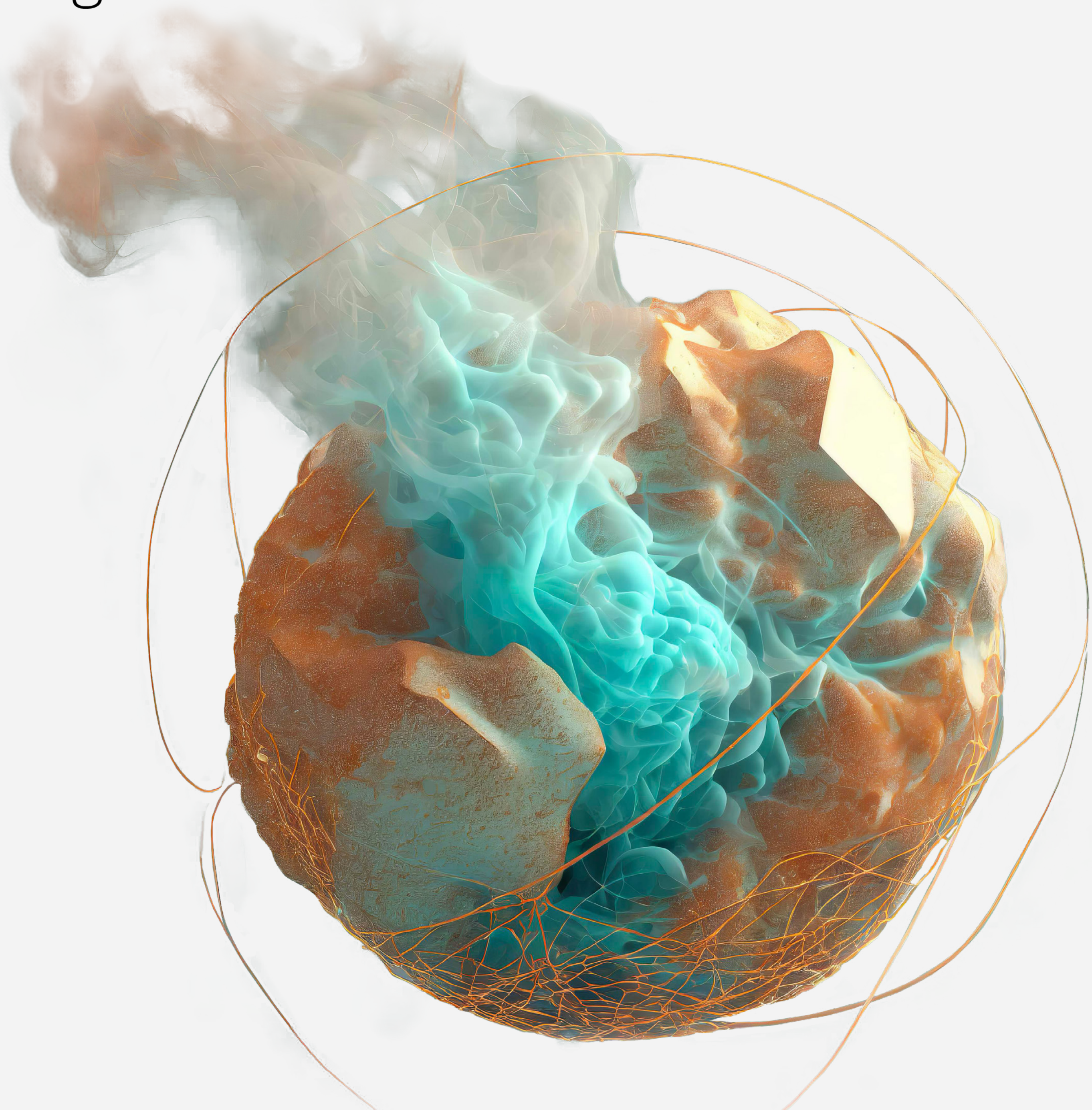
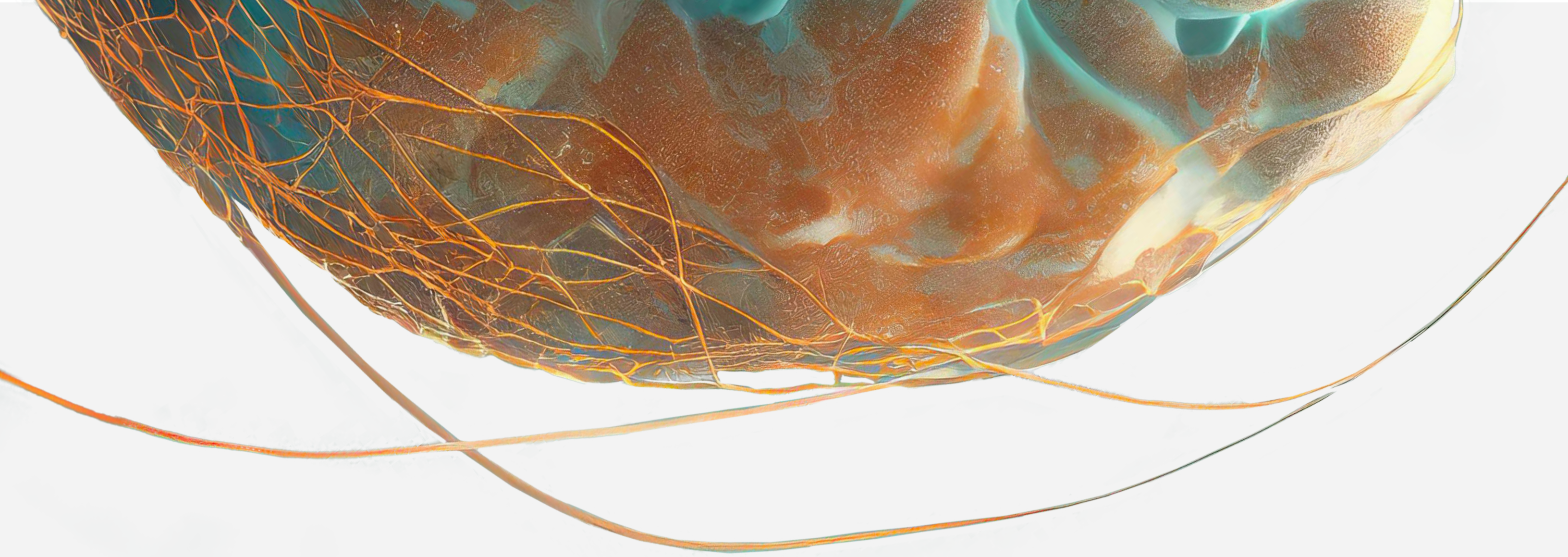


Need to justify back-office modernization?

The answer may be in the front office

May 2026



Many of today's B2B enterprises are under pressure to modernize aging back-office systems—and for some organizations, the clock is ticking.

For example, mainstream support for SAP's legacy enterprise resource planning (ERP) software ECC ends in 2027; extended support is available until 2030, but at a 2% premium. Yet Gartner estimated that fewer than 55% of customers will have migrated to SAP's cloud-based upgraded ERP offering S/4HANA by 2028.[1] Because ERP has become such a significant piece of a back office, and there are multiple vendors, this is a major consideration.

Even when hard deadlines or increased maintenance costs are involved, companies can struggle to make a business case for back-office technology modernization. And when leaders are bracing for disruption, it may feel safer to limit the effort to a narrowly scoped upgrade. Our experience however tells us there's a way to get *more* from your investment—and to help justify the business case: Leverage that needed back-office upgrade to fuel valuable front-office transformation.

There's no way to avoid at least some disruption, no matter the project scope. But an end-to-end approach that includes front-office modernization connected to back-office upgrades can generate strikingly high returns. In our work with clients, we've seen additional ERP modernization investments as low as 25% produce upward of 60% in incremental value unlocked by transforming commercial capabilities.

A connected solution for interconnected challenges

For companies faced with system sprawl and one-off point solutions, **the prospect of ERP modernization can seem risky and expensive, regardless of scope**. A *Deloitte analysis found when companies mentioned ERP investments in business filings, two in three (69%) expressed negative or neutral sentiments*—with risk, operational disruption and security breaches being the most commonly identified concerns.[2] For many businesses, such concerns have proven all too real: Gartner estimates that 70% of ERP initiatives will fail to fully meet their original business case goals.[3]

Core technology modernization isn't the only foundational challenge faced by B2B leaders. Amid compressed margins and heightened customer expectations, many are under pressure to move faster and do more with less. Often, the investment and effort required to connect siloed processes, systems and data are deprioritized in favor of simply getting the job done. At the same time, companies are expected to offer targeted, consumer-grade experiences at every step of the customer journey, from opportunity, pricing and contract management to ordering, fulfillment and issue resolution.

A broader view of today's challenges reveals a once-in-a-generation opportunity to solve them *together*. When you break down the barriers separating front- and back-office systems, teams and processes can drive growth and value *across* the organization—allowing your business to deliver end-to-end customer experiences, accelerate lead-to-cash cycles and respond more dynamically to changing market conditions. Connected systems, teams and processes become more streamlined—helping reduce manual handoffs, enable intelligent automation and lay the foundation for AI-driven orchestration across the enterprise.

TOP CHALLENGES FACING TODAY'S B2B LEADERS[4]

#1 **Securing budget for needed tech investments**

#2 **Rising consumer expectations**

Meet rising customer expectations

As B2B markets evolve, customer expectations have become heightened. Today's B2B customers seek convenient, seamless consumer-grade experiences throughout the customer journey—including service and account management.

But delivering on those expectations is far from simple. Each interaction depends on coordinated handoffs across business functions, requiring systems, data and processes to work in sync across the enterprise.

To meet this challenge, organizations need more than piecemeal front-end improvements. They need a solid foundation with the breadth and flexibility to support omnichannel engagement, orchestrate processes end to end, and enable differentiated experiences throughout the buying journey.

Back-office transformation presents a critical opportunity to lay that foundation—positioning the organization for what it can *become*, not merely what it is today.

Embrace the moment to unlock new value

A combined front- and back-office approach to modernization can do more than solve embedded problems: It can identify previously hidden opportunity costs. At Deloitte Digital, we've found that unifying data, processes and technology across functions boosts operational agility and creates a platform for sustained growth. In concert with AI advances, the resulting systems offer the opportunity to transform both internal and

Cost constraints are real. But when back-office modernization efforts are scoped too narrowly, organizations can leave real value on the table. Expanding the aperture for legacy upgrades to align front- and back-office capabilities can pay off in powerful ways, unlocking value across the business.

CASE STUDY: GREENFIELD S/4HANA IMPLEMENTATION

Consider a specialty chemicals manufacturer embarking on a greenfield SAP S/4HANA implementation. Before implementation, each time a distributor placed a routine reorder, a customer service agent had to manually confirm contract pricing and verify availability. It could take hours for the distributor to receive a shipping confirmation—or be notified of any disruption.

This front-office process was markedly inefficient. But with the SAP implementation—when every order record now includes real-time inventory, contract pricing and delivery commitments—it also became untenable. If the back office can confirm a delivery date in real time, why should a distributor have to wait 24 hours for that information?

For the manufacturer, the answer was clear: It was time for front-office transformation.

With that done, distributors now can access real-time order information through a self-service portal, automatic alerts replaced phone calls, and customer service teams spend their time solving customer problems, not taking routine orders.

The result is a faster lead-to-cash cycle, fewer exceptions, *and a front-office experience rebuilt on what the back office can deliver.*

Rethink what's possible with FrontOffice Advantage

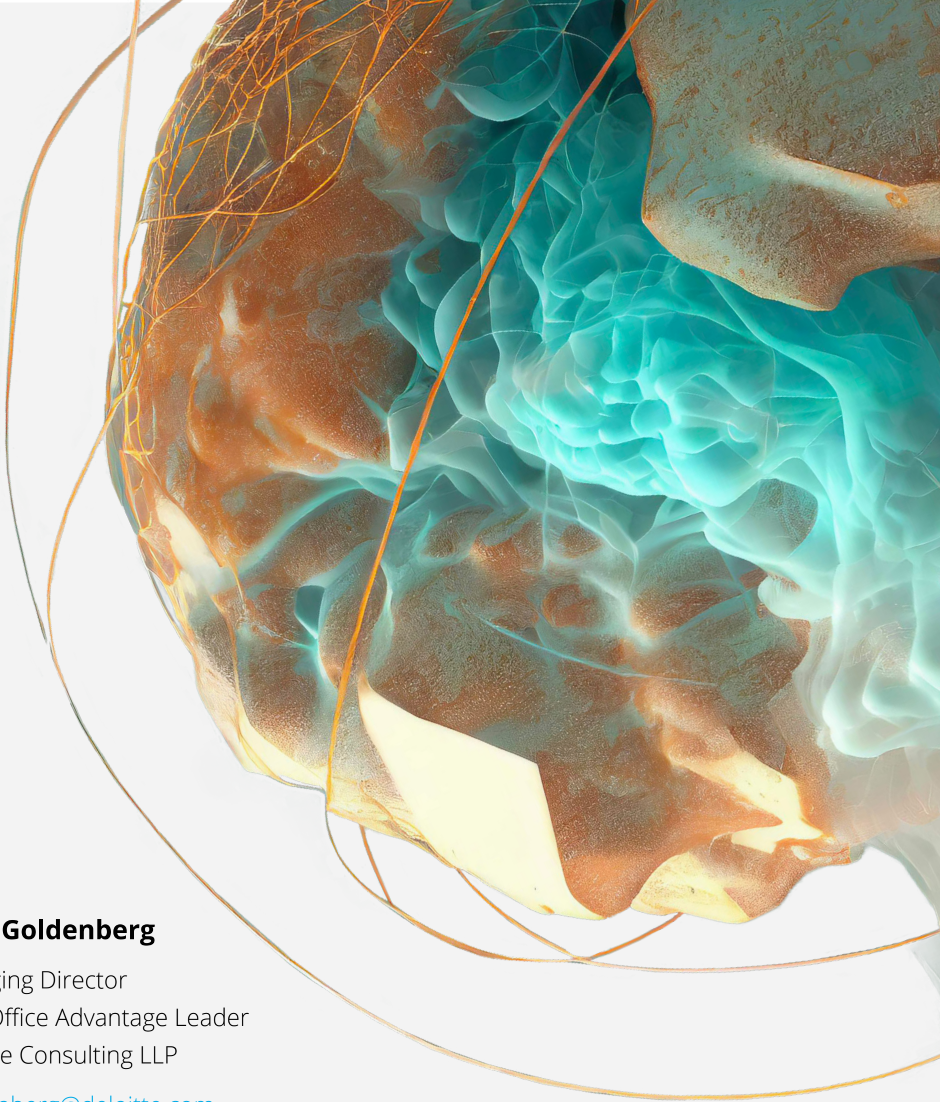
Deloitte FrontOffice Advantage™ is a value-led methodology and set of solutions for connecting customer experiences, enterprise data, technology, teams and processes. We work with you to integrate front- and back-office functions to increase efficiency, while building out modern customer experiences that accelerate sales growth.

Transformative platform integration can seem intimidating, but Deloitte Digital can help guide your organization through every step of the process. Industry capability maps, prebuilt process flows and operating model frameworks draw on our team's deep cross-functional experience and industry-specific knowledge to accelerate implementation and limit risk. The potential result is a connected system with the power to flex as the business changes, through growth, acquisitions, market shifts and more.

Strategy needs execution to achieve results. FrontOffice Advantage provides:

1. ***A DEFINED BUSINESS CASE, BASED ON RESEARCH-DRIVEN INSIGHTS, TO HELP SECURE LEADERSHIP BUY-IN***
2. ***A STAGED IMPLEMENTATION ROADMAP WITH PHASED ROLLOUT STRATEGIES***
3. ***A CLEAR BLUEPRINT TO CONSOLIDATE AND/ OR INTEGRATE YOUR EXISTING TECH STACK***
4. ***A POWERFUL TOOLKIT OF PROVEN ACCELERATORS***

FrontOffice Advantage also brings customer strategy and experience design capabilities to marketing, sales, commerce and service, as well as future-ready AI and data capabilities. Deloitte Digital's multidisciplinary delivery model is supported by a global network of technology, process and human capital transformation specialists, along with analyst-recognized capabilities in operating model and human capital transformation and change management.



Ready to seize this once-in-a-generation opportunity for front-office transformation?

We're ready to help.

GET IN TOUCH

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ENDNOTES

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4. Paul do Forno, Apurva Pangam and Pooja Warudkar, Accelerating sales growth through B2B digital commerce, Deloitte Digital, January 2026, p. 3.