

# THE CIO'S 2024 AGENDA FOR SAP, SAP S/4HANA, THE CLOUD AND BEYOND

DETAILED FINDINGS FROM THE  
BENCHMARK REPORT  
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# DETAILED FINDINGS



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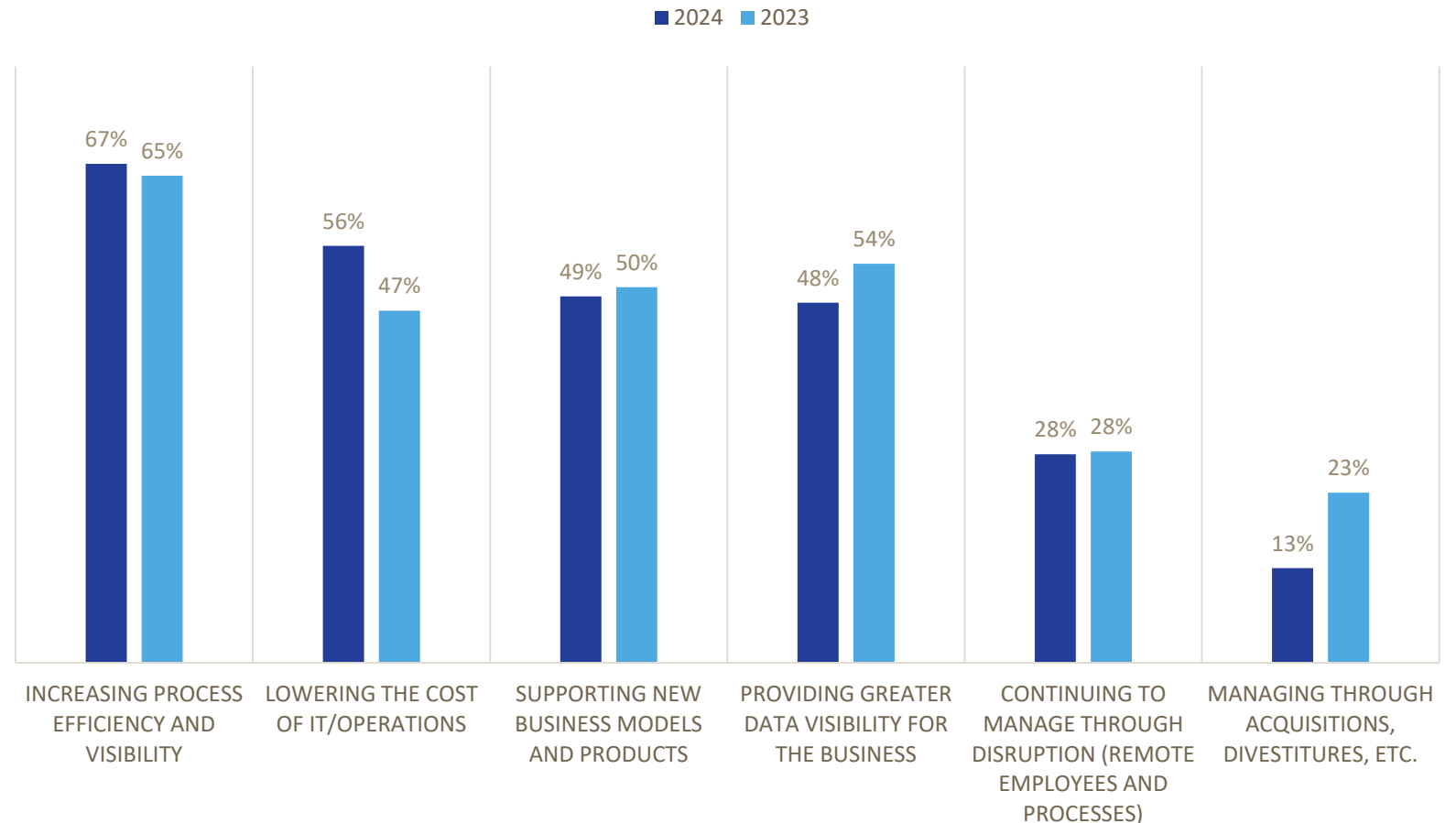
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When questioned on their top priorities for the coming year, tech leaders had a largely similar focus as they did in 2023. For the third year in a row, increasing process efficiency and visibility remained the absolute top focus among CIO's, selected by two-thirds (67%) of respondents. This was up slightly from 65% in 2023.

One of just two priorities selected by over half of respondents (56%) was lowering the cost of IT and operations. This priority saw the steepest year-over-year increase, as it was highlighted by just 47% of respondents in 2023.

## Top Business Priorities For 2024



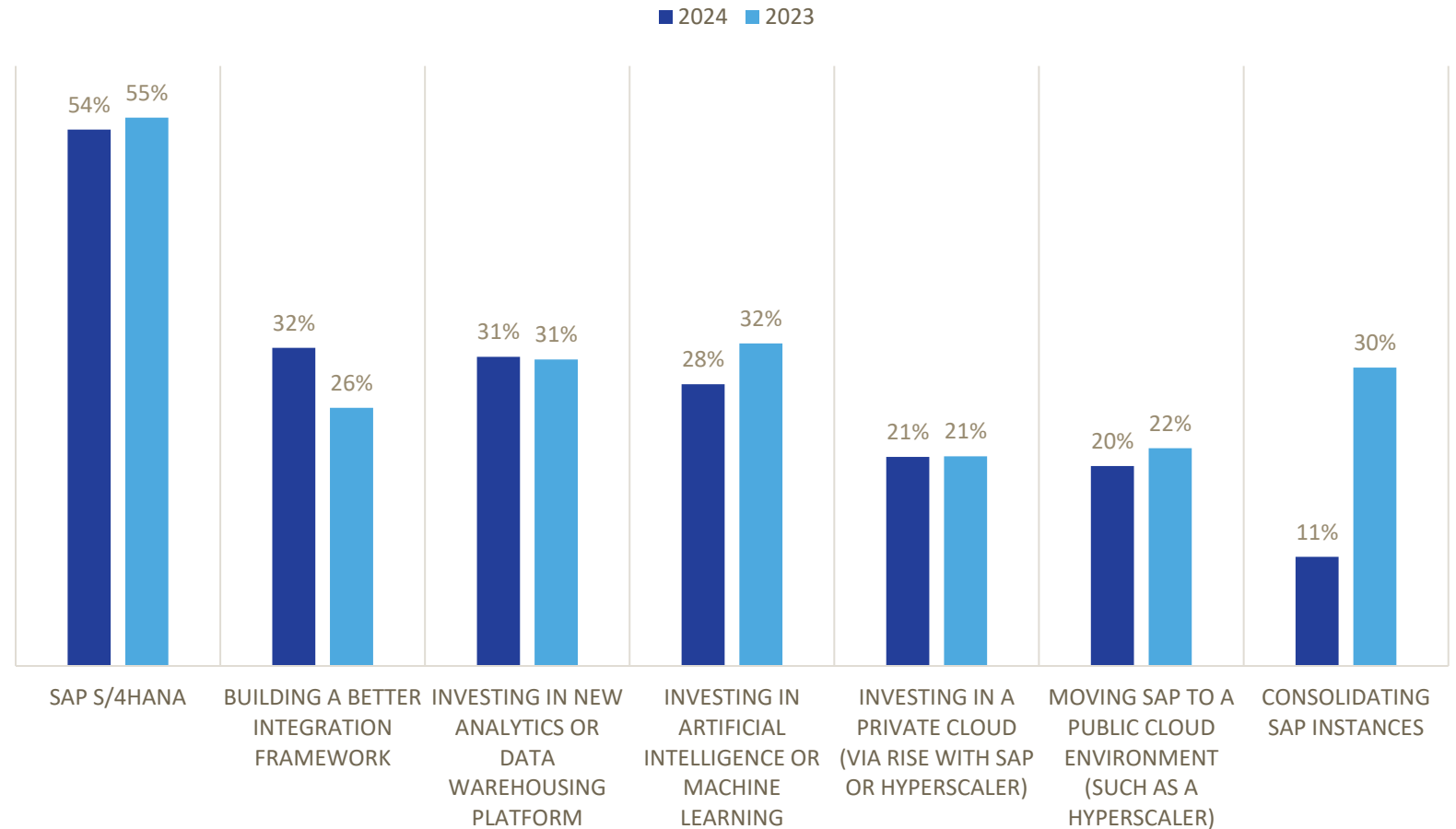
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SAP S/4HANA is once again the top strategic investment for leaders in 2024, as more than half (54%) of respondents named the updated ERP as one of their most strategic investments of the year. This figure is roughly in line with the 2023 survey, at 55%.

With the 2027 end of maintenance deadline for SAP ECC looming, organizations are still in the process of evaluating and deploying the new ERP system.

## Most Strategic SAP Investments For the Coming Year



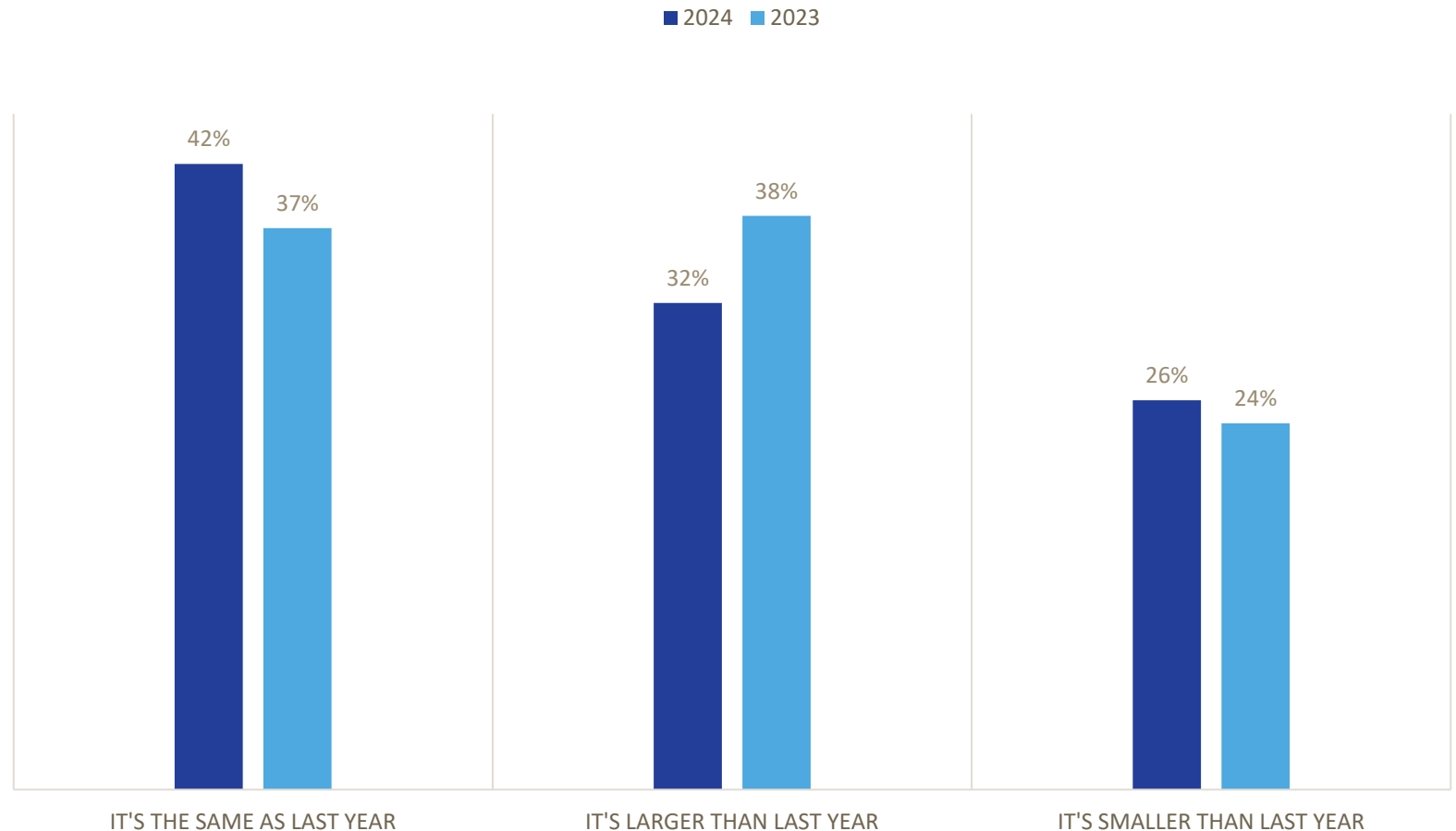
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**3**

SAP budgets are consistent, with 42% of executives reporting that their SAP budget for 2024 is the same as the year before. Furthermore, 32% have a larger budget and 26% reported having a smaller budget.

Similar to SAP budgets, most organizations are planning to have an equal or larger financial investment set aside for service and solution partners in 2024. The survey found that 37% of organizations will increase their third-party investment, while 46% of respondents said that budget will remain the same.

## 2024 Budgets for SAP-Related Projects Compared to 2023



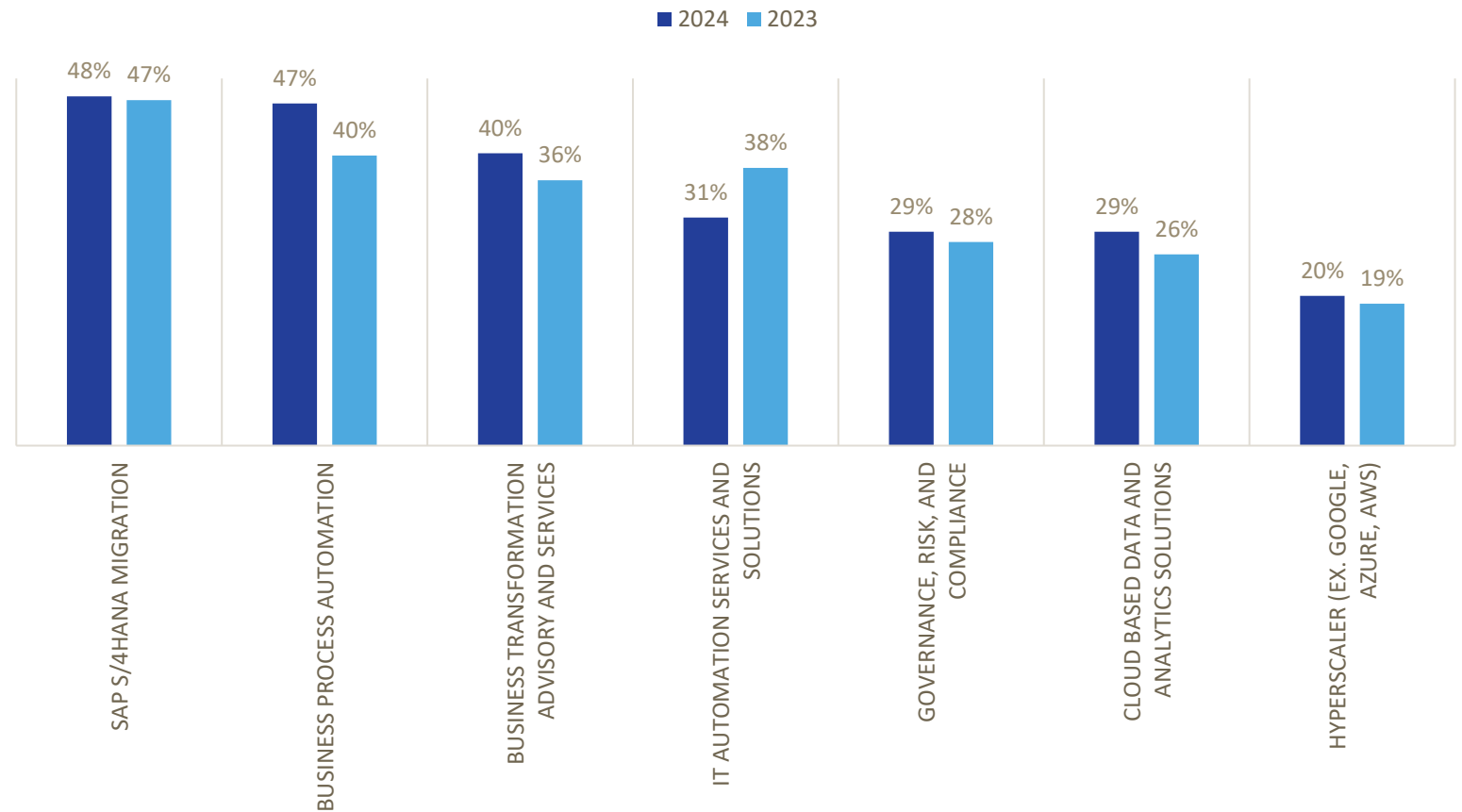
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For the second year in a row, SAP S/4HANA migration is the top area where organizations are planning to leverage SAP solution and service providers. Nearly half (48%) of respondents plan to spend in this area in 2024, an almost identical figure to the year before.

Business process automation remained a significant area of investment with third-party SAP solution and providers, increasing from 40% in 2023 to 47% in 2024. With more and more process automation capabilities being deployed, organizations are more likely to search for an option that fits their needs.

### Planned Areas of Investment With SAP Solution & Service Partners



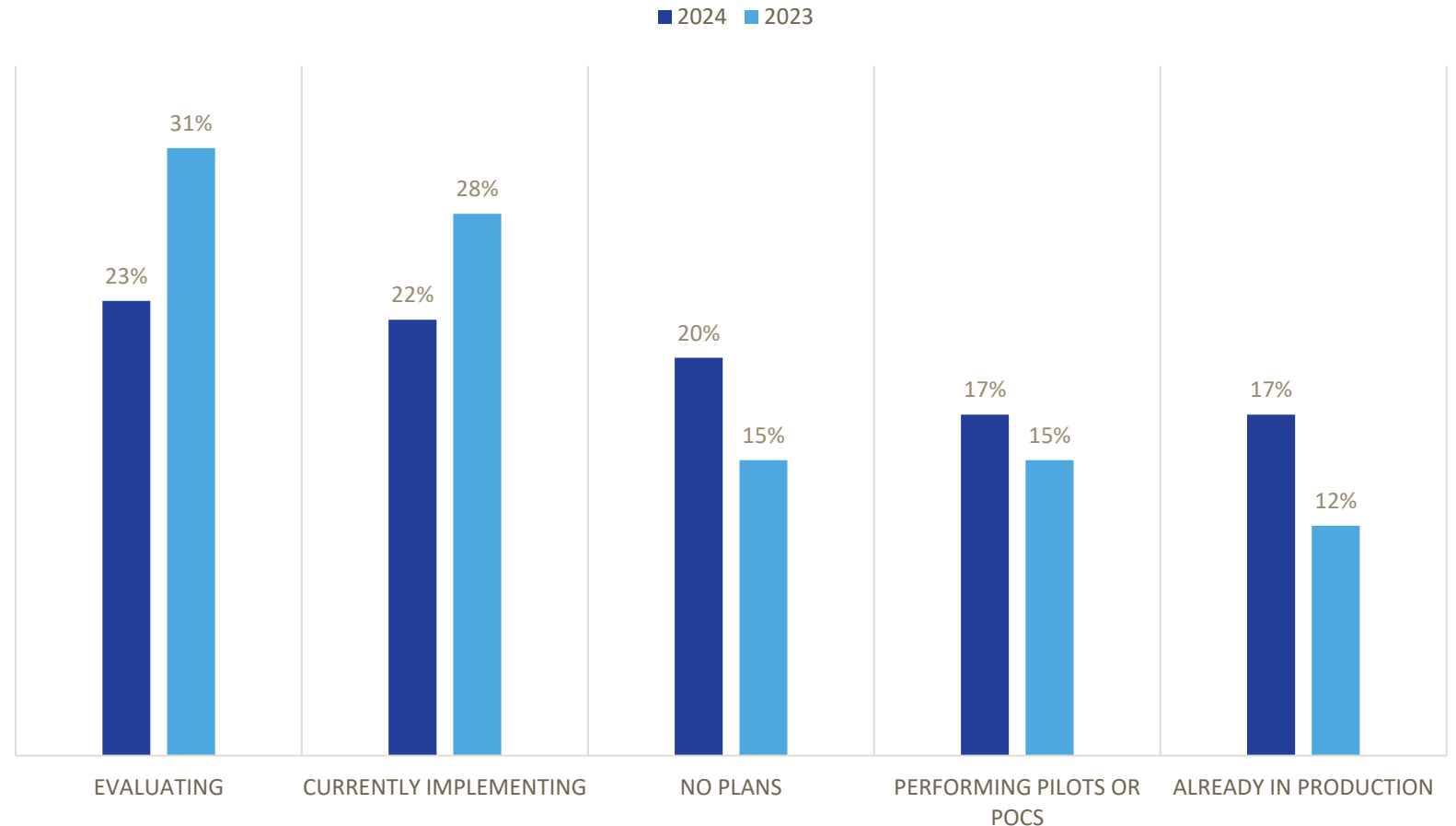
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More organizations are at least starting to use SAP S/4HANA in 2024 than were doing so in 2023, but not by a significant margin. Just 17% of respondent organizations are using SAP S/4HANA in 2024, compared to 12% the year before. A further 22% are in the implementation phase, which is a six percentage-point decrease from 2023.

Nearly half of all respondents are either evaluating SAP S/4HANA or have no plans about it whatsoever.

## Plans for SAP S/4HANA



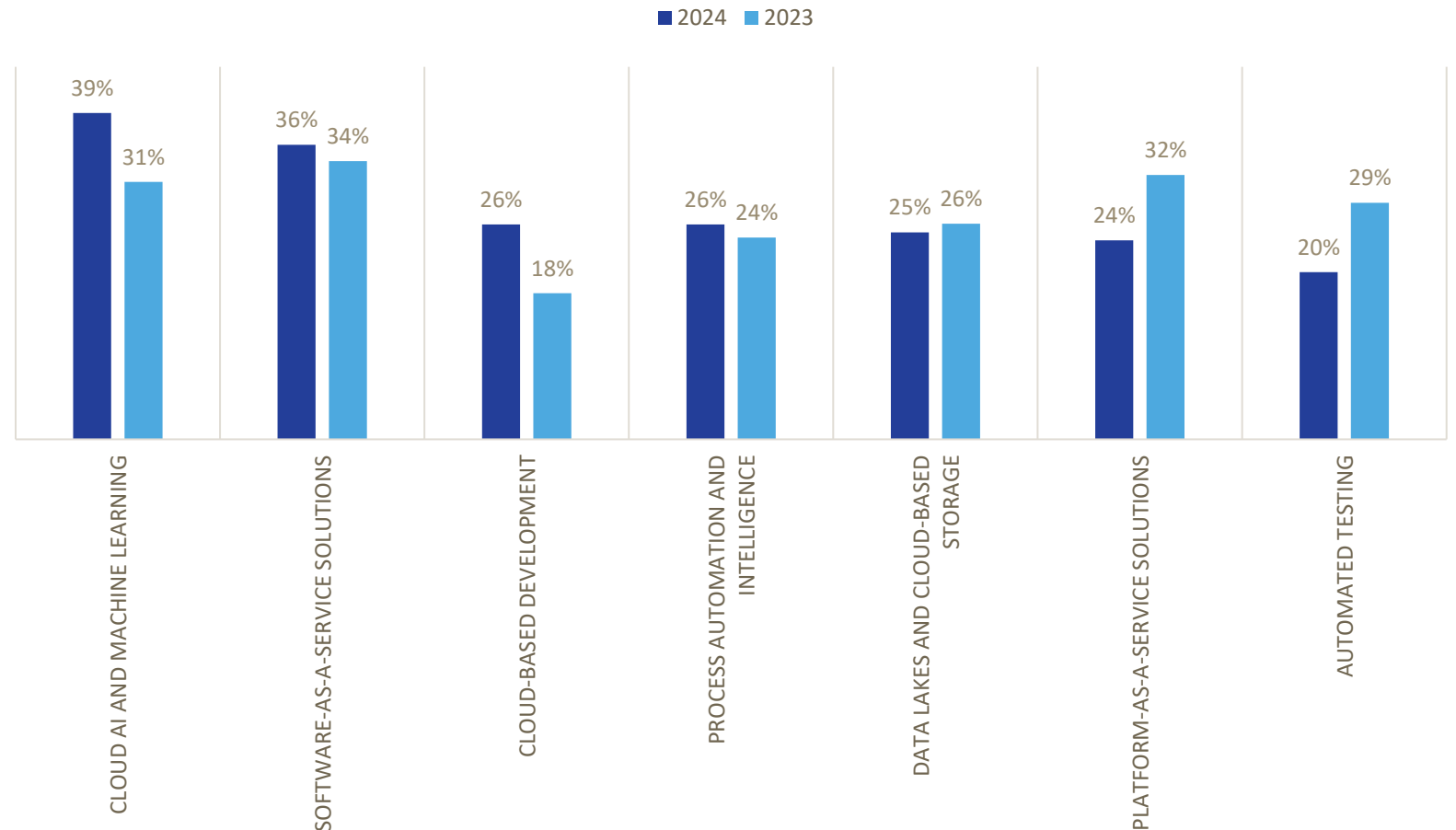
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Cloud AI and machine learning is projected to be a top area of cloud investment by 39% of organizations in 2024. It grew significantly from 2023, when it was cited by 31% of survey respondents.

While software-as-a-service solutions remained another significant option for cloud investment (36%), platform-as-a-service solutions like SAP BTP seemed to fall out of favor, dipping from 32% in 2023 to 24% in 2024.

## Top Areas of Cloud Investment



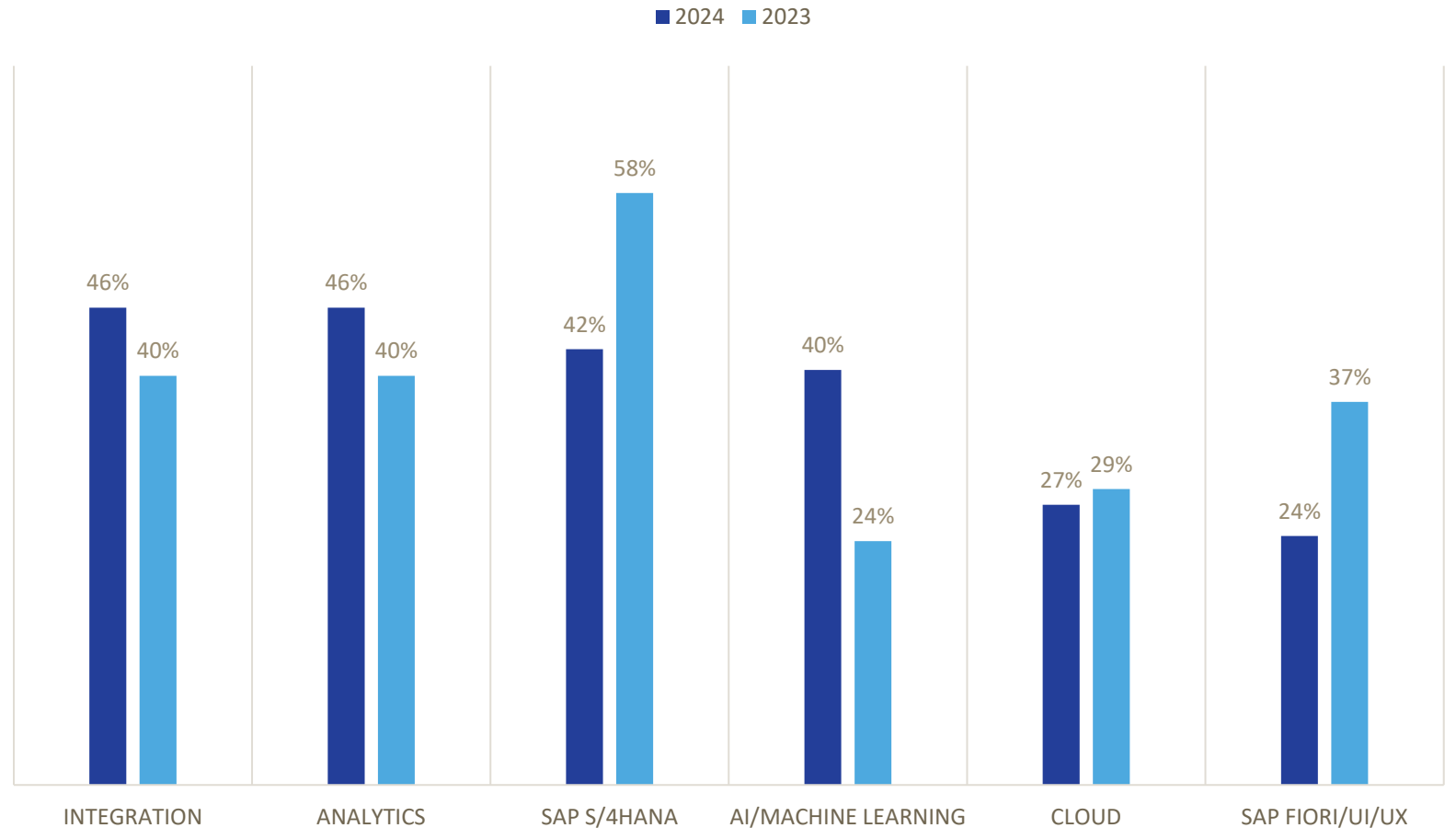
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Organizations are prioritizing skills in integration (46%) and analytics (46%) more than any other SAP-related skills in 2024. CIOs and tech executives signaled that they want to be able to have SAP environments with all applications fully integrated to provide a holistic view of the business.

Analytics are also growing in popularity as executives seek to run their businesses in a more data-driven manner, providing decision-makers with real-time insights.

## Most Important SAP-Related Skills to Add





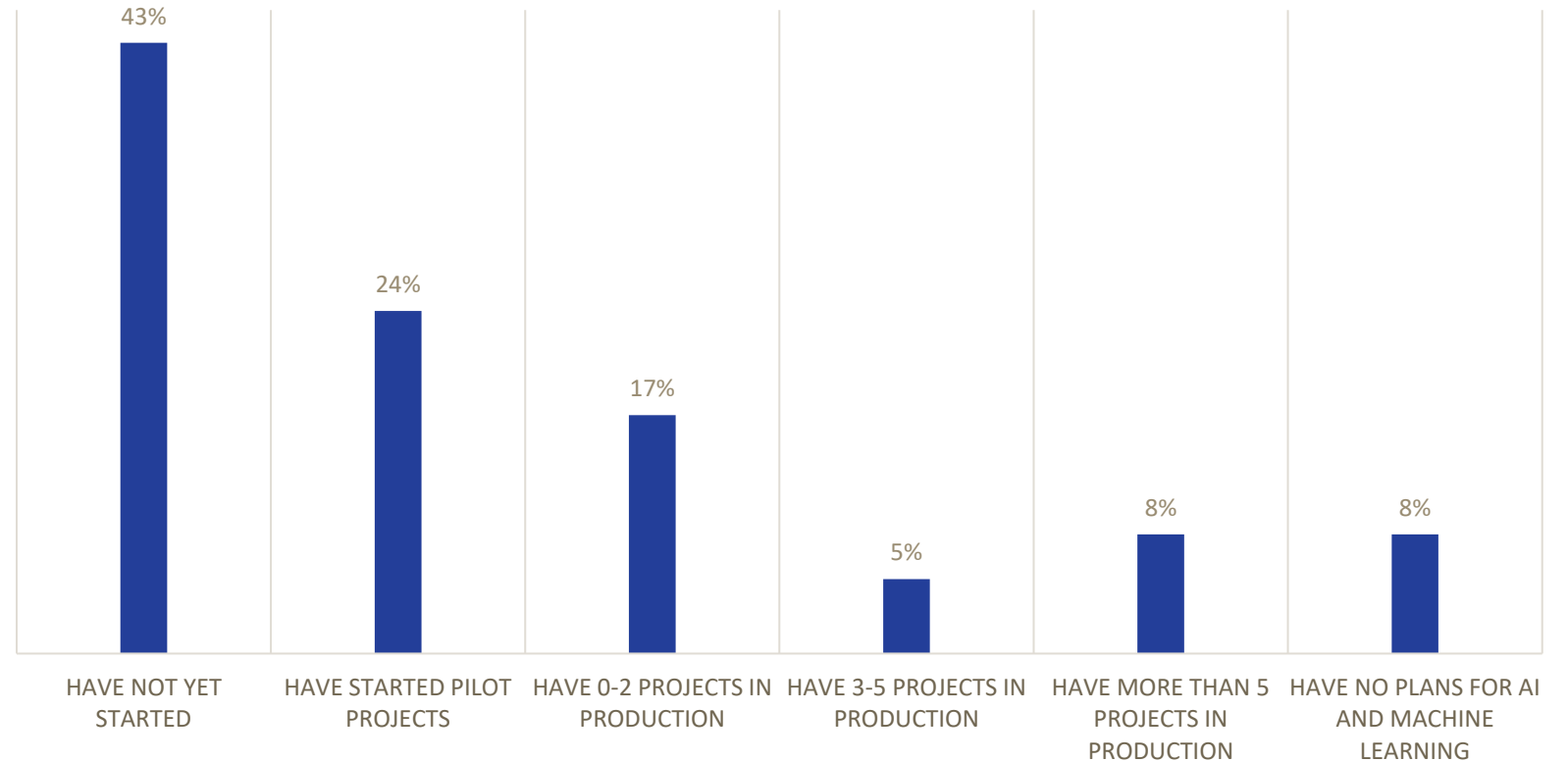
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Though it is clear tech executives want to utilize AI and machine learning, they have yet to do so in a meaningful way. Nearly half (43%) have yet to start any AI/ML projects, while almost one-quarter (24%) are still in the pilot phase.

With just 8% of respondents indicating they have no AI/ML plans, tech executives clearly want to leverage these capabilities, but must overcome numerous obstacles before deploying them.

## Progress Implementing AI and Machine Learning



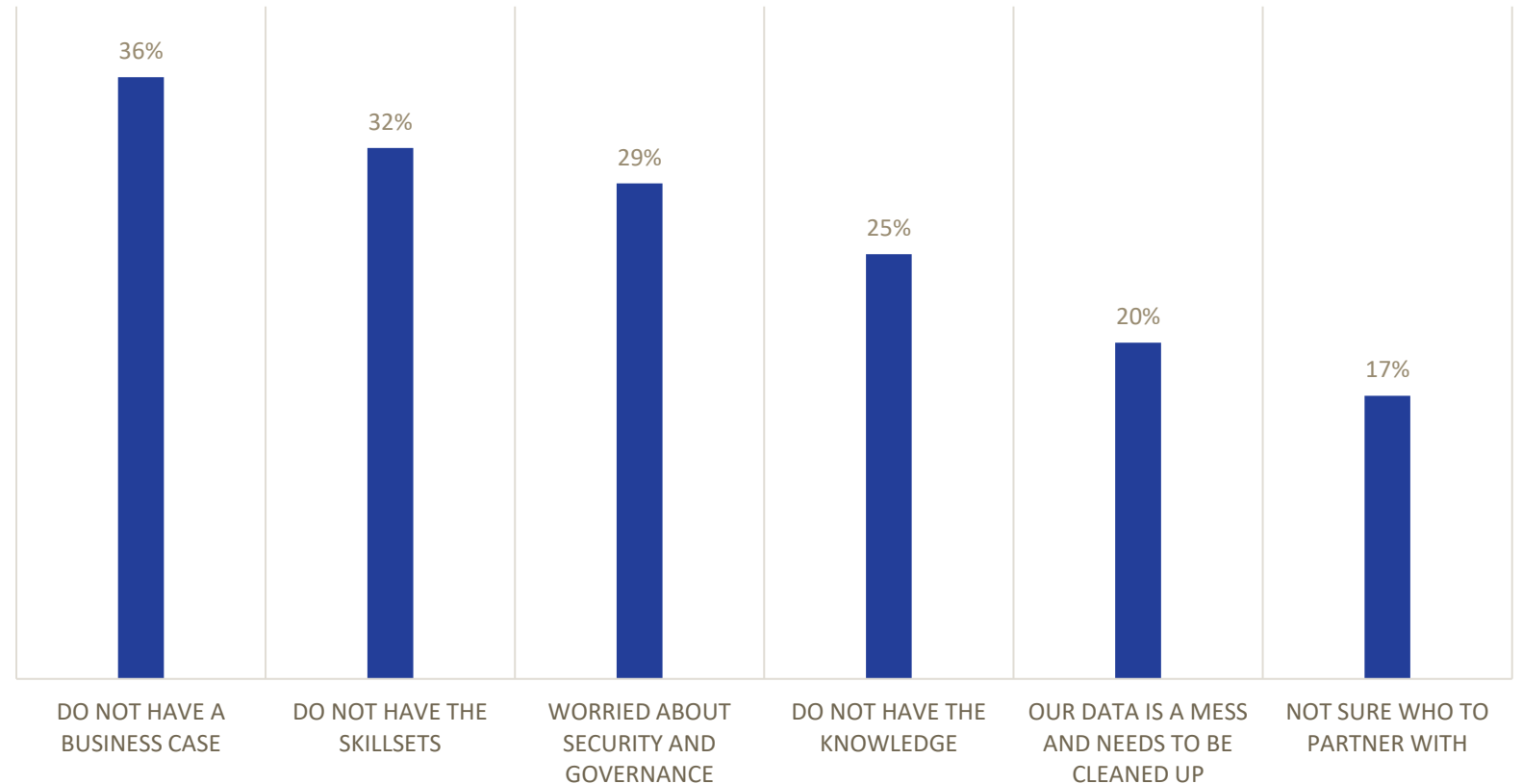
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A lack of a business case (36%) was the top challenge preventing respondents from deploying AI and machine learning into their businesses. With competing priorities and limited budgets, tech executives may struggle to secure the resources needed to add AI into business processes.

Other impediments included a lack of internal skills needed to deploy and use AI/ML (32%) and a lack of knowledge about which solution would fit the company best (25%).

## Biggest Challenges Regarding AI and Machine Learning



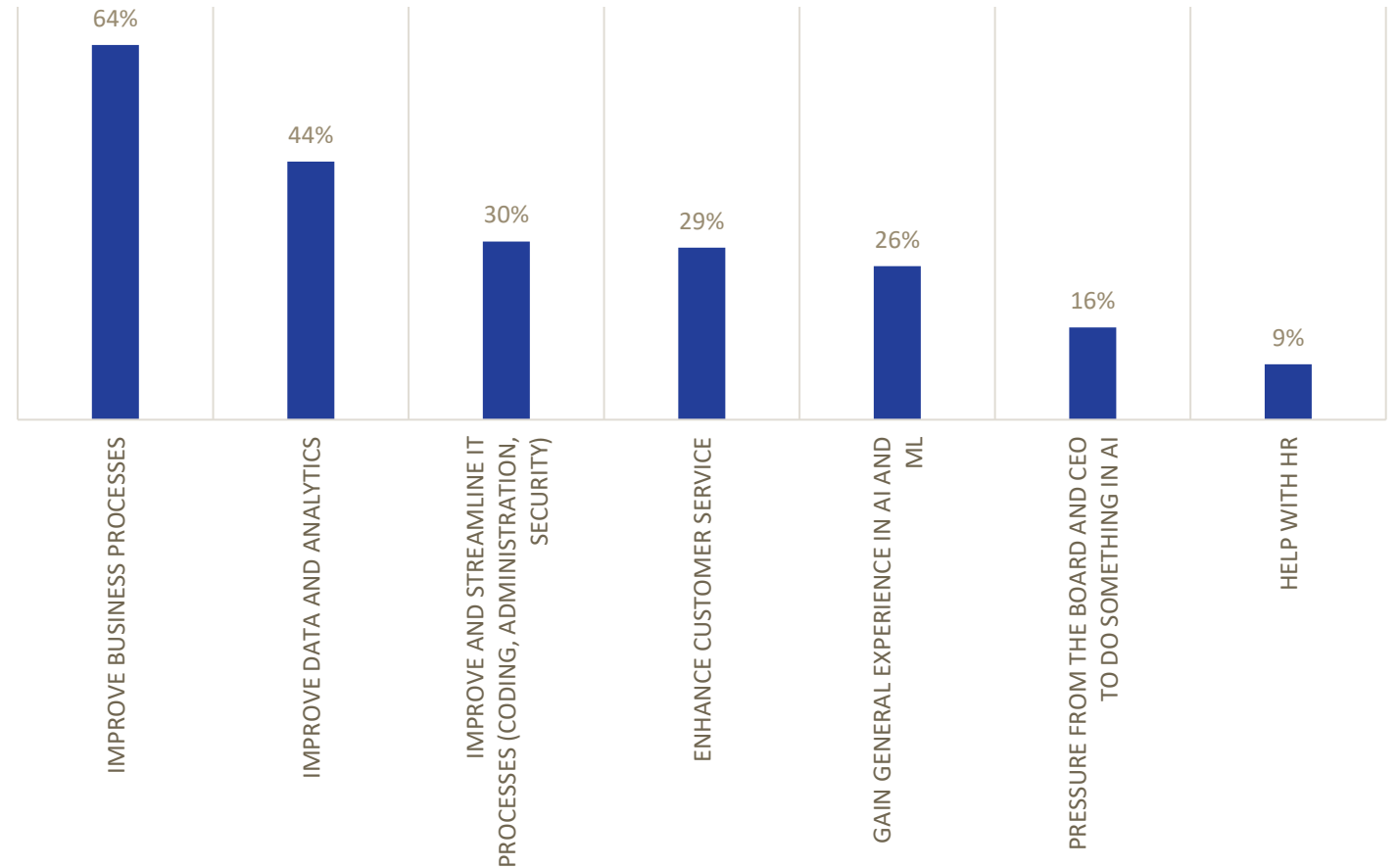
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Respondents indicated that by far the most significant driver for working with AI and machine learning was improving business processes (64%). Organizations have a keen interest in improving essential functions in finance, supply chain, and other areas.

The desire to improve data and analytics (44%) was also a significant factor, as companies are interested in bolstering their decision-making with intelligent insights that can be garnered the use of AI and Machine Learning.

### Motivations for Working with AI and Machine Learning



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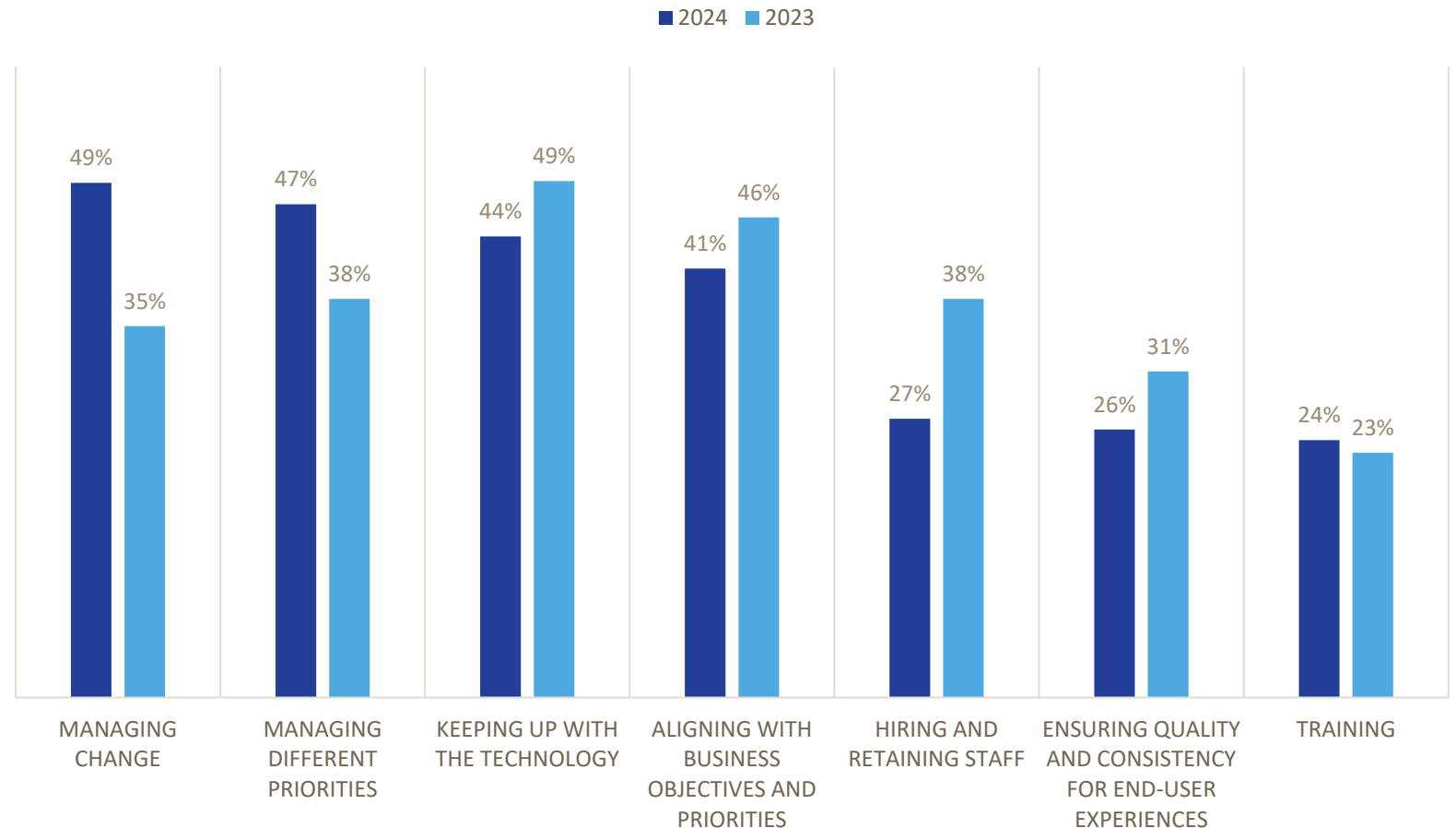
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The economic landscape is constantly in flux, with shifting market forces posing new challenges regularly. Managing change was cited by almost half (49%) of respondents as the biggest challenge they face in leadership roles.

Additionally, managing different priorities within the organization (47%) was another major challenge, growing significantly year-over-year.

Keeping up with technology (44%) and retaining staff (27%) both saw sharp declines from 2023 to 2024.

## Top Challenges For Leaders



# THANK YOU

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