

The Future of ERP 2025 Wrap Up

[00:00:00] **Richard:** [00:00:00] Happy New Year and welcome to our 2025 Wrap up episode of the Future of ERP. My name's Richard Howells and this is the future of ERP a podcast where we discuss hot topics, best practices, and the latest innovations in today's global business. And as ever, I'm joined by my wonderful co-host, Oyku.

[00:00:17] **Oyku:** Hello there. I'm Oyku Ilgar, a marketer, blogger, podcaster in the ERP and supply chain area at SAP. In today's episode, we are wrapping up the big themes from 2025 and revisiting how leaders across banking, insurance, telecom, manufacturing and more to see ERP evolving back from a back office system of according to real time AI powered business platform. You'll hear some of the most insightful quotes from our guests and in between ,we will connect the dots on what they mean for the next years of enterprise technology.

[00:00:47] **Richard:** Let's start with the big picture to steal and paraphrase a quote from Mark Twain. When it comes to ERP, reports of its death are greatly exaggerated as it's evolving. Many leaders described ERP as the heart of [00:01:00] the business, still mission critical, but now serving a launchpad for innovation data and AI. Here's how SAP's Lauren Husum framed it.

[00:01:09] **Lauren:** We've heard many leaders say, ERP is dead or is fading. And for me personally, it's hard to think that ERP, which the heart and soul of organizations is gonna die. Companies have spent millions of dollars on their ERP systems in infrastructure, and I look at it as a stepping stone to more innovation in the future. Using ERP as your foundation and implementing AI and data into that is only gonna make your business stronger. And you wouldn't have that if you didn't have the standardized processes and data that sits within your existing ERP system, or I'd like to call foundation. So the net is ERP isn't going anywhere. Let's use it for good.

[00:01:46] **Oyku:** This idea of ERP as a foundation for everything else came up again and again. Standardized processes, clean data, and then AI and analytics on top to drive new value. ERP remains the backbone, but the [00:02:00] expectations around agility, intelligence, and user experience are completely different than 10 years ago. Bramasol's John Froehlich takes this step further.

[00:02:08] **John:** The future of ERP is a broad platform. It's not a single solution. It's a platform that allows companies to integrate and manage their data and their business across a single platform and allows them to improve

productivity and allow them to have the kinds of information available to customers at their fingertips. That's where I think ERP is going.

[00:02:31] **Richard:** Another major theme this year was AI, not as a buzzword, but as a very concrete shift in how people work with ERP every day. Our guests painted a picture where ERP feels more like a copilot than a transaction screen. David Dixon, a partner at TruQua, an IBM company, shared his perspective.

[00:02:50] **David:** I think the whole experience of working with an ERP system is going to change. And just as we saw the impact of like mobile, [00:03:00] or cloud or business networks, we're gonna see, I think a more human friendly side, because this is one area that has been traditionally a big pain point for organizations. These ERP packages have not been human friendly. Some have gotten lost with these implementations and the transformation. So the whole change management side, I think ERP and the user experience it's going to change. But there also, I think business value and the business cases and the payback. I would say bigger stakes, bigger paybacks, with how you redesign for these solutions.

[00:03:34] **Oyku:** Building on that vision of a more human friendly ERP, Sakis Tabakis of Eon Digital Technology put it this way.

[00:03:41] **Sakis:** Maybe I'm gonna get a bit philosophical now. The future of ERP is invisible. It think before you do, it speaks your language and it acts when it really matters and is not just digital, but more like a human.

[00:03:55] **Richard:** And SAP's Kevin McCollum summed up the big picture in a single [00:04:00] sentence. For him, it's all about helping companies stay ready for what's next.

[00:04:04] **Kevin:** The future of ERP is to help customers continue to future proof their businesses so they can focus on delivering customer value. This is the next step in the evolution from MRP to ERP to the cloud to, you name it. It's helping customers future proof their business.

[00:04:22] **Richard:** And looking ahead, when it comes to AI and ERP, it won't feel like separate systems anymore. AI will weave right into the tools we already use daily SAP's Jonathan Rhodes captured this perfectly.

[00:04:35] **Jonathan:** We'll engage with solutions via intelligent assistance. It will be embedded in the collaboration tools we're using, which had just become everyday part of the way we work. So I'd expect, in the future, the ERP

becomes more autonomous. It's providing insightful business narratives automatically with suggested actions. And it's eliminating a lot of the laborious work and the impression of ERP that people have had for years. [00:05:00] Ultimately, that's going to increase efficiency, it's going to drive business growth, but I think more importantly, it's going to improve users every day to day working lives, which I think is critically important for any ERP solution.

[00:05:11] **Richard:** IBM's Dan Hoffman, further added.

[00:05:13] **Dan:** ERP is going to become a much more integrated, agile, configurable and AI-enabled platform. So what I mean by that is the connection to outside systems information data, whether it's your CRM other external data will become much more infused into the ERP. The ability to change what you need out of your ERP, leveraging AI generative models is going to become much more of a day to day common use of the ERP. And so therefore the user experience is going to be much more flexible in the future.

[00:05:46] **Oyku:** We also heard how AI agents will sit on top of transactional core, turning that rich data into narratives, recommendations, and automated actions. KPMG's Brian Jensen describe it like this.

[00:05:57] **Brian:** The ERPs, especially SAP, have an [00:06:00] amazing integrated transactional database, meaning it's been built to handle transactions that ripple across multiple layers of traditional old school singular activities. That database is full of knowledge. Full of capability. The future of ERP is AI agents on top of that ERP, that take away the gooey transaction responsibilities for employees. Employees are still gonna be involved to handle issues, but AI is the future of ERP.

[00:06:30] **Oyku:** And this is not just about convenience. It's about flipping the ratio from manual data entry to real data value. SAP's SAP's, Alex Pierroutsakos highlighted that shift from data entry to data value in a very tangible way.

[00:06:43] **Alex:** The future of ERP is shifting through an evolution from data entry to data value from the yester years of moving from 80% of your time inputting the data and 20% analyzing it, which drives the value with better decision [00:07:00] making to now flipping it on its head, moving it from 20% of the time of inputting it through the power of IT, IoT, conversational AI, to now being able to spend more of that value of really being able to streamline the data capture, use real time AI insights with that data that's now easier to input,

to drive smarter business decisions, and that is ultimately gonna continue to drive better value coming from your ERP. I think that's gonna happen over time.

[00:07:30] **Richard:** In banking this new AI driven experience becomes a strategic differentiator. SAP's Falk. Reiker shared how ERP in banking is being reshaped by intelligence and user-centric design.

[00:07:43] **Falk:** The future of ERP in banking will be characterized by increased flexibility, intelligence, and user-centric design making it a vital component of modern business strategy. And let me point out here, the way we work [00:08:00] with ERP systems and ERP going forward will be a totally different one. Given what we see with AI agents at this point in time, it'll be more interactive, it'll be more real time, and it'll be a much, much better user experience. In a nutshell, AI will redefine ERP. It'll enhance the capabilities of every end user and it will boost their productivity. And isn't that what we all want?

[00:08:29] **Richard:** Of course, none of this would work without the right data foundation. Many of our guests emphasize open, connected data that cuts across SAP and non SAP structured and unstructured sources. For example, Max English from PWC Germany captured this idea in his version of an open connected data layer.

[00:08:48] **Max:** The future of ERP lies in creating an open connect data foundation that seamlessly integrates SAP and non SAP sources enabling scalable data products and [00:09:00] AI ready architectures. It's about moving beyond process efficiency, towards real-time insights and empowering business users to general tangible value from the data.

[00:09:10] **Oyku:** As more companies move to subscription and w X as a service models, eERP becomes the connective tissue across products, billing, and customer behavior. Bramasol's John Froehlich talked about ERP as a glue for subscription businesses.

[00:09:24] **John:** I think the future of ERP is the connectivity, it's the connection of all of the different elements that bring the picture for subscriptions together and help you have a view of all of your subscriptions, what your customers are doing. And because you have all of that information you are now able to add AI on top of that and provide a lot more value in the future for your customers. So I think the future of ERP continues to be crucial in setting the processes, the connectivity, and the data together to allow you to really [00:10:00] take advantage of this new economy.

[00:10:02] **Oyku:** We also explored what this looks like in different industries over the year. Let's take a quick tour through some of the key verticals we covered. In banking, for example, ERPs becoming more flexible, more intelligent, and more real time.

With AI agents improving user experience and productivity, or in insurance, for example, insurance leaders described ERP as Central Data Hub for risk, customer insights and growth. SAP's Gaye Bingul expanded on that vision.

[00:10:30] **Gaye:** The Future of ERP in insurance is all about making sure that all sorts of data -non SAP or SAP, structured or unstructured- can be handled in one layer, brought together in a semantically rich context, handled with the power of AI to unlock these key insights about customers, climate risks, further generate growth and innovation for the insurance company.

[00:10:59] **Richard:** In the same [00:11:00] episode, SAP Javier Gil reinforced the role of ERP as the cornerstone for insurance enterprises.

[00:11:06] **Javier:** ERP is gonna remain the core stone for every single insurance company covering the enterprise, not the business. The enterprise critical mission processes acting as a reliable data on one side for analytics, providing data insights and based on data insights to take the proper, adequate decision making processes, recommendations. Feeding, reliable and contextual data towards AI, which is gonna be held to further automate speed up the execution of these enterprise processes. I'm quite sure ERP is gonna suffer further innovation, which is gonna be a positive one, just getting much more standardized on one side based on the best practices, on the other side, the possibilities that now moving towards the cloud opened for the ERP.

[00:11:53] **Oyku:** From convenience, retail to energy, we heard how ERP supports new business models and omnichannel [00:12:00] experiences. In one of our most vivid examples, SAP's Brent Potts talked about how energy companies are reimagining the service station.

[00:12:08] **Brent:** You've got a lot of investment going on in the industry as well as a lot of innovation. Shell last year sold 450 million cups of coffee. That's pushing up against Starbucks kind of numbers, and they're selling, of course, through their service stations. Mostly in Europe they've added 9000 charging points at the regular service stations in Europe. So while people are charging their cars, they've got a captive audience, and they've got a lot of focus around the retail end inside the convenience store, what the industry likes to call the smokes and cokes, and they make a ton of profit in that part of their business.

[00:12:43] **Richard:** SAP's Amanda Spencer zoomed in on what this means from a retail industry perspective.

[00:12:50] **Amanda:** From a retail industry perspective, the future of ERP is that cloud native, modular, deeply integrated with AI and real time data.

[00:13:00] So it's shifting from just a back office system of record to really being a dynamic, intelligent platform that powers faster decision making, that seamless omnichannel operations and at the end of the day, that personalized customer experience at scale for the consumer.

[00:13:17] **Oyku:** In Telco, ERP is helping companies to move towards Industrial 4.0 with smarter supply chains and intelligent networks. SAP's Sandeep Chowdhury shared how telcos are feeling that evolution in their day-to-day operations.

[00:13:31] **Sandeep:** ERP has definitely transitioned, over the last few years, and it is in line with what I see as the main challenges in the industry around creating an intelligent cloud based infrastructure, which could leverage a lot of data, real time data, AI automation and ensure streamlining operations, enhance customer experience, and also drive network optimization, intelligent management of assets. As the telco [00:14:00] companies go forward with Industry 4.0 smarter supply chain and intelligent networks internally, they will feel a value that these ERP systems have evolved to support their agility, scalability, and data driven decision making.

[00:14:15] **Richard:** And across the board we saw ERP moving beyond the four walls of one company into broader networks. Deloitte's Geraldine Aubert put it simply when she described ERP as part of a wider ecosystem of suppliers, logistics providers, and customers.

[00:14:31] **Geraldine:** The future of ERP. will be part of a strong ecosystem of all suppliers, third party logistics providers, customer. We will have a true network in between two platform that goes across multiple systems and the decision between all the players will be facilitated and even in some areas perform fully automated by AI.

[00:14:57] **Oyku:** The more connected and intelligent ERP [00:15:00] becomes the more critical security and trust are. This year, several guests focused on cybersecurity, crypto agility, and sovereign cloud. In an especially memorable episode with SAP's Christian Cohrs, we even touched on quantum computing and what it means for ERP security.

[00:15:16] **Chris:** The future of ERP needs to be crypto agile. So we need to know which crypto algorithms we use, where in the systems, and we need to be able to quickly switch crypto capabilities, be it algorithms or key sizes, so that we can quickly respond in case of vulnerabilities and algorithms or a new attack vectors and thereby ensure that we are really able to protect this super valuable data that we have in our ERP systems today.

[00:15:47] **Oyku:** In our recurring special guest Gabs, I mean, SAP's, Gabriele Fiata, then offered a broader cybersecurity perspective on the future of ERP Security.

[00:15:56] **Gabriele:** ERP security is evolving with AI driven protection, [00:16:00] automation, and a stronger focus on sovereign cloud solutions, ensuring that businesses have greater control over their data. The future of ERP security for me, isn't just about stopping attacks. It's about proactively predicting, preventing, and keeping data safe within trusted environments. So companies can keep innovating at speed and keep building greater trust in business.

[00:16:22] **Richard:** Security was also closely linked to compliance. Different geographies, industries, and regulatory needs must be supported natively. SAP's Lalit Patel talked about how future ERP needs to blend AI cloud a robust cybersecurity with built-in compliance.

[00:16:41] **Lalit:** The future of ERP is to offer a seamless integration of AI and cloud technologies. It will be a scalable, flexible solution. It would drive efficiency. You would be able to get real time insights, but very important, it would be secure. [00:17:00] So it will have all the robust cybersecurity measures embedded into it also, AI enabled and which would protect your sensitive data, which will ensure that you are compliant with the different needs that you have, according to geographies, according to industries, according to your business processes. That's where the future of ERP lies.

[00:17:20] **Oyku:** All of this reinforces one simple point. Innovation only works if people trust platform. Another strong theme this year was sustainability, not as a side topic, but as a core design principle for ERP. SAP's Sophia Mendelsohn captured this shift toward treating carbon and other externalities like money in core business processes.

[00:17:39] **Sophia:** Sustainable growth at its core. It is no longer a side conversation, but an integral part of wait for it. Business processes and business data, right? So an ERP system of the future treats an externality, be it carbon or

plastic or packaging or water, [00:18:00] like money with that data flowing seamlessly from financial to product level insight.

[00:18:08] **Richard:** Peter Spiller from McKinsey then built on that idea, showing how ERP can connect carbon and finance flows to support faster decarbonization decisions.

[00:18:18] **Peter:** When it comes to sustainability, ERP will become more encompassing, covering carbon as another monetary unit that can seamlessly connect carbon with classical finance flows and metrics along a similar account structure that we know from finance. And it would certainly help companies on their path towards decarbonization as they will be able to take better and faster decisions on how to reduce carbon in the end to end value chains.

[00:18:50] **Oyku:** When sustainability and finance run on the same core ERP companies can move from reporting to action, making sustainable to relevant decisions at the same speed as financial [00:19:00] ones. Cloud came up constantly as a default future of ERP, not just lift and shift, but modular cloud native platforms that are easy to extend and connect. SAP's Peter Plume shared his view of ERP's Cloud-centric future.

[00:19:13] **Peter:** The future for me of ERP lies in the cloud, in the heart of each enterprise, seamlessly integrated across all core processes, data and AI, and delivering sustainable and intelligent business operations.

[00:19:26] **Richard:** SAP's Judy Cubis added how Cloud ERP becomes the flexible platform. Organizations need to stay relevant and connected to their partners.

[00:19:35] **Judy:** I see ERP being the flexible platform that they need to keep going to be relevant. So this will be the core that will provide data and processes that can be easily extended out, not only through the entire organization, but provide information to other partners so that they can do their job too.

[00:19:57] **Richard:** Cloud also enables companies to [00:20:00] participate in broader networks, suppliers, logistics providers, and customers, all connected to the same core decision fabric across all episodes. One message stood out. ERP is where business and technology truly meets. It's no longer it over here and business over there. It's a shared platform for outcomes and SAP's. Maura O'V and SAP's Maura Hammer off summarized this beautifully.

[00:20:28] **Maura:** Technology can meet business need. Technology can bring agility to achieve business innovation. There is always this thinking about there's business and there's technology and it's hard to combine. ERP is at the heart of technology meets business, meets success.

[00:20:45] **Richard:** Abhishek Vesudevan of Westernacher then described what that looks like in practice with realtime visibility, replacing siloed overnight reporting.

[00:20:56] **Abhishek:** The future of ERP is about bringing everything together, the old [00:21:00] ways of working. It's about real time visibility across different business. So the teams can stop working in silos start making better and informed decisions. You're not waiting on any more of these reports to run overnight or a couple of days, with spreadsheets being pieced together for you to be able to take decisions. You live in a world where decisions have to be made in the moment based on the data that you have in front of you.

[00:21:22] **Oyku:** And when you combine this with a shift to conversational agent driven user experiences, the interaction between humans and systems fundamentally changes. Gary Hayes from Cognizant talk about this move from pure transactional to more interactive systems.

[00:21:36] **Gary:** ERP is gonna be there for a long time. Transactions will never disappear, but it moves more to interactive systems where that exchange between the person and the machine is completely different. It's telling you some things you might want to take actions on or it's informing you the same way you're having to do the transactions that may result from that. So now that [00:22:00] human machine interaction becomes even more, more intense, relevant to transactional. So I think if you look at the future, that's probably where it's gonna be coming back to that intelligent and digital utility that we set our targets for in the future.

[00:22:16] **Richard:** Elizabetha Spontoni of Capgemini rounded out that perspective with his view of an AI enabled cloud ERP as a supportive team of colleagues for business users.

[00:22:27] **Elisabetta:** An AI enabled cloud ERP would be the team of colleagues who can help business users like our buyer to do their job more easily, efficiently, and effectively to ensure continuous company performance, resilience, and growth.

[00:22:47] **Oyku:** Looking back at all the conversations from 2025, a clear pattern emerges. The future of ERP is open, AI-native, secure, sustainable, and industry aware. But most of all, it is human-centric. [00:23:00] It is still the core transactional engine, but wrapped with intelligent agents, real time data and networks that reach far beyond one company's four walls. And as several of our guests said in different ways, ERP isn't going anywhere. It's becoming the platform for how modern enterprises run, grow, and transform.

[00:23:20] **Richard:** Thanks for listening throughout the year and for joining us this wrap up. If you enjoyed these perspectives. Stay tuned. We'll go even deeper into how organizations are actually putting this future ERP vision into practice. A special thanks to all the guest speakers for sharing the insights on the future ERP vision and also for everyone for listening.

Please mark us as a favorite. You can get regular updates and information about future episodes, but until next time, from all of our guests in 2025, Oyku and I, thanks for discussing the future of ERP.