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TRANSFORMATION DIAGNOSTIC REPORT

SAMPLE DIAGNOSTIC

SAP S/4HANA migration

Executive Brief

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Mixed Health

Overall Program Health

Critical Findings

3

Enterprise Transformation Strategy

Governance structure exists but lacks operational clarity. Steering committee is formed, decision rights conceptually flow to CEO/CFO, but working committee recommendations can be overruled at steering, creating potential bottleneck. No measurable business case yet, though CIO recognizes need to define KPIs before kickoff. SI selected without business involvement, creating early trust deficit with operating group leaders who view program as IT-driven rather than collaborative.

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Organizational Change Management

Dedicated OCM lead with relevant ERP experience is engaged early and working stakeholder relationships proactively before kickoff. However, OCM lead reports to Director of IT Strategy who is not in steering committee, structurally positioning OCM as an IT workstream rather than a business transformation priority. This limits organizational standing when engaging senior operating group leaders who currently view program as something IT is doing to them. Reporting line is acknowledged as revisable.

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Transformation Recovery & Reset Capability

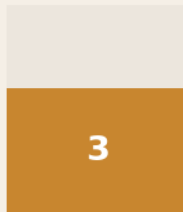
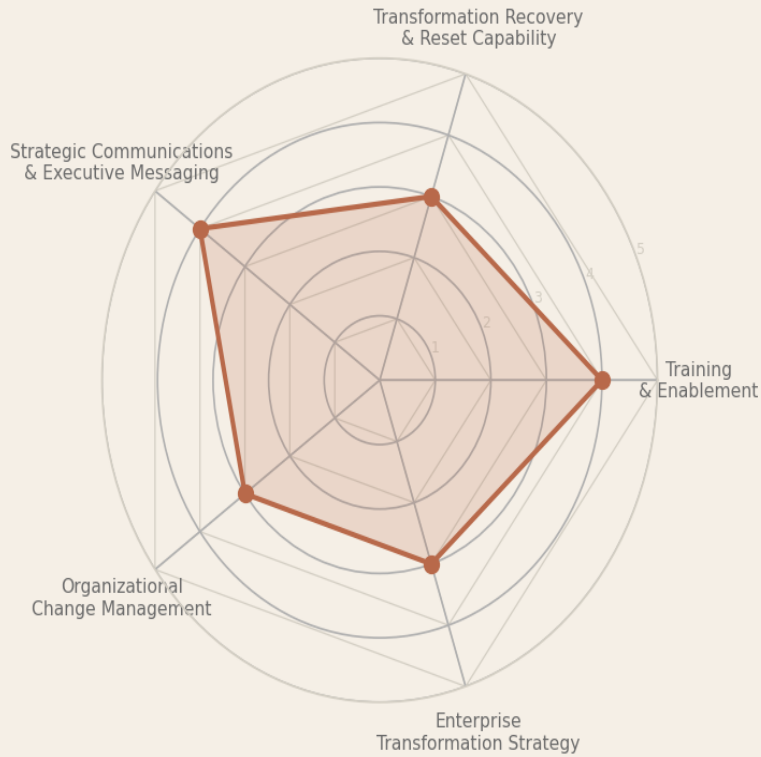
CIO demonstrates self-awareness about key program risks, particularly around change capability and the challenge of standardizing fragmented operating groups. She has named the core transformation challenge honestly (operating groups see it as IT doing something to them) and recognizes it requires CEO-level intervention. However, the governance model includes a potential bottleneck where steering can overrule working committee decisions, which may slow issue resolution. One-on-one engagement with operating group heads has been discussed with CEO but scheduling is unclear. Early stage makes recovery capability difficult to fully assess.

The Single Most Important Action

Conduct CEO and CIO-led one-on-one meetings with each operating group leader before discovery kickoff

Program Health Overview

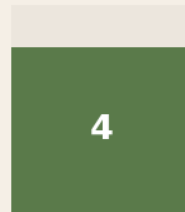
Pillar Scores



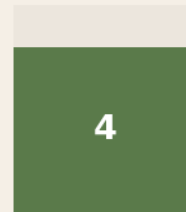
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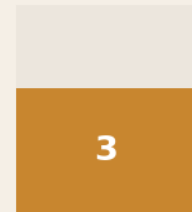
Change Management



Communications & Executive Messaging



Training & Enablement



Transformation Recovery & Reset Capability

5

pillars assessed

8

recommendations

6

critical / high severity

3

actions in 30 days

What We Heard

Kara Beck is the CIO at an organization preparing to launch an SAP S/4HANA transformation. The company is in the pre-discovery phase, and Kara initiated this health check specifically because she wants to ensure the program has the right foundation before formal kickoff. That level of self-awareness and proactive risk management is rare. Most executives call after the program is already in trouble. Kara is calling before the trouble starts.

The core challenge is not technical. Kara is leading a transformation that requires pulling several independent operating groups into a standardized business process model, and those operating group leaders currently view this program as something IT is doing to them, not as a collaborative partnership. That perception gap is the program. Everything else, the governance structure, the systems integrator relationship, the change management capability, is scaffolding around that central tension. Kara understands this clearly. She said explicitly that the focus needs to be on building a collaborative partnership rather than an IT-driven transformation, and she knows that resetting those relationships is her responsibility and the CEO's, not something she can delegate to a program manager or OCM lead.



We want to ensure we have the foundation for measurable business results and KPIs set in stone prior to kickoff.

Kara Beck, CIO

The program has several strengths. Kara has selected a systems integrator she trusts to deliver hard truths. She has an OCM lead in place with prior ERP transformation experience who is already working stakeholder relationships before discovery begins. She has a steering committee structure with the CFO and CEO as final decision makers. She has the right training philosophy, focused on role-based, workflow-oriented enablement rather than system-click training, and she plans to co-design training content with internal SMEs and super users. She has a clear articulation of the business rationale for the transformation: improve efficiencies, standardize business processes, and create better data predictability and analytics. These are all positive signals that Kara is thinking strategically about transformation, not just about technology implementation.

However, several critical structural gaps remain unresolved, and they will become program-killers if not addressed before discovery begins. Kara does not yet have a transformation lead hired, which means there is no single internal owner who can navigate the political tensions between IT and the operating groups or manage the governance layer between steering and the workstreams. Her OCM lead reports to a Director of IT Strategy who is not on the steering committee, which structurally signals that change

management is an IT workstream rather than a business transformation priority. Decision rights and escalation paths are not yet documented, and the working committee structure that will vet issues before they reach steering has not been chartered. The systems integrator was selected entirely by IT without business leader participation, which has created a trust gap that will undermine workshop effectiveness if not addressed. Measurable business outcomes and KPIs have not yet been defined with the CFO and operating group leaders, which means the program lacks a North Star to guide design tradeoffs. And while Kara and the CEO have discussed how to reset relationships with operating group leaders, those one-on-one conversations have not yet been scheduled and put on calendars. These gaps are all fixable, but they require immediate action. The window to address them closes the moment discovery formally begins and organizational patterns start to harden.

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My concern is that the broader program needs to trust their expertise as well.

Kara Beck, CIO, speaking about the systems integrator

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Their business leaders see it as IT is doing something to them. So the focus needs to be building a collaborative partnership vs a IT driven transformation.

Kara Beck, CIO

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Being able to instill change capability within our organization to actually standardize and pull several fragmented businesses together and stay on track, scope and budget.

Kara Beck, CIO, describing her primary concern

Executive Summary

Kara Beck is preparing to launch an SAP S/4HANA transformation, and she initiated this health check before discovery begins because she wants to ensure the program has the right foundation. That instinct is correct. This program has several important strengths. Kara has a clear business rationale for the transformation, a systems integrator she trusts, an OCM lead with ERP experience already working stakeholder relationships, and the right training philosophy focused on role-based enablement. She also has unusual clarity about the real challenge ahead. She is not leading a technology implementation. She is leading a transformation that requires pulling several independent operating groups into a standardized business process model, and those operating group leaders currently view this as something IT is doing to them, not as a collaborative partnership. That perception gap is the program, and everything else is scaffolding around it.

The critical structural gaps are fixable, but they require immediate action before discovery begins. Kara does not yet have a transformation lead hired, which means there is no internal owner who can navigate the political tensions or manage the governance layer between steering and the workstreams. Her OCM lead reports to a director-level IT role with no line of sight to business leadership, which structurally signals that change management is a workstream rather than a strategic priority. Decision rights and escalation paths are not documented, and the working committee that will vet issues before steering is not yet chartered. The systems integrator was selected by IT without business participation, which has created a trust gap. Measurable business outcomes and KPIs have not been defined with the CFO and operating group leaders, so the program lacks a North Star to guide tradeoffs. And while Kara and the CEO have discussed resetting relationships with operating group leaders, those one-on-one conversations have not yet been scheduled.

The single most important action is for Kara and the CEO to sit down individually with each operating group leader before discovery begins and reset the narrative. These are not ceremonial meetings. They are diagnostic conversations that will reveal which leaders are genuinely open to collaboration and which ones will fight for the next 18 months. Without those conversations, operating group leaders will send disengaged representatives to workshops, withhold their best SMEs, and escalate every design decision. That dynamic will undermine every other investment Kara makes in governance, change management, or training.

The remediation roadmap includes eight recommendations across strategy, change management, communications, and enablement. The first 30 days are about hiring the transformation lead and conducting the CEO and CIO-led operating group meetings. The next 60 days are about restructuring OCM reporting, chartering the working committee, building SI credibility with business leaders, and finalizing measurable business outcomes. The 90-day window is about SME resource planning and communication deployment. These are not nice-to-haves. Each one addresses a specific structural gap that will become a program-killer if left unresolved. Kara has the awareness and the executive support to

Enterprise Transformation Strategy

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Governance structure exists but lacks operational clarity. Steering committee is formed, decision rights conceptually flow to CEO/CFO, but working committee recommendations can be overruled at steering, creating potential bottleneck. No measurable business case yet, though CIO recognizes need to define KPIs before kickoff. SI selected without business involvement, creating early trust deficit with operating group leaders who view program as IT-driven rather than collaborative.

STRENGTHS

- CIO recognizes need for measurable business outcomes before kickoff
- Clear final decision authority (CEO/CFO) identified
- Transformation lead role planned with right prioritization (political navigation over technical credentials)
- Working committee structure planned to vet issues before steering escalation

RISKS

- No documented business case or measurable outcomes yet
- Decision rights not yet formalized, working committee can be overruled by steering
- SI selected entirely within IT without business stakeholder buy-in
- Multiple independent operating groups see program as IT-driven, not collaborative
- Unclear if governance will enable fast decision-making or create bottlenecks

EVIDENCE

CIO stated 'we want to ensure we have the foundation for measurable business results and KPIs set in stone prior to kickoff' but none exist yet

Steering committee exists but 'we need to align on decision making rights and how information will be escalated'

SI selection process 'remained within the IT organization', business stakeholders not involved

Operating group leaders 'see it as IT is doing something to them' rather than collaborative partnership

Working committee will vet issues but 'there will be a committee to overrule it' (steering can re-litigate)

Recommended: Leadership Alignment Workshop

Organizational Change Management

Dedicated OCM lead with relevant ERP experience is engaged early and working stakeholder relationships proactively before kickoff. However, OCM lead reports to Director of IT Strategy who is not in steering committee, structurally positioning OCM as an IT workstream rather than a business transformation priority. This limits organizational standing when engaging senior operating group leaders who currently view program as something IT is doing to them. Reporting line is acknowledged as revisable.

STRENGTHS

- Dedicated OCM lead with prior ERP transformation experience
- OCM lead actively working senior business stakeholder relationships before formal discovery starts
- CIO recognizes OCM reporting structure may need adjustment
- Stakeholder engagement happening proactively in pre-kickoff phase

RISKS

- OCM lead reports to Director of IT Strategy, not transformation lead or program sponsor
- OCM leader's manager is not in the steering committee, limiting escalation path and organizational standing
- OCM structurally positioned as IT workstream, not business-led change effort
- Operating group leaders see program as IT-driven, OCM lead lacks standing to reset that perception alone
- No clarity yet on how resistance from operating groups will be identified and worked

EVIDENCE

- OCM lead 'report to the director of IT strategy, and they will not be in the steering committee'
- CIO acknowledged OCM reporting line 'we can rethink it' when challenged on organizational positioning
- OCM lead has 'ERP transformation experience just a different industry'
- Stakeholder relationships 'are actively being worked now and will continue once the formal discovery starts'
- Operating groups 'see it as IT is doing something to them', OCM lead lacks authority to change that perception

Recommended: Program Delivery Engagement (OCM workstream)

Strategic Communications & Executive Messaging

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Strategic messaging is being actively developed for pre-kickoff phase. CEO will deliver initial message with cascade through business leaders, which provides appropriate executive weight. Communication plan is being built to provide updates through program lifecycle, showing forward thinking. However, details on cadence, channel mix, and how field translation will work remain undefined. Being pre-kickoff, this is appropriate preparation, but execution quality is still unknown.

STRENGTHS

- CEO anchoring initial program message
- Plan for business leaders to cascade communication to their organizations
- Strategic communication plan being developed proactively before kickoff
- Messaging work happening in parallel with governance and OCM planning

RISKS

- No defined cadence yet for ongoing communications beyond major milestones
- Unclear how operating group translation of core message will be managed given trust gap
- Communication plan is in development but specifics on execution not yet defined
- Risk that multiple operating groups will interpret and cascade CEO message inconsistently

EVIDENCE

'Initial messaging will come from the CEO and cascaded down by next in line leaders'

'We are building a strategic communication plan to bring the organization up to date as it is progressing in its lifecycle'

'We are currently building that strategic messaging to cascade down to the organization'

Pre-kickoff timing means execution plan is appropriately in development rather than finalized

Recommended: Strategic Communications workstream within Program Delivery

Training & Enablement

Training philosophy is sound with focus on role-based, workflow-oriented content rather than system-click training. Plan includes SMEs and super users co-designing training with SI support, which builds internal capability and keeps content grounded in actual work. However, no resource plan yet exists for pulling SMEs, and there is no backfill strategy in place. CIO recognizes this needs to be addressed after governance model is finalized. Manager engagement on resource commitment has not yet occurred.

STRENGTHS

- Role-based, workflow-oriented training philosophy rather than system-click approach
- SMEs and super users planned as co-designers of training content
- SI positioned as support rather than sole owner of training design
- CIO understands training should support actual work rather than tactical system navigation

RISKS

- No resource plan yet for pulling SMEs out of operations
- No backfill strategy discussed or planned
- Middle managers have not yet been engaged on resource commitments
- Risk of SME burnout if resources pulled for extended periods without backfill
- Training design timeline unclear relative to discovery and design phases

EVIDENCE

'We'd like training and enablement to be focused more on role based and providing education to support it vs the tactical day to day system focused'

'We are planning on having SMEs and super users, codesign training content to support the deployment of an effective training module with support from the SI'

'Since we haven't started discovery yet, we haven't worked with the plan for pulling resources, we need to address the governance model first, and then we will work with middle managers'

CIO acknowledged SME resource planning as something to 'move quickly on once the transformation lead is in place'

Recommended: Training & Enablement workstream within Program Delivery

Recovery & Reset Capability

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CIO demonstrates self-awareness about key program risks, particularly around change capability and the challenge of standardizing fragmented operating groups. She has named the core transformation challenge honestly (operating groups see it as IT doing something to them) and recognizes it requires CEO-level intervention. However, the governance model includes a potential bottleneck where steering can overrule working committee decisions, which may slow issue resolution. One-on-one engagement with operating group heads has been discussed with CEO but scheduling is unclear. Early stage makes recovery capability difficult to fully assess.

STRENGTHS

- CIO openly named the core transformation risk (fragmented operating groups viewing program as IT-driven)
- CIO recognizes change capability challenge cannot be delegated and requires her and CEO to personally own
- OCM reporting structure acknowledged as needing adjustment when challenged
- Willingness to surface uncomfortable truths about stakeholder trust gaps

RISKS

- Governance structure allows steering to overrule working committee, creating potential for decisions to be relitigated rather than resolved
- One-on-one engagement with operating group heads discussed with CEO but not yet scheduled or calendared
- If CEO/CIO engagement with operating groups stays in 'we talked about it' stage, discovery may start without relationship reset
- No clarity yet on feedback loops from field to steering committee
- Pre-kickoff phase limits ability to assess whether bad news will flow freely once program is underway

EVIDENCE

CIO's stated biggest worry: 'being able to instill change capability within our organization to actually standardize and pull several fragmented businesses together and stay on track, scope and budget'

'Should be mine and the CEO's responsibility to levelset the collaborative partnership and remove the roadblocks'

CIO acknowledged OCM reporting structure 'we can rethink it' when challenged

'Yes, we had a brief conversation with how we are going to execute' regarding CEO engagement with operating heads, but no indication it is scheduled

Steering committee will have authority to overrule working committee recommendations

Conduct CEO and CIO-led one-on-one meetings with each operating group leader before discovery kickoff

This is the single most important action because it addresses the root cause of every other risk on this program. Kara has multiple independent operating groups that view this S/4 transformation as something IT is doing to them, not as a collaborative partnership. That perception will poison every downstream activity. If operating group leaders do not believe they have a real voice in shaping the standard and do not trust that standardization will benefit them, they will resist at every turn. They will send disengaged representatives to workshops, withhold their best SMEs, escalate every design decision that threatens their autonomy, and undermine adoption when it is time to go live. No amount of governance structure, OCM capability, or SI expertise can overcome that fundamental misalignment.

The reason this must happen first is that it resets the power dynamic and the narrative. When the CEO and CIO sit down individually with each operating group leader and say explicitly that this transformation is a partnership, that their input will shape what the standard looks like, and that the goal is to give them better data and better decision-making capability, it fundamentally changes the conversation. It signals that this is not an IT mandate, it is an enterprise priority. And it creates accountability. Once those leaders have had that conversation with the CEO, they cannot credibly claim later that they were not consulted or that their voice did not matter. They are now on the hook to participate authentically, and the CEO has the standing to hold them accountable if they do not. Without these conversations, every other recommendation on this roadmap, hiring the transformation lead, restructuring the OCM reporting line, chartering the working committee, becomes significantly harder because the political environment remains adversarial rather than collaborative.

COST OF INACTION

At 30 days, if these conversations have not happened, discovery workshops will begin with operating group leaders who are skeptical, defensive, and disengaged. They will send junior or disengaged representatives to workshops, which will result in poor requirements definition and weak design recommendations. The working committee will struggle to function because business representatives will lack the credibility or authority to make commitments on behalf of their operating groups. At 60 days, the pattern will harden. Business stakeholders will begin escalating design disputes to the steering committee rather than resolving them at the working committee level, which will burn CEO and CFO cycles on tactical decisions and create the perception that the program is poorly governed. Trust between IT and the business will erode further, and the SI will begin to lose patience with the political dysfunction. At 90 days, the program will be in recovery mode. Discovery will be extended by 30 to 45 days because requirements will need to be reworked, and the SI will be submitting change orders to cover the extended timeline. Operating group leaders will begin openly questioning the value of the transformation, and some will lobby the CEO to descope their business unit from the program. Estimated cumulative cost at 90 days: \$300,000 to \$500,000 in extended SI fees, internal resource time lost to rework and escalation meetings, and the intangible but significant cost of damaged relationships and lost credibility for the program.

Prioritized Action Plan

Recommendations are ordered by severity, then by timeframe. Each item is sized by effort and impact to support sequencing decisions.

CRITICAL

1. Hire a Transformation Lead with internal navigation skills within 30 days

Pillar	Timeframe	Effort	Impact
Enterprise Transformation Strategy	0-30 days	Medium	High

You need a full-time transformation lead in place before discovery formally begins. This person will own the governance structure between your steering committee and the day-to-day workstreams, and more importantly, they will be the one who can navigate the internal political tensions between IT and your independent operating groups. You have correctly identified that this role should prioritize someone who understands how to work across siloed business units and can make decisions stick, not someone who just has deep SAP technical knowledge.

Without this person, three things will happen quickly. First, the working committee you are designing to vet issues before steering will have no chair and no authority, which means every technical design question will escalate straight to the CFO and CEO, burning their attention on things that should be resolved two levels down. Second, your OCM lead will remain reporting into a director-level IT Strategy role with no line of sight to business leadership, and that structure makes change management a workstream instead of a strategic priority. Third, the SI will begin driving the program by default because there will be no internal owner who can push back on their recommendations or translate them into language your operating group leaders will accept.

The right candidate is someone who has run cross-functional transformation programs in a multi-business unit or federated organizational model, ideally with some ERP or enterprise systems experience but not necessarily S/4 specific. They should report directly to you, and the OCM lead should report to them. Move quickly on this hire. Every week of discovery that runs without this person in place is a week where governance gaps will widen and decision-making accountability will remain undefined.

Recommended engagement: Fractional Transformation Leadership

Cost of delay: If this role is not filled within 30 days, discovery will begin with no clear internal owner, resulting in decision bottlenecks that will delay discovery milestones by 4 to 6 weeks. The working committee will fail to form or will lack authority, forcing all design disputes to the CEO and CFO and burning executive cycles on tactical issues. Estimated cost of delay: \$150,000 to \$250,000 in extended SI fees and internal resource time, plus 30 to 45 days of program schedule slip.

CRITICAL

2. Conduct CEO and CIO-led one-on-one meetings with each operating group leader before discovery kickoff

Pillar	Timeframe	Effort	Impact
Organizational Change Management	0-30 days	Low	High

You have correctly identified that your operating group leaders currently view this S/4 transformation as something IT is doing to them, not as a collaborative partnership. That perception will kill standardization, undermine workshop participation, and turn every design decision into a political battle. You and the CEO have discussed how to execute on resetting those relationships, but it has not yet been scheduled and put on calendars. That needs to happen immediately, and it cannot be delegated.

Before discovery formally kicks off, you and the CEO need to sit down with each operating group leader individually, not in a steering committee meeting, and have a direct conversation. The message is simple: this transformation is not about IT imposing a standard, it is about the enterprise building a common operating model that will give each operating group better data, better analytics, and better decision-making capability. But that only works if those leaders have a real voice in shaping what the standard looks like, and in exchange, they need to commit to participating authentically in the design process and holding their teams accountable for engagement.

These conversations are not ceremonial. They are diagnostic. You will learn in those meetings which leaders are genuinely open to collaboration and which ones are going to fight you for the next 18 months. That intelligence shapes how you staff the working committee, how you prioritize which processes to standardize first, and where you will need to spend the most change management energy. Schedule these meetings within the next two weeks and complete them before discovery begins.

Recommended engagement: Leadership Alignment Workshop

Cost of delay: If these conversations do not happen before discovery begins, operating group leaders will send disengaged or junior representatives to workshops, withhold their best SMEs, and escalate every design decision that challenges their autonomy. This will result in poor requirements definition, rework during build, and weak adoption at go-live. Estimated cost: 60 to 90 days of program delay due to rework and escalation cycles, plus \$300,000 to \$500,000 in extended SI fees and lost business productivity from delayed benefits realization.

HIGH

3. Build and secure business leader buy-in for SI credibility before discovery workshops begin

Pillar	Timeframe	Effort	Impact
Organizational Change Management	0-30 days	Low	Medium

You have selected your systems integrator and you trust them to deliver hard truths during discovery. However, your senior business stakeholders were not part of the SI selection process, which was led entirely by IT, and as a result the broader program does not yet trust the SI's expertise. This is a serious risk. When business leaders do not trust the SI, they will interpret every recommendation as vendor upselling rather than legitimate guidance, and they will resist process changes and design decisions even when those recommendations are correct.

You need to build SI credibility with your business leaders before discovery workshops begin, and that requires intentional relationship-building. The most effective approach is to have the SI's engagement lead and their senior functional leads (finance, supply chain, operations) meet individually with your VP of Finance, VP of Operations, and each operating group leader in a low-stakes setting before formal workshops start. The purpose of these meetings is not to present or sell, but to listen. The SI should ask each business leader what they care about, what worries them about standardization, and what outcomes would make this transformation a success in their eyes. This builds rapport and signals that the SI is there to serve the business, not to impose a cookie-cutter solution.

You and your OCM lead should facilitate these introductions and frame them explicitly as relationship-building, not as program kickoff. If the SI resists this or views it as unnecessary, that is a red flag about their understanding of change management, and you should push hard. These conversations are an investment that will pay dividends throughout discovery and design when tough process decisions need to be made.

Recommended engagement: Advisory Retainer

Cost of delay: If business leaders do not trust the SI before workshops begin, every design session will be contentious and unproductive. Business stakeholders will withhold information, challenge recommendations reflexively, and escalate disagreements rather than working through them collaboratively. This will extend discovery by 30 to 45 days and create an adversarial dynamic that will persist through the entire program. Estimated cost: \$75,000 to \$125,000 in extended workshop time and SI fees, plus significant damage to program morale and stakeholder engagement.

HIGH

4. Restructure OCM reporting line to report to the Transformation Lead within 45 days

Pillar	Timeframe	Effort	Impact
Organizational Change Management	30-90 days	Low	High

Your OCM lead currently reports to a Director of IT Strategy who is not on the steering committee. This structure signals to the organization that change management is an IT function, not a business transformation priority. In a program where your core challenge is pulling multiple independent operating groups into a standardized operating model, and where business leaders currently view this as something IT is doing to them, that reporting line will undermine every relationship your OCM lead is trying to build.

The correct structure is for the OCM lead to report to the transformation lead once that person is hired. This creates a direct line of accountability from change management to the program sponsor (you) through the transformation lead, and it elevates OCM to the same organizational altitude as program delivery, technical architecture, and business process design. It also gives your OCM lead the organizational standing to engage with VPs of Finance, Operations, and the independent operating group leaders as a peer-level strategic partner, not as an IT workstream lead.

This change is easier to make now, before discovery begins and before organizational patterns harden. Once the program is in flight, changing reporting lines becomes politically complicated and sends mixed signals about leadership confidence. Make the change cleanly within 45 days, once the transformation lead is onboarded, and communicate it clearly as an intentional elevation of the change management function.

Recommended engagement: Fractional OCM Leadership

Cost of delay: If OCM remains reporting into IT Strategy, business stakeholders will continue to perceive change management as an IT-driven compliance exercise rather than a strategic partner. This will result in poor engagement from operating group leaders, weak participation from business SMEs in workshops, and resistance to process standardization decisions. Estimated impact: 20 to 30 percent reduction in business stakeholder engagement, leading to rework during design and increased resistance at adoption. Cost of rework and extended change management activities: \$100,000 to \$200,000.

HIGH

5. Design and document decision rights, escalation paths, and working committee charter within 45 days

Pillar	Timeframe	Effort	Impact
Enterprise Transformation Strategy	30-90 days	Low	High

You have a steering committee in place, but decision rights are not yet clearly defined, and you are still designing the working committee that will vet issues before they reach steering. You correctly identified that you need a structure that balances IT and business resources, and you have decided on a working committee composed of IT and business leaders from each operating group. That is the right shape, but it will fail without a clear charter that defines what decisions the working committee owns, what gets escalated to steering, and how quickly decisions must be made.

The charter needs to answer these questions: What authority does the working committee have to make binding design decisions? When a design dispute arises, does the working committee resolve it or does it go to steering for adjudication? What is the decision-making process when operating group representatives disagree? How quickly must decisions be made, and what happens when consensus cannot be reached? Who chairs the working committee, and do they have tie-breaking authority? Without clear answers to these questions, your working committee will become a bottleneck where issues go to die, and your steering committee will be forced to re-litigate tactical design decisions that should have been resolved three levels down.

The transformation lead, once hired, should own the design of this charter in partnership with you, and it should be finalized and communicated to all program participants within 45 days. This is not a document that can wait until discovery is underway. Decision-making patterns will form in the first 30 days of the program, and if the governance model is not explicit, the patterns that form will be driven by whoever is most aggressive or most politically powerful, not by what is best for the program.

Recommended engagement: Advisory Retainer

Cost of delay: Without clear decision rights and escalation paths, the program will experience decision paralysis during discovery and design. Every contentious issue will escalate to the CEO and CFO, burning executive cycles on tactical questions and creating a perception that the program is poorly governed. Estimated cost: 30 to 60 days of cumulative delay across multiple workstreams due to decision bottlenecks, plus \$100,000 to \$150,000 in extended SI costs and internal resource time lost to escalation meetings.

HIGH

6. Finalize measurable business outcomes and KPIs with CFO and operating group leaders within 60 days

Pillar	Timeframe	Effort	Impact
Enterprise Transformation Strategy	30-90 days	Medium	High

You have articulated a clear business rationale for the S/4 transformation: improve efficiencies, standardize business processes, and create better data predictability and analytics. That is the right strategic intent. However, you have not yet translated that intent into measurable outcomes that the business cares about, such as reducing order-to-cash cycle time by a specific number of days, cutting manual reconciliation effort by a quantified number of hours per week, or improving forecast accuracy by a specific percentage. You correctly identified that you want to ensure the foundation for measurable business results and KPIs is set in stone prior to kickoff. That work needs to happen immediately.

Without specific, measurable outcomes, three problems will emerge. First, your operating group leaders will not understand what success looks like or why they should invest their best people and political capital in this program. Second, your SI will design the solution based on their assumptions about what matters, which may or may not align with what your CFO or operating group leaders actually care about. Third, when the program hits turbulence, which every transformation does, you will have no objective way to evaluate tradeoffs between scope, cost, and timeline because you will not have agreed-upon business outcomes to anchor those decisions.

The CFO and the operating group leaders need to co-create these measurable outcomes with you within the next 60 days, ideally before discovery formally begins. This is not a financial exercise that you hand to a program analyst. It is a strategic conversation about what each operating group is willing to commit to achieving if the transformation delivers what it promises. Those commitments become the scoreboard for the program, and they are what justify continued investment when the program inevitably encounters difficult tradeoffs.

Recommended engagement: Leadership Alignment Workshop

Cost of delay: Without clear, measurable business outcomes, the program will lack a North Star to guide design decisions and prioritization. When scope needs to be cut or timeline needs to extend, there will be no objective framework for making tradeoffs, and decisions will be made based on politics rather than business value. This will result in scope creep, misaligned expectations, and weak business case justification if budget overruns require additional investment. Estimated cost: \$200,000 to \$400,000 in wasted effort on low-value requirements and rework when priorities shift mid-program.

MEDIUM

7. Develop SME resource plan and secure middle manager commitment within 90 days

Pillar	Timeframe	Effort	Impact
Training & Enablement	30-90 days	Medium	Medium

You have correctly identified that you will need subject matter experts and super users to co-design training content with the SI to ensure it is role-based and workflow-oriented rather than system-click focused. This is the right training philosophy, and it will build internal capability that lasts long after the SI leaves. However, you have not yet developed a plan for how long those SMEs and super users will be pulled off the floor during discovery, design, and training development, and you have not yet engaged with their middle managers to secure commitment and discuss backfill plans.

This is a critical dependency that will surface fast once discovery begins. Your best finance analyst, your most knowledgeable supply chain planner, and your most experienced operations supervisor are exactly the people you need in workshops and training design sessions, and they are also the people their managers cannot afford to lose for six months without backfill. If you pull them without a plan, one of three things will happen: the SME will burn out and disengage, their manager will escalate and demand their return, or the SME will quit and join a competitor. All three outcomes have happened on every large-scale ERP program I have worked on.

Once your transformation lead is in place and the working committee is chartered, they should work with HR and each operating group to build a resource plan that identifies which SMEs will be needed, for how long, at what percentage of their time, and what the backfill or workload reallocation plan is for each one. Middle managers need to be part of that conversation, and they need to understand that their cooperation is not optional. This plan should be finalized within 90 days, before the peak of discovery workshops begins.

Recommended engagement: Program Delivery

Cost of delay: If SME resource planning is delayed, you will experience poor workshop participation, SME burnout, and middle manager resistance that will force you to replace key SMEs mid-program. This will result in knowledge loss, rework, and delays in training content development. Estimated cost: 30 to 45 days of delay in training readiness and \$50,000 to \$100,000 in rework and extended SME engagement costs.

MEDIUM

8. Finalize and deploy strategic messaging cascade from CEO to workforce within 60 days

Pillar	Timeframe	Effort	Impact
Strategic Communications & Executive Messaging	30-90 days	Low	Medium

You are currently building strategic messaging to cascade down to the organization, with the plan that initial messaging will come from the CEO and be cascaded by next-in-line leaders. You are also building a strategic communication plan to bring the organization up to date as the program progresses through its lifecycle. This is the right structure, and CEO-led messaging gives the program the executive sponsorship and credibility it needs. However, the messaging is not yet finalized, and you do not yet have a cadence defined for how often the workforce will hear about the program during discovery and beyond.

Messaging and cadence are foundational to managing workforce anxiety and building trust in the program. Right now, your workforce knows something is coming but they do not know what it means for them, how it will affect their day-to-day work, or whether their input will matter. That uncertainty breeds rumor, resistance, and disengagement. The CEO message needs to be clear, honest, and specific: why the organization is doing this transformation, what the business outcome is, how employees will be involved, and what support they will receive. It cannot be a generic "we are modernizing our systems" email. It needs to speak to the reality that this program will require process standardization across independent operating groups, and that is hard work, but it is worth doing.

The communication cadence should be monthly at minimum during discovery and design, with updates from you or the transformation lead that are specific about what has been accomplished, what decisions have been made, and what is coming next. Finalize the messaging and the communication plan within 60 days, and deploy the CEO message before discovery workshops begin so that when people are asked to participate, they understand why.

Recommended engagement: Strategic Communications

Cost of delay: If strategic messaging is delayed or generic, workforce anxiety will increase and rumors will fill the information vacuum. Employees will disengage from workshops and resist process changes because they do not understand the purpose or feel invested in the outcome. This will result in weak adoption, poor training participation, and increased resistance during go-live. Estimated cost: 15 to 20 percent reduction in workforce engagement and productivity during the transition period, translating to \$75,000 to \$150,000 in lost productivity and extended hypercare support post go-live.

30 / 60 / 90+ Day Sequencing

0-30 DAYS	30-90 DAYS	90+ DAYS
<p>CRITICAL Hire a Transformation Lead with internal navigation skills within 30 days</p>	<p>HIGH Restructure OCM reporting line to report to the Transformation Lead within 45 days</p>	
<p>CRITICAL Conduct CEO and CIO-led one-on-one meetings with each operating group leader before discovery kickoff</p>	<p>HIGH Design and document decision rights, escalation paths, and working committee charter within 45 days</p>	
<p>HIGH Build and secure business leader buy-in for SI credibility before discovery workshops begin</p>	<p>HIGH Finalize measurable business outcomes and KPIs with CFO and operating group leaders within 60 days</p>	
	<p>MEDIUM Develop SME resource plan and secure middle manager commitment within 90 days</p>	
	<p>MEDIUM Finalize and deploy strategic messaging cascade from CEO to workforce within 60 days</p>	

What Success Looks Like

If these recommendations are implemented:

AT 90 DAYS

Within 90 days, the transformation lead is hired and fully onboarded, and the OCM lead now reports directly to them. The governance model is documented and operational. The working committee, composed of IT and business leaders from each operating group, meets weekly and has clear decision rights and escalation paths defined in a charter that everyone understands and follows. The CEO and Kara have completed one-on-one meetings with each operating group leader, and those leaders now understand that this transformation is a collaborative partnership where their input will shape the standard, not an IT mandate being imposed on them. Business leaders have met individually with the SI's engagement and functional leads, and the initial trust gap is closing. Discovery workshops are running with strong participation from business SMEs, and contentious design questions are being resolved at the working committee level rather than escalating unnecessarily to the steering committee. The workforce has received clear, honest messaging from the CEO about why this transformation is happening and what it means for them, and a monthly communication cadence is established and being followed.

AT 180 DAYS

At 180 days, the program is midway through design, and measurable business outcomes and KPIs have been finalized with the CFO and operating group leaders. Each operating group has committed to specific targets for cycle time reduction, manual effort elimination, or forecast accuracy improvement, and those commitments are documented and tied to the business case. The SI has delivered design recommendations that reflect the input and priorities of the business leaders, and because trust has been built, those recommendations are being evaluated on their merits rather than dismissed as vendor upselling. The working committee has successfully resolved multiple contentious design disputes without escalating to the steering committee, which has freed the CEO and CFO to focus on strategic decisions rather than tactical ones. SME resource plans are in place, middle managers understand and support the time commitment their people are making, and backfill or workload reallocation plans are being executed so that SMEs are not burning out. Training content design has begun, co-led by internal super users and the SI, and the content is grounded in real workflows and role-based scenarios rather than system-click exercises. The program is on track, on budget, and business leaders are actively engaged and invested in the outcome.

AT GO-LIVE

At go-live, the organization has successfully transitioned to a standardized S/4HANA platform across all operating groups. Business processes are standardized where it matters most, and the operating groups

that were initially resistant now see the value in shared data, streamlined workflows, and better analytics capability. Adoption is strong because the workforce was prepared through role-based training that was designed with their input, and because leaders at every level communicated clearly and consistently about what was changing and why. The measurable business outcomes that were defined 12 to 18 months earlier are being tracked, and early results show improvement in the KPIs that the CFO and operating group leaders committed to achieving. Hypercare is manageable because the internal capability that was built during the program, the super users, the SMEs, the OCM lead, and the transformation lead, remains in place to support the organization through the transition. The systems integrator is beginning to disengage, and the organization has the confidence and competence to sustain the transformation without them. Most importantly, the collaborative partnership that Kara and the CEO worked to build between IT and the operating groups has fundamentally shifted the culture, and the organization now has a proven model for how to execute enterprise-scale change.

CURRENT STATE

Strategy	3/5	Target: 4+
Change Management	3/5	Target: 4+
Strategic Communications & Executive Messaging	4/5	Target: 4+
Training & Enablement	4/5	Target: 4+
Transformation Recovery & Reset Capability	3/5	Target: 4+

Next Steps

This diagnostic provides an evidence-based view of your transformation program's current state. The recommendations above are sequenced to address the highest-risk areas first while building toward sustainable program health.

Most transformations do not fail because of bad strategy or weak technology. They fail because the human side of the program (leadership alignment, change adoption, communications, and workforce readiness) is treated as a workstream rather than the core discipline it actually is. The recommendations in this report focus on closing those gaps before they become program-defining.

About This Report

Generated by Levelset, a diagnostic platform for high-stakes transformation programs. All findings are based on the diagnostic interview conducted with the engaged executive.

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