

New ASUG & Prometheus Group Research Finds Utilities Must Confront Integration and Data Challenges to Advance SAP S/4HANA Migrations

Americas' SAP Users' Group (ASUG) research with Prometheus Group on Utilities (UTL) sheds new light on the industry's top challenges, trends, and priorities.

Utilities Slow to Adopt SAP S/4HANA

SAP customers in the Utilities industry focus equally on maximizing their current technologies as they do with migrating to SAP S/4HANA. This leaves them falling behind in their adoption journey with S/4HANA.

One ASUG member in the UTL industry highlights the difficulty of keeping up with the pace, **"Upgrading our SAP system is prohibitively difficult. Make it easier for us to keep up with the most current version of SAP so we can benefit from new material."** We also see customer experience and integrations have become core focus areas, with those in the UTL industry working to fine-tune systems now in hopes of smoother migrations later.

33%

of UTL Industry ASUG Members Are Already Live/Started To Move To SAP S/4HANA

47%

of Total ASUG Members Are Already Live/Started To Move To SAP S/4HANA

S/4HANA Status

UTL Industry ASUG Members



27%

Moving in the next 24 months



23%

Moving more than 2 years from now



13%

Plans to move are on hold for now



5%

No plans to be involved

May not add to 100 due to rounding



Everyone is 'ending support' for their legacy/on-premise solutions and transitioning to SaaS/Cloud solutions. It seems to be "get on the bandwagon or get left behind."

—IT Systems Analyst, UTL Industry

Top Focus Areas

UTL Industry ASUG Members



42%

Maximizing use of existing technologies



42%

Moving to SAP S/4HANA



39%

Customer experience



36%

Integration between SAP and non-SAP systems



30%

Integration within SAP systems (e.g., SAP BTP)

Increased Integration Challenges Contribute to Migration Slowdown

Integration challenges have skyrocketed for ASUG Members in the UTL industry, increasing by 22% since 2023 (23% of UTL Industry ASUG Members selected integration in 2023). This has become their top pain point in 2024. Customers in the UTL industry also face heightened challenges overall compared to other SAP customers, particularly in integration, another contributor to their slower migration status.

Top Challenges

Integration

45%

UTL Industry ASUG Members

31%

Total ASUG Members

Budget

41%

UTL Industry ASUG Members

35%

Total ASUG Members

Keeping up with the pace of technology changes

34%

UTL Industry ASUG Members

27%

Total ASUG Members



Our biggest pain point is the ever-increasing complexity in integrations and the potential security risks with so much cloud-hosted data."

—IT Systems Analyst, UTL Industry

The Role of Analytics, Automation, and Artificial Intelligence is Paramount

UTL customers prioritize solutions that feature data analytics and management, automation, and artificial intelligence (AI), which are expected to have the greatest impact on digital transformation efforts in the next two years.

To support these priorities, UTL industry professionals must enhance their AI and data management expertise. Knowing how to use AI is the second-most lacking skill set in organizations. In 2024, UTL customers also face a greater shortage of database and data management expertise than 2023 UTL customers and other SAP customers.

Technologies Important to Digital Transformations

UTL Industry ASUG Members



61%

Data Analytics



36%

Automation



32%

Artificial Intelligence

Top Internal Skillsets Missing or Lacking at Organizations

UTL Industry ASUG Members



50%

SAP S/4HANA Expertise



30%

Artificial Intelligence



23%

Cloud integration/migrations



22%

Business process management



20%

Databases and data management

up 9%
From 2023
vs. 11%
Total ASUG members

Upskilling Necessary to Keep Organizations on Track

UTL industry professionals must invest in upskilling and training. One UTL customer describes their concern as **"What keeps me up at night is the limited internal knowledge we have to take advantage of upcoming technology."** To stay on top of changes, allocate sufficient resources for current and future technology development, especially SAP S/4HANA.

Top Concerns Related to Technology

UTL Industry ASUG Members



1 Security threats



2 Keeping up with technology changes



3 Maintaining necessary experience and skillsets



Limited training is my top concern. Our company wants new technology but won't invest in training on current technology, let alone future technologies. Too much of a firefighting approach."

—Senior IT Functional Analyst, UTL Industry



Dive into the full results in this webcast. ASUG and Prometheus examine the challenges, trends, and priorities of the Utilities industry. Register Now.

About the Research

ASUG conducted this research in October 2023. The results are based on responses from 766 participants who are members of ASUG, 64 of those members are within the UTL industry.



ASUG is the world's largest SAP user group. Originally founded by a group of visionary SAP customers in 1991, its mission is to help people and organizations get the most value from their investment in SAP technology. ASUG currently serves thousands of businesses via companywide memberships, connecting more than 130,000 professionals with networking and educational resources to help them master new challenges. Through in-person and virtual events, on-demand digital resources, and ongoing advocacy for its membership, ASUG helps SAP customers make more possible.

Prometheus Group enables unified enterprise asset optimization through an integrated approach to planning, scheduling, work management, and business analytics across routine and preventive maintenance, shutdowns/turnarounds, and production scheduling. Unlike the competition, Prometheus packaged software is easy to use, can be implemented in weeks, and allows a business to quickly improve operational efficiency and the effectiveness of work processes to gain a competitive advantage. For more information, visit www.prometheusgroup.com.