



## DSAG PRESS RELEASE

DSAG Annual Congress 2022

### **Keeping pace with change**

- SAP on-premise solutions still in demand
- IT departments lacking manpower
- Desire for more transparent, flexible and scalable cloud agreements

**Walldorf, Germany, 10.11.2022 – Given the digitalization, transformation and political upheaval of current times, a company's success largely hangs on its ability to keep pace with change. In a recent survey by the German-speaking SAP User Group (DSAG), the Americas' SAP Users' Group (ASUG) and the Japan SAP Users' Group (JSUG), 85 percent of surveyed DSAG member companies said that's going well for them. As before, on-premise systems remain extremely important, even if cloud solutions are gaining on them. This confirms a trend that has been apparent for several years now: the future of IT is hybrid!**

Digitalization, transformation and upheaval are all buzzwords of our times. They describe the conditions under which many companies and organizations operate when they are subject to rapid and sometimes disruptive changes. In other words, the long-term success or very existence of an organization depends on how well it keeps up with these changes or, even better, stays ahead of them. In a recent survey conducted by the German-speaking SAP Users' Group (DSAG), the Americas' SAP Users' Group (ASUG) and the Japan SAP Users' Group (JSUG), 85 percent of companies surveyed in Germany, Austria and Switzerland said that they were able to keep pace with the changes to some extent or without any problems. They have skilled, motivated employees, sufficient resources, flexible organizations and quick decision-making processes, as well as a company management that is open to and willing to change. Fifteen percent believed that they were unable to keep up, whether due to a lack of resources, the complexity of business transformation, or a reluctance to embrace change. Among the ASUG members surveyed, 13 percent said they were unable to keep pace, while this figure was even higher for the Japan SAP Users' Group (JSUG) at 39 percent. For the IT departments of German-



## DSAG PRESS RELEASE

speaking companies, the main obstacles cited were the lack of internal skills and staff (63 percent), the complexity of IT migrations (53 percent) and cost constraints (42 percent). "The ability of companies to keep up with the rapid pace of change starts and ends with people," summarizes Jens Hungershausen, DSAG Chairman.

### **On-premise in demand – and cloud solutions too**

To enable companies and organizations to keep pace with change, IT departments and landscapes need to adapt and evolve accordingly. When DSAG members were asked which software providers were most important to them in this respect, SAP came ahead of Microsoft, followed by Oracle, Salesforce, Amazon Web Services and Google. SAP and Microsoft also came out on top among ASUG and JSUG members. "All providers are faced with a clear need to deliver future-proof solutions that support their customers in this connected world," explains Jens Hungershausen.

When asked about the importance of SAP versus non-SAP solutions, both on-premise and in the cloud, 93 percent of DSAG members surveyed said SAP on-premise solutions were of high or medium importance in their current IT landscapes. Seventy-five percent said the same of non-SAP on-premise solutions. And with regard to cloud solutions, 61 percent said non-SAP cloud solutions were of high or medium importance, while 42 percent said the same of SAP cloud solutions.

### **The road ahead**

When asked about the importance of software solutions for their future IT landscapes, 85 percent of DSAG respondents said SAP on-premise solutions were of high or medium importance, 77 percent said SAP cloud solutions, and a further 77 percent said non-SAP cloud solutions. Non-SAP on-premise solutions came in last with 67 percent.

The bigger picture is similar for all three user groups: it's assumed that on-premise solutions are losing importance, while cloud solutions are gaining ground – both in the SAP and non-SAP spaces.



## DSAG PRESS RELEASE

"The importance of SAP on-premise solutions will continue to decline, but will stall at a higher level. Although SAP cloud solutions are also becoming more important, which confirms a trend that we've been seeing for a few years now: the future is hybrid!" summarizes Jens Hungershausen. According to the Chairman, it's critical that companies are supported by SAP with integrated, affordable landscapes based on appropriate licensing/data models and processes.

### **Working on the future, together**

DSAG wants SAP to offer transparent, flexible and scalable cloud agreements with the corresponding metrics, as well as binding statements and roadmaps for product strategies for cloud and on-premise solutions. Furthermore, with regard to hybrid landscapes, there's a need for clear integration and operation models. This includes collaboration models between Customer Center of Expertise and hyperscalers. "There cannot be a process vacuum between new SAP solutions and hybrid approaches. It's critical that SAP plays a part in preventing one from forming," says Jens Hungershausen. The Chairman also sees potential in the transformation space. "In our view, 'RISE with SAP' still has lots of potential. Ultimately, we want SAP to provide better, more effective bespoke support to customers from the very beginning of the complex transformation process. And this also means including partners more effectively and at an earlier stage."

### **Conclusions:**

The majority of companies surveyed say they are able to keep pace with the changes brought on by the digitalization, transformation and upheaval of current times. When it came to ranking the importance of solutions now and in the future, the on-premise approach remains the undisputed leader, although SAP cloud solutions gained significantly. According to DSAG members, more transparency is needed in cloud agreements, roadmaps and product strategy. Additionally, SAP needs to provide better support for the complex transformation process.

### **Scope of survey:**



## DSAG PRESS RELEASE

In June 2022, 434 DSAG members participated in a survey of companies in German-speaking countries, including 33 from Austria and 41 from Switzerland. The survey addressed CIOs, IT and CC managers, DSAG office holders, representatives and key contacts at member companies. 81 percent of the companies surveyed were based in Germany, 9 percent in Switzerland and 8 percent in Austria. Additionally, 492 ASUG members and 213 JSUG members participated in the survey.

END OF BOX

Character count: approx. 7,000

### **About DSAG**

The German-speaking SAP User Group (DSAG) is one of the most influential user groups in the world. Its extensive network is made up of more than 3,800 companies, ranging from mid-size firms to DAX-listed corporations, and representing every major industry in Germany, Austria and Switzerland. Thanks to its extraordinary reach, the group has unparalleled insight into the digital challenges facing companies in these markets. DSAG uses this knowledge to represent the interests of SAP users and help pave the way for its members to a digital future.

Find out more at:

[www.dsag.de](http://www.dsag.de), [www.dsag.at](http://www.dsag.at) [www.dsag-ev.ch](http://www.dsag-ev.ch)

### **Press contact**

DSAG

Thomas Kircher

German-speaking SAP® User Group (DSAG)

Altrottstraße 34a

69190 Walldorf, Germany

Phone: +49 6227 358 0966

Fax: +49 6227 358 0959

Email: [presse@dsag.de](mailto:presse@dsag.de)

Website: [www.dsag.de](http://www.dsag.de)