

Go Beyond RISE: Reclaim Control of Your IT Ecosystem

The Forward-Thinking Leader's Guide



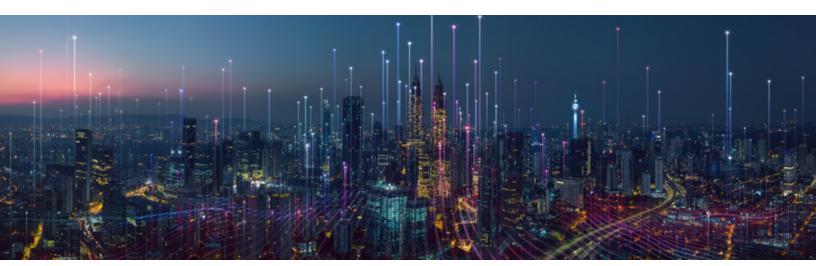


"I'm Charles, the CIO of a large company, and I'm here to share details about our digital transformation journey, and why Spinnaker Support ended up being the ideal partner to help us achieve our goals. If you're struggling with whether RISE with SAP will best support your company through growth and innovation, chances are, you'll relate to my story..."

As a CIO in the fast-paced world of digital transformation, you're tasked with the neverending mission to seek new ways to innovate, streamline operations, and discern the tech trends that are here to stay from those that will be gone tomorrow — especially when leading your organization's transformation.

If you're currently using SAP, its newest cloud-migration product, RISE with SAP, promises a one-stop solution for organizations searching for the best way to embark on their digital journey and ascend to cloud-based infrastructure. However, while SAP is one of the most prominent leaders in software business management, you shouldn't ignore the risks and uncertainties associated with their solution.

The following guide is designed to empower you with insight into the realities of locking into just one vendor, as well as to draw attention to effective alternatives to RISE with SAP. Read on to learn how you can achieve more control over your IT ecosystem and optimize costs without sacrificing the exceptional support that your customers and your team need.





KEY TAKEAWAYS ADDRESSED IN THIS GUIDE:

SAP lock-in slows down your ability to innovate. Dependence on SAP as your only vendor restricts your innovation and increases the risk that their support team will have you following their roadmap, instead of your own. Rather than determining the pace of your digital transformation, you'll be subject to their maintenance deadlines, rather than your business's need to implement enhancement packages or S/4 upgrades.

You can have more control over your IT ecosystem. It is possible to personalize your back- and front-end processes to support your specific business goals while maintaining the ability to scale on your schedule (meaning, you don't have to upgrade when there's no functional gain for, or value in, doing so).

Spinnaker Support's third-party support offering saves organizations an average of 60% in fees. As our sole business focus is the delivery of exceptional support services, we do not have overheads of delivering Cloud solutions, or R&D budgets to develop and launch new products, therefore you are only paying for the services you are using and not for peripheral products and services that other customers may be enjoying, but not you!

Customized systems are key. Industry analysts are predicting a complete shift to pure SaaS-based systems, based on standard software. However, many large organizations are vendor agnostic (i.e., they use a combination of Oracle, SAP, Salesforce, etc. to effectively execute business processes).

Because RISE states that customers cannot run custom or third-party products within its boundaries, organizations, like yours, are forced to move to the world of multiple clouds. This begs the question, can your company live without your SAP custom code or custom apps if this functionality shapes part of your competitive differentiation?

To break free of SAP's constraints, countless organizations have switched to Spinnaker Support's third-party SAP support, where they can regain control, optimize costs, and ramp up innovation.

Digital transformation isn't one-size-fits-all. Understanding the risks of RISE with SAP and exploring alternative pathways to digital transformation will empower you to chart your own course to success.

One of the most pressing drawbacks of RISE is that it forces you to move to successor solutions (e.g. S/4HANA, SAP CX, SAP, and Ariba). As such, you may not actually achieve any functional gain from transition — and therefore, no increase in value.

Digital transformation should be solely about your unique business needs, which is why many SAP customers do not see any incremental value in a "lift and shift" to a new hosting platform.





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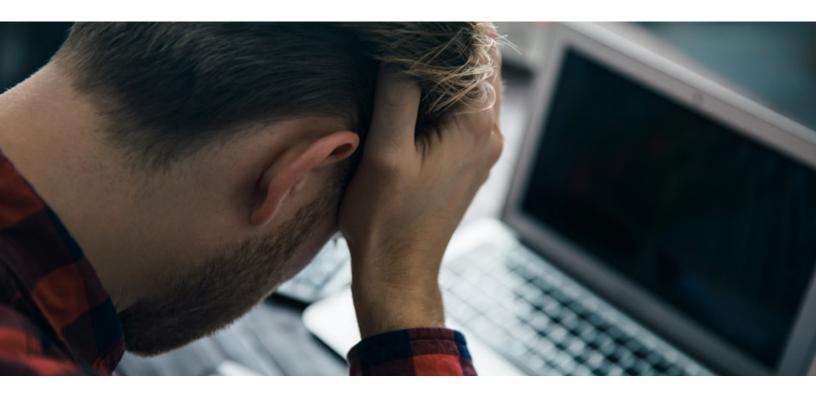


Chapter 1 Understanding the Risks of RISE With SAP

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Charles perspective: "To stay competitive, my organization was convinced we needed to optimize our current business operations by using technology that increased our efficiency and productivity. RISE with SAP made so many promises that we worried it might be too good to be true. When our IT team began voicing their frustrations with our current SAP version, I started investigating the risks of upgrading to RISE. Here's what I learned ... "

Your IT team likely faces the limitations of SAP services daily and might even believe they're just an unavoidable aspect of business. While RISE with SAP attempts to increase innovation by offering a subscription-based pricing model that promises streamlined operations to (potentially) overcome traditional publisher weaknesses, there are inherent risks to consider.

VENDOR LOCK-IN

Dependency on SAP as your only vendor restricts innovation and increases the risk of being constrained by SAP's limitations because:

- You're forced into SAP's "roadmap", meaning your innovation capabilities are heavily dictated by SAP's pace to advance.
- You lose flexibility in IT infrastructure, forcing you to waste money on features and tools irrelevant to your organization.



COST OVERRUNS

Your total cost of ownership is unpredictable with RISE with SAP, making budget allocation all the more challenging, with hidden expenses lurking everywhere, such as:

- Customization fees
- Data transfer costs
- Application services (e.g. configuration or customization)
- Typical systems integration
- COE (Center of Excellence)
 resources



DISRUPTION TO OPERATIONS

Most IT teams understand the limits of SAP services and are accustomed to partial support for interoperability, lack of support for custom code, and/or trying to justify the need for support on their highest priority issues. These issues become more pronounced during cloud migrations, where setup complexities and bug fixes often result in significant operational downtime, affecting much more than just productivity.

Staggeringly, even conservative estimates on what inefficiency costs U.S. businesses equal upwards of \$10 trillion in "self-imposed lost productivity tax."

Moreover, many organizations (particularly in industries like aerospace and defense) harbor concerns about security. The RISE model, which may outsource cloud and technical services to the lowest bidder, often doesn't align with customer preferences, leading to potential issues in service quality and problem ownership.

In an era where the efficacy of your organization's IT architecture is increasingly tied to its composability,

placing your entire IT ecosystem under the management of a single vendor, like SAP, might not offer the simplicity or compatibility you're seeking to achieve.

RISE MAY NOT WORK FOR CAPITAL-BASED BUSINESSES

Capital-based businesses (like utilities and public sector, which are often bound by capital-based funding and stringent budgeting rules) may not find any applicable use or value in the one-size-fits-all solution that RISE offers.

While some companies prefer the flexibility of subscription-based ("pay as you go") financial models, if yours requires capital-based finance, it's important to also consider how interest-rate changes would impact your experience with RISE.

With less control over your maintenance costs and financial outlays, it's wise to question whether your future cashflow projections can even sustain RISE before you invest.



Chapter 2 Empowering IT Leaders With Spinnaker Support





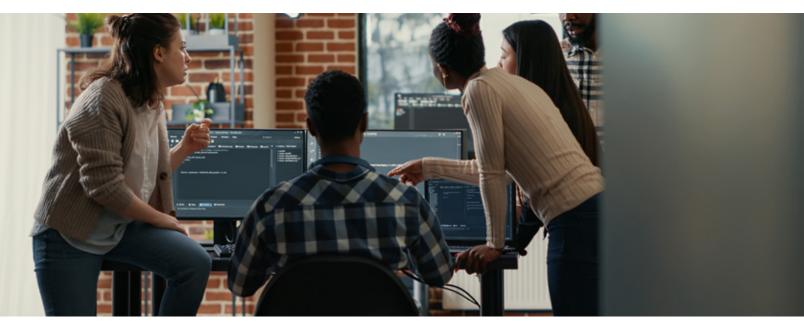


Charles perspective: "It was crucial that we had the freedom to experiment with our tech stack so that we could find systems that worked for all our teams. We wanted to optimize processes, ensure compatibility, and get the expert support we needed when we needed it. Because our ERP needed to mold to us, not the other way around, I started looking for a support vendor who would put us back in control. That's when Spinnaker Support appeared on my radar. I was so impressed that I presented them as an option to the rest of the C-suite. Here's how Spinnaker explains their model..."

Your ERP's limitations or upgrade schedule shouldn't constrain your growth or innovation. Many customers don't realize that their SAP maintenance contracts expire in 2025 because they're on a low release of ECC 6.0, for those on a high release, this moves to 2027. A wave of panic recently erupted when customers underwent a series of technical EHP upgrades, only to discover they no longer had functional activation and were now responsible for an additional expense without any functional gains.

Additionally, a portion of RISE's target market includes early-release S/4HANA customers, who are now out of maintenance and must upgrade to later releases. That's why forward-thinking leaders are moving toward more flexible options, like Headless and Composable infrastructure, where only the best software participates in their optimal, fully personalized tech stack.

As an OpEx path to digital transformation, Spinnaker adapts its support to what's already working in your IT ecosystem, then we provide ongoing third-party support for any legacy system and continually tailor our support to your business's evolving needs.









COST OPTIMIZATION

SAP blends both maintenance and support fees into one massive rate, instead of giving you the ability to choose the exact service you need, without wasting money on services that won't yield ROI.

On the other hand, Spinnaker Support offers a more flexible pricing model that aligns expenses directly with your usage and optimization costs. You only pay for what you use, ensuring that you gain clear and trackable value for every dollar you invest. Spinnaker Support's customizable plans not only adapt to your current business needs, but the savings you accumulate after switching to us (an average of 60%) affords you more capital to invest in your growth.

CUSTOMIZED SUPPORT

By offering the following, Spinnaker's personalized support ensures rapid issue resolution, minimizes downtime, and mitigates operational disruptions for companies of all sizes:

- **Experienced aligned engineers:** Our engineers become an extension of your internal team, gaining deep knowledge of your specific environment. This collaboration ensures you have invaluable Level 4 expertise at your fingertips.
- Security and vulnerability management: We keep your software systems safe with proactive vulnerability management and security services built with best-inclass processes and extensive IT security expertise.
- Break/fix services: We help your enterprise software run at peak performance with intuitive diagnostic services, fast product fixes, structured performance management, and/or operational workarounds for software issues.

FREEDOM FROM VENDOR LOCK-IN

Diversifying your support providers empowers you to reduce dependency on SAP, granting you greater control over your IT ecosystems. Say goodbye to paying for unused licenses and take charge of your technology investments.



Chapter 3 Cost Comparison: RISE With SAP vs. Spinnaker Support

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Charles perspective: ""In addition to needing our support provider's help with customizing our ERP to our needs, we also needed their services to be affordable. The high costs and rigid structures of traditional SAP support were really inhibiting our ability to innovate — and the more I looked into third-party support as an option, the more confident I felt that it was the key to our company's welfare, both competitively and financially. Spinnaker Support explained the difference between the cost of RISE with SAP and their own…"

While features and customer service are key factors in buying decisions, cost is unavoidable in driving decision-making. After all, a SaaS could be intuitive, user-friendly, and scalable, but if it tips the profit/loss scale in the wrong direction, your organization will need to seek an alternative. With that in mind, it's important to examine whether a CapEx or an OpEx cost model fits your business best.

RISE with SAP can seem like an all-in-one solution that saves money, but the truth is that their pricing only covers technical services. If you're an SAP customer, you're responsible for providing your own system integrator or Center of Excellence to support the functional aspects of your solution set.

And if you require customizations, you're forced to pay separately for specialists (e.g. designers and ABAPers). Only S/4HANA Public Cloud is true SaaS and fully OpEx, though it may not even be accessible to most companies and organizations that need it.

Among cost considerations, you'll also have to account for:

- **High initial investments that squeeze budgets** and may make services inaccessible if your organization needs to grow but has less capital to work with at your current stage of operation.
- Depreciation of any item within your IT system.

SPINNAKER SUPPORT IS MORE COST-EFFECTIVE FOR BOTH SMALL AND LARGE-SCALE OPERATIONS

Since 2008, Spinnaker Support has delivered optimized, customized support to over 1,200 customers, earning a Customer Success Score of over 98%. Because we operate via an OpEx model, our third-party support services allow you to:

- Support your entire landscape including all your customizations
- Increase your flexibility and control your budget allocation
- Mitigate risks, because there's no massive up-front investment
- Maintain compliance from a security and regulatory perspective



Chapter 4 Exploring Alternative Pathways to Digital Transformation



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Charles perspective: "The main goal of our digital transformation was to invest in a platform that had longevity — but we knew we couldn't have longevity without high efficiency, which is why every organization that transitions to cloud-based SaaS wants those two things: greater efficiency and a solution that has staying power. My company was no different in that we needed a solution which would not just let us keep the processes that already worked well, but one that would also help us fine tune them, thereby improving productivity from the top down. In my search, I came across a couple different paths we could take toward achieving a fitting solution..."

ON-PREMISE SOLUTIONS

Installed and operated entirely on physical servers, located on business property, on-premise ERP offers the following to give you total control and customization over how your system and data function:

- More control over your infrastructure: It's easier to maintain control over infrastructure and data without the complexities of cloud migration.
- More autonomy/Less reliance on software publishers: Having as much control over your system as possible helps your organization run more efficiently and means you are less likely to deal with unresponsive tech support, customizations, and being forced to upgrade to unstable newer versions.
- More customizability: On-premise ERP solutions are often more customizable and easier to personalize.

CLOUD MIGRATION WITH HYPERSCALERS

To most, cloud migration isn't an if but a when. Some companies have reservations about the safety of their data, and SAP's RISE model, as it stands today, does little to address these concerns. Reassuringly, cybersecurity is not only a top priority, but incredibly effective, especially when introducing specialized third-party support that offers...

- Better cloud portability: Choosing a hyperscaler cloud solution (like AWS, Azure, or Google Cloud) gives you the ultimate flexibility. Everything from recording and sharing data to maintenance and upgrades is more efficient and cost-effective.
- High scalability: Using a cloud-based infrastructure introduces practically unlimited scaling potential.
- Advanced security protection: High-end cloud providers prioritize top-tier data protection, like cybersecurity measures with continuously updated encryption, disaster recovery, and much more.



Chapter 5 Inspiring Bold Steps: Take Control of Your IT Future

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Charles perspective: "We finally chose Spinnaker Support as our strategic partner. The deciding factor was learning they have a 4:1 customer-to-engineer ratio. It was reassuring to know we wouldn't have to wait hours, or even days, for an expert to respond to our tickets. That would help us avoid operational disruptions and make confronting problems much less stressful. Here's what Spinnaker Support told us..."

In the rapidly evolving software landscape, it's important to challenge the status quo and explore alternative pathways to effective digital transformation. By breaking away from SAP's constraints and embracing third-party support vendors, like Spinnaker Support, you'll be able to:

- Keep everything you love about your SAP on-premise enterprise or infrastructure product set while maintaining control over your IT ecosystem.
- **Get answers and solutions** from live experts, instead of spending hours searching through overwhelming online knowledge bases.
- Avoid unwanted vendor lock-in so you can innovate on your terms and your schedule.
- **Redefine your support experience** with optimized backend processes that help improve your customer service experience.
- Yield immediate cost savings (an average of 60%) with practically infinite scalability.

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Chapter 6 Take Control of Your Digital Transformation With Third-Party Support

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Charles perspective: "Since integrating Spinnaker Support into our cloud-based infrastructure, productivity has reached an all-time high. My inbox is full of positive feedback from stakeholders to admin staff. Although we used SAP for many years, transitioning to Spinnaker has utterly revolutionized our day-to-day operations. If you're pursuing your own digital transformation, I wish you the best of luck in finding support that helps you achieve your full potential."

There's no uniform approach to digital transformation. It's crucial that you educate yourself on the risks of RISE with SAP and explore alternative pathways that will empower you to chart your own course to success. With Spinnaker Support serving as your trusted partner, you'll be able to confidently navigate the complexities of your digital transformation and take back control of your IT ecosystem.

1. SAP Official Website - RISE with SAP

2. Spinnaker Support - Third-Party Support

SOURCES

- 4. McKinsey & Company Deciding When and How to Move to the Cloud
- 5. Deloitte The Case for Third-Party Support
- 6. Harvard Business Review OpEx vs. CapEx in IT Investments

3. Forbes - Why Some CIOs Are Avoiding the SAP RISE Offering

Ready to learn more about Spinnaker Support services? If so, get in touch with your local sales representative or contact us at **spinnakersupport.com**.

ABOUT US

Today's leaders are navigating an increasingly uncertain and ever-changing world. They can't be held back by restrictive, ineffective, or complicated software systems as they move their organizations forward. Spinnaker optimizes software ecosystems through services designed for sustainable transformation, maximizing software investments and freeing up the capital and resources leaders need to navigate the future with certainty.



Visit us at spinnakersupport.com