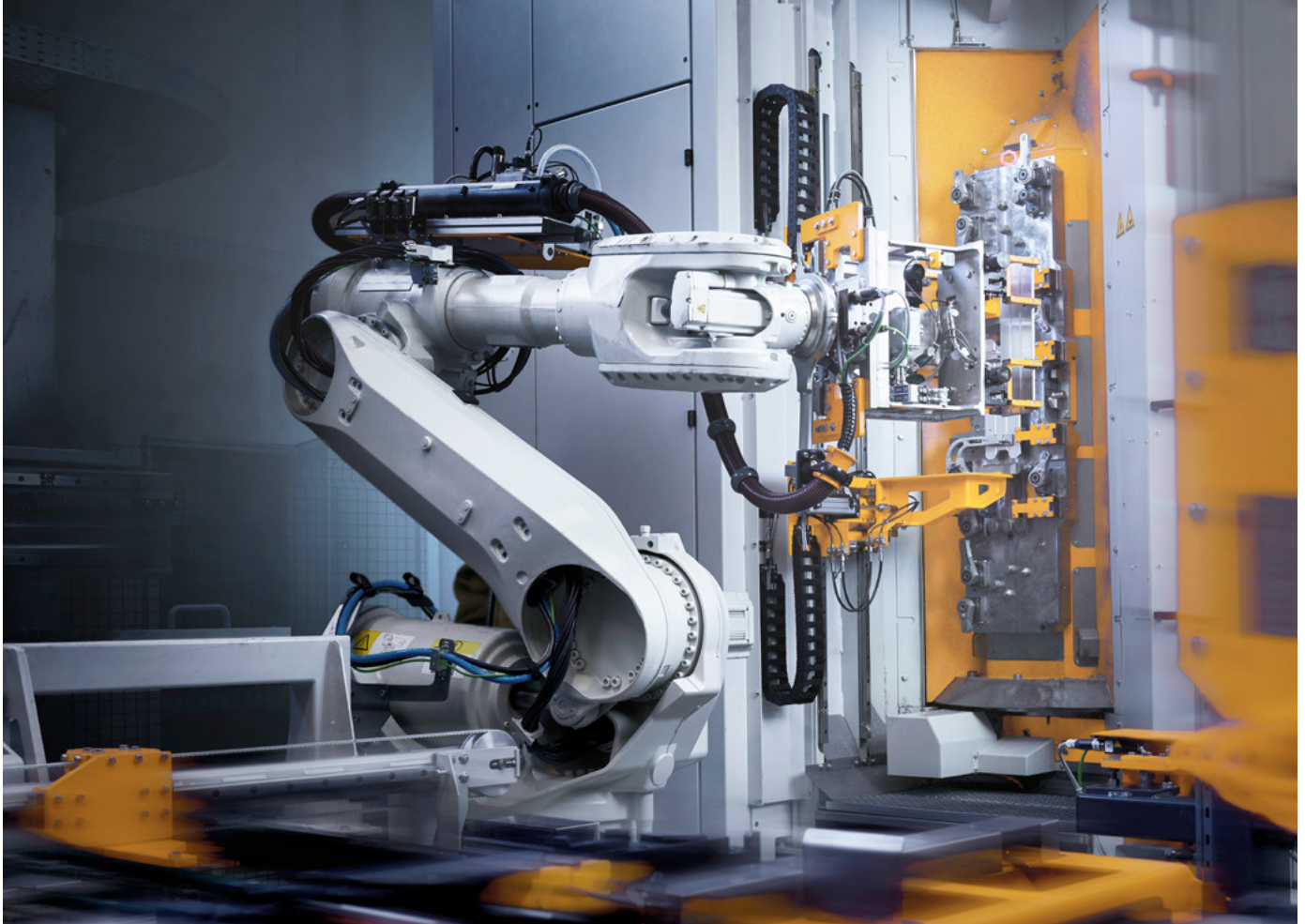




The COO's Guide to Legacy ERP Modernization in Manufacturing

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With many solutions soon to become legacy with limited or no support, COOs for manufacturing companies face a defining operational decision:

1. Do nothing and run the risk of being seriously compromised.
2. Commit to a costly, multi-year migration from their existing solution to its modern cloud counterpart.
3. Consider a more flexible, cost-efficient modernization strategy.

This decision is about more than just technology – for the COO it's about safeguarding throughput, quality, and on-time delivery while reducing cost-to-serve and risk. COOs must weigh time-to-value, disruption, and operational agility. The question is no longer about keeping pace with the competition; it's about ensuring the chosen solution drives sustainable operational performance without locking the business into an expensive, inflexible commitment.

The Challenge: A Complex and Costly Commitment

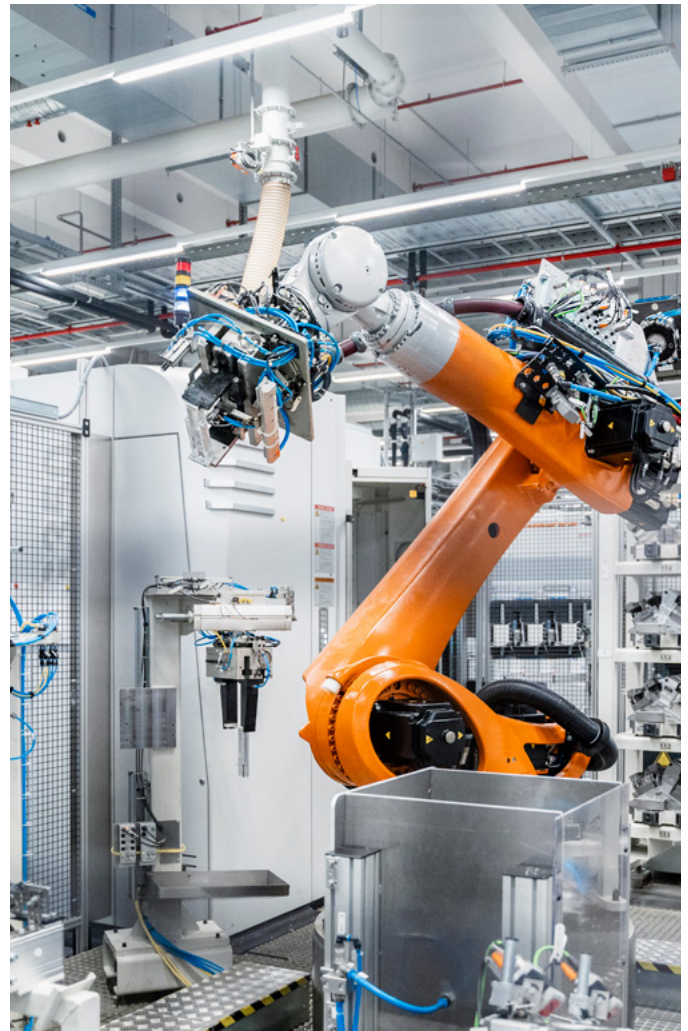
- **Prolonged Implementation Cycles:** Many migrations span 2 to 4 years, delaying time-to-value and tying up scarce operational resources in a multi-year program with limited immediate improvement in OEE, OTIF, or lead times.
- **Escalating Costs:** Transitioning requires substantial investment—from licensing and infrastructure to partner services and retraining. Indirect costs mount too: production slowdowns, change fatigue, and distraction from strategic initiatives such as factory automation or supply chain resilience.
- **Limited Flexibility:** Many solutions don't permit easy integration beyond their ecosystem, which is critical when harmonizing MES, WMS, APM, and quality systems to deliver manufacturing excellence.
- **Operational Disruption:** Rebuilding core processes from the ground up introduces downtime and risk. The combination of process re-engineering and workforce impact can cause inefficiencies and missed customer commitments during a critical transformation period.

The result? A transformation initiative that consumes operational attention and erodes agility—reducing the ability to reinvest time and resources into continuous improvement, innovation, and resilience.

The Opportunity: Modernize Without Compromise

Purpose-built for manufacturers, IFS Cloud allows COOs to reimagine their operational ERP landscape with greater flexibility, faster ROI, and less disruption.

- Modernize at your own pace, in the order that makes sense for your plants and supply chain.
- Leverage a cloud-native, open architecture built for integration, extensibility, and scale.
- Take advantage of built-in artificial intelligence and automation capabilities—no bolt-ons required.
- Partner with a vendor whose roadmap is guided by customer outcomes, not locked-in commitments.



Why Legacy ERP Migration May Not Fit Your Manufacturing Future

For many manufacturers running legacy ERP systems, the shift to next-generation platforms is framed as inevitable. But industrial COOs and operations leaders are scrutinizing whether these migrations truly support the innovation, flexibility, and time-to-value needed to compete in a digitally driven manufacturing landscape.

1. Project Complexity & Time-to-Value

- **Multi-Year Timelines:** Typical migrations span 24–48 months, consuming cross-functional bandwidth and delaying initiatives like smart factory rollouts, supply chain modernization, and digital twin deployments.
- **Disruptive Rebuilds:** Custom shop-floor workflows, MES integrations, and production planning logic often require re-engineering, leading to extensive rework and change management.
- **Innovation Bottlenecks:** With core teams focused on ERP delivery, strategic programs such as predictive maintenance, AI-driven quality, and customer experience enhancements are sidelined.

2. Technology Constraints

- **Monolithic Design:** Tight coupling between modules makes it difficult to adopt best-of-breed solutions for areas like asset performance management, warehouse automation, or aftermarket services.
- **Specialist Dependency:** Projects often rely on niche-certified consultants, creating delivery risk, skills gaps, and inflated service costs.
- **Vendor Ecosystem Lock-in:** From infrastructure to licensing, manufacturers may find themselves tethered to a single vendor's ecosystem, reducing flexibility in sourcing and integration.

3. Cost Overruns & Hidden Risks

- **Escalating Total Cost of Ownership:** Subscription models, custom development, and integration layers drive up ongoing costs—especially when connecting to IoT platforms, PLM systems, or external supplier networks.
- **Contractual Lock-ins:** Manufacturers may face long-term commercial commitments with limited leverage once onboarded.
- **Migration Ambiguities:** Data conversion and module alignment—especially for production scheduling, inventory control, and BOM management—can introduce unexpected delays and costs.

4. Missed Innovation Windows

- **Gated Innovation:** Access to emerging capabilities like generative AI for demand forecasting or autonomous material handling may be delayed or require additional licensing.
- **Integration Limits:** Composable IT strategies are harder to execute when extensibility is constrained by proprietary technologies.
- **Slow to Experiment, Slow to Pivot:** Rigid architectures make it harder to pilot new capabilities, explore ecosystem partnerships, or respond to market shifts like reshoring or sustainability mandates.

Why COOs Are Turning to IFS Cloud

1. Purpose-Built for Manufacturing

- IFS Cloud is designed with the realities of manufacturing in mind—from discrete to process, from make-to-stock to engineer-to-order.
- **Industry-Specific Functionality:** Built-in capabilities for production planning, quality management, shop-floor control, and supply chain orchestration reduce the need for heavy customization.
- **Unified Platform:** Whether managing core ERP, enterprise asset management (EAM), field service (FSM), or complex manufacturing operations, IFS provides a consistent user experience across domains.
- **Composable Architecture:** Deploy only what you need today—MRP, MES integration, aftermarket service—and scale as operations evolve.

2. Accelerated Time-to-Value

- **Rapid Deployment:** Preconfigured industry templates and agile methods help manufacturers go live in months, not years.
- **Minimal Downtime:** Proven migration frameworks reduce risk and ensure continuity across production, inventory, and logistics.
- **Built for Change:** As market conditions shift—reshoring, sustainability mandates, supply volatility—IFS enables fast pivots without replatforming.

3. Intelligence Embedded in Every Workflow

- **AI-Driven Optimization:** Predictive maintenance, intelligent scheduling, and demand forecasting are embedded directly into core workflows—no bolt-ons required.



- **Real-Time Visibility:** Unified dashboards and role-based analytics provide actionable insights across production lines, warehouses, and supplier networks.
- **End-to-End Control:** From capital projects to field service, IFS gives manufacturers visibility and control over the value chain.

4. Operational Clarity and Strategic Flexibility

- **Operational KPIs that matter:** Improve OEE, schedule adherence, throughput, and OTIF while lowering cost-to-serve.
- **Predictable SaaS Economics:** Transparent pricing and modular deployment eliminate hidden costs and licensing surprises.
- **No Vendor Lock-In:** Choose what to deploy, when, and how—keeping control of your roadmap.

IFS Cloud isn't just an ERP; it's a manufacturing platform built to streamline production, scale smarter, and drive growth.

Recommendations & Next Steps for Manufacturing Leaders

1. Assess the Fit: Is IFS Cloud Right for Your Manufacturing Operations?

- Start with a Rapid Fit Assessment tailored to manufacturing operations. Understand your current ERP footprint—including production, inventory, and supply chain integrations.
- Identify industry-specific capabilities needed (discrete/process, MES, DDMRP) and map migration options, data reuse strategies, and implementation approach.
- Outcome: A tailored migration and solution fit report outlining scope, risks, and time-to-value potential.



IFS understood our manufacturing workflows faster than any other vendor."

COO, Automotive Manufacturer

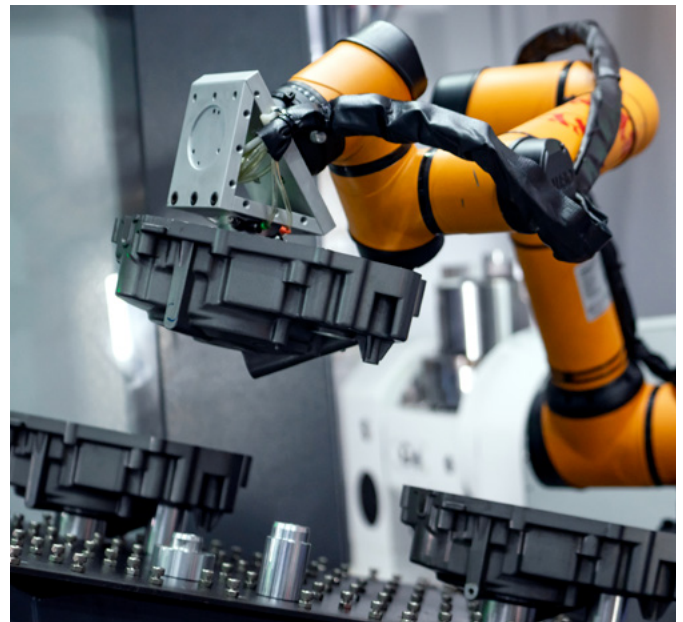
2. Compare Time-to-Value, TCO, and Risk

- Use an IFS comparison framework to evaluate licensing, consulting, infrastructure, and support costs alongside operational impacts.
- Assess deployment timeline and impact on plant and supply chain resource availability.
- Estimate ROI in operational terms: OEE improvement, cycle-time reduction, inventory turns, and schedule adherence.



IFS Cloud gave us faster time-to-value and more predictable outcomes than any legacy roadmap could offer."

CIO, Global Manufacturing Group



3. Engage in a Business Value Workshop

- Identify high-impact improvement use cases across your manufacturing value chain.
- Build a phased modernization plan aligned to operational and digital priorities.
- Explore advanced capabilities like AI-driven scheduling, predictive maintenance, and intelligent automation.

As a manufacturing COO, your ERP decision isn't just about replacing outdated systems—it's about driving future operational performance. You have a choice: continue with complexity and vendor constraint, or move to a platform built for flexibility, intelligence, and strategic freedom.

Contact IFS today

About IFS

IFS is the world's leading provider of Industrial AI and enterprise software for hardcore businesses that make, service, and power our planet. Our technology enables businesses which manufacture goods, maintain complex assets, and manage service-focused operations to unlock the transformative power of Industrial AI™ to enhance productivity, efficiency, and sustainability.

IFS Cloud is a fully composable AI-powered platform, designed for ultimate flexibility and adaptability to our customers' specific requirements and business evolution. It spans the needs of Enterprise Resource Planning (ERP), Enterprise Asset Management (EAM), Supply Chain Management (SCM), and Field Service Management (FSM). IFS technology leverages AI, machine learning, real-time data and analytics to empower our customers to make informed strategic decisions and excel at their Moment of Service™.

IFS was founded in 1983 by five university friends who pitched a tent outside our first customer's site to ensure they would be available 24/7 and the needs of the customer would come first. Since then, IFS has grown into a global leader with over 7,000 employees in 80 countries. Driven by those foundational values of agility, customer-centricity, and trust, IFS is recognized worldwide for delivering value and supporting strategic transformations. We are the most recommended supplier in our sector. Visit ifs.com to learn why.

