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ERP Risk & Escalation Playbook:

How to Spot Trouble Early and **Act Before It's Too Late**

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by
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The SPEAR ERP Risk & Escalation Playbook

As your trusted ERP recovery partner, DCG has seen how quickly small misalignments can spiral into costly failures. This playbook offers a field-tested, action-ready approach to help you catch ERP risks early, communicate them effectively, and drive meaningful course corrections. With DCG's SPEAR Framework, you'll gain the clarity and structure needed to transform ERP uncertainty into operational strength - before disruption takes hold.

Table of Contents

1. ERP Transformation Starts When the System Goes Live
2. Know These Warning Signs Before They Escalate
3. The Fear of Escalation vs. The Cost of Silence
4. Timely Escalation is Critical to Business Continuity
5. Don't Let the Cost of Delay Outpace the Cost of Change
6. References

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1 ERP Transformation Starts When the System Goes Live

Often, the ERP go-live day is treated as the end of the project and the beginning of a new chapter characterized by the efficiency expected from your technology investment. For those who've done it before, going live is only the beginning and not the end of the real work. It's the point where the system meets the complexity of real business workflows, cross-functional dependencies, and user expectations.

This playbook is designed for teams navigating the critical transition between go-live and true operational alignment. While the system may be technically live, finance is working with unreliable reports, operations are still relying on manual workarounds, and project leaders are left questioning whether they're facing early-stage challenges or deeper architectural issues.

DCG's SPEAR ERP Risk & Escalation Playbook is curated for that moment when early warning signs begin to surface and the window to course-correct is still open. With this guide, you'll learn how to:

- Spot early signs of misalignment and system failure
- Escalate concerns constructively, before they become crises
- Create accountability across roles, without playing the blame game
- Build a culture where it's not only safe but expected to raise red flags
- Turn reactive firefighting into proactive recovery using DCG's SPEAR Framework



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ERP risk doesn’t wait for its turn; instead, it lurks in the background as each problem mounts into growing inefficiencies.

Escalation isn’t a sign of failure—it’s a leadership tool. It signals a proactive decision to course-correct, protect value, and re-engage the right stakeholders. High-performing teams don’t avoid escalation; they use it to align faster, fix smarter, and stay accountable when systems fall short.

ERP challenges after going-live do break from the original script because there will be many operations that rarely unfold exactly as planned. That’s why rigid, one-size-fits-all approaches can take away from what matters most to a business. A successful ERP system reflects the realities of your people, processes, and performance. Such resilience requires adaptability, and it all starts with a culture where you are expected to raise a hand when things don’t work. That’s only possible when every stakeholder sees risk identification as their responsibility, not someone else’s job.

With up to 75% of ERP projects failing and over half of companies facing severe disruption at go-live (Gartner 2025), this playbook was curated by ERP rescue experts to ensure your investment isn’t reduced to another statistic on a bulletin board.

Use this guide to realign systems, empower users, and recover momentum before minor issues become irreversible setbacks.

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2 Know These Warning Signs Before They Escalate

Act Early to Avoid Long-Term Damage

ERP failures don’t arrive overnight – they gradually grow into backlogs that erode trust in your data and processes. Issues can creep in quietly, gradually, and often unnoticed until they disrupt entire departments. Whether it's finance delaying month-end closeout or operations slipping behind on output, every issue begins as a warning sign. This section explores twelve common risks you can’t afford to ignore, and how to tackle each challenge categorized by urgency and impact.

ERP Risk Signals Ranked by Severity of Organizational Impact

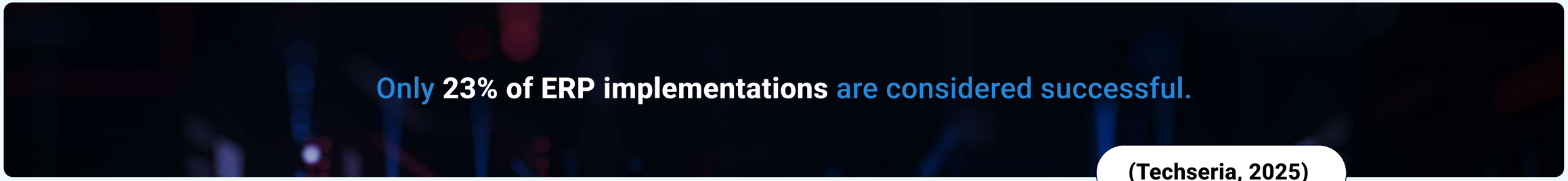
Risk	Impact	What It Looks Like	Why It Happens	Severity
Misaligned Requirements	• Finance struggles with month-end closes • Ops create manual workarounds • Project teams firefight gaps	• Teams bypass the ERP to get work done	• Incomplete discovery • Misinterpreted business needs Rushed implementation	⚠ Critical
Inaccurate Reporting	• CFO lacks confidence in dashboards • Leadership makes misinformed decisions • Compliance teams can't meet audit standards	• Reports are delayed, incomplete, or inaccurate	• Data migration issues • Weak integration logic • Poor master data management	⚠ Critical

Risk	Impact	What It Looks Like	Why It Happens	Severity
Low User Adoption	• End users revert to Excel • Transformation leaders disengage • Training efforts are abandoned	• Users avoid the ERP altogether or work around it	• Poor training • Clunky user experience • Lack of stakeholder engagement	 High
Customization Confusion	• IT teams can't troubleshoot quickly • QA teams can’t replicate issues • Upgrades stall	• No one knows what was customized, duplicated, or broken	• Over-customization • Undocumented changes • Lack of governance	 High
Operational Bottlenecks	• Procurement approvals lag • Supply chain visibility breaks down • Production slows	• Basic tasks take longer than before the ERP	• Poor process design • Inefficient workflow mapping • Misconfigured automation	 Medium

Risk	Impact	What It Looks Like	Why It Happens	Severity
Lacking a Scalability Path	• Strategic growth initiatives stall • Mergers & Acquisitions hit friction • IT teams patch temporary solutions	• ERP cannot handle growth, complexity, or expansion	• Inflexible architecture • Absence of roadmap • Disconnected systems	 Medium
Access and Permission Issues	• Sensitive data exposed • Users see wrong data • Finance approvals delayed	• Teams face incorrect access levels or system lockouts	• Misconfigured roles • Shallow access design • Lack of periodic reviews	 Critical
Shadow IT a nd Spreadsheets	• Procurement approvals lag • Supply chain visibility breaks down • Production slows	• Basic tasks take longer than before the ERP	• Poor process design • Inefficient workflow mapping • Misconfigured automation	 High

Risk	Impact	What It Looks Like	Why It Happens	Severity
Delayed Upgrades and Technical Debt	• Security patches delayed • Integration bugs accumulate • Performance degrades	• Users lack clarity on how to use key ERP functions	• Deferred upgrades • Unsupported customizations • Technical shortcuts	 High
Training Gaps	• Teams make critical process errors • New hires take too long to onboard • Help desk volumes spike	• Users lack clarity on how to use key ERP functions	• No training roadmap • Poor onboarding • Minimal reinforcement	 Medium
Vendor Disengagement	• Project team doesn't know who to contact • No SLA accountability • Resolutions are slow	• Partner is reactive, not proactive	• Misaligned expectations • Unclear ownership • Contract limitations	 High

Risk	Impact	What It Looks Like	Why It Happens	Severity
Escalation Paralysis	• Teams suffer in silence • Risk visibility erodes • Project quietly fails	• No one raises concerns early enough to act	• Fear of blame • Lack of process • Unclear roles	⚠ Critical



What to Do When You Spot These Red Flags

If you notice any of these warning signs, the first step is to gather evidence and speak up. If not, these ERP challenges tend to compound risks and stall operations. Here's what action you can take before it's too late.

If You Spot

Misaligned Requirements

What Happens Next

- Ops stops trusting the system
- Finance builds parallel processes
- Executive confidence drops

What to Do:

- Review original requirements
- Re-map processes to current-state operations
- Invite a third-party (DCG) for a discovery refresh

If You Spot

Inaccurate Reporting

What Happens Next

- Forecasts fail
- Audits trigger risk alerts
- Month-end becomes a fire drill

What to Do:

- Run data integrity checks
- Audit key reports across departments
- Rebuild your data model with a partner

If You Spot

Low User Adoption

What Happens Next

- Shadow IT rises
- Teams lose visibility
- Leaders distrust metrics

What to Do:

- Revisit training strategy
- Interview frontline users for friction points
- Redesign priority workflows with users in the room

If You Spot

Customization Confusion

What Happens Next

- Bug fixes get delayed
- Feature rollouts get blocked
- Technical debt accumulates

What to Do:

- Inventory all customizations
- Document what's necessary currently vs. Legacy items
- Phase out or reconfigure unnecessary add-ons

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If You Spot

Operational Bottlenecks

What Happens Next

- Orders slow
- Customer complaints rise
- Manual labor increases

What to Do:

- Time key processes (e.g. PO approval, invoice processing)
- Identify automation opportunities
- Optimize roles and permissions

If You Spot

No Scalability Path

What Happens Next

- New business models can't launch
- Growth becomes expensive
- Cloud strategy stalls

What to Do:

- Evaluate modular expansion options
- Benchmark system against growth goals
- Build a scalability roadmap with IT and vendors

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If You Spot

Access & Permission Issues

What Happens Next

- Users access incorrect data or systems
- Financial workflows delay due to missing approvals
- Compliance and audit readiness takes a hit

What to Do:

- Conduct a role-based access audit
- Review and enforce least-privilege access
- Set up automated access reviews and escalation workflows

If You Spot

Shadow IT & Spreadsheets

What Happens Next

- Teams work in silos using rogue tools
- Reporting becomes fragmented and unreliable
- Central IT loses visibility and control

What to Do:

- Map the shadow tools in use
- Engage departments in collaborative system redesign
- Deliver quick wins in usability to rebuild trust

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If You Spot

Delayed Upgrades & Technical Debt

What Happens Next

- The system becomes sluggish and unsupported
- Integration bugs and security flaws increase
- New functionality is impossible to implement

What to Do:

- Prioritize critical patches and upgrades
- Clean up unused customizations and legacy code
- Create an upgrade calendar aligned with vendor roadmaps

If You Spot

Training Gaps

What Happens Next

- New hires make costly errors
- ERP adoption stagnates
- Help desk tickets spike

What to Do:

- Build a scalable, role-based training plan
- Integrate in-system help and walkthroughs
- Schedule a refresher training post-implementation

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If You Spot

Vendor Disengagement

What Happens Next

- Issues stay unresolved
- You lose trust in external support
- Internal teams fill the gap with makeshift solutions

What to Do:

- Reestablish communication SLAs and roles
- Document and escalate performance issues
- Consider third-party support for faster resolution

If You Spot

Escalation Paralysis

What Happens Next

- Problems fester quietly
- Teams feel powerless
- Implementation quietly fails

What to Do:

- Normalize escalation as a leadership function
- Create an ERP issue log and resolution cadence
- Encourage honest retrospectives and early check-ins

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Every early sign of ERP failure starts quietly - until it doesn't.

What begins as minor misalignment or user frustration soon grows into unreliable data, delayed or wrong calls, and system distrust.
If you can't pinpoint the exact issue but something feels off with your **ERP, start with our quick SPEAR-based self-assessment** to extract key insights and course-correct.

Take the SPEAR ERP Self-Assessment

3 The Fear of Escalation vs. The Cost of Silence

Leadership isn't about staying quiet. It's about staying aware.

Escalating ERP issues is a move toward resilience, as it addresses immediate bottlenecks and prepares a risk management strategy for the future. But in many organizations, decision-makers hesitate by assuming:

"It's too political to speak up."

"I'll sound like I'm blaming the team."

"There's no formal way to escalate ERP issues."

These fears are valid, but your silence comes at a higher cost. According to a business survey, **74% of ERP projects go over budget,** and **61% run late.** These aren't just schedule slip-ups but are compounded setbacks with cascading effects on business continuity.

Across industries, when leadership avoids tough conversations, root problems remain unaddressed until they escalate into full-blown crises. Here are some industry-specific scenarios in the aftermath of ignored ERP warning signs.

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- Delays in go-live timelines impact order fulfilment, cash flow, and compliance.
- Inefficient system performance forces finance teams to perform manual reconciliations.
- Operational leads deal with bottlenecks that weren't supposed to exist in the first place.
- In healthcare, this may result in missed billing cycles.
- In manufacturing, it could mean a production line shut down due to a misconfigured inventory module.

If any of this sounds familiar, you're not alone - **and you're not without options.**

At DCG, we've spent years helping organizations turn ERP failures into opportunities for reinvention. Post-launch bottlenecks aren't a reason to panic but are a signal to reassess and realign. The most successful turnarounds don't start with blaming the project manager or vendor, but with change readiness. No ERP can deliver its full value unless everyone on board commits to the same path forward. This path must be grounded in clarity, collaboration, and measurable outcomes.

Become Change Ready; Skip the Guesswork and Build Resilience

A **Gartner survey** found that **72% of organizations struggle with change management during ERP projects,** which can lead to delays, cost overruns, and underutilization of the new system.

In today's high-velocity digital environments, change fatigue is a growing reality. Accenture reported in 2024 that **96% of global organizations plan to allocate more than 5% of their total revenues to change management within the next three years, up from 31% three years ago.** For ERP projects, this insight should be a wake-up call.

Whether you're a project manager supporting momentum, an IT leader balancing systems and expectations, or a finance or operations director relying on consistent performance – your role is critical. But success isn't just about having the right technology. It takes engaged, well-prepared teams aligned with your transformation goals. Change without context creates resistance, but when leaders communicate the vision, support the process, and involve the right people at the right time, ERP realignment becomes a shared mission.

Surface Issues with Clarity Leveraging SPEAR

DCG's proven ERP rescue and recovery pathway - the SPEAR Framework - is purpose-built by industry experts to rescue, reassess, and realign ERP systems that fall short of expectations after go-live. Using SPEAR, businesses turn complexity into clarity by transforming vague frustrations into specific, solvable issues through strategic insight and structured requirements gathering.

SPEAR enables a cross-functional analysis of business processes, surfaces the gaps between system logic and operational needs, and rebuilds those workflows for better performance, visibility, and user trust.

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From Hidden Inefficiencies to Recovery Roadmaps

Here's how SPEAR breaks down the root causes of ERP misalignment to deliver prompt resolutions at every stage:

S

Surveillance

Spot underused modules, rogue workarounds, and misaligned tools. Build out new tables as needed.

P

Performance

Benchmark ERP delivery against operational, financial, and customer metrics.

E

Excellence

Raise the bar on process quality and eliminate friction across functions.

A

AI/Automation

Identify scope for automation opportunities to reduce manual effort.

R

Requirements & Roadmap

Prioritize what matters continuously. Define steps based on business realities.

4 Timely Escalation is Critical to Business Continuity

Practical Ways to Flag Issues Before Disaster Strikes

When ERP issues arise, escalation isn't about assigning blame. Instead, it's about protecting business continuity. In many cases, warning signs are overlooked because they're framed emotionally or raised without context. However, when the month-end close is delayed due to broken workflows or production lags resulting from poor system logic, these are business impacts and not merely "IT problems."

In a **recent survey, 60%** of companies cited effective communication with all stakeholders as the top skill needed for the success of an ERP deployment. Whether it's missed orders from inaccurate inventory data or frustrated users falling back to using Excel, these are signals that something's fundamentally misaligned. Effective escalation starts with clarity in communication, evidence of inefficiencies, and cross-functional alignment.

Escalating by Risk Type:

Your How-To Playbook for ERP Course-Correction Post-Go-Live

01 When It's an Implementation Misalignment

> **"Our ERP doesn't fit how we actually work."**

- **Show the business mismatch**
  Compare current workflows with how the system is forcing your team to work. Use flowcharts, tickets, or user complaints to find the areas of friction.
- **Frame the cost of inefficiency**
  Explain how rework and workarounds are driving up time and cost.
- **Invite operations and end users into the conversation**
  Those closest to the process will reveal what's missing.

02 When Timelines Are Slipping

> "We're behind and losing momentum"

- **Pinpoint where delays began**
  Was it missed signoffs, vendor handoffs, or scope creep? Timeline reviews can clarify the turning point.
- **Create a realistic reset plan**
  Propose a revised schedule with milestone checks.
- **Escalate to reset leadership expectations**
  It's easier to recover early than rebuild trust later.

03 When Budgets Are Breaking

> "Costs are up, but returns are invisible"

- **Track where the spend is going**
  Show unexpected budget items, such as customizations, support hours, and delays.
- **Frame escalation as financial accountability**
  Highlight that delays are inflating costs without a clear business return.
- **Bring in the CFO early**
  Invite finance leadership into planning to realign priorities and ROI goals.

04 When Operations Are Breaking Down

> **Production is delayed.**
> **Quality is slipping.**

- **Surface what's being affected daily**
  Was it missed signoffs, vendor handoffs, or scope creep? Timeline reviews can clarify the turning point.
- **Use operational KPIs to make your case**
  Quantify what disruption is costing - whether it's missed orders, hours lost, or overtime.
- **Center the user perspective**
  Operational teams often withstand the worst of the burden first. Let their input lead the escalation.

05 When Visibility and Ownership Are Missing

> **No one's steering.**
> **Everyone's pointing fingers.**

- **Clarify who owns what**
  Map responsibilities across teams and vendors.
- **Escalate through formal roles**
  If your internal team can't align, involve an executive sponsor.
- **Request a neutral review**
  An outside party can reset alignment and remove the blame game.

06 When Escalation Feels Risky

> I know it's not working, but I'm afraid to raise it.

- **Start by documenting facts**
  Objective issues, such as missed milestones or system outages, are more complex to dispute.
- **Test the waters with a peer**
  See if others are seeing the same red flags. Strength in numbers helps.
- **Use process language**
  Instead of "this is failing," try "this isn't delivering against expectations.

07 When Partners Disappoint

> They don't get our business.

- **Be specific about unmet expectations**
  List commitments vs. what was delivered. Clarify gaps in understanding.
- **Reframe the relationship as a business partnership**
  Escalation isn't personal - it's about meeting mutual goals.
- **Call for a joint planning session**
  Ask for a focused session to revisit the scope, priorities, and ways of working.

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5 Don’t Let the Cost of Delay Outpace the Cost of Change

The longer you wait, the harder recovery gets

ERP failure post-launch shouldn’t be treated as just another ‘IT problem.’ It’s a drain on resources, morale, and reputation that, if left unchecked, could turn into a costly crisis. When the system designed to unify your business becomes the bottleneck, the damage multiplies across teams and timelines.

30–40%

of cloud spending is wasted due to inefficiencies and poor visibility.

Deloitte, 2025

80%

of risk leaders with advanced risk-management capabilities are very agile in using cloud platforms and tools to execute risk processes.

Accenture, 2025

80%

of these leaders are urgently improving their ability to collect enterprise-wide data to find and define new risks proactively.

Accenture, 2025

In summary:

ERP failure builds silently when issues go unspoken. Based on DCG’s experience in rescuing failed and ERPs stuck midway, the key difference lies in the importance of prompt communication and accountability. Leaders who flag risks early create space for collaboration and course correction.

If not, the quiet cost of inaction only grows.

As a result…

Creating a training program for end-users and performing post-implementation testing is essential to effective ERP deployment. But before that, you need to know what’s really going on.

Here’s another side to the story.

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Remember **Hershey's?**

A **failed ERP rollout** turned their busiest season into a **$100 million nightmare.** Orders weren't fulfilled, shelves went empty, and the company's stock dipped as confidence plummeted.

Nike Learned the hard way, too.

A **problematic ERP rollout** resulted in $100 million in lost sales, primarily due to delays in order fulfilment. As a result, Nike's reputation suffered a setback, and a comprehensive overhaul of its processes was needed.

But it doesn't have to stop there.

These cautionary tales aren't about fear. They're about **what happens when risks are ignored** for too long.

Contrast that with modern wins:

Coca-Cola didn't wait.

- By modernizing its ERP and embracing AI-driven workflows in 2023, they achieved a **48% efficiency gain within 90 days.**
- Thanks to built-in AI, Microsoft Dynamics 365 users are already **seeing 30% faster financial close cycles** and up to 80% automation in reconciliations.

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How to Plan Ahead?

Delay is expensive, and staying silent is the most significant risk. But recovery is within reach. A culture that encourages raising concerns fuels resilience and readiness for change. By combining our proven framework, a willingness for progressive outcomes, and close collaboration, ERP risk becomes an opportunity for transformation if you act now.

Your ERP Comeback Starts with DCG

Don't struggle with post-go-live issues any longer. Request a SPEAR Gap Analysis from our ERP Rescue Team for prompt and decisive course-correction. Let’s turn these silent nightmares into your dream project before damage becomes irreversible.

Reassess. Realign. Recover.

Schedule Your ERP Health Check

Contact Us Now

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About Dynamic Consultants Group (DCG)

DCG specializes in rescuing, realigning, and redefining ERP implementations, backed by over a decade of Microsoft partnership and global delivery across 7 offices. Headquartered in Kansas City, Missouri, our mission is to help organizations become market disruptors through innovative technology, strategic consulting, and ERP transformation. With over 700 successful implementations and an average 43% client ROI in year one alone, we innovated to empower 1M+ users worldwide to work smarter, faster, and with confidence. We turn ERP challenges into industry-defining opportunities.

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