TOP 7 ERP DISASTERS TO AVOID

Lessons learned from $100M+ government projects gone sideways

78%
Projects over budget & schedule

35%
Of projects fail outright

40%
Budget overruns due to data migration

After a decade leading ERP transformations for state and local government agencies, I've seen the same pattern repeat. Birmingham's Oracle implementation contributed to municipal bankruptcy. The Air Force spent $1.1 billion over 8 years with zero usable capability. Nevada abandoned $100M+ in SAP modernization.

These weren't technology failures. What failed was how agencies approached transformation. After guiding 20+ agencies through this journey, I've identified the seven disasters that predict failure.

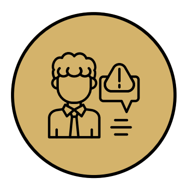
Every disaster I've witnessed traces back to three fundamental failures:

Resource Overload

Functional leads spread too thin—serving as testers, data validators, and SMEs while keeping their day jobs.

Data Blind Spots

Data team didn't know payroll lived in two systems. Business users did. Nobody asked until go-live.



Change Resistance

Change isn't an email. It's marketing, branding, culture. Treat it like a campaign, not an announcement.

Wyatt Sterusky | Government ERP Advisor | Guidehouse

THE PLAYBOOK

7 DISASTERS AND HOW TO AVOID THEM

PEOPLE & CULTURE FAILURES

1

You're confusing emails with engagement

Change management is a comprehensive discipline: stakeholder analysis, impact assessments, training strategies, resistance mitigation, champion networks, and communication plans. It also includes marketing and branding—positioning your transformation as a strategic success story and you as the leader driving innovation. Start 6-12 months before your RFP with dedicated budget and executive ownership.

2

When everyone wears five hats, something breaks

Your functional lead is also your tester, data validator, and SME for multiple areas—while keeping their actual job running. The math doesn't work. Either work quality suffers, decisions get rushed, or the person burns out. Transformation requires dedicated capacity and realistic workload allocation, not heroic multitasking.

3

Your timeline can't be a guess

The best timeline for your organization depends on data quality, staff capacity, change readiness, integration complexity, and resource availability. Not vendor promises. Not wishful thinking. Once you establish the right timeline based on these factors, you manage each activity to that schedule—with contingency built in.

PROCESS & EXECUTION

4

Data migration is nobody's priority until it's everyone's crisis

Data team didn't know payroll lived in two systems. Business users did. Nobody asked until go-live. When you treat migration as a back-office IT task instead of a business transformation requiring SME ownership, critical gaps surface too late. Assign business owners, validate early, test real scenarios.

PROCESS & EXECUTION

5

"We've always done it this way" = zero transformation

Each department wants their special process preserved. Vendors happily customize for fees. You end up with an unmaintainable system that cost millions but changed nothing. The Air Force spent $85M customizing Oracle to replicate legacy processes—then scrapped it. Challenge assumed uniqueness, adopt best practices, reserve customization for regulatory mandates only. Otherwise: expensive replication, not transformation.

6

Testing gets treated as a checklist, not a discipline

Compressed timelines skip the hard parts: test planning from day one, tracking every scenario, daily standups to manage defects, and getting all stakeholders aligned on what "ready" means. Teams validate generic scenarios and miss the real-life cases that break in production.

MINDSET

7

Your system should be better in year 10 than day 1

Go-live is the starting line, not the finish. But without planning post-production support before you even start the project, teams disband, you fall back into break-fix mode, and improvement stops. Your new ERP can deliver exponentially more in year 10 than at launch—if you budget for it now. You may only get one funding ask: include ongoing optimization, capability expansion, and dedicated resources in your business case. Cost of skipping this: 90% never deliver ROI because they stop improving at go-live.

These patterns are preventable when you know what to look for.

READYTO ASSESS YOUR READINESS?
Built on lessons from 20+ public-sector ERP projects

TAKE THE ERP READINESS ASSESSMENT

Wyatt Sterusky | Government ERP Advisor | Guidehouse
wsterusky@guidehouse.com