opkey

REPORT

The 2025 State of Cloud & ERP Operations Report

A data-driven look at how enterprises run, test, and support their mission-critical applications.

A Message from Our CEO

Pankaj Goel

Co-Founder & CEO

Hello friends, colleagues, and fellow change-makers,

As you may have heard, we recently announced the launch of our first-to-market ERP Lifecycle Optimization Platform, a true game changer for enterprise IT. But we didn't stop there. Just as we've expanded Opkey's capabilities beyond automated testing, we also broadened the scope of our annual State of ERP Testing report. We actively sought out the perspectives and insights of IT and business leaders like you to learn more about what's really happening inside ERP environments today—the types of challenges you're facing, the innovations you see on the horizon, and where we have real opportunities to re-route the course of business operations for the better.

We're pleased to share what we've learned from all of you with the annual Opkey 2025 Report on the State of Cloud & ERP Operations. Using externally validated data, we surveyed over 100 IT leaders, including 23 prominent CIOs, from a representative sample of global enterprises headquartered in the United States, as well as a diverse set of eight other major economies.

From my perspective, I wanted to call your attention to a few key takeaways that reveal some important trends, opportunities, and shortfalls in our industry that mark where the future of enterprise IT is heading.

100+

IT leaders from global enterprises

23

of those IT leaders are CIOs

9

Countries: United States, Canada, United Kingdom, Japan, Mexico, Netherlands, Switzerland, Luxembourg, and Sweden.

Let’s dive into a couple findings that stood out

Pankaj Goel
Co-Founder & CEO

Pankaj Goel.

INSIGHT 01

Testing is still predominantly a manual effort.

For ERP management, 52% of organizations still rely on a manual, in-house approach to testing. Less than a quarter have any kind of automation.

52%

of organizations still rely on manual, in-house ERP testing

>25%

Less than a quarter have automated anything.

What this means:

Despite the availability of automated testing, the majority of businesses are relying on a testing method that is slow, offers limited visibility, and costs an arm and a leg in both time and money. And these efforts are not relegated to managing R&D or side projects. No, this is the path many companies are taking to assure their most critical systems—finance, supply chain, HR, and compliance.

Therefore, it comes as no surprise to me that over half of respondents (58%) told us that their top challenge is something that simply does not scale when done manually; user acceptance testing. Manual management of UAT usually involves pulling non-IT business users away from their normal jobs to get validations. This rarely results in true assurance, and it creates a huge bottleneck for IT projects. On top of that, it’s no fun! As I like to say, manual kills morale.

INSIGHT 02

Escalating support costs are a real problem.

For 57% of IT leaders, support costs are their top business challenge. Few can keep it under control. In fact, only 9% of organizations keep support spending below 5% of their total IT budget.

57%

of IT leaders cite support costs as their top business challenge

9%

only 9% of organizations keep support spending below 5% of their total IT budget.

What this means:

Support is consuming a massive portion of IT spend. Repetitive “how do I…” questions and basic knowledge tickets take time away from higher-order IT work. And while self-service portals are intended to empower employees to solve their own IT issues, 53% of respondents reported that self-service resolves less than 25% of tickets.

Is this the result of a testing shortfall, or the need for more efficient, effective training? Fundamentally, it maps to both—as well as other inefficiencies that can hide in manual processes throughout the entire ERP lifecycle (from deployment to operation to optimization). Businesses that are able to increase their automated testing coverage, and even build past automated testing with agentic lifecycle management, achieve more than just reduced training and support costs. They gain confidence in performing changes, accelerate delivery, and free up your smartest people to focus on what’s next.

The gap between how we manage ERP today and what we expect from it tomorrow is closing as we speak. I’m excited to share this report with you, and I’d love to hear what ideas and reflections it generates among you and your peers.

At a Glance

With adoption widespread, Cloud ERP has crossed the chasm. When it comes time to operate, though, orgs need help to meet the moment.

Three big themes jump off the page:

01

Deadlines Slipping, Budgets Ballooning

More than half of enterprises report that they are not meeting budgets or timelines on their most recent initiative.

02

Failure to Automate is suppressing productivity and inflating support costs.

A majority still rely on in-house, manual testing. One-third spend 10-20 % of their entire IT budget just keeping the lights on for their ERP.

03

Leaders want AI, but right now they lack the infrastructure needed to adopt it.

While 64% list “leveraging AI enhancements” as a top priority, the same organizations give their own training programs a mediocre, 3.1 / 5 on effectiveness, hinting at change-management debt that threatens AI rollout.

Introduction

The rapid evolution of cloud technologies continues to transform the enterprise IT landscape. However, our survey reveals that there is a significant gap between aspirations and reality. Organizations struggle to keep pace with cloud innovation while also maintaining their existing systems, managing costs, and delivering value to stakeholders.

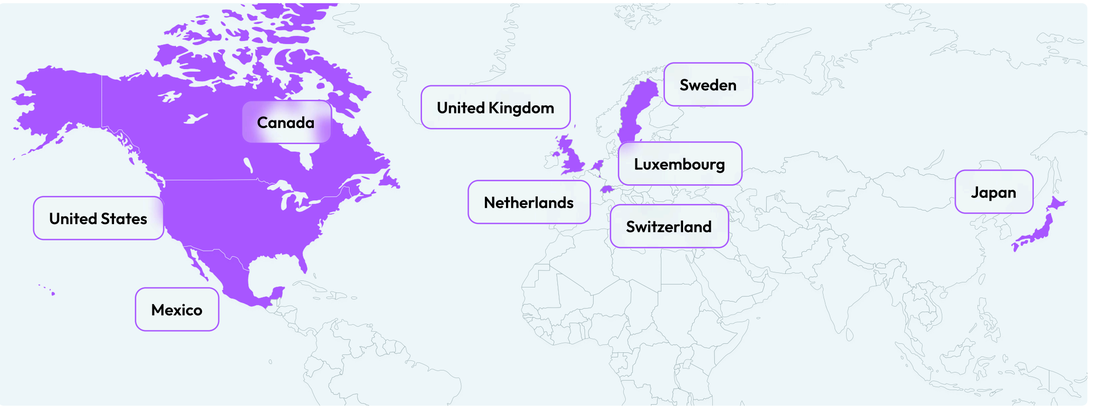
Our State of Cloud & ERP Operations Report presents an analysis of data from over 100 IT executives across nine countries, including 23 chief information officers and IT Heads from some of the biggest organizations such as Grupo Bimbo, Salesforce, and Wells Fargo Bank. Collectively, the organizations surveyed are responsible for technology investments that impact millions of users globally, with a combined annual revenue exceeding $450B. The survey was conducted between April 11th and 29th, 2025, providing an accurate view of the current challenges and priorities in enterprise cloud operations.

20+ Industries

- Healthcare
- Non-Profit
- Construction & Real Estate
- Consumer Products
- Financial Services
- Entertainment & Hospitality
- Telecommunications
- Media & Publishing
- Manufacturing
- Legal Services
- Insurance
- Architecture & Engineering
- Technology
- Food & Beverage
- Professional Services & Consulting
- Gaming & Lottery
- Retail
- Energy & Utilities
- Government & Public Services

102+ Responses from IT leaders

9 Countries

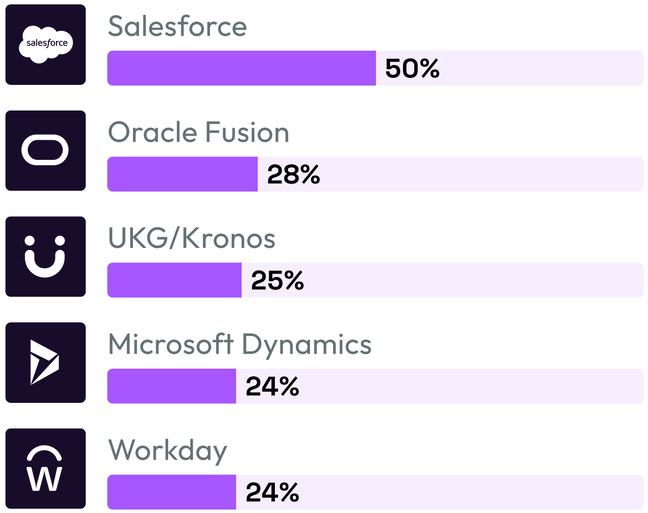


1M+ Users represented

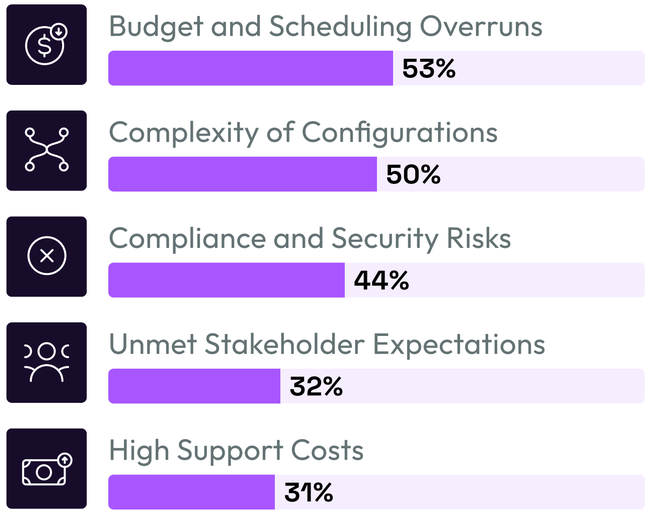
The Current State of Enterprise Applications

The survey provides valuable insights into the enterprise application landscape:

Top Cloud Applications in Use



Key Implementation Concerns



Despite large-scale adoption of tier-one cloud platforms, enterprises remain ensnared in issues meeting the basic fundamentals of execution—overshooting budgets, missing milestones, and failing to fulfill stakeholder expectations. This persistent operational drag erodes projected ROI and diminishes executive confidence in future transformation initiatives.

Focus Area	Signal from the Data	Why it Matters to 2025 Goals
Automate testing workflows	**71%** of enterprises still lean on mostly-manual testing, whether in-house (52%) or via partners (19%).	Manual cycles consume scarce SME hours, lengthen release windows, and create blind spots that surface as costly defects post-go-live. Modest automation, even of just the 20% of tests that fall under “critical path,” can cut total regression effort in half, shortening patch cycles from weeks to days.
Expand self-service support	For **53%**, self-service portals resolve less than **25%** of tickets.	Low portal deflection keeps “run” costs high and pulls specialists into repetitive questions, draining IT resources. Modernized, AI-indexed knowledge bases help greatly, typically bringing self-solve rates above 50 %. This increase in self-service frees up budget and talent for innovation.
Lift end-user adoption & training	**41%** say poor adoption jeopardizes ROI, and training earns just **3.1 / 5** on effectiveness.	Under-trained users drain resources. They rely on inefficient workarounds, inflate support queues, and stall process benefits. Digestible, role-based learning synchronized to release cadence boosts confidence and accelerates time-to-value.
Sharpen production-issue resolution	Issue-resolution capability scores **3.4 / 5**—good but not great.	Every hour of downtime ripples across supply chains and customer touchpoints. Embedding automated root-cause analysis and impact-analysis tools can turn a 3.4 into a 4+ while slashing MTTR.

BOTTOM LINE

The speediest, most effective ways to readily unlock value sit at the intersection of **test automation, self-service, and continuous learning**. They are seemingly small pivots at leverage points in critical systems, resulting in outsize benefits like lower expenditure on support, more rapid release speed, and, ultimately, happier users.

Cloud & ERP Operations at a Crossroads

Rising macroeconomic pressure collides with the stubborn realities of enterprise cloud programs, exposing a widening gap between strategic ambition and the realities of current system functioning. Our 2025 study supports the existence of four major fault lines: (1) budget discipline, (2) schedule adherence, (3) run-cost containment, and (4) resource austerity. The ability to navigate these fault lines now dictates whether digital initiatives accelerate or stall. They sit at the top of nearly every CIO's risk register.

Key performance indicators, listed below, crystallize these pressures:

TAKEAWAY

Though cloud platforms promise lower total cost of ownership (TCO), the reality for many enterprises is that they remain locked in firefighting mode, spending heavily on rework instead of innovation.

KPI	Signal (what the data tells us)	Why it matters to the business
53% cite "over-budget & over-time" as their #1 implementation worry.	Budget and scheduling failures are the single most common concerns during new-cloud rollouts.	Cost or timeline overruns weaken the confidence of executives, delay time-to-value, and lessen the likelihood of further modernization now and in the future.
40% of the latest projects didn't meet deadlines; **27%** ran late and over budget.	Four in ten teams failed to hit planned dates, and one in four missed both time and money targets.	Every month of delay extends legacy-system licensing/support fees and pushes out productivity gains—compounding the total cost of ownership gap.
57% say escalating support costs threaten ROI.	More than half of leaders view day-to-day run costs as a barrier to realizing expected returns.	Budget demands for "keep-the-lights-on" expenditure explode IT costs, inviting scrutiny from finance and boards.
59% have been told to cut operating expenses and headcount.	Tight fiscal directives now accompany rising system complexity.	Teams must deliver the same (or better) levels of service with diminished resources—making process automation, test coverage, and self-service knowledge bases needed, not nice, to have.

KEY FINDING 01

Budget and Timeline Challenges Persist

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Budget and Timeline Challenges Persist

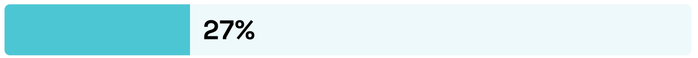
One of the most consistent findings across respondents was the persistent challenge of keeping enterprise software implementations on budget and on schedule:

53%

of respondents identified "over budget and over time" as their top concern with regards to implementing new cloud applications

27%

reported that their last enterprise application project was completed on time and within budget



40%

of projects experienced delays, 17% went over-budget, and 26% suffered both

These statistics highlight a systemic problem in enterprise software implementation. The complexity of modern cloud applications, challenges with integration, and inadequate testing procedures all contribute to overruns, putting significant pressure on IT leaders to find more efficient implementation approaches.

KEY FINDING 02

Manual Testing Creates Major Bottlenecks

BIGGEST CHALLENGE

One of the biggest day-to-day challenges with integration testing is ensuring all systems communicate correctly after updates or changes. It's often difficult to maintain full visibility into cross-platform dependencies, especially with rapid release cycles.

PRACTICAL TIP

Automate as much of your integration testing as possible and establish a clear version control and rollback process. Regularly involve cross-functional teams to validate workflows end-to-end, not just from a technical standpoint, but from a business process perspective as well.

Kevin Fulton
Information Technology Operations Manager, Field Law

KEY FINDING 02

Manual Testing Creates Major Bottlenecks

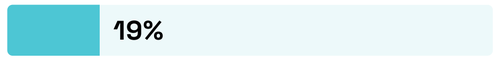
The survey reveals a critical weakness in enterprise testing practices that directly impacts the quality and timeliness of implementation projects:

52%

of organizations rely on in-house, **manual** testing

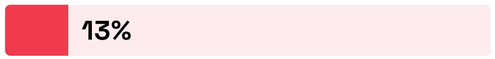
19%

use **manual** testing via partners



13%

have **fully automated** in-house testing capabilities



10%

utilize **automated** testing through partners

The heavy reliance on manual testing creates significant inefficiencies and introduces human error into critical processes. This is particularly concerning given that 58% of respondents identified user acceptance testing as their biggest challenge, suggesting that manual procedures often impact end users' day-to-day work.

Furthermore, 38% struggle with integration testing and 36% struggle to maintain and update test scripts, tasks that would benefit significantly from automation; however, automation gaps push testing onto non-IT, business users, sullying adoption and morale.

KEY FINDING 03

Support Costs Drain IT Budgets

BIGGEST CHALLENGE

Support costs can jeopardize Cloud and ERP and operations, quickly limiting resources and straining budgets for essential upgrades and maintenance.

PRACTICAL TIP

Investing in proactive monitoring and predictive maintenance can identify and address issues before they escalate. Fast follow, implement automation where possible to optimize your support processes and reduce inefficiencies.

Manager, IT Operations

KEY FINDING 03

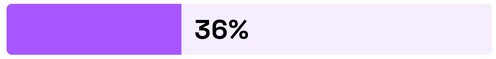
Support Costs Drain IT Budgets

Support and sustainment—the “run” side of IT—has become a silent budget-killer. For many enterprises, as much as one in every three technology dollars now funds ticket queues, break-fix work, and ad-hoc user help. Yet, the levers organizations can pull to reduce this burden go largely unused. Our data show that while a sizable share of budgets is siphoned into support, self-service portals and knowledge bases still only resolve a sliver of issues. The result is a widening knowledge debt that forces subject-matter experts, already scarce, into answering repetitive questions.

This reality starves innovative projects of both brainpower and money. The figures below quantify just how far most organizations are from a self-healing support model—and why closing that gap is fast becoming a top priority for executives.

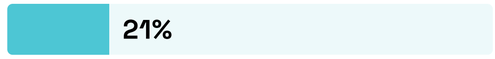
36%

of organizations spend between 10% - 20% of their IT budget on support



21%

spend between 20% - 30% on support



11%

allocate more than 30% of their IT budget to support

9%

keep support costs below 5% of their total IT budget

Despite this significant investment, self-service capabilities are underutilized:

53% of respondents report that self-service portals resolve less than 25% of support tickets

3% achieve more than 75% self-service resolution rates

Knowledge debt amplifies support costs and keeps highly paid SMEs on repetitive tasks.

KEY FINDING 04

IT Operations are Under Pressure to do More with Less

KEY FINDING 04

IT Operations are Under Pressure to do More with Less

IT teams are feeling the squeeze. Most leaders have been told to cut budgets and headcount, even as support bills rise. Users struggle to adopt new tools and integrations remain messy. The numbers below explain why many CIOs are rethinking their cloud operations, looking for ways to deliver more value with fewer resources, while maintaining high service levels.

59%

have been asked to reduce operating expenses and FTE compared to the previous fiscal year

57%

identify support costs as a top business challenge

41%

report that poor end-user adoption threatens their technology investments

57%

cite integration challenges as a significant obstacle to success

These pressures are leading organizations to seek new approaches to cloud operations that can deliver more value with fewer resources.

Navigating the next inflection point

Enterprise IT has reached a decisive crossroads: intensifying budget scrutiny, labor-intensive processes, and rising architectural complexity threaten to stall the momentum of transformation. Yet, these data suggest a clear path forward for agile CIOs.

Organizations can escape inefficient ERP strategies and do more with less by automating testing, improving self-service, using AI to streamline operations, and simplifying integrations.

The most successful organizations will be those that recognize the interdependence of these challenges. Reducing manual testing not only speeds implementation but also improves quality and reduces support costs. Enhancing self-service not only reduces costs but also improves user satisfaction and adoption. Finally, AI enhancements made possible by modernized systems can simultaneously neutralize multiple pain points across the entire enterprise application lifecycle.

By taking a holistic approach to these challenges, enterprise leaders can transform their cloud and ERP operations from cost centers into strategic enablers of business growth and innovation.

TLDR:

01

Tight budgets, manual work, and growing system complexity threaten to stall digital progress.

02

Automate testing, embed AI ops, boost self-service, and clean up integrations, and the gains in speed, quality, and support savings will reinforce one another as surely as current failures compound.

03

Treat these levers as a single, connected program. When tackled together, cloud & ERP environments flip from cost sinks to engines of growth and innovation.

OUR SOLUTION

The Path Forward —powered by Opkey’s Agentic AI

Enterprise IT stands at a crossroads: budget constraints, manual effort, and sprawling architectures threaten transformation. Opkey's ERP Lifecycle Optimization Platform rights the course, turning headwinds into tailwinds so organizations can sail to success.

Activate the Opkey Agentic Flywheel.

Testing Agent and its 30,000+ self-configuring test scripts replace labor-heavy regression cycles with AI-generated coverage, accelerating releases while shrinking support tickets.

Support Agent surfaces context-aware answers in real-time, driving ticket deflection and feeding cleaner telemetry back into the automation pipeline.

Configuration Agent automates change detection, impact analysis, and migration, eliminating the brittle hand-offs that slow innovation.

Training Agent delivers role-based, in-app guidance that lifts adoption scores and slashes the learning curve for every quarterly release.

Because Argus AI (Opkey's purpose-built Small Language Model for ERPs) powers and orchestrates each agent, the gains reinforce one another: faster testing fuels safer changes; safer changes reduce support load; reduced support frees budget for innovation.

Systems, not silos.
Opkey's integrated project management and collaboration capabilities unify requirements, configurations, and test artifacts in a single view, letting CIOs govern the entire estate as one interconnected program rather than a patchwork of tools.

OUTCOME

When deployed holistically, cloud and ERP landscapes flip from cost centers to strategic launchpads, delivering higher release velocity, lower run costs, and the confidence to pursue the next wave of growth.

Glossary

ERP (Enterprise Resource Planning): Defined as integrated business process software systems with a common database

MTTR (Mean Time to Resolution/Recovery): Explained as the average time to repair and restore system operation

TCO (Total Cost of Ownership): Described as a comprehensive financial estimate including direct and indirect costs

ROI (Return on Investment): Defined as a performance measure for evaluating investment efficiency

FTE (Full-Time Equivalent): Explained as a unit for comparing workloads across different contexts

SME (Subject Matter Expert): Defined as an individual with specialized knowledge in a particular area

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CONCLUSION

Thanks for reading

Ready to move from reactive to resilient?

See how Opkey's AI-powered platform helps teams cut patch cycle stress, accelerate adoption, and finally take control of continuous change.

www.opkey.com

info@opkey.com