



A CFO's Guide to Smarter IT Spend in the AI Era

How to fund innovation without increasing the IT budget

Rimini Street[®]



Executive summary

CFOs are under tremendous pressure to move quickly on AI, yet they're stuck spending most of the IT budget on maintenance and operations. Recent research shows that roughly 60–70% of IT resources are dedicated to operational maintenance,¹ leaving a much smaller share available for innovation and transformation initiatives. This IT cost structure, which most organizations are forced to operate with, restricts liquidity and reduces budget flexibility. Further, it limits innovation capacity — all while boards and leadership stress the urgency of adopting AI to stay competitive.

The following guide introduces a practical, proven, capital-efficient path that enables CFOs to overcome this all-too-common challenge.

By decoupling innovation from ERP upgrades and adopting an “AI-over-the-top” model with Agentic AI ERP, CFOs can:

- **Reduce annual vendor maintenance fees** by up to 50%, improving earnings before interest, taxes, depreciation and amortization (EBITDA)
- **Avoid large capital expenditures** associated with unnecessary ERP upgrades and migrations that primarily serve the vendor's best interests
- **Create predictable, multiyear OPEX profiles** to improve financial forecasting and budget governance
- **Free working capital** to reinvest in high-return, fast-cycle AI initiatives that deliver measurable business value within weeks or months

1) Allan Tan, "Innovation vs. keeping the lights on: How to prioritise in 2025," FutureCIO, retrieved 17 March 2026 from <https://futurecio.tech/innovation-vs-keeping-the-lights-on-how-to-prioritise-in-2025/>



Rimini Street's 2025–2026 global C-suite survey found that CFOs and their peers are already moving away from monolithic change: **36% envision a future built on a composable, modular ERP model, while another 33% expect to adopt Agentic AI ERP** — in both cases, keeping the core ERP system stable while modernizing around it.

With a payoff of faster time to value, lower risk and stronger financial control, this approach is one that CFOs can't afford to ignore.

The CFO's dilemma in the AI Era

CFOs recognize AI's potential not only to increase operational efficiency across the organization but also to alter the type of work being done — moving from data extraction and manipulation to strategic analysis. According to Deloitte's Q4 2025 CFO Signals survey, 87% of CFOs expect AI to be extremely or very important to finance operations in the coming year.² That's why so many are striving to push AI to the top of the priority list and deploy it — quickly.

However, the gap between aspiration and execution remains wide, as most IT budgets are locked into “keeping-the-lights-on” expenses such as annual ERP support costs, upgrades and skilled talent to keep core systems running. Rimini Street's global survey of nearly 4,300 C-suites found that 36% of executives cite high maintenance and operational costs as barriers to funding innovation.

This poses a challenge for finance leaders: Innovation is expected now, but funding is consumed by low-yield, long-cycle tech commitments. As a result, organizations are forced to put initiatives on hold — precisely when they need to speed up. There is, however, a smarter path that enables organizations to:

- **Add AI capabilities** on top of their existing, stable ERP environments, keeping the customized and compliant core they rely on
- **Modernize processes** and capture value without replatforming risk or capital reinvestment
- **Achieve transformation** while bringing it into alignment with financial discipline

For CFOs, this serves as a pragmatic solution to the current dilemma — and a proven means to break away from the status quo.

2) Steve Gallucci, John Goff, Mary Collins, “The year ahead: North American CFOs reveal their top 6 expectations for 2026,” Deloitte Insights, retrieved 2 March 2026 from <https://www.deloitte.com/us/en/insights/topics/business-strategy-growth/4q-2025-cfo-signals-survey.html>

The high cost of the status quo

The traditional ERP model is marked by escalating vendor costs, mandated upgrades and limited future options — a monolithic approach that hinders finance leaders from investing where it counts.

Maintaining the status quo means suffering through the drawbacks of this model, including:



Upgrades with weak ROI

Vendors routinely push large upgrade and migration programs that often require significant capital outlay and take years to complete, causing business disruption in the meantime. Although these projects are marketed as “modernization,” they rarely generate meaningful operational or financial gains.



Vendor dependence and loss of control

Subscription pricing models shift cost control away from customers. This leads to unpredictable long-term spending and greater dependency on vendor uplift schedules, policies and product decisions. It also creates multiyear expense commitments that restrict financial agility.



Compounded costs over time

The longer organizations remain on this vendor-dictated track, the worse the run-rate burden becomes — without a corresponding strategic benefit. Support fees escalate each year, less value is provided in return and upgrade cycles never stop. The majority of funds remain trapped in system maintenance and forced replacement rather than being allocated toward meaningful improvement.

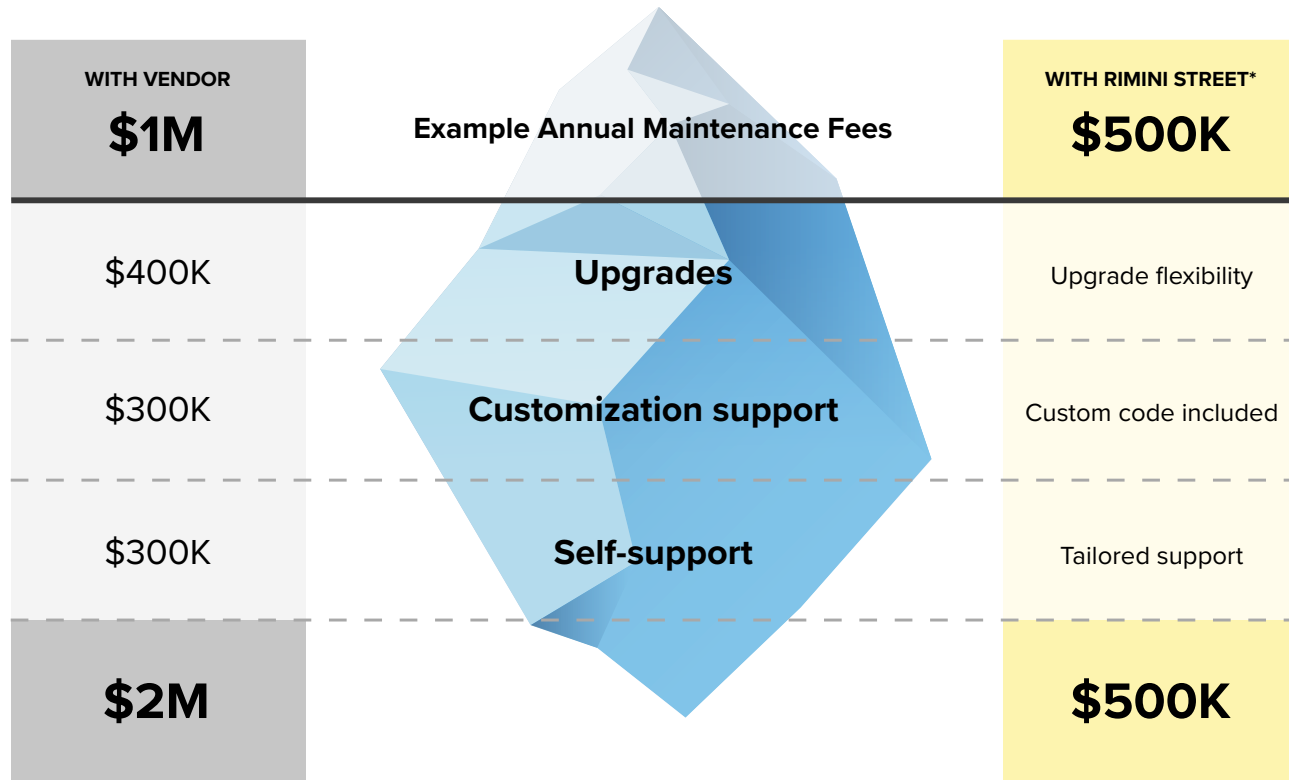


Shelved innovation initiatives

Many organizations are forced to put innovation initiatives on hold because their internal teams are consumed by upgrade and migration work. In a [recent IDC research survey](#), 47% of respondents reported having to delay innovation due to upgrade requirements. Every dollar and hour devoted to ERP overhaul and maintenance is money and time not spent on strategic projects such as AI, automation or analytics. Meanwhile, competitors who have taken back control of their ERP decisions and spend are able to leverage such technologies and move further, faster.

Operating cost savings example

Significant savings replacing vendor support



Results: \$1.5M to reinvest in strategic projects (annually)

*50% off current software vendor maintenance fees for the first year, after adjusting for unused or uncovered licenses, with a minimum three year commitment.

Extending ERP lifespan instead of replacing it

The aforementioned [IDC white paper](#) reveals that 74% of organizations believe their ERP system has a longer useful life than vendors are willing to support. And they're right. The concept of composable ERP, a trending strategy supported by mainstream analysts and proven by thousands of organizations, is based on the fact that traditional ERP systems remain reliable systems of record that contain years of valuable data and customizations — and innovation and new capabilities can simply be added to the core rather than replace it.

From a balance sheet perspective, a stable, secure and paid-for ERP system with a perpetual license functions as a fully depreciated asset still generating value. Replacing it prematurely — when it has years of usefulness ahead — restarts the time-to-value clock.

An enterprise has no practical reason to give up an ERP system that still serves it well. And there certainly isn't a worthy justification for giving up a perpetual license — considered to be the "golden ticket" of the software world — in favor of a subscription. Yet this is the logic embedded in vendor upgrade and migration motions: *"Move to our new cloud product, even if the existing version still meets business needs."*



As you look at the current business landscape, competition is increasing, margins are under pressure, and profitability is falling. As an executive, you have a responsibility to increase profitability for your business. Rimini Street is one of the easiest ways to do that."

– Hubert Tsang, CIO
Pacific Textiles

More leaders are starting to recognize that modernization can mean extending the life of what already exists and enhancing it strategically.



Here's what that looks like:



Reducing vendor dependence

Third-party support allows organizations to remain on their current ERP version without being forced into vendor-dictated upgrade cycles. Instead of reacting to artificial end-of-maintenance deadlines, the business retains control over its own roadmap — deciding when, why and if a change is necessary. This stability makes it easier for finance leaders to budget based on business needs rather than vendor pressure, ensuring predictability and maintaining investment discipline.



Adding AI over the top

Agentic AI ERP enables organizations to introduce automated workflows, intelligent assistance and modern user experience (UX) without replacing the ERP beneath it. This layered approach allows for new capabilities without the disruption of a multiyear replatforming project. It also accelerates innovation — with AI and automation implemented in weeks or months — so CFOs see value sooner and avoid the operational risks associated with a full migration.

With this approach — pioneered by Rimini Street — organizations can maximize the life and value of existing systems at a significantly lower cost, freeing up people, time and money to redirect toward innovation and other growth initiatives.

Fueling innovation freely

By rejecting the outdated assumption that modernization requires replacement, CFOs unlock more flexibility, reduce operational risk and self-fund innovation initiatives now, not years down the road. The ERP core continues doing what it does best: keeping the business running smoothly. Meanwhile, innovation happens around it — faster, safer and more cost-effectively.



GRP, a global steel manufacturer, stabilized its existing SAP system with help from Rimini Street, unlocking the capacity to focus on better leveraging its valuable data to drive AI and green steel initiatives.



Mercury NZ, an electricity generation and utility retailer, relied on third-party support to maintain SAP operations through a complex merger and to shift resources to strategic priorities.



Nexen, a Korean manufacturer, avoided the cost of an unwanted SAP S/4HANA upgrade and created bandwidth for Industry 4.0 initiatives such as AI, big data and cloud.



AllianceCorp Manufacturing, a global manufacturing company, maintained a self-directed roadmap free of vendor pressure, creating a more agile environment for exploration and innovation.



Pacific Textiles, a global textile manufacturer, improved SAP support response time by 96% while keeping its core system intact and its roadmap flexible, freeing up capital for strategic projects such as a new data lake architecture.



santec, a global photonics company, utilized third-party support from Rimini Street to realign its SAP systems on an aggressive schedule during a company restructuring.

Reallocating budget from upgrades to innovation

CFOs must ensure that every technology dollar spent generates a measurable return. Yet vendor-mandated upgrade programs absorb disproportionate amounts of capital, diluting ROI and increasing the burden on IT. Shifting away from these low-yield expenses allows finance leaders to redirect resources into initiatives that drive real transformation — particularly Agentic AI and human-in-the-loop automation.

Why reallocation matters

Typically, major ERP projects:

- Demand large capital and/or operational outlays
- Offer minimal incremental value
- Disrupt business operations
- Delay innovation investments

Reallocation, on the other hand, reframes the budget conversation: Instead of spending to “stay current,” spend to advance the business.

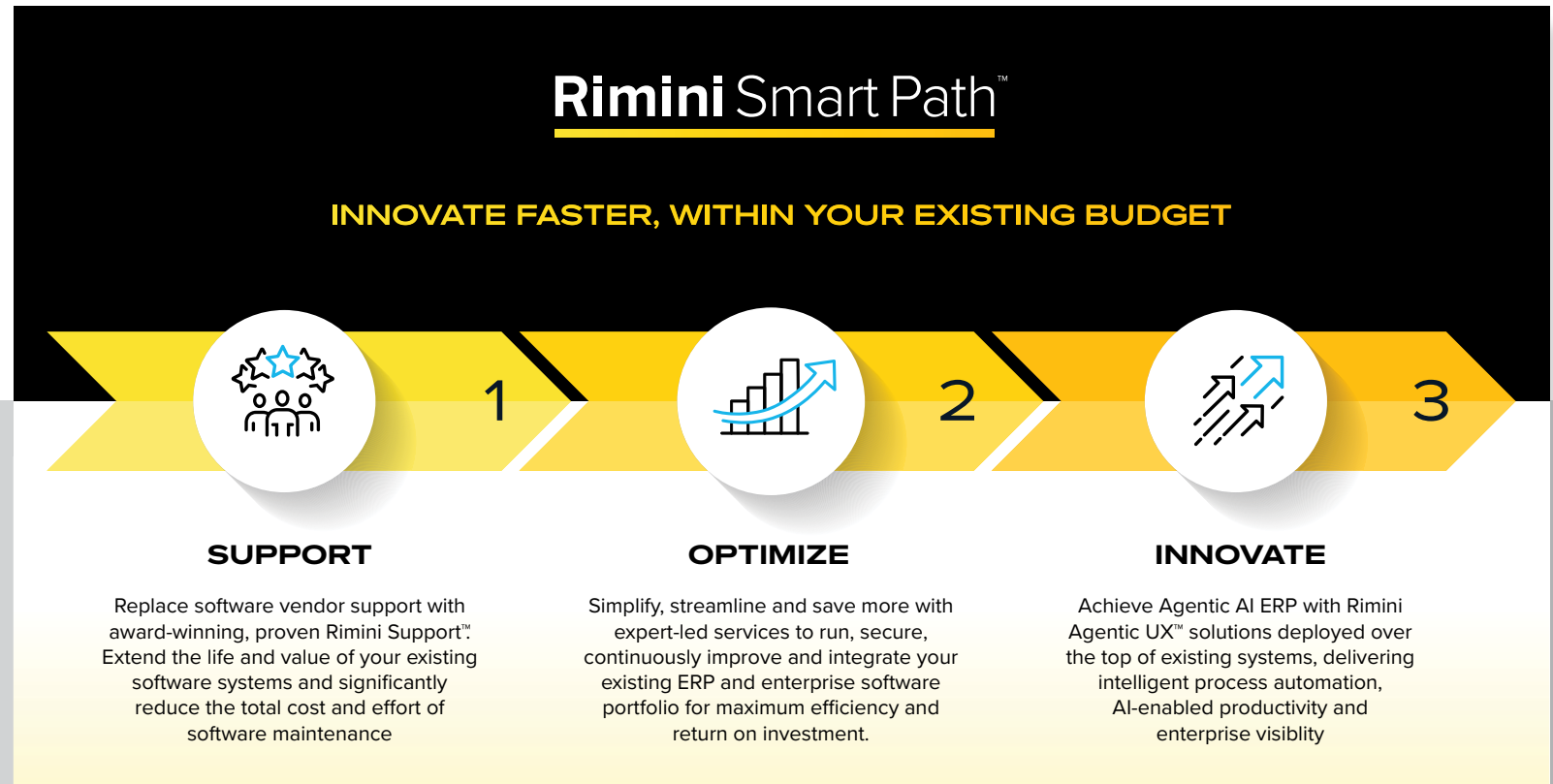


The Rimini Street team helped show us a path to freeing up capital so we could enhance our existing platform’s functionality and performance instead of executing costly and large-scale upgrades.”

*– Rick Jankura, CFO
Jones Packaging*

How the Rimini Smart Path™ works

The Rimini Smart Path™ is a proven, three-step methodology that has helped thousands of organizations innovate faster, within their existing budgets. It transforms how businesses Support and Optimize their software portfolio, enabling them to Innovate with Agentic AI ERP. On this path, organizations can protect and maximize the value of their reliable systems while reallocating budget to accelerate innovation — all without disruptive upgrades.



A new operating model for enterprise software — [described by IDC analyst Mickey North Rizza](#) as one that “enables faster innovation without vendor lock-in, reduces dependence on upgrade cycles and increases cost efficiency and flexibility” — the Rimini Smart Path provides CFOs with a structured method for redirecting funds from vendor support and vendor-mandated upgrade/migration cycles into high-return innovation.



Reduce run-rate costs

Moving to third-party support can reduce annual software support fees by up to 50%. It also eliminates expensive, vendor-dictated upgrade projects, significantly decreasing TCO. (Note: Rimini Street has a convenient tool that enables organizations to calculate their savings potential [here](#).) Convert CAPEX to predictable OPEX

By removing the need for large capital projects, organizations can shift from CAPEX-heavy upgrade cycles to smooth, multiyear OPEX profiles. Further, it can improve forecasting accuracy and financial governance.



Create an innovation fund

The savings generated through stabilized ERP support and other value-enhancing services can be pooled into an internal innovation fund. This creates an ongoing source of reinvestment for AI and ML initiatives, intelligent automation, analytics, visibility and process improvements.



The financial picture

For companies spending tens of millions of dollars annually on ERP maintenance and periodic upgrades, the opportunity to reallocate budget is significant. Shifting to third-party support can free up millions each year, often in the same fiscal cycle.

These newly available dollars can support high-value initiatives while helping organizations meet their cost-optimization targets, which 56% of CFOs rank among their top five priorities, according to a Gartner® survey.³

An important distinction

There's a common misconception that budget reallocation equals reduction. However, this isn't the case. There's no IT capability lost, innovation deferred or system stability compromised.

It's merely about shifting dollars away from low-value, vendor-mandated activities and into higher-return categories aligned with strategic value creation.



A working example

KleanNara, a South Korean manufacturer of hygiene products, demonstrates the impact of financial reallocation in action.

The company engaged Rimini Street as part of an enterprise-wide cost-optimization initiative — a strategic choice to increase operational efficiency and reduce financial burden. With [Rimini Support™](#), KleanNara was able to maintain system stability and modernize on its own terms. The 50% reduction in annual vendor support fees also enabled the company to redirect savings to:

- **Building an AI-powered analytics platform**
- **Expanding its cloud footprint**
- **Implementing IoT in production**

The company's experience proves that transformational innovation doesn't require additional budget — only smarter allocation of existing spend.

3) Heather Sabharwal, "Gartner Survey Shows Top Priorities for CFOs in 2026 Include Cost Optimization, Improved Forecasting, and Funding Growth Opportunities," Gartner, retrieved 9 March 2026 from <https://www.gartner.com/en/newsroom/press-releases/2025-08-12-gartner-survey-shows-top-priorities-for-cfos-in-2026-include-cost-optimization>

Accelerating time to value with Agentic AI ERP

Rather than replacing the ERP system to modernize, the Agentic AI ERP model builds on it. It treats existing systems as valuable sources of structured data and business rules, then layers an intelligent, AI-powered mesh over the top to orchestrate processes faster, better and cheaper — without forcing disruptive replatforming.

From an investment perspective, it offers the type of results that CFOs prioritize most:

1 Faster, measurable outcomes

With Agentic AI ERP, value delivery becomes continuous and incremental. AI initiatives can be targeted at specific workflows and expanded over time.

As the ERP itself remains unchanged, projects avoid lengthy build cycles and operational downtime. Agentic AI ERP uses the data and unique processes already embedded in the ERP, applying intelligent agents to automate tasks, guide users and orchestrate work across systems.

This means:

- **Projects can be designed and scaled** to fit a single quarter or fiscal year
- **Financial benefits can be tracked** at the process level (e.g., order-to-cash, invoice processing, approvals)
- **Time to first value (TTFV) shrinks** from years to weeks or months
- **Focused projects can align with prioritized business initiatives** rather than a one-size-fits-all approach

Ultimately, CFOs can see — and measure — the impact of AI quickly, with iterative adjustments to optimize outcomes.

2 Shorter payback periods

Agentic AI ERP shifts the economics of modernization. It enables organizations to fund smaller, clearly scoped AI initiatives that correspond with business objectives.

This approach also aligns with what leaders now expect from technology investments. Rimini Street's recent [global C-suite survey](#) showed that, on average, C-suites anticipate a 27% realization of payback/benefits from technology investments in just 1–2 years, underscoring a growing preference for faster, more predictable returns.

Because Agentic AI ERP lends well to targeted, high-value use cases — such as automating repetitive finance workflows, optimizing approvals or improving forecasting — organizations that adopt it can look forward to:

- **Increased productivity** among teams
- **Fewer manual steps** for reduced cycle times
- **Greater accuracy** and consistency in outcomes

These gains make AI-driven process enhancements easier to quantify and justify than a software upgrade just to “stay current.” As a result, payback periods are shorter and more predictable, aligning better with CFO expectations for disciplined capital deployment and significant ROI.

3 Lower execution risk

Replacing an ERP system carries operational risk, as it requires critical processes to be reimplemented, integrations to be rebuilt and users to relearn everyday tasks. Unsurprisingly, research shows that around 70% of ERP migrations are stalled, delayed or completed far over budget.⁴ In contrast, Agentic AI ERP avoids such risk by introducing change outside the core system.

The ERP remains the system of record, whereas the AI layer becomes the system of action — executing and coordinating work based on AI-powered insights paired with well-defined rules, controls and governance.

For CFOs, this approach:

- **Protects** financial controls and auditability
- **Minimizes** interruption to daily operations
- **Allows** change to be introduced gradually

In short, it serves as a safer alternative for risk-averse finance leaders concerned about the potential consequences of undergoing a large-scale ERP replacement.

4 Simplified cost reduction

According to a Deloitte survey of finance leaders, 44% of respondents consider protecting current resources by reducing costs to be a high priority.⁵ Following the Rimini Smart Path directly contributes to this pressing objective by decreasing the budget allocated to software support and maintenance.

Further, Agentic AI ERP delivers measurable cost efficiencies faster and without the overhead mandated by vendors for modernization initiatives.

In practice, expense decrease from Agentic AI ERP materializes through various levers:

- **Less manual effort** for activities like reconciliation
- **Shorter cycle times** for approvals, reporting and close activities
- **Greater operational scalability** without the need for additional labor

These gains compound over time, lowering the overall run-rate cost of operations while creating capacity for new initiatives.

5 Greater competitive advantage

The speed unlocked by Agentic AI ERP becomes a competitive edge. Organizations can deploy AI and automation faster than peers still tied up in large-scale ERP projects. Just as important, they can keep the customizations and processes that set them apart.

With the combination of faster execution, preserved differentiation and freed-up budget, finance leaders can:

- **Respond quickly** to market shifts and regulatory changes
- **Explore new process improvements** without committing to replatforming
- **Show a clear link** between technology spend and competitive performance

The ability to deliver value rapidly — while retaining what already makes the organization unique — becomes a significant advantage.

4) "ERP Integration Failures: Why 70% of B2B Migrations in 2025 Are Over Budget or Stalled," Tech Line Media, retrieved 27 April 2026 from <https://techlinemedia.com/b2b-blogs/erp-integration-failures-why-70-of-b2b-migrations-in-2025-are-over-budget-or-stalled/>

5) Steve Gallucci, Ed Hardy, Justin Silber, Dave Turk, Timothy Murphy, "Finance Trends 2026: Navigating the expanded scope of finance," Deloitte Insights, retrieved 10 March 2026 from <https://www.deloitte.com/us/en/insights/topics/leadership/finance-trends-leadership.html>

A comparison between strategies for CFOs

When it comes to modernizing ERP systems — and the business as a whole — CFOs have an important choice to make:

1. **Follow the vendor-driven path** and undergo a lengthy, expensive and disruptive cloud migration
2. **Take a more financially disciplined approach** that stabilizes the existing ERP while accelerating innovation

Understanding the differences between these two strategies in terms of cost, timeline, risk and flexibility is essential for choosing an option that supports both near-term priorities and long-term goals.

Vendor cloud migration	The Rimini Smart Path™
ERP replatforming	ERP optimization
Significant investment	No capital-intensive migration
Variable subscription fees	Predictable multiyear run-rate
Lengthy timeline for completion	Rapid AI value without disruption
Vendor lock-in	More flexibility and control over roadmap
High execution risk	Lower risk and faster results

For CFOs seeking stronger cost control and a more agile roadmap — without compromising stability — the Rimini Smart Path provides a practical and financially sound way forward.

Conclusion: A smarter path forward for CFOs

By rethinking long-held assumptions about traditional ERP models, stabilizing existing systems and redirecting savings toward high-impact initiatives, finance leaders can help build a more agile, future-ready IT strategy that aligns with business growth.

Recommended steps

- **Challenge ERP upgrade/migration mandates**
by demanding real ROI and risk justification for replatforming projects.
- **Evaluate third-party support**
to immediately reduce costs and secure operational stability.
- **Establish a finance-owned innovation fund**
using the savings generated from avoided upgrades/migrations.
- **Prioritize small, high-ROI innovation initiatives**
that demonstrate value quickly, building a strong baseline to scale.
- **Maintain rigorous financial governance**
as AI capabilities expand and new tools enter the mix.
- **Preserve capital by extending ERP life,**
leveraging existing investments rather than replacing prematurely.

Innovation doesn't require a bigger budget — it requires a smarter one. And finance leaders are uniquely positioned to drive this shift.

The payoff: CFOs can reduce software support costs, speed up AI adoption and retain full control of their roadmap — all while keeping core systems stable, secure and compliant.



To explore how your organization can fund innovation within your existing budget, contact Rimini Street to get started.

About Rimini Street

Rimini Street, Inc. (Nasdaq: RMNI), a Russell 2000® Company, is a proven, trusted global provider of end-to-end, mission-critical enterprise software support, managed services and innovative Agentic AI ERP solutions and is the leading third-party support provider for Oracle, SAP and VMware software. The Company has signed thousands of IT service contracts with Fortune Global 100, Fortune 500, midmarket, public sector and government organizations that have leveraged the Rimini Smart Path™ methodology to achieve better operational outcomes, billions of U.S. dollars in savings and fund AI and other innovation.

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