

ALLARI

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**ERP support should *compress*,  
not expand.**

## WHY NOW

# The ERP support line is the line your board will ask about *next*.

Three forces are converging on ERP support spend in 2026.

ERP application support is widely understood to be among the fastest-rising lines in IT operating spend — labor markets tightening, system-integrator projects pulling senior internal capacity into transformation work, and vendor escalators compounding year over year.

SAP ECC mainstream maintenance ends December 2027. Every organization on ECC now faces a structural decision — migrate, extend, or sustain — and each path increases near-term run-state pressure on the internal team.

Boards are asking the question CIOs cannot dodge: why is the IT operating line going up every year, and what's the plan to bend it down?

## THE 2026 SHIFT

For the first time, a category of ERP support exists that is engineered to compress — not inflate.

**Variable cost. Open book. Same-day termination.** The bill goes down with the work. The model is new enough that most procurement teams have not yet evaluated it.

The CIO who brings it to the board first sets the cost-of-IT narrative for the next budget cycle.

## WHAT THE BOARD IS ASKING ABOUT IT COST · 2026

- » “What is the operating cost trajectory for our ERP estate?”
- » “Why is the run-rate going up when revenue is flat?”
- » “What are our alternatives to our current vendor structure?”
- » “If we move, what's our exit if it doesn't work?”

*Source posture: this brief does not cite an external benchmark for ERP application-support spend as a share of ERP TCO. The directional claim above is offered qualitatively; the figures any CFO needs are measured in OpenBook® against the customer's own baseline, not against an industry average.*

THE CATEGORY

# ERP support, built to *compress*.

Most ERP support contracts are engineered to inflate: retainers, minimums, fixed-fee envelopes, multi-year escalators. Allari is engineered the other way. The contract structure and the operating model both compress with the work — and the bill compresses with them.

| DIMENSION                | CONVENTIONAL ERP SUPPORT                                                   | DEFLATIONARY ERP SUPPORT                                                           |
|--------------------------|----------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| Pricing structure        | Fixed-fee retainer or fixed-hour pool. Pre-paid capacity.                  | Variable cost. No floor. Pay only for executed work.                               |
| Unit price visibility    | Buried in a blended rate, often bundled with software or hosting markup.   | One published unit price per 15-minute increment. One price across every platform. |
| Invoice posture          | Monthly invoice for capacity. Black box.                                   | Open ledger. Every hour, ticket, and dollar visible in OpenBook® the day it lands. |
| Year-over-year direction | Bill goes up ~3% annually. AI retires your work; vendor keeps the savings. | Bill goes down as repeat work is retired.                                          |
| Vendor incentive         | Maximize ticket volume + retainer renewal.                                 | Eliminate repeat work; retire categories of consumption.                           |
| IP ownership             | Vendor owns the operational artifacts.                                     | Customer owns every runbook, automation, and document.                             |
| Termination terms        | 30–180-day notice + early-termination penalties.                           | Same day. No notice. The meter stops the day you say stop.                         |
| What it's for            | Outsourcing capacity for a fixed price.                                    | Compressing the run-rate quarter by quarter.                                       |

DEFLATIONARY ERP SUPPORT IS A CATEGORY OF ONE — THE ONLY VENDOR WHOSE CONTRACT AND DELIVERY MODEL ARE BOTH STRUCTURED TO BRING THE RUN-RATE DOWN.

## THE MODEL

# ERP support, built to *compress*.

## THE CATEGORY

## Deflationary ERP Support.

A support practice whose contract and delivery model are both engineered to bring the run-rate down — not up.

## THE SERVICE

**ERP Production Support** across JD Edwards EnterpriseOne, SAP S/4HANA, Oracle Fusion Cloud, and PeopleSoft, with the adjacent stack: NetSuite, ReportsNow, RFgen, Orchestrator, BSSV, EDI, Boomi, schedulers, identity.

## THREE STRUCTURAL COMMITMENTS

**Your ERP support line stops going up.** The contract and the delivery model are both built to compress — most ERP support contracts are structured to inflate; ours is structured to bring the run-rate down.

**1**

### Variable cost. No floor.

You pay for the work that's done. No retainers. No minimums. No fixed-fee envelope that has to be filled. When work compresses, the bill compresses with it.

**2**

### Open book. \$22.50 every 15 minutes. Nothing buffered.

Every hour, every ticket, every dollar visible in OpenBook® on the day it lands. **One unit price** across every platform. No senior-tier premium. No bundles. No buffer. No black box.

**3**

### Own the work. Walk away any day.

Every runbook, automation, and document yours from the day it is created. **At-will termination.** Full terms detailed in Risk & Exit.

## THE ECONOMIC OUTCOME

Support cost tracks compressed demand, not staffed capacity. Quiet months cost less. Surge months are absorbed without a contract amendment. The line in your IT budget for ERP support goes down every year — not up.

## THE OPERATIONAL OUTCOME

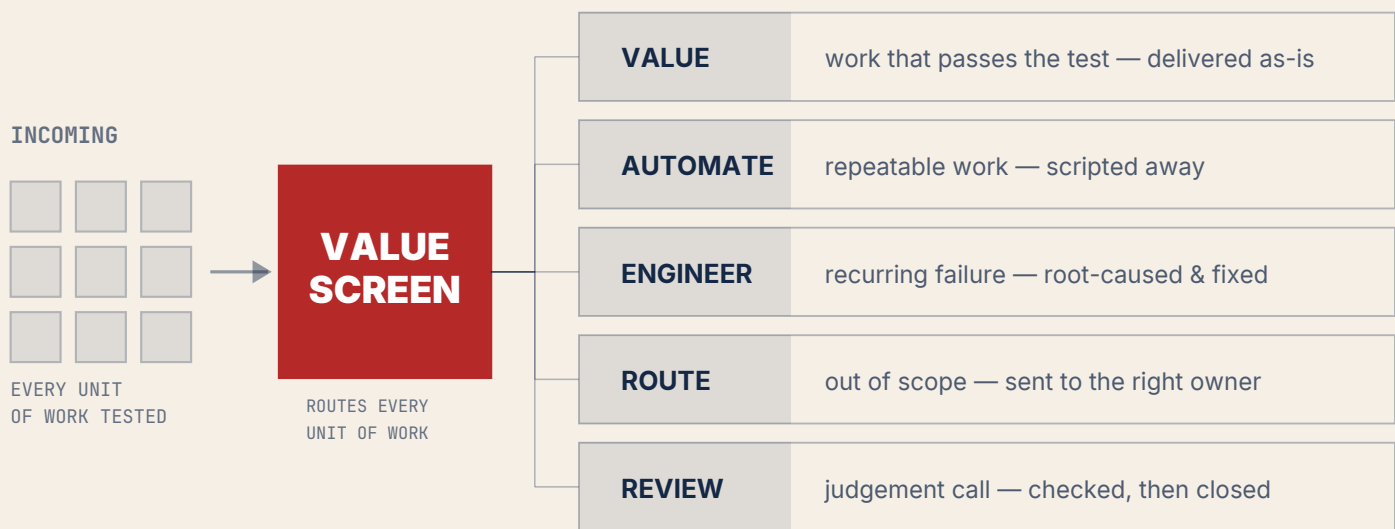
Less repeat work. More capacity for the roadmap. Your core team gets out of run-rate firefighting and into the build that moves the business forward.

EXHIBIT 01

# The deflationary economics of ERP support.

Allari holds the ERP support layer end-to-end, tests every unit of work for value, and retires repeat-work classes so the support run-rate compresses quarter by quarter — the contract is structured so the bill compresses with it.

THE MECHANISM · INCOMING WORK → VALUE SCREEN → RUN-RATE OVER TIME



THE THREE MOVES THAT PRODUCE THE CURVE

01

**Make work visible**

Every unit of work enters OpenBook® — ticket, hour, dollar — on the day it lands.

02

**Test value**

The Value Screen routes every unit before it consumes engineering capacity.

03

**Compress demand**

Repeat-work classes are root-caused, documented, automated and retired.

*Every unit of work is recorded at the published 15-minute increment for cost defensibility — visible in OpenBook® on the day it lands. Repeat-work classes are retired permanently. The Year-3 run-rate sits ~30% below baseline because the volume of billable work itself has fallen — not because we discounted the rate.*

## THE ECONOMICS

# The line your CFO defends to the board stops going *up*.

Your CFO models the run-rate on your own data, with a published unit price and a measured volume — not a vendor's contract bracket. **The math is defensible because it's yours.**

## THREE-STEP CALCULATION

## 01

### The published unit price.

**\$22.50** per 15-minute increment — the published unit, billed only when work is done.

One unit price across every platform on the engagement. No senior-tier premium. No platform surcharge. No bundle. Account management, OpenBook® instrumentation, automation design, and runbook work appear on the ledger for visibility — never on the bill.

## 02

### The actual volume.

Month-1 baselining replaces hypothesis with your data. Allari instruments OpenBook® on Day 1 and measures actual work volume across your environment for 30 days. The result is your true Year-0 run-rate — every ticket, hour, and dollar accounted for at the unit price.

This baseline is what every future quarter is measured against. Not a vendor estimate. Not an industry average. **Your environment, your number.**

## 03

### The compression curve.

**Year 0** — Baseline (your actual measured volume).

**Year 1** — ~8% below baseline.

**Year 2** — ~22% below baseline.

**Year 3** — ~30% below baseline.

Portfolio medians across active engagements. Methodology auditable in OpenBook®.

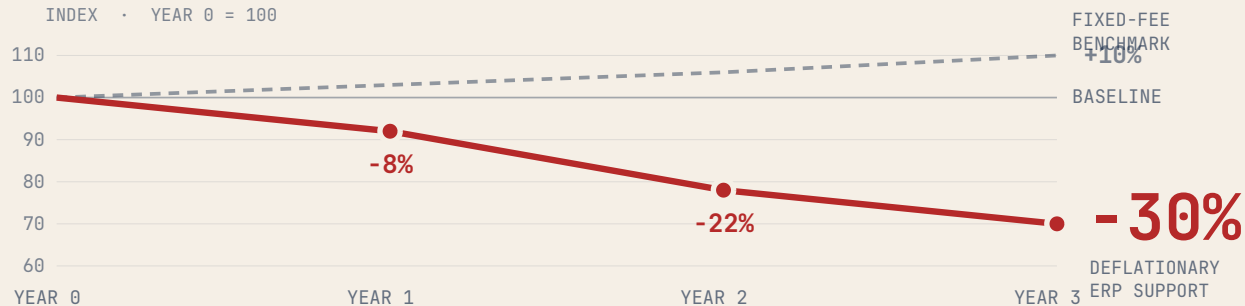
*Portfolio medians, not contractual commitments. Each customer's curve depends on the volume of repeat-work classes available to retire — measured month-by-month in OpenBook®, never estimated. Unit price disclosed at [allari.com/openbook](https://allari.com/openbook).*

## THE EVIDENCE

# Your operating line goes *down* — and stays *down*.

Portfolio median: -30% support run-rate by Year 3, measured against each customer's own pre-Allari baseline.

## WHAT HAPPENS TO YOUR ERP OPERATING LINE UNDER DEFLATIONARY ERP SUPPORT



Portfolio median, measured against each customer's own pre-Allari baseline. 36-month measurement window across Allari-managed engagements. Sector and scale vary by engagement. Methodology published — [allari.com/openbook-methodology](https://allari.com/openbook-methodology).

## ANONYMIZED CUSTOMER OUTCOMES

ALLARI-MANAGED ENGAGEMENTS · SCOPE & BASELINE VARY

### Global industrial manufacturer.

The internal ERP team was redeployed off legacy run-state and onto the SAP build. The migration finished on schedule. Zero escalations to the build team across five years of dual operations.

### Fortune 1000 agribusiness.

Two years of blocked roadmap items shipped. Internal engineering capacity returned to strategic work that had been deferred. The board stopped asking why IT was always "almost ready."

Core capacity recovered to roadmap: 40%+.

### Specialty healthcare network.

Six years of compounding cost compression turned a runaway IT line into a model the CFO presents to the board. Operational continuity preserved across two acquisitions and one regulatory audit.

Support-cost reduction over 24 quarters: -80%.

Customer-reported outcomes; methodology auditable in OpenBook® and disclosed in full in The Deflationary Thesis ([allari.com/manifesto](https://allari.com/manifesto)). Named references available under NDA.

## DOES THIS MODEL FIT YOUR ENVIRONMENT?

- |                                                                                                                    |                                                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Multi-platform ERP (JD Edwards / SAP / Oracle / PeopleSoft, often two or more).           | <input type="checkbox"/> Adjacent stack carries operational weight — ReportsNow, RFgen, Orchestrator, BSSV, EDI, Boomi, identity, schedulers. |
| <input type="checkbox"/> Production support consumes >40% of internal ERP team capacity.                           | <input type="checkbox"/> Annual ERP support spend is opaque, growing, or both.                                                                |
| <input type="checkbox"/> An SI relationship exists for build / transformation work that Allari should not replace. | <input type="checkbox"/> Operations span multiple regions or time zones.                                                                      |

If three or more boxes are checked, the model fits.

## THE ENGAGEMENT

# What the first 90 days *look* like.

A named team, an open ledger, and three measurable checkpoints in the first quarter — so you can see the model working before the first invoice closes.

## THE FIRST 90 DAYS · THREE MEASURABLE CHECKPOINTS

## 01

### DAYS 1–30 INSTRUMENTATION

## LEADING INDICATORS

- » OpenBook® opens on Day 1 — every ticket and hour visible from the first request forward
- » Outcome Team named, embedded in your Microsoft Teams tenant, reading the work as it arrives
- » Dynamic Runbook capture begins on Day 1; recurring patterns logged starting in Week 2

## WHAT YOU SEE

By Day 30: full operational baseline — current ticket volume, time-to-resolution distribution, top recurring issue categories, and the first identified candidates for automation or root-cause retirement.

## 02

### DAYS 31–60 RETIREMENT

## LEADING INDICATORS

- » First wave of repeat-work classes identified and prioritized in OpenBook®
- » Root-cause investigations initiated on the top three recurring issue categories
- » First automations scripted, tested, and deployed

## WHAT YOU SEE

By Day 60: measurable compression begins. Ticket volume for retired categories drops to near-zero. The cadence review shows what's been retired, what's been documented, and what's next on the retirement list.

## 03

### DAYS 61–90 PROOF

## LEADING INDICATORS

- » Year-0 baseline now established with 90 days of actual data
- » Second wave of retirement candidates queued
- » Senior leadership review at Day 90 — what's been absorbed, what's been retired, what comes next

## WHAT YOU SEE

By Day 90: the first quarterly OpenBook® review. A defensible comparison of your environment at Day 0 vs. Day 90, in numbers your CFO can audit. The first compression checkpoint.

## WHAT THIS IS NOT

- » Not a fixed-price project with a defined end date.
- » Not a transition project — there is no Phase 0. The work starts on Day 1.
- » Not a sales engagement that converts to a contract at Day 90; the contract starts Day 1, terminates any day, and the bill compresses from Month 1 forward.

## RISK &amp; EXIT

# The boundary is *also* the safety net.

Three structural safeguards the CIO can name to the board — each one written into the operating model, not added as a clause to mollify a procurement team.

## 01

### TERMINATE ANY DAY

The Allari engagement has no notice period and no early-termination penalty. The contract structure allows a customer to issue a termination instruction any business day, and the meter stops the day the instruction is sent.

**There is no minimum term, no escalator, no exit fee, no “wind-down” billing period.**

## 02

### EVERY ARTIFACT YOURS

Every runbook entry, every automation, every documentation artifact created during the engagement is the customer’s property from the moment it is created. The Dynamic Runbook is hosted in the customer’s environment.

**At exit, no artifact is locked, paywalled, clawed back, or held pending payment. Allari leaves with no operational IP that the customer’s team cannot continue to use.**

## 03

### TURNOVER-PROOF BY STRUCTURE

Every fix and operational pattern lives in the Dynamic Runbook and OpenBook® — not in the heads of individual Allari engineers. When Allari staff change, nothing resets. When the engagement ends, the operational knowledge stays with the customer.

**The model is engineered so the customer is never operationally captive to specific Allari personnel.**

## IF ALLARI FAILS THE TEST — THE BOARD’S DOWNSIDE PROTECTION

If at any point in the first 90 days, the OpenBook® ledger does not show the operational and economic shape that was promised, the customer terminates that day, owes only for executed work to that date, and retains every artifact created to that point.

There is no scenario in which a customer is structurally locked into an engagement that is not delivering. That is what “no floor” actually means at the contract level.

## WHY THIS POSTURE IS POSSIBLE

*Allari® is self-funded since 1999 — no private equity, no outside capital, no growth-at-all-costs investor mandate. A firm whose revenue depends on lock-in cannot offer same-day termination, full IP transfer, and variable cost. Allari can. It is the structural reason the compression curve holds quarter after quarter — and the structural reason the boundary holds.*

## THE BOUNDARY

# What Allari does not do.

The boundary is part of the model. We hold the operational layer. Everything outside the operational layer is named here so the engagement scope is unambiguous on Day 1.

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## WHAT ALLARI DOES NOT DO

- Strategy consulting.
- System-integrator-led ERP implementations.
- Big-bang transformation programs.
- Fixed-price project work outside the operational layer.
- Replacing your existing SI on a build engagement.
- Billing for time we cannot show in OpenBook®.

## WHAT ALLARI DOES — INSIDE THE BOUNDARY

- ERP Production Support across the four-platform stack.
- Adjacent stack operations — ReportsNow, RFgen, Orchestrator, BSSV, EDI, Boomi, schedulers, identity.
- Discrete projects and automation work inside the existing ERP environment.
- Business-analyst work that runs alongside production support.
- Operational advisory inside an active engagement.

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## WHY THE BOUNDARY HOLDS

If Allari accepted strategy consulting or system-integration work, the firm would have an incentive to inflate the operational layer to fund those adjacent margins. **The boundary protects the customer from that incentive — and protects the integrity of the compression curve.**

A firm that accepts every kind of work cannot structurally commit to bringing the operational run-rate down. We chose the boundary so the model works.

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SECURITY & AI POSTURE

# The operating layer, *audit-ready*.

Compliance signals via architecture, not attestation. AI inside Allari's operating layer, never inside your ERP environment. Every production-impacting change reviewed, named, and approved by a senior engineer.

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ARCHITECTURE-BASED CONTROLS

- » **Identity governance** with role separation enforced at the engagement level.
- » **Change control via OpenBook®** — every change ticket carries owner, approver, scope, and timestamp.
- » **Runbook discipline** — operational procedures documented in the customer's environment, version-controlled and reviewable.
- » **Audit-ready ledger** — every hour, every dollar, every approval visible on the day it lands.
- » **TBM-certified** financial discipline.
- » **ITIL-certified** operational discipline.

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THE AI GUARDRAIL

Allari uses AI inside its own operating layer to find patterns, summarize ticket history, draft runbook entries, and suggest automation candidates.

AI does not run unsupervised inside a client ERP environment. Every production-impacting change is reviewed, named, and approved by a senior engineer before it touches the system of record.

The AI guardrail is a **structural commitment**: the customer's ERP is not where Allari trains models, runs autonomous agents, or tests inference. The customer's ERP is where work gets done by named people with named approvals.

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WHAT ALLARI DOES NOT CLAIM

- » SOC 2 attestation.
- » ISO 27001 attestation.
- » HIPAA attestation or "HIPAA-grade" framing.

*Allari operates under TBM + ITIL certifications and architecture-based controls. Customers with regulated data continue to hold their own attestation regime; Allari operates inside the customer's existing controls, not in place of them.*

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## BOARD QUESTIONS

# Ten questions *your* board will ask. Ten answers you can use verbatim.

**Q1. “Why are we considering changing vendors now?”**

ERP application support spend is climbing as a share of IT operating cost, the SAP ECC 2027 deadline is forcing a structural decision on every SAP customer, and a new category of ERP support exists that is structurally engineered to bring the run-rate down. The CIOs who move first set the IT cost narrative for the next budget cycle.

**Q2. “What does it cost compared to what we pay now?”**

Allari doesn't quote a fixed annual contract — they measure our actual environment volume in Month 1 at a published unit price, and the bill is the meter reading. We model the run-rate on our own data, not their contract bracket. The portfolio shows the bill going down 30% by Year 3 against each customer's own baseline.

**Q3. “What's our exit if it doesn't work?”**

Same-day termination, no notice required, no early-termination penalty. Every runbook, automation, and document we create is ours from the moment it's created. There is no scenario where we are structurally locked into an engagement that is not delivering.

**Q4. “What if Allari is acquired or goes out of business?”**

Every operational artifact lives in our environment — not in Allari's — so the day-to-day operations continue with our internal team. The Dynamic Runbook is hosted in our Microsoft Teams tenant. We would lose Allari's named team, but not the operational knowledge they built.

**Q5. “How do we know it's working in 30/60/90 days?”**

OpenBook® opens on Day 1 — every hour, ticket, and dollar visible from the first request forward. By Day 30 we have the full operational baseline. By Day 60, the first retired work categories show measurable compression. By Day 90, the first quarterly review with a defensible Day-0-vs-Day-90 comparison.

**Q6. “What scale of customers do they support?”**

Allari supports customers in 25+ countries on 4 continents with an average customer tenure exceeding 10 years. The portfolio includes multi-billion-revenue manufacturers, Fortune 1000 agribusiness, and specialty healthcare networks. The model is built for multi-platform ERP estates where production support consumes >40% of internal team capacity.

**Q7. “Are they using AI to replace people in our environment?”**

No. Allari uses AI inside its own operating layer for pattern recognition and runbook drafting. AI does not run unsupervised inside the customer ERP. Every production-impacting change is reviewed, named, and approved by a senior engineer before it touches the system of record.

**Q8. “Does this replace our SI?”**

No. Allari does not do system-integrator work, big-bang transformation, or new ERP platform implementations. We hold the production-support layer so the internal team and the SI can focus on build and transformation. Build-Run Separation is structural to the model.

**Q9. “What's the security and compliance posture?”**

TBM and ITIL certified. Architecture-based controls — identity governance, role separation, audit-ready change control via OpenBook®. Allari operates inside the customer's existing compliance attestation regime, not in place of it.

**Q10. “What are we approving today?”**

A 90-day engagement start with OpenBook® instrumentation from Day 1 and a Day-90 review checkpoint where the board can choose to continue, adjust scope, or terminate. No multi-year commitment. No minimum term. No floor. The compression curve is measured in our environment, with our data.

# What we are *asking* the board to approve.

A 90-day Deflationary ERP Support engagement, with full OpenBook® instrumentation from Day 1 and a Board Review at Day 90.

## NO MIN TERM

No multi-year commitment. Engagement is open-ended, terminable any day.

## NO FLOOR

Pay only for executed work at the published unit price.

## NO NOTICE PERIOD

Terminate any business day. No wind-down billing.

## FULL IP TRANSFER

Every runbook and automation is yours from the moment it is created.

## DAY-90 REVIEW

The board reviews OpenBook® data and chooses: continue, adjust, or terminate.

### DAY-90 BOARD REVIEW — WHAT WILL BE MEASURED

- » Operational baseline established (Day 30 deliverable).
- » First retired repeat-work categories — count and ticket-volume impact.
- » Day-0-vs-Day-90 OpenBook® comparison — actual hours, actual cost, actual resolution-time distribution.
- » Year-1 compression forecast based on first 90 days of actual environment data.
- » Recommendation: continue, adjust scope, or terminate.

*The contract is structured so the bill compresses with it.*

## NEXT STEPS &amp; METHODOLOGY

# From board approval to OpenBook®.

Three steps from the moment you say yes to the meter starting — and the methodology that makes the math defensible to your CFO, your board, and your auditor.

## THREE STEPS FROM YES TO METER

## 01 INVOICE REVIEW

Send us your last 90 days of ERP support invoices. We return a single-page diagnostic: where your environment maps to known compression categories, and where the first retirement targets likely sit. Conducted by senior IT enterprise leaders. No SDRs.

## 02 90-MINUTE WORKING SESSION

A scoped working session — not a sales call — to review the diagnostic, walk through the OpenBook® instrumentation plan, and answer your team's technical questions.

## 03 ENGAGEMENT START — DAY 1

OpenBook® opens. Outcome Team named and embedded in your Microsoft Teams tenant. Dynamic Runbook capture begins. The meter starts. The bill compresses from Month 1 forward.

## METHODOLOGY · HOW THE COMPRESSION CURVE IS CALCULATED

- **Baseline (Year 0).**

Each customer's measured volume of executed work during the first 30 days of the engagement, recorded at the published unit price.

- **Compression measurement.**

Year-N run-rate vs. Year-0 baseline for that same customer. Customers are never measured against an industry average or another customer's curve.

- **Portfolio median.**

The median compression curve across active Deflationary ERP Support engagements with at least 36 months of OpenBook® data.

- **Audit trail.**

Every hour, every dollar, every approval visible in OpenBook® on the day it lands. The CFO can audit any month, any quarter, any year.

- **Public reference.**

Methodology disclosed in full at [allari.com/openbook](https://allari.com/openbook) and [allari.com/deflationary-model](https://allari.com/deflationary-model).

## START THE EVALUATION

**Bring your last ERP support invoice.  
We'll show you where it compresses.**

A senior IT enterprise leader replies within one business day. No SDR, no qualification call.

DIRECT TO SENIOR IT LEADERSHIP

**[getstarted@allari.com](mailto:getstarted@allari.com)**

or visit [allari.com/contact](https://allari.com/contact)