

Modernizing SAP Custom Code: *Management, S/4HANA, AI & Clean Core* - Customer Insights

Research from ASUG and smartShift



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Research Background

smartShift partnered with ASUG to explore how SAP customers are navigating custom code migration and SAP S/4HANA adoption—highlighting evolving AI and automation plans, the role of strategic partners, and progress toward a clean core. This marks the third year of our research collaboration.

Audience

168 ASUG Members participated in this survey.

Timeline

This year's survey fielded during April 2026.

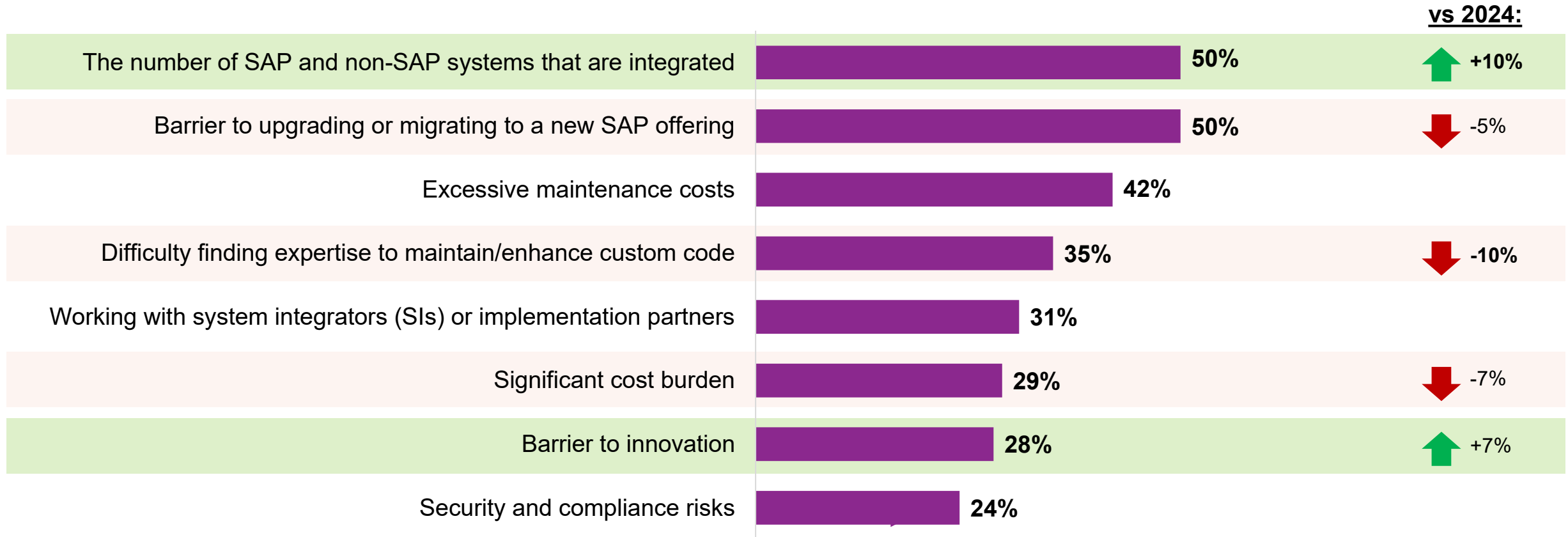
Key Research Findings

- Custom code is an asset that requires ongoing modernization.
- Without automation, sustaining the modernization of custom code becomes impractical.
- Enterprise AI readiness and clean core need continuous custom code transformation and lifecycle management.

**Custom code is an asset that
requires ongoing modernization.**

Custom code challenges persist, but the focus is shifting.

Leading Difficulties Organizations Face with Custom Code



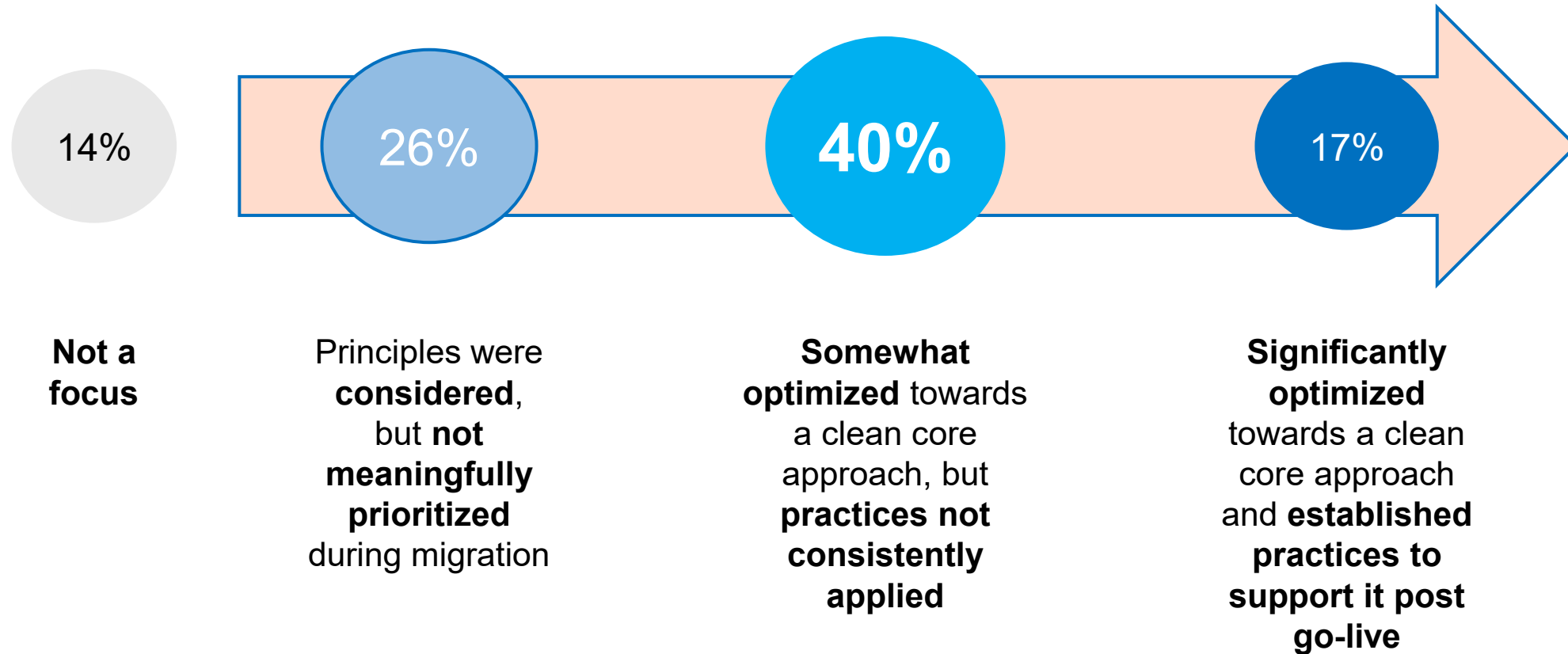
High custom code carryover is both expected and realized in S/4HANA migrations.

Organization's Current Custom Code Plans for SAP S/4HANA Migration



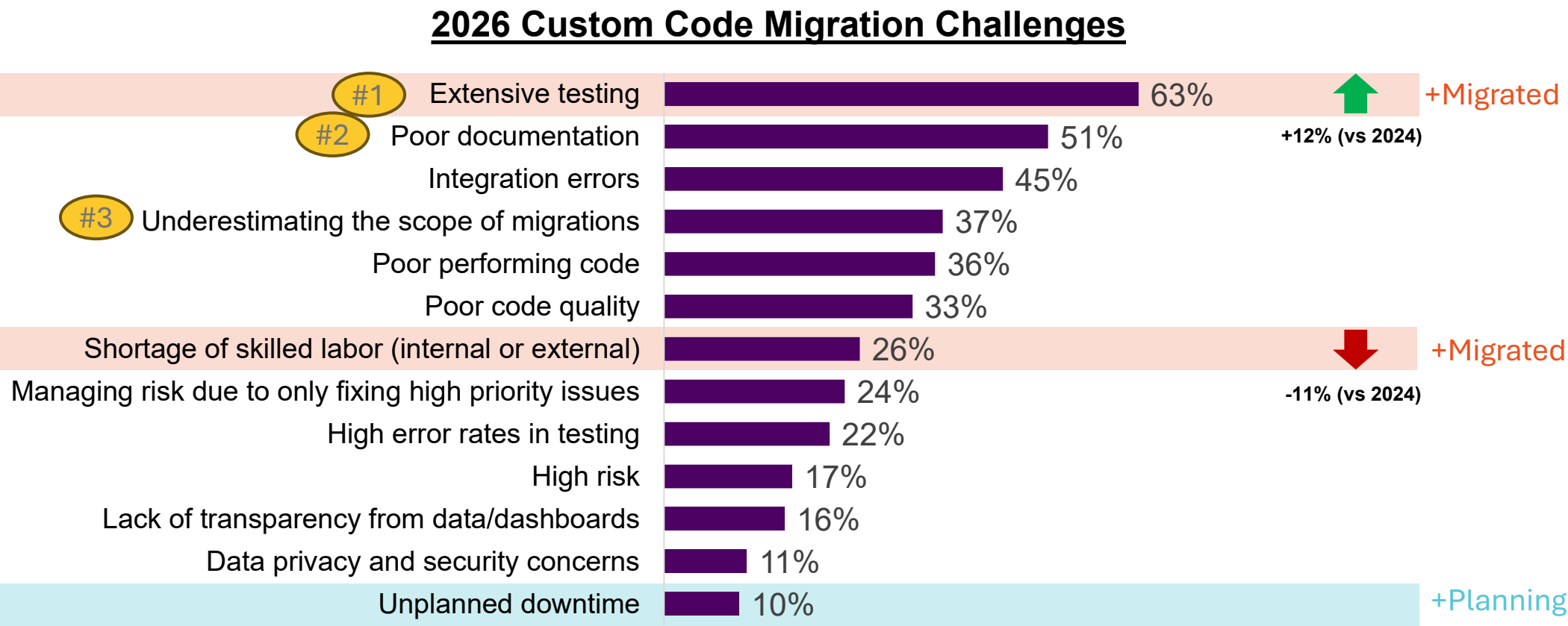
Organizations optimize S/4HANA migrations toward a clean core in theory, but struggle to maintain it in practice.

Clean Core Approach During S/4HANA Migration



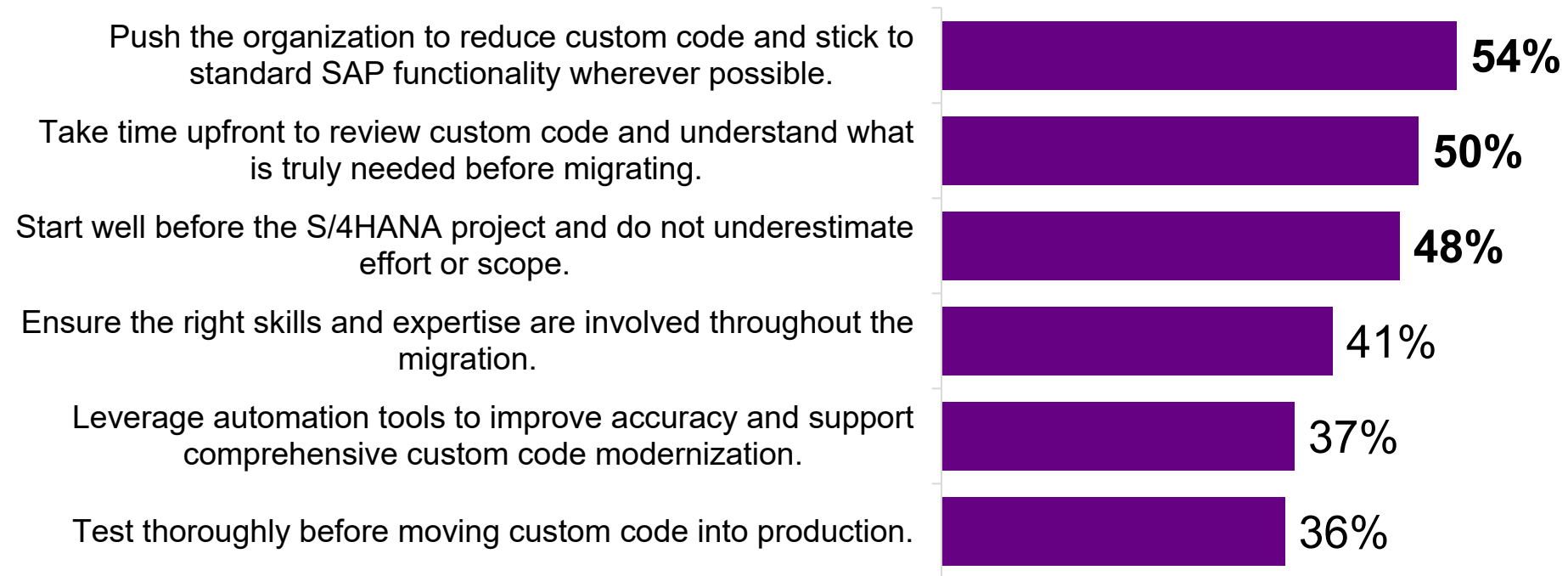
Without automation, sustaining the modernization of custom code becomes impractical.

Extensive testing, poor documentation, and integration errors pose biggest challenges.



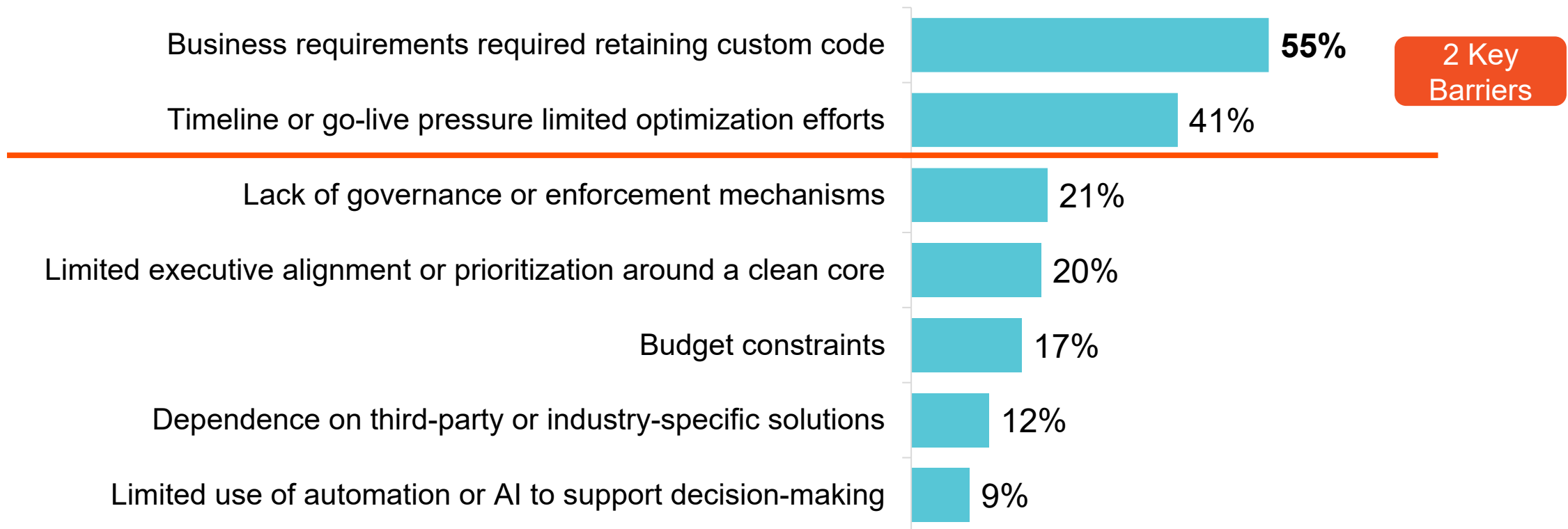
Recommendations point to simplification and early planning as keys to successful custom code migration.

Top Recommendations to Migrate Custom Code



Organizations are held back by the reality of competing business requirements and timeline pressures that force trade-offs.

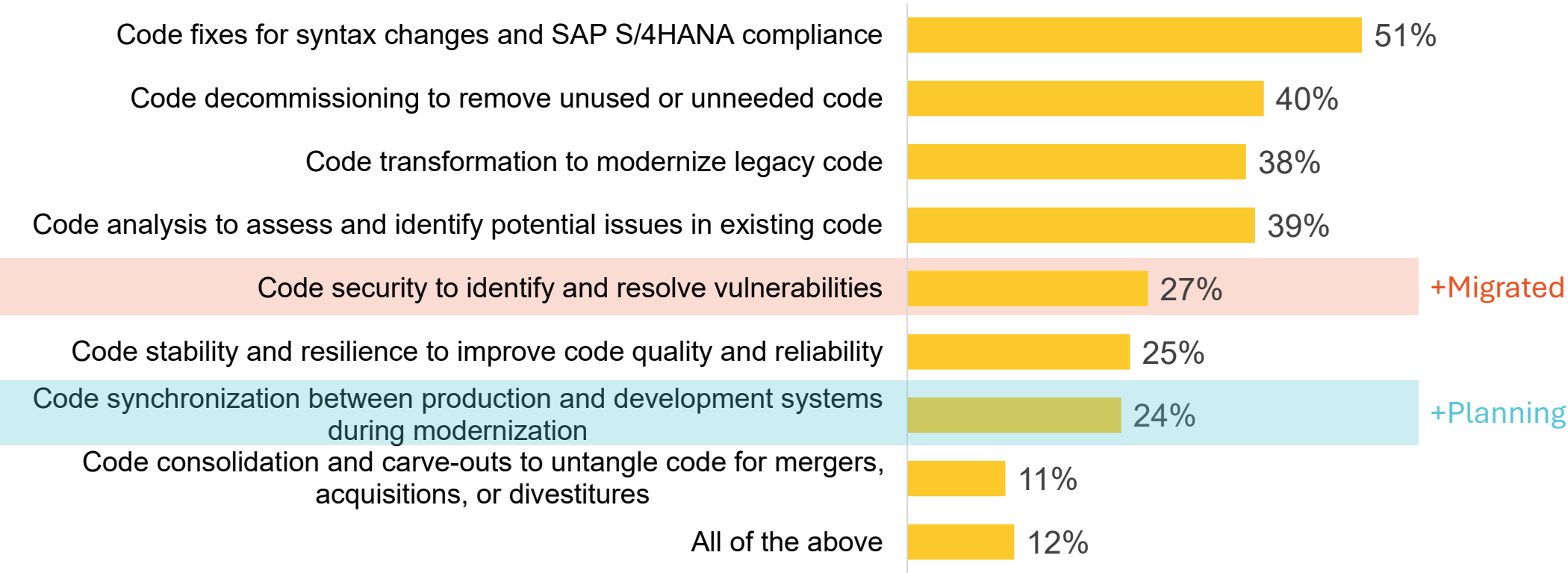
The Path to a Clean Core: Barriers to Progress



Enterprise AI readiness and clean core need continuous custom code transformation and lifecycle management.

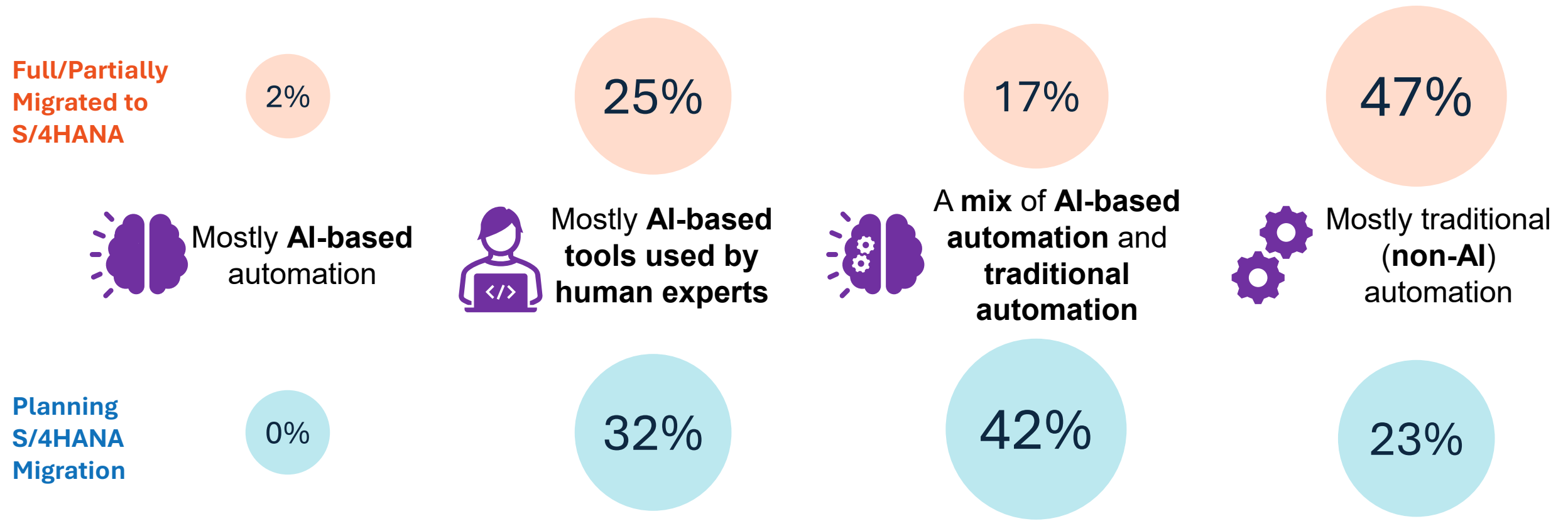
Automation/AI solutions for custom code relied on for immediate compliance and fixes.

Custom Code Automation/AI Uses to Support Modernization



Organizations move toward hybrid AI and traditional automation approaches to support custom code modernization efforts.

Custom Code Modernization Automation/AI Approach



Custom code is an asset that requires ongoing modernization.

Automation is essential for continuous custom code modernization.

Enterprise AI readiness and clean core need continuous custom code transformation and lifecycle management.

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Questions?



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