

Why Nonprofit ERP Implementations Fail

What to Do Instead

Industry research consistently finds that 55–75% of ERP implementations fail to meet their original objectives. In the nonprofit sector, the odds are even longer — and the stakes are higher.

55-75%

of ERP implementations fail to meet objectives

1%

of tech budgets spent on training

72%

of nonprofits struggle with finance turnover

6x

less likely to struggle with a finance partner

OVERVIEW

Your ERP Is Live. So Why Is Nothing Working?

Your organization made the decision to modernize. You selected an ERP platform, got board approval, and launched implementation. Months later, your team is still running parallel spreadsheets and reports take days or weeks to pull. The finance transformation you promised your board — which was supposed to free up more resources for your mission — hasn't materialized.

27% of nonprofits are implementing a new ERP in 2026

Nonprofits face a compounding challenge most consultants aren't equipped to solve: a fundamental shortage of internal finance capacity. Fortunately, capacity problems are solvable.

Organizations that invest in finance capacity see immediate operational gains.

“ We improved reporting, forecasting, and cash flow visibility... strengthening decision-making and stakeholder confidence.”

Nonprofit CEO

ROOT CAUSE

The Real Problem Behind Nonprofit ERP Issues

ERP implementation failures aren't usually a technology problem. The problem is what surrounds them — specifically, the people and capacity required to make them run. According to NTEN and Heller Consulting's 2024 Nonprofit Digital Investments Report:



BTQ Financial's own 2025 survey found that 72% of nonprofits struggle with finance function turnover, and that nonprofits with a finance and accounting partner are 6x less likely to struggle with scaling — yet only 30% work with one.

¹ BTQ Financial, 2026 Nonprofit Leaders report

WHERE THINGS BREAK DOWN

The Three Stages Where ERP Implementations Fail

1

Mid-Implementation Paralysis

The vendor completes their engagement. Internal staff revert to familiar workarounds. The system is technically live but functionally underutilized — and your team's energy is absorbed by manual processes the new system was supposed to eliminate.

2

Post-Go-Live Drift

Without dedicated internal capacity, configurations go stale, reporting templates go unused, and the finance team operates the new platform exactly as they operated the old one: manually, reactively, without real-time visibility.

3

Funder & Board Confidence Erosion

Boards and funders expect upgraded reporting. When improvements don't materialize, questions arise about capacity and stewardship. For mission-driven organizations, this erosion can have consequences well beyond the balance sheet.

THE SOLUTION

Engage a Finance Partner Before the ERP Decision, Not After It Stalls

The best time to engage a finance partner is before the ERP decision is made, not after it stalls.

Most organizations approach technology modernization as a systems problem. Select the right platform, hire an implementation consultant, go live.

They underestimate the ongoing finance capacity required to make any system actually deliver results — the kind that lets your team focus on the communities you serve instead of cleaning up data errors.

The right finance partner changes that equation. They bring nonprofit accounting expertise that implementation consultants simply don't carry: deep familiarity with grants management, fund accounting, audit readiness, and the reporting cadences that boards and funders actually need.

They also understand the sector's constraints: lean teams, high turnover, and the reality that your finance staff is often doing three jobs at once.

When financial reporting breaks down, organizational credibility follows.



We were breaking the two cardinal rules... timely and accurate reporting... there was no way that we were going to be sustainable, much less grow.

Robert Cordero | CEO of Grand Street Settlement



When embedded finance capacity is already in place, organizations stop asking “can we manage this system?” and start asking, “what can this system do for our mission?”

The right finance partner brings nonprofit accounting expertise that implementation consultants simply don’t carry: grants management, fund accounting, audit readiness, and the reporting cadences boards and funders actually need. BTQ Financial’s Finance as a Service (FaaS) model pairs experienced nonprofit finance professionals with an integrated technology stack. The human capacity and systems infrastructure arrive together — not in sequence.

Where BTQ Fits in Your Nonprofit ERP Journey

Whether you're evaluating platforms, mid-implementation, or already living with the gap an implementation left behind, BTQ meets you where you are.

Before an ERP Decision	During & After Implementation	Within Your Existing Environment
<p>BTQ’s FaaS model delivers real-time reporting, grants management, audit prep, and board-ready dashboards — without the cost, timeline, or capacity demands of a full ERP project.</p>	<p>BTQ’s embedded finance professionals combine nonprofit accounting expertise with deep platform fluency, providing the human capacity that makes the difference between a system that works on paper and one that serves your mission.</p>	<p>For organizations with a system already in place, BTQ may be able to work directly within your current environment, subject to a brief assessment.</p>

FINANCE AS A SERVICE

What the FaaS Model Delivers

The FaaS model operates as your finance department with flexibility designed for how nonprofits actually work. Every dollar not spent on administrative overhead goes toward your mission.

 Clean, timely audits & comprehensive financial reporting	 Grants and contracts management and compliance
 Accounts payable, cash management, and month-end close	 Planning, budgeting, and financial analysis
 Board-ready reporting that builds funder confidence	 Cost structure designed specifically for nonprofits

NEXT STEPS

Is Your Organization Ready to Make Its Technology Work for Its Mission?

If an ERP rollout is falling short, that doesn't mean the wrong decision was made. It usually means the right system was implemented without the capacity to make it work. That's fixable.

Your technology should be working for your mission, not the other way around. Whether you're still evaluating platforms or are managing the fallout from an implementation, BTQ can help you close the gap and keep it closed.

Learn how BTQ can support your finance transformation

About BTQ

BTQ Financial, a division of Consero Global, is a leading provider of financial management, medical billing, and accounting services for the most progressive nonprofit organizations in the country.

Founded in 2001 and based in New York City with 200+ staff, we utilize the top nonprofit talent in the industry to help our clients build strong financial functions that support their mission and secure sustained operations.

We are committed to transforming the nonprofit sector with a fast, flexible, cost-effective, and permanent solution to the challenge of operating fiscal departments.

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