

GUIDE TO ORACLE CLOUD

5 STEPS TO ENSURE A SUCCESSFUL
MOVE TO THE CLOUD

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This guide is designed for senior business and IT executives who are considering Oracle Cloud applications as a way to not only control costs, but also provide a more agile framework in order to remain competitive in the digital world.

We will take a look at the Oracle cloud marketplace and review key considerations, integrating the cloud with legacy applications, and challenges of current cloud implementations. We'll also provide some clear steps on how to make the move to the cloud, putting you in the driver's seat to propel your business forward.

56% **OF BUSINESSES**
say cloud platforms deliver
a competitive advantage





UNDERSTANDING THE CLOUD MARKET

The explosive growth in the cloud market is fueled by the acceptance of cloud applications by the largest companies in the world. The transition has been driven from the outside-in, with initial adoption by companies of edge applications, such as HR and payroll. Originally, these services were provided by outside firms. Software automated these processes, and eventually firms ran hosted applications for their customers. Over time, the sophistication and breadth of the applications extended all the way to the core business operations and the software that managed them (CRM, ERP, and financials).

Today, the move to the cloud is being accelerated by the push toward digital transformation. According to research firm Altimeter Group, digital transformation is “the re-alignment of, or new investment in, technology and business models to more effectively engage digital consumers at every touchpoint in the customer experience lifecycle.” There are several key trends behind this force:

- **Rising customer expectations:** Firms like Amazon, Zappos and Apple are redefining service, speed and ease-of-use
- **Continual connectedness:** Adoption of digital channels is driving demand for choice and connectedness
- **Organizational velocity:** Technology lowers barriers to entry and increases speed; slow response invites disruption
- **Abundance of customer data:** Requires competency to turn complexity into business insight

There has been an evolution in viewing technology not as a cost to manage, but as an asset that drives transformational change. This only increases an organization’s fundamental need to evolve as fast as technology does.

ACCORDING TO IDC, WORLDWIDE SPENDING ON PUBLIC CLOUD SERVICES WILL GROW AT A 19.4% COMPOUND ANNUAL GROWTH RATE FROM NEARLY \$70B IN 2015 TO MORE THAN @141B IN 2019.

REWARDS OF MOVING TO ORACLE CLOUD

TIME TO VALUE

Cloud applications are designed to provide a rapid return on investment, with less risk than a traditional implementation. For example, a planning system can be fully developed and deployed on Oracle Planning and Budgeting Cloud Service (PBCS) in as little as eight weeks. If that's not impressive enough, how about implementing Oracle Sales Cloud – including basic project management, requirements-gathering, system configuration, data import, system validation, and end-user training – in as little as four weeks?

LOWER TOTAL COST OF OWNERSHIP

Attractive pricing is available with cloud applications and 'pay as you go' models. Pricing by seat gives you more control in managing your costs. In addition, if you don't need certain services, you may be able to exclude them from your license. This flexibility ensures capacity ahead of demand and also provides closer, more predictable links to costs and use.

In addition to attractive pricing models, there are no hardware costs or expensive administration. You can access your cloud applications from any internet-enabled device.

SCALABILITY

With a cloud environment, you are not locked into the decisions you may have made when you first deployed your applications. The flexibility of cloud, and the ease with which you can scale, allows you to move faster. When your current environment no longer meets your requirements, you can quickly add capacity at a cost that won't break the bank. You don't need to add more servers when more seats are required.

FREQUENT UPGRADES AND NEW FEATURES

An upgrade of a legacy application is no small endeavor and it's not uncommon for organizations to put off the upgrade decision as long as possible. The expense is a huge consideration, but the time involved is equally daunting. Major upgrades are complex and the pain of the upgrade process is all too real for those who have been through it. You

cannot sustain a permanent implementation team to update on-premises applications with each release. With cloud, you don't have to.

Unlike a major release of a legacy application, cloud applications are upgraded with relative ease. For example, as Oracle adds new features and functionality to its cloud offerings, there's limited disruption to business users. Furthermore, this ensures you stay on the latest and greatest technology with the most advanced features to run your business.

PRODUCTIVITY GAINS

The cloud offers increased employee productivity through better information flow and collaboration capabilities and by automating routine processes. Oracle Sales Cloud, for example, is a modern sales automation tool that is fast, easy, and efficient to use. With mobile integration, it delivers higher user adoption, increased sales productivity, and improved pipeline visibility.

With Oracle PBCS and Oracle Financial Consolidation and Close Cloud Service you can replace manual, spreadsheet-based financial processes with automated, centralized systems for budgeting, forecasting, analytics, variance reporting and consolidated financial reporting.

With Oracle Marketing Cloud you can automate not only the initial email campaign, but also the timing of follow-up, different messaging for different targets, and have all of the emails delivered while your marketing director is off helping to build brand awareness.

MINIMAL IT INVOLVEMENT

By migrating to Oracle Cloud, the role of your company's IT department will change. No longer tasked with "keeping the lights on," they'll instead be able to focus on more strategic initiatives such as the functionality needed by the business, analyzing what modules to implement, prioritizing upcoming initiatives, and analyzing the success of the implementations. Rather than being perceived as pushing an agenda, IT will evolve into the strategic partners of business stakeholders, rather than the team that keeps email up and running.

ORACLE HAS OVER 12,000 CLOUD CUSTOMERS, REPRESENTING ABOUT
28 MILLION CLOUD USERS — ADRIAN ROBINSON, ENTERPRISE ARCHITECT DIRECTOR, ORACLE

CHALLENGES OF CLOUD IMPLEMENTATIONS

Cloud implementations bring a new set of challenges due to the fundamental difference in how applications and their supporting infrastructure are delivered and managed. It should be noted that none of these challenges should be seen as a reason to delay moving an application to the cloud. Instead, you should embrace the challenges and understand why each of them is a short-term trade-off for the long-term benefits that Oracle Cloud applications will provide.

A NEW WAY OF IT THINKING

In the past, any new implementation began with the same step: order the hardware. That had to be the first step because the lead time was generally several weeks, if not months. In the cloud world, you still need to provision your environment from Oracle, but that is usually accomplished in days, not months.

This shift to having an environment provisioned on hardware that you don't ever see, touch, or feel can be initially unsettling for more seasoned IT professionals. The trade-off, though, is a great one as the focus becomes less on what is going on in your data center and more on what the users are experiencing. This is an important step to becoming the strategic partner of the business, but it does mean giving up the hands-on control so many IT professionals are accustomed to in on-premises environments.

LIMITATIONS OF CUSTOMIZATIONS

In the case of all cloud applications, there are limitations to how far the application can be customized. This may be a drawback to some, yet what it really does is force you to evaluate your processes against the best practices built into cloud applications. This means going step-by-step and matching the process to the application and challenging long-held beliefs and practices. That process can be difficult and the selection of a partner who emphasizes managing the change process is critical to mitigate any risks.

FUTURE FUNCTIONALITY

While every cloud application is carefully planned, designed and developed, ultimately there will always be some feature or function that your organization needs, but which has yet to be released. The best strategy to address this is to understand where the cloud application is in its maturity and how the requirements of something that is slated for release 18 months from now can be addressed today.

You have the ability to extend functionality by using tools such as Web Services and Platform-as-a-Service (PaaS) in the cloud, and they do not require invasive and costly custom programming.



INTEGRATING CLOUD WITH LEGACY APPLICATIONS

Migrating to the cloud is a major technology shift and one that you should weigh carefully given your current investment in legacy systems and varying levels of cloud application maturity.

For a period of time, you will need applications that work together in order to share information and run your business. Cloud applications by their very nature have a more flexible architecture and can integrate with on-premises applications. For example, integration between Oracle E-Business Suite and Oracle ERP Cloud works well with single sign-on.

This strategy requires that cloud-based SaaS integrate into your existing environment. How challenging that is depends upon a number of factors, most importantly the complexity of your on-premises enterprise applications which will remain in place during the hybrid stage in your maturation.

There are different strategies and applications that address the challenge of integrating cloud applications with on-premises applications. If it is a one-to-one integration and data is flowing one way, leveraging a web services API may make the most sense. If you have several integrations and they require data to flow both directions – cloud to on-premises, on-premises to cloud, and cloud to cloud – then Oracle's Integration Cloud Service (ICS) may be a better option.

Finally, if your future-state architecture calls for numerous on-premises and cloud applications all requiring information from the same data objects (customers, inventory, sales, etc.) then perhaps you are a better candidate for SOA Cloud Service. The options are numerous and the right partner can help you determine what the best strategy is for your organization.



HOW TO MAKE THE MOVE

Now that you have a better understanding of Oracle Cloud and the benefits of making the move, where do you start? Regardless of company size, a change of this magnitude requires a methodical approach to ensure the best possible outcome. Here are the key steps.

1

ASSESS YOUR CURRENT APPLICATION FOOTPRINT

Where do you have the most to gain? Where will migrating to the cloud have the biggest impact? Take a look at your current systems. Where are you struggling? Maybe a single source of the truth seems unattainable due to lack of systems integration with your on-premises systems. Or maybe ad-hoc reporting capabilities for users is nonexistent, but critical to your plan to reduce dependence upon IT. If financial reporting is a manual process based on spreadsheets, this might be your number-one priority. Chances are, it won't take much effort for you to identify where you'd like to begin your cloud journey.

2

CONFIRM A BUSINESS SPONSORSHIP/LEADERSHIP TEAM

With a firm idea as to where migrating to the cloud would have the greatest impact, it's time to build your business case and secure executive management support. It is critical to your project's success, yet so many projects fail due to this missed step. Make sure you have the right conversations up front regarding strategic objectives, funding, resources, and risks. When you have buy-in from the leadership team, you have an ally that will be a champion for the project, which is especially important if timelines are extended, or more resources are required.

3

DEVELOP A MIGRATION PLAN

Your migration plan should work with the company strategy. If that strategy is to take a slow and steady approach to migrating to the cloud, your plan should reflect that, but build in quick wins where appropriate. Map your plan to the success metrics you defined at the onset of the project. Whether your goals are a time savings or reduced reliance on IT, don't lose sight of what you set out to do.





Try to leverage as much out-of-the-box functionality as possible. This does not mean you do not make any application extensions at all; the migration is an opportunity for you to consider enhancements to applications as a result of changes to the business. Focus on making reasonable application extensions, done within the application extensibility tools. One big advantage of deploying enhancements during the migration phase is that only one testing phase for both the migration and enhancement is required. Additionally, there is no down-time impact to the current production environment.

Be prudent in building any customizations that are likely to be addressed by Oracle in a future release. Verify the functionality expected in new releases before committing to develop something custom. Minimizing customizations reduces the associated costs of having to manage custom code.

If you are migrating from an existing application, try to re-implement the processes using the new system and its functions. It is important to make sure you have the functionality that existed earlier, but try to develop the processes around the capabilities of the new system, rather than trying to mimic the prior functionality.

4

ENGAGE WITH THE IMPLEMENTATION TEAM

At this stage, you have a plan and know where you're headed. Now you need to assemble an implementation team to execute on that plan.

Your team will be comprised of both internal and external resources. On the home team you'll typically have the executive sponsor, a senior manager driving the project who takes on the role of program manager, subject matter experts familiar with the IT and business strategies influencing the migration, and the application administrator. In addition, you'll have the business analysts and users who will benefit from the new cloud technology. They will be your alpha and beta testers.

Look to your implementation partner to provide cloud specialists, developers, system architects, and project management. You'll need to identify the key contacts on your team who will work closely with these implementation partner resources.

Now is the time to communicate with the business regarding change management. This is when you put on your marketing hat. Change is not always embraced with open arms, even when current processes are broken. Communicate, communicate, communicate! You've already secured executive sponsorship, so use that avenue to announce the project, who is on it, and most importantly, why the company is investing in cloud applications.

When people feel they are in on the "ground floor" of a fundamental change in business systems, you'll get greater acceptance. Include the larger population in the project somehow as well – maybe have a company-wide contest to name the project. Generate excitement and it will pay off.



5

EXECUTE AND DEPLOY

Execute to your plan. It's a simple statement, but many projects go awry because it's relatively easy for projects to get off track. Every project starts with an expectation that business users know what they want. However, there are often needs not considered during the requirements process that surface.

How you handle these unforeseen needs is critical to your project's success. For example, in a traditional on-premises BI deployment, such changes could easily mean more time and resources in addition to project delays. In a cloud BI deployment, it's entirely possible these new needs could be met with self-service BI capabilities.

Consider starting with a pilot group to implement some of the process reengineering and change management as a part of the implementation project. This "walk before you run" approach gives users an opportunity to see their business processes in the cloud in action. Any missed steps will be caught, allowing users to address functional requirements before deployment.

One of the tremendous benefits of a cloud strategy is agility. Responding to newly identified needs as a result of a conference room pilot, doesn't need to derail the project. In the cloud, agile development is the norm.

The biggest key to user adoption is getting them involved in the implementation process. Participation in the requirements, prototyping, and conference room pilot sessions are invaluable in developing a sense of ownership within the user community.

Training the administrator and involving him or her in the implementation of the system is also critical in terms of their ability to own and maintain the system after the initial implementation. Investing this time up front will pay huge dividends in system adoption and ongoing maintenance.



GETTING READY

When defining a long-term cloud strategy, consider how much change to the business you are willing undertake at once, and the resources required to make those changes. The benefits of moving to the cloud are clear, but the path you choose to get there is unique per company.

Do you have executive sponsorship to embrace digital transformation? If so, you've overcome the first major hurdle. Selecting the right implementation partner is key to a successful project. Whether you have an existing implementation partner or are seeking a fresh perspective, the following check list will serve as a guide in your selection process.

IMPLEMENTATION PARTNER CHECK LIST

Make a clear and extensive list of requirements before evaluating implementation partners.



1. COMPANY

- a. Company name and size

- b. Company history and financial stability

2. EXPERIENCE

- a. Domain expertise in technology solutions and software platforms

- b. Customizations (development skills)

- c. Oracle expertise: partner status, certifications, and specializations

- d. Cloud expertise

- e. Industry expertise: business process experience across a variety of industries

- f. Off-shore/On-shore model

3. METHODOLOGY/BEST PRACTICES

- a. Map your processes
- b. Does your vision align with the partner's plan?

4. MULTI-PILLAR

- a. One or more pillar experience (independently versus at the same time)

5. CULTURAL FIT WITH YOUR ORGANIZATION

- a. Team and resources

- b. Ask during reference calls: how was the team, what were they like to work with, were they responsive?

6. REFERENCES

- a. Number of implementations

- b. Track record (timely, efficient, and successful completion of projects, service quality, responsive to customer needs, customer testimonials, success stories)

- c. Cloud and on-premises?

7. POST-IMPLEMENTATION SUPPORT

- a. Knowledge transfer

- b. Training

- c. Documentation

- d. Managed services

Success Story



Making financial data readily available for critical decision-making

CPI Card Group is the largest U.S. provider of credit and debit cards. CPI had financial reporting challenges rooted in a lack of systems integration, no single source of the truth, high development costs, and a lack of ad hoc reporting capabilities for users.

We implemented Oracle Business Intelligence Cloud Service, which drives automated data integrated from Hyperion Financial Management, Essbase Forecasts, and CPI's ERP transactional systems into the BICS data warehouse.

Corporate data is now easily accessible on mobile devices; accurate and timely reporting on backlog is now readily available with historical tracking; and business analysts are able to perform self-service reporting and run ad hoc analysis to address urgent business issues.





Success Story



Oracle Cloud ERP provides clear financial picture of the business

Chalak Mitra Group LLC acts as a franchisee for various restaurants, hotels, and real estate businesses. Many branches of the company were reporting financials separately, and the company could not effectively or efficiently process, analyze, and report on the results.

We implemented Oracle ERP Cloud, leveraging shared services configurations to improve processing efficiency and simplify reporting. We created more efficient transaction processing by leveraging automatic intercompany transactions, implemented AP invoice scanning for improved AP productivity, and provided financial visibility across the company, including the ability to roll-up by industry and region.

Success Story



SSAMarine™

A Carrix Enterprise

Transitioning from spreadsheet planning and budgeting to an integrated cloud solution saves time and aids growth

SSA Marine and its affiliates operate more cargo ship terminals than any other company in the world. The company struggled with large spreadsheet models during the monthly close and budget season – an inefficiency that contributed to the company's inability to expand. In addition, the existing model was built for only one business segment. Perficient created driver-based projection models for four main business lines and integrated actuals from a proprietary ERP system. This set up SSA Marine to use Oracle Planning and Budgeting Cloud Service for all budget preparation and external/internal reporting. The solution enabled SSA Marine to dramatically reduce time spent preparing and collecting budget projections, automate financial statements and packages, drill into financials along several dimensions, and provide secure, auditable financials to key stakeholders, all while facilitating its ability to expand the business.



Success Story



Oracle Sales Cloud delivers higher user adoption and sales productivity

TimkenSteel is a leading steel manufacturer of world-class, custom clean steel that advances critical products in the world's most demanding applications. The company's CRM On Demand platform was dated, slow, and difficult to use, resulting in loss of sales productivity and less-than-optimal user adoption and pipeline visibility.

TimkenSteel wanted to migrate to a more modern sales automation tool that is fast, easy, and efficient to use. We implemented Oracle Sales Cloud and enabled modern tools such as Sales Cloud Mobile and Oracle Social Network, as well as Outlook integration.

The solution enhanced the overall user experience with improved ease of use and increased the efficiency of the sales team. In addition, increased user adoption and productivity gains, coupled with improved pipeline visibility, provide a more clear financial picture of the business.

ABOUT PERFICIENT

Perficient is the leading digital transformation consulting firm serving Global 2000® and enterprise customers throughout North America. With unparalleled information technology, management consulting and creative capabilities, Perficient and its Perficient Digital agency deliver vision, execution and value with outstanding digital experience, business optimization and industry solutions.



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