

ORACLE®

The Oracle logo, consisting of the word "ORACLE" in white, uppercase, sans-serif font, centered within a solid red rectangular background.

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# ORACLE'S JOURNEY TO THE CLOUD

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ORACLE APPLICATIONS LABS:  
WE RUN ALL BUSINESS  
APPLICATIONS  
THAT RUN ORACLE

# Global Single Instance of E-Business Suite

In early 2000s, Oracle consolidated and transformed its applications portfolio

50+

**ERP<sub>s</sub> RETIRED**

And consolidated  
onto Global Single  
Instance (GSI)

\$1B+

**IN SAVINGS**

From simplification  
and standardization

150+

**ACQUISITIONS**

Completed over 10 years

# Shift Happens

COMPETITION

**DISRUPTS**

LICENSE AND  
DEPLOYMENT MODELS

Consumer technologies

Reshape applications

Workforce demographics

Change user expectations

Technology democratization

Creates whole new market segments

# WE NEEDED A GAME CHANGER

No matter how successful in the past

**ON PREM WAS NOT  
THE WAY FORWARD**

To reinvent the  
company we had to

**ACCELERATE  
INNOVATION**

# The Power of the Integrated Cloud

Vision for end state is 100% of our systems on the cloud

## ORACLE APPLICATION LABS

**SaaS**

Packaged SaaS applications

**PaaS**

Integration

Extensions for Oracle-specific functionality

Custom UIs

**IaaS**

Hosts any legacy applications

Single global  
process



Single global  
system



# Core Principles

Simplification



Automation



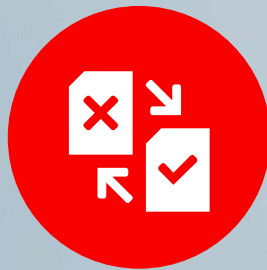


# An Incredible Challenge



## **DELIVER IMMEDIATE VALUE**

Competition mandated immediate transformation



## **REPLACE COMPANY INFRASTRUCTURE**

Big bang was out of the question; replacing GSI would take time

# Three-Phased Approach Based on Core Principles

**ESTABLISH**  
**THE FOUNDATION**

Accounting Hub

**DELIVER**  
**IMMEDIATE VALUE**

SaaS coexists with on premises apps

- Marketing Cloud, Engagement Cloud
- CPQ Cloud
- Talent Management, Recruiting (Taleo)

**REPLACE**  
**IN FUNCTIONAL INCREMENTS**

Upgrade core in logical steps

HCM Cloud (2016)

ERP Cloud (Jan 2018)

SCM Planning Cloud  
(Jan 2018)

SCM Cloud (Oct 2018)

OM and Receivables  
(2019 TBD)



# Establish the Foundation

## CREATE

The technical infrastructure for

## FUTURE CLOUD ADOPTION

### Accounting Hub

Global chart of accounts for financial consolidation and managerial reporting

Establishes the legal entity structures that supports future projects

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Faster period close



# Deliver Immediate Value

SaaS in coexistence with on-premises applications

REINVENT

THE

CUSTOMER  
EXPERIENCE

Serve new markets  
Sell in new ways

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Shorter sales cycles  
Smaller deal sizes  
Without undue contracting hurdles

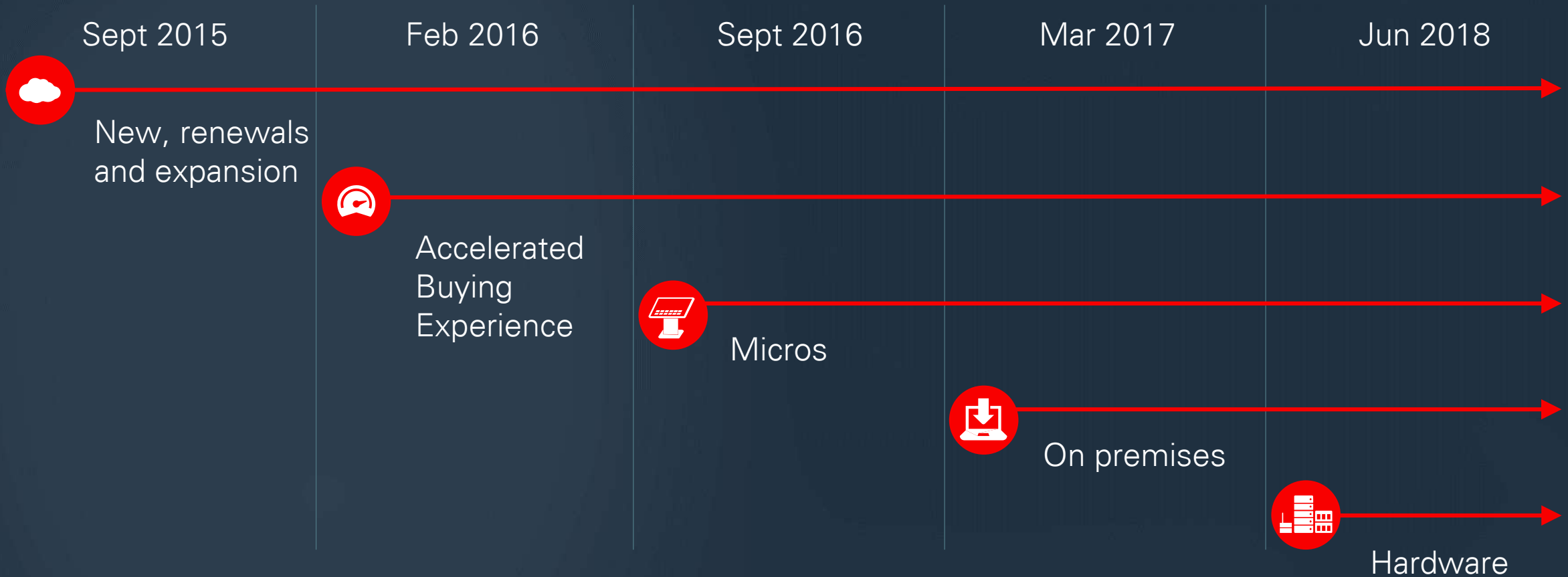


# CPQ Cloud & Accelerated Buying Experience

	Before CPQ Cloud	After CPQ Cloud
<b>Opportunity integration</b>	Weak and non contextual	Two way integration
<b>Product and pricing</b>	WebQuote + EBS Quoting	CPQ
<b>Terms &amp; conditions</b>	"Q"	CPQ
<b>Approval request</b>	DAS	CPQ
<b>Approval review</b>	DAS	DAS
<b>Ordering document</b>	Manual drafting	Automated
<b>Customer acceptance</b>	Paper	Online
<b>Order submission</b>	Manual	Automated
<b>Order booking</b>	Manual	Automated



# CPQ Cloud & Accelerated Buying Experience



CX CLOUD:

# More Connected Customer Experiences

Getting closer to the customer in 1.5 billion interactions per year



100K

Digital marketing activities



650%

More customer touch points



99%

Drop in sales lead hand-off time



2x

Faster deal velocity



>9x

Lift in rep's quote & order accuracy



185%

Upturn in win rates

Accelerated Buying Experience doubled customer satisfaction



# Replace Core Functionality in Logical Increments

## Business Drivers

### ERP

A modern platform for growth

Access to innovation

Leverage machine learning and chatbots



### HCM

Focus on talent, not administration

Reinventing the employee experience

Establish a blueprint for customers and prospects





# Cloud @ Oracle Today

## SaaS

### ERP

Revenue to Report (GL)  
Fixed Assets  
Accounts Payables  
Procurement  
Expenses  
Projects and Professional Services  
Accounts Receivables (OFSS)  
Order Management (OFSS & HW)

### CX

Territory Management  
Marketing Campaigns  
Sales Campaigns  
Leads & Opportunities  
Partner Relationship Management

### HCM

Core HR  
Recruiting  
Workforce Compensation  
Talent Management

### SCM

Product Life Cycle Management  
Global Inventory  
Logistics  
Manufacturing Execution  
Demand Planning  
Supply Chain Planning

## PaaS

Deal Approval System  
Cloud Subscription Management  
Customer Lifecycle Management

Cloud Data Platform (Next gen corporate warehouse)  
Inside Sales  
Customer, Partner, & Franchise Store

## IaaS/Moving from the On-Premises

Order Mgmt. & AR (SW and Cloud)  
Contract Management  
Service Contracts/Installed Base  
Incentive Compensation

Spares Management  
Field Service  
Payroll  
Corporate Data Warehouse

FINANCIALS CLOUD:

# Cutting Complexity of Systems & Processes

Always running the latest releases and best features



1

Global Chart of Accounts



2,000,000

Page views per day



\$240M

Projected annual source-to-settle savings



122

Business units



2,000

New BI reports



20%

Faster time to close

Focus on innovation and best practices, not upgrades

One way of doing things—period

HCM CLOUD:

# Workforce Ready, Willing & Able to Execute

Up-leveled HR's strategic impact



70%

Less time for  
talent reviews



39%

More talent  
ratings year/year



\$2.63M

Lower Cost



63%

More job-changes  
for participants

Global visibility to skills,  
experience, career goals

Candidate experience  
changing employee's  
perception and culture

HR team freed up to focus  
on our talent strategy

SCM CLOUD:

# Accelerating Innovation & Technology Adoption

World-class, end-to-end sales & operations planning



339,954

Planned items

183,090

Bills of material

54

Inventory organizations



4 hrs    1.5 hrs

Collection frequency

Planning cycle



\$20M

Revenue projected from fewer stock-outs



\$75M

Projected inventory & obsolescence savings



\$50M

Expected savings in supplier, agreements, onboarding, etc.

One data model driving S&OP

A more agile and responsive supply chain

# What We Learned

## ESTABLISH EARLY WINS

Surround your on premises systems with high value peripheral components

## EMBRACE AGILITY AS A TOOL

Plan time-bound implementations

Rebuilding your existing system is not the objective

Value the new capabilities

## INVOLVE THE RIGHT AUDIENCE

The journey is a cultural transformation

Systems represent the culture that you want to communicate

# Next Steps

Developing core principles of your own

**ASK  
YOURSELF**

**WHAT**

Is requiring you to  
move to cloud?

**WHAT**

Is your vision for  
the end state?

**HOW**

Can you phase  
the project?

**HOW**

Can you deliver  
value in the  
near term?

# Q&A

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