

Delivering Value with  
Oracle E-Business Suite  
Asset Lifecycle Management  
Release 12.1

*An Oracle White Paper  
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# Delivering Value with Oracle E-Business Suite Asset Lifecycle Management Release 12.1

**“Oracle customers have increasingly expressed the importance of achieving rapid return on their IT investment, in addition to the need to standardize and simplify processes globally throughout the enterprise. With Oracle E-Business Suite Release 12.1, we wanted to provide options for all organizations to choose the focus that made the most sense for them strategically. We have addressed this with the approach of standalone solutions and, new features within the global enterprise platform.”**

**— Cliff Godwin,  
SVP, Oracle Applications Development**

## **EXECUTIVE OVERVIEW**

Asset-intensive firms of all sizes, locations, and industries face unprecedented challenge in today’s changing global economy. With shrinking margins and decline in capital spending, firms need to operate their assets with greater efficiency, uptime and effectiveness. Plant managers are being asked to “do more with less” with current resources. With spare parts becoming harder to find, equipment engineers are looking for novel technologies to extract greater value from existing assets.

With the advent of new factory technologies, Asset Lifecycle Management (ALM) today has become more complex and more difficult than ever before. This requires innovation and sophistication from firms wishing to be successful.

Oracle E-Business Suite Release R12.1 provides the applications framework for firms to better operate in stringent operating environments. This paper highlights several of the numerous product-feature upgrades that have taken place to make Oracle’s ALM solutions the maintenance application of choice for leading firms.

## **INTRODUCTION**

The Oracle E-Business Suite family of Oracle Asset Lifecycle Management applications consists of:

- Oracle Enterprise Asset Management (eAM)
- Oracle Asset Tracking (OAT)
- Oracle Property Manager

ALM applications provide a comprehensive set of modules to manage the entire life cycle of an asset.

The functions range from asset development — e.g., construction and / or acquisition, installation, operations management, maintenance planning (preventive, reactive and condition-based), capacity planning (parts and labor), work scheduling (materials, tools and human resources), work execution (in-house as well as contracted repair), cost management, capitalization, project management, billing and asset retirement. Keeping assets operational through an integrated suite is key — especially during an economic downturn as replacing assets is extremely costly.

Knowing when to replace versus repair an asset is critical to informed decision-making and ALM provides the information necessary. The information is gathered within ALM from the people who work closely with the assets (Maintenance, Facilities Engineers and Financial Analysts). Providing a system that is easy-to-use is key to empowering these users to be able to find and analyze the data in order to make better decisions about their assets.

The Oracle E-Business Suite Oracle ALM Release 12.1 is focused on the following key areas:

- Driving best practices by supporting better processes
- Empowering the user
- Managing the full asset lifecycle

### **WHAT'S NEW IN ORACLE E-BUSINESS SUITE ALM RELEASE 12.1?**

Enterprises typically have many different types of equipments or physical assets that need to be continually maintained and managed. They have differing characteristics including Preventive Maintenance schedules, load factors, criticality and meters. Customers need a flexible, integrated product to address all these needs. In Release 12.1, Oracle Enterprise Asset Management (eAM) delivers benefits in these core focus areas:

**“The big benefit of Oracle is to be able to see everything going on at the same time. Everybody’s making decisions from the same data. The visibility allows us to optimize the entire business.”**

**— Stephen Printz,  
VP Supply Chain & CIO, Pella Windows &  
Door**

#### **Streamlined Support for Business Flows**

This support is now built-in not bolted-on and is enhanced. Business processes within a particular application as well as between applications are streamlined to ensure the most logical and efficient flow.

#### **Support for Industry-Accepted Best Practices**

Within certain environments and segments, there are a number of critical business process workflows, rules and conditions that can often be leveraged across multi-industry groupings to achieve a competitive advantage.

#### **Improved Usability to Enable Easier Data Entry**

The core competency of people working on maintenance is not computers or software. Although these are becoming more and more “tools-of-the-trade”, wrenches and pliers are still the preferred skills used to measure the trade person’s value. A goal of Oracle eAM is to improve the system’s ease-of-use with every release by reducing overall number of screens, pages, and mouse clicks necessary to complete a record or process.

#### **Improved User Efficiency and Productivity**

The introduction of new capabilities can also benefit the user by addressing functions and features previously not supported in the solution.

## GIS Integration

The ability to display assets on a map is key in service-related maintenance environments or where assets are geographically dispersed. Google Maps Integration enables Oracle eAM users to easily identify where their eAM Assets and Oracle Asset Tracking instances are located, and to route and deploy maintenance to service them. Besides this out-of-the-box integration with Google Maps, customers will also have the ability through customization to display assets on any Web-based map viewer which is based on HTML technology (e.g., Oracle Spatial MapViewer).

## Oracle Asset Tracking

Oracle Asset Tracking is a foundational component for Asset Lifecycle Management. Asset Tracking captures all the transactions associated with an Asset from ‘cradle-to-grave’ and provides a centralized repository of the Asset information.

In Release 12.1, Oracle Asset Tracking delivers benefits in these focus areas:

- Streamline integration: Support an asset’s life cycle residing in the touch points it has in the other products in the suite.
- Improve usability to enable easier data entry: Users find it difficult to comprehend the complexity associated with many Asset relationships. Graphical display of network relationship enhances the usability of Asset Configuration relationships by providing graphical representation of instance relationships. Note that this feature is also available from Oracle eAM’s Asset Hierarchy page.
- Oracle Property Manager

Oracle Property Manager streamlines and automates lease administration and space management, enabling you to more intelligently manage real estate portfolio. Whether you are a corporate, commercial, or retail / franchise operation, Oracle Property Manager offers a comprehensive solution for reducing costs and identifying new revenue opportunities, minimizing contractual and financial risk, and providing data transparency that helps maximize the value of your real estate.

In R 12.1, Oracle Property Manager delivers benefits in the following key areas:

- Reduce the administrative overhead of tracking occupancy
- Improve variable rent calculation
- Remove the complexity of index-based rent adjustments
- Ability to manage complex operating expenses

**“Upgrading to Oracle E-Business Suite Release 12 increased our efficiency and improved our overall ability to remain competitive and pursue aggressive growth goals in the challenging technology market.”**

**— Robin Shirley,  
VP-Finance, Apricorn**

## Industry Enhancements: Life Sciences

Life Sciences include many highly regulated environments that are prone to audits. These industries are required by law to comply with different regulations. This compliance applies to their software systems, as well as the business processes.

For many pharmaceutical companies and health care drug firms, support for 21 CFR Part 11 is required in their maintenance system. With the introduction of Electronic Signature and Electronic Record (ERES), Oracle eAM can now support key life sciences / pharmaceutical regulatory requirements. Support for 21 CFR Part 11 Requirements is provided during Work Order completion.

## Industry Enhancements: Utilities

Transmission & Distribution (T&D) utility environments are tasked with repetitive-type construction work. Oracle eAM now supports Construction Estimating via the introduction of the “Construction Units” (often referred to as Compatible Units, or CU). Construction Units are standardized, repetitive units of work, which involve labor, material, and equipment and are used to plan different types of jobs. Through this feature users can create templates to be used for estimation and generating Work Orders, with modifications that a particular project might require. Although this feature appeals most to Utility customers in T&D, a similar functionality can be used in other industries such as Gas, Water and /or Construction and can also be modeled to perform shutdown planning.

**“We implemented a unified business management system based on Oracle E-Business Suite Release 12 to support our expanding domestic and international operations. The system has helped us improve financial, human resource and supply chain management.”**

**— Ding Tao,  
IT Manager, Department of Science  
and Information, Beijing Guohua  
Electric Power Corporation**

## PLANNING YOUR UPGRADE

Oracle knows that continually upgrading and maintaining your current enterprise application investment can be challenging and costly. In addition to hundreds of cross-industry capabilities to help you manage the complexities of global business environments, Oracle E-Business Suite Release 12.1 was also designed to make the upgrade process easier. There are a number of technology and process improvements delivered with Release 12.1 that will greatly improve the upgrade process. Whether it's the parallel infrastructure for distributing workloads during large table updates, scheduling improvements, or optimizer dynamic sampling, the Release 12.1 upgrade process is far more streamlined than prior upgrades.

Release 12.1 has undergone more upgrade and system testing than any prior E-Business Suite release. It also requires fewer pre and post upgrade steps. Additionally, Release 12.1 gives unprecedented continuity and user choice. It uses the same business rules from your 11*i* environment to account for transactions and manage user access to operating units.

With Oracle E-Business Suite Release 12.1, you decide when you want to leverage new features. Upgrading to Oracle E-Business Suite Release 12.1 may be the right opportunity for your organization to evaluate consolidating ERP instances in order to reduce IT and compliance costs, improve supply chain information quality and facilitate faster M&A integration. By moving to standardized processes and

systems, you will be able to make the most of the many capabilities delivered in Oracle E-Business Suite Release 12.1.

## CONCLUSION

Asset-intensive organizations desiring to be stronger after this recession will create a strategic IT plan that incorporates solutions that provide value to their firms today. If a large scale upgrade is not part of the current IT budget, organizations should evaluate the stand-alone solutions (such as Distributed eAM) that complement an existing 11i or Release 12 environments. Customers can take advantage of these rapid value solutions without having to upgrade to the latest release and achieve rapid value today. On the other hand, if organizations are committed to continuing their focus of transforming their supply chain organizations through growing margins and improving information flow, upgrading to the latest release allows them to standardize and simplify on a global business platform.

Oracle E-Business Suite Release 12.1 was specifically designed to help organizations achieve rapid value today, as well as standardize and simplify their infrastructure and production processes for long-term results.

With an enhanced user experience, hundreds of new, cross-industry capabilities for improving productivity and efficiency, and Fusion Middleware for lower cost integrations, organizations can expect a lower total cost of ownership with this.

## FOR MORE INFORMATION

To find out more about Oracle E-Business Suite Manufacturing Release 12.1 visit [www.oracle.com/applications/e-business-suite-release-12-1.html](http://www.oracle.com/applications/e-business-suite-release-12-1.html).

**“In today’s economy, customers may not be inclined to implement large-scale upgrades of their core operational systems. The ability to recognize rapid value in the near term without requiring an upgrade could be viewed as an effective way to build a strategic IT roadmap and lay the ground work for long-term success.”**

— Bruce Richardson,  
AMR Research Chief Research Officer



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Author: Stephen Slade

Contributing Authors: Jennifer Allen

Oracle Corporation  
World Headquarters  
500 Oracle Parkway  
Redwood Shores, CA 94065  
U.S.A.

Worldwide Inquiries:  
Phone: +1.650.506.7000  
Fax: +1.650.506.7200  
[oracle.com](http://oracle.com)

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