

JD Edwards EnterpriseOne and Local Governments

What One Oracle Solution Has to Offer the Public Sector

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Introduction

After enduring years of uncertainty about its future, JD Edwards EnterpriseOne is once again a strategic application with many years ahead of it. While the product was never truly consigned to the information technology (IT) dustbin, there were times when its users worried that Oracle would eventually phase it out in favor of its next-generation Fusion Applications. Last year, however, Oracle made it clear that it will support and enhance EnterpriseOne indefinitely. Just as importantly, the company designated the solution as one of its strategic products for key markets. One of those markets is local governments, where the application has unique qualities that make it an ideal fit.

This paper examines Oracle’s commitment to EnterpriseOne and explains why it is a viable, long-term solution for local governments. It also explains why EnterpriseOne is uniquely suited to meet the needs of small and medium-sized governments (SMGs). Readers of this paper will discover why more than 400 public sector organizations rely on EnterpriseOne to serve their constituents.



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Executive Summary

When Oracle acquired JD Edwards in early 2005, its competitors predicted that the company would force EnterpriseOne users to migrate to its own applications. More than two years later, exactly the opposite has happened. In a series of surprising moves, Oracle declared that EnterpriseOne is one of its strategic products, retained the JD Edwards development team, and delivered major upgrades to the applications.

In April 2006, Oracle deepened its commitment to EnterpriseOne when it announced Applications Unlimited, its strategy to support and enhance its major application product lines long after it ships its new Fusion Applications in 2008. As part of the strategy, Oracle plans to embed many of the technologies and capabilities that it is developing for its Fusion Applications in EnterpriseOne. This will enable the solution to remain competitive with next-generation applications well into the next decade. Oracle also made it clear that it will continue to ship new EnterpriseOne releases for years to come and will not force users to move to Fusion Applications. Instead, it will only offer Fusion Applications as an optional upgrade path.

Oracle has also stated that EnterpriseOne is a strategic solution for several industries, including local governments. While it is not a well-known fact, EnterpriseOne was supporting public sector organizations long before the Oracle acquisition. Years ago, JD Edwards committed significant resources to make EnterpriseOne a solution that can help local governments overcome the following challenges.

- **Constituent expectations for higher service levels.** EnterpriseOne enables governments to create integrated systems for managing citizen requests for service via the web, phone calls, faxes, emails, and personal visits. It includes workflow engines that route service requests to the appropriate departments and enable managers to conduct timely, coordinated responses to requests.
- **Increased demands for compliance with regulations and standards.** Besides offering full support for encumbrance accounting and GASB 34 standards, EnterpriseOne can automate many time-consuming compliance tasks. For instance, it can generate reports that automatically sort and aggregate accounts by CAFR fund groups and GASB 34 activity codes.
- **Urgent needs to improve financial visibility and accountability.** EnterpriseOne consolidates the financial activities of multiple departments and agencies into a single database. All EnterpriseOne modules integrate tightly with this database, including Human Capital Management, Grant Management, Procurement, Service Management, and Subcontractor Management. Any entry in any application is instantly accessible, eliminating the need for end of day batch processing.
- **Mandates to improve operational efficiency.** Because of its integration, EnterpriseOne ensures that managers have the real-time information they need to make decisions that eliminate waste and cost overruns. Modules such as Project Management and Capital Asset Management help to ensure that the right people, equipment, and supplies are at the right places at the right times.

While EnterpriseOne offers a wealth of features, its per-user costs are comparable to those of products that are less comprehensive and flexible. In addition, it offers levels of integration and functionality that competitors frequently cannot match. Though the solution has “enterprise class” capabilities, its ease of installation, use, and management makes it suitable for organizations with small IT staffs.

For all of the above reasons, Andrews Consulting Group frequently recommends EnterpriseOne for local governments and other public service organizations. Now that the cloud of uncertainty that once loomed over the product is gone, it makes even more sense for local governments to put EnterpriseOne back on their short lists for serious consideration.

Oracle's Commitment to JD Edwards EnterpriseOne

Over the last year, Oracle has been taking actions that demonstrate its commitment to JD Edwards applications in general and EnterpriseOne in particular. The company has publicly stated that EnterpriseOne is a strategic solution that it will enhance and market indefinitely. It has no plans to freeze product development or pressure users into switching over to its next-generation Fusion Applications that it plans to ship in 2008.

Unfortunately, many industry observers have misinterpreted Oracle's application strategy because they have misunderstood what Fusion Applications are and, just importantly, what they are not. Put simply, Fusion Applications will bring together many of the best functions of Oracle's numerous applications on an open, service-oriented architecture. The new applications will not contain all of the functionality found in Oracle's other products and probably never will. As such, Oracle expects many of its customers to remain on their current applications indefinitely. However, some users may choose to upgrade to Fusion Applications in the future or use selected modules along with their existing software.

In short, EnterpriseOne will continue to be as much a part of Oracle's future product portfolio as its Fusion Applications. Oracle will invest in both products for many years to come and provide tools to integrate the applications with each other. To make such integration easier, the vendor will develop new EnterpriseOne releases that will include many of the advanced technologies being developed by the Fusion Applications team.

While Oracle's strong commitment to EnterpriseOne may surprise many industry observers, that commitment should not be seen as a change in the vendor's direction. Indeed, it is part of a strategy that the company began developing soon after it purchased PeopleSoft and JD Edwards.

A Convenient Mistruth

When Oracle took control of JD Edwards in January 2005 as part of its acquisition of PeopleSoft, it inherited a software vendor with an illustrious history that was laboring under a cloud of uncertainty and doubt. For almost 30 years, JD Edwards had excelled at creating applications that were robust enough to support organizations with sophisticated requirements, yet simple enough for almost anyone to use. This won the Denver-based company the loyalty of thousands of small and medium-sized organizations in both the private and public sectors who were more interested in running their businesses than managing their IT systems.

In 2003, JD Edwards decided to merge with PeopleSoft, a software vendor whose products are widely used by large enterprises. While the merger initially appeared to be a positive development for JD Edwards, the hoped-for benefits were quickly forgotten after Oracle launched its bid to acquire PeopleSoft. In an attempt to fend off Oracle, PeopleSoft told its customers that if Oracle succeeded in its takeover bid, it would force them to migrate to its own applications and middleware. Almost overnight, JD Edwards' competitors began repeating PeopleSoft's warnings in an effort to get EnterpriseOne and World users to "jump ship" to their offerings. The rising tide of negative publicity led many customers to put their upgrade plans on hold and convinced prospects to remove JD Edwards from their short lists.

To this day, Oracle's rivals continue to repeat the same tired statements in their attempts to win customers. Unfortunately, these fabrications have gained an aura of truth by virtue of their constant repetition. As we have seen, however, Oracle has no intention of scrapping EnterpriseOne or forcing its users to migrate to other products. Instead, the vendor has made EnterpriseOne a key part of its strategy to deliver solutions to small and medium-sized businesses and local governments.

Oracle's "Fusion Infusion"

Shortly after Oracle took over JD Edwards, it conducted a thorough review of EnterpriseOne and was impressed by what it found. It discovered a body of applications that was simple to use, yet equally robust. Oracle also found that EnterpriseOne's architecture was open and flexible enough to incorporate many of the new technologies that it was planning for its Fusion Applications. The company also learned that most EnterpriseOne customers were highly satisfied with their applications and had no intention of migrating away from them...that is, as long as Oracle would continue to support and enhance them.

In addition, Oracle knew that it had acquired a strong development team from JD Edwards that had kept EnterpriseOne competitive by continually enhancing it. For instance, the team had incorporated web services and Java-based development tools into EnterpriseOne that enabled it to integrate more easily with the IT systems of customers and partners via the Internet. It also enabled users to access EnterpriseOne applications via web browser clients that were less costly and easier to support than Microsoft Windows clients. In addition, JD Edwards acquired or enhanced software modules that provided public sector and service organizations with critical functions. These included modules for employee and

citizen self-service as well as applications for managing projects, grants, properties, capital assets, and relationships with contractors.

In short, Oracle realized that EnterpriseOne was a valuable asset that could retain its existing customers and gain new ones if it was properly supported and enhanced. On the other hand, any effort to make users migrate to another application would only play into the hands of competitors. As a result, Oracle committed itself to enhance and support EnterpriseOne indefinitely and to bring many of its Fusion Application technologies into the solution. This "Fusion Infusion" initiative is part of a broader strategy that is based on the following principles:

- Assemble a critical mass of applications that meet the requirements of the industries that Oracle is targeting
- Continue to support and enhance the acquired applications to retain their user bases
- Gradually incorporate support within all applications for a common body of open industry standards, middleware, and development tools that enable the products to support the service-oriented architecture (SOA) computing paradigm

Oracle's Applications Unlimited Strategy

Oracle's strategy for its JD Edwards products is part of a broader strategy known as Applications Unlimited that it announced in April 2006. Under the strategy, Oracle will support and enhance its JD Edwards, E Business Suite, PeopleSoft Enterprise, and Siebel product lines indefinitely. The vendor will develop new releases of these products and continue to certify them on the latest releases of third-party products that support them. For instance, Oracle will continue to certify EnterpriseOne on new releases of IBM's DB2 database and WebSphere middleware as well as Microsoft's SQL Server database.

As part of Applications Unlimited, Oracle will incorporate technologies from its Fusion Applications—including support for service-oriented architectures—into all of its current applications. The vendor's long-term goal is to create

a body of web services that can be used not only by Fusion Applications, but also by its current products. If it achieves its objective, Oracle's multiple product lines will be able to invoke a common body of web services—which will include robust vertical industry functionality—via a common set of open standards. This could significantly expand their capabilities while enabling tighter integration between product lines.

Surprisingly, industry observers and customers have not understood this aspect of Oracle's strategy. Applications Unlimited is not just about removing limits to Oracle's support for its existing product lines. It is also about removing the architectural and functional limits on those applications so that they can support the expanding requirements of their users. ♦

- At the same time, create a next-generation product—Fusion Applications—that is designed from the ground up with the same body of standards, middleware, and tools
- Offer upgrade paths from current products to Fusion Applications, but never force users to take them
- Target industry-optimized versions of its current applications at new customers in selected industries
- Forge alliances with other vendors, such as IBM, around the open standards and technologies it is incorporating into both its existing and next-generation products

This strategy is transforming Oracle into one of the most accommodating of the major application vendors. It provides a rationale for the company to protect the investments of its thousands of acquired customers for years to come. It gives those customers considerable flexibility and choice when deciding whether to upgrade existing software or deploy new products. The strategy also allows Oracle to target different configurations of its multiple product lines at specific industries. Indeed, Oracle has decided that EnterpriseOne will play strategic roles for organizations in a number of vertical industries. That includes local governments.

Most importantly, Oracle has lived up to its strategic pronouncements. The company has retained virtually the entire JD Edwards development team and maintains it as a separate entity in Denver. It has committed itself to develop new EnterpriseOne releases that it will ship alongside the first releases of its Fusion Applications. Oracle has also reached out to IBM to strengthen their partnership around JD Edwards applications. The two companies work together to deliver joint solutions at six of IBM's Solution Centers, and a number of IBM employees work at the JD Edwards campus in Denver. IBM has also increased the staff that it dedicates to the Oracle partnership from fewer than 50 employees to more than 200 people worldwide.

As part of their improved relationship, IBM and Oracle are even cooperating in the area where they compete the most: database and middleware products.

As part of that cooperation, the two vendors have agreed to certify both EnterpriseOne and Fusion Applications on their respective middleware suites: IBM's WebSphere and Oracle's Fusion Middleware. As a result, EnterpriseOne users can expect that their middleware investments will be protected whether they stay on their existing software or upgrade to Fusion Applications in the future.

What Oracle's Actions Mean for EnterpriseOne

As the previous pages demonstrate, Oracle's strong commitment to EnterpriseOne is not some sudden change of direction for the vendor. It is part of a broader strategy that joins Oracle's existing product lines with Fusion Applications on a common technology platform. Taken together, Oracle's actions show that it has embraced the following lines of thinking.

- EnterpriseOne occupies a special place in the market that no other applications can easily fill. Its combination of robust functionality, affordability, and ease of use particularly suit it for small and medium-sized organizations that would otherwise take less interest in Oracle's applications.
- The vast majority of JD Edwards customers are happy with their applications and not inclined to make an immediate move to Fusion Applications or any competitive software. Indeed, growing numbers of EnterpriseOne users have been upgrading to current releases of their applications over the last two years.
- Fusion Applications will not replace EnterpriseOne. Instead, they will be offered to JD Edwards users as optional alternatives to upgrading to newer versions of their existing applications.
- Oracle will enhance EnterpriseOne with many of the technologies found in its Fusion Applications. This will make it easier for users to make the transition to Fusion Applications if they so choose. Ironically, the enhancements will make it less likely that they will do so, as users will gain many of the benefits of Fusion Applications without having to deploy them.

Taken together, Oracle's actions add up to one simple fact: EnterpriseOne is experiencing a remarkable renaissance. Moreover, it now occupies a strategic position in Oracle's product portfolio. Both existing and prospective customers can expect a steady stream of enhancements to the solution for years to

come. This makes it safe for existing users to deploy upgrades and add new modules. It also makes it safe for prospective customers—including public sector organizations—to put EnterpriseOne back on their short lists for evaluation.

Oracle's Commitment to Local Governments

When local governments seek IT solutions to meet their needs, they may overlook Oracle as a vendor that they should call. What they may not know is that Oracle has a long history of serving government organizations, and that the public sector is the second largest industry for the company by product revenue. In the United States, for instance, Oracle applications are running in 38 out of 50 states, 11 out of the 15 largest counties, and 35 of the top 50 cities.

When Oracle acquired JD Edwards, it saw an opportunity to take its work with large public sector organizations and extend it to local governments. While many people associate EnterpriseOne with software for manufacturers and asset-intensive industries, JD Edwards has supported the public sector for many years. As a result, almost 200 local governments and public service organizations use EnterpriseOne in North America, and more than 400 organizations use the solution on a worldwide basis.

The Challenges that Local Governments Face

When JD Edwards decided to work with local governments, it understood that the challenges these organizations face are unique. Among those challenges, the following ones are cited as being the most critical.

- **Constituent expectations for higher service levels.** Over the last several years, citizens and local businesses have become used to getting convenient “anytime, anywhere” service over the telephone and the Internet from the private sector. They now expect similar electronic service from their governments. Just as importantly, they are expecting local governments to respond in a coordinated manner to

their requests for service. They will not tolerate calling or waiting in line at multiple government offices to obtain a business license or get a pothole fixed.

- **Increased demands for compliance with regulations and standards.** At the same time, state and federal agencies are demanding that local governments implement new initiatives within an ever-expanding body of regulations. Whether they are being called upon to meet GASB 34 accounting standards, enforce tougher environmental laws, or comply with new homeland security mandates, local governments are struggling to keep up with an avalanche of new requirements.
- **Urgent needs to improve financial visibility and accountability.** To meet these growing demands within budgets that are not growing, local governments must improve their accounting systems. They need better tools for forecasting, managing, and accounting for costs. They must maximize revenues from grants and intergovernmental transfers while capturing accurate data for reimbursable services. To do these things effectively, they must have systems that give them a single view of all financial activities across departments and agencies.
- **Mandates to improve operational efficiency.** Besides optimizing their finances, local governments must also optimize their physical and human assets to “do more with less.” They must maximize employee productivity, become more effective at managing projects that involve multiple agencies, and do better jobs of using private sector firms when they can deliver services at lower costs.

While SMGs are eager to overcome these challenges, they face a number of obstacles to doing so. Many of them find it difficult to attract and retain skilled workers who can help them improve how they do business, as the private sector often lures away the best talent. In addition, many local governments are saddled with inadequate IT systems that they deployed years ago. Because of their inadequacies, these applications cannot be web-enabled so that citizens can use them. They are also difficult to integrate with each other, making it impossible for governments to get a single view of their finances or optimize their spending in a systematic manner. This lack of integration also makes it difficult for local governments to coordinate operations across departments so that they can

become more efficient and productive. Unfortunately, local governments have limited revenues to replace their aging IT systems, and they must often spend what funding they have on emergency services and mandated programs.

How EnterpriseOne Addresses Local Government Challenges

Like other IT solutions for local governments, EnterpriseOne comes prepackaged with a wealth of public sector functions, such as support for encumbrance accounting and GASB 34 standards. Unlike many products, however, it offers capabilities that were once considered important for manufacturers

The City of Redmond Realizes Greater Flexibility with EnterpriseOne

With almost 50,000 citizens and nearly 3,000 businesses, the City of Redmond faces many of the challenges described in this paper. Like other cities in the Seattle metropolitan area, it has experienced significant population growth in recent years. That has fueled steady growth in the demands that the city places on its information systems. Unfortunately, the systems were not proving equal to the task.

“To put it simply, our primary software supplier withdrew from the public sector,” explains Linda Hermanson, Information Services Manager for the city. “That left us with applications which could not grow with us to meet new demands. Our financial planners wanted budgeting applications that would seamlessly integrate with the accounting systems, our financial operations manager wanted to process electronic payments, and our human resources department wanted to offer web self-service capabilities to our employees. We could not satisfy these and other requests without migrating to new applications.”

With dozens of requirements in mind, the city reviewed 11 products and whittled them down to three solutions. Two of the solutions are owned by Tyler Technologies, a company that specializes in software for local governments. The other solution was JD Edwards EnterpriseOne.

While the evaluation team agreed that the three products had comparable public sector functionality, they found that EnterpriseOne had additional qualities that set it apart. According to Hermanson, “Unlike other products, EnterpriseOne offers broad capabilities beyond its public sector functions. While we may not use all of those capabilities, we knew they would give us more flexibility to meet

new demands in whatever way we choose. Moreover, we gained that flexibility at a cost that was comparable to what we would have paid for the other solutions. You could say that we bought a ‘Tier 1’ solution at a ‘Tier 2’ price.”

To deploy EnterpriseOne, the city turned for help to AMX International, a company that specializes in implementing JD Edwards solutions for local governments. With its advice and guidance, the city went live with the EnterpriseOne Financial modules in October 2004 and Human Capital Management in mid-2005. While the deployment process was challenging at times, Hermanson states that the overall effort was highly successful. As she notes, “Throughout the deployment, our partners anticipated the issues we encountered and configured EnterpriseOne to meet our requirements. That is a testament to the experience of AMX International and the commitment of the project team to ensure a successful implementation.”

Since deploying EnterpriseOne, the City of Redmond has found it much easier to integrate financial data across departments, generate reports, and quickly close its year-end accounting. Now that users are realizing benefits from the core systems, Hermanson’s team is talking with AMX International about deploying other capabilities such as electronic payments and employee self-service. “With EnterpriseOne and our partnership with AMX International, we are ready to deliver a full range of management capabilities to an organization with more than 600 employees via an IT team of just 13 people. That level of cost efficiency convinces us that we chose the right solution.” ♦

and asset-intensive industries, but unnecessary for SMGs. That thinking is changing as many local governments have become major employers that hold substantial amounts of real property in their regions. As a result, they are discovering the benefits they can realize from managing suppliers, procurement processes, and capital assets more effectively. These are areas where EnterpriseOne excels and other public sector solutions often fall short.

In addition, EnterpriseOne offers levels of integration between its applications that are significantly greater than those found in most public sector products. It enables managers to create a single accounting system that covers all departments and reflects all financial activity on a cross-agency basis. It also contains embedded workflow engines that route tasks across agencies, enabling closed loop management of both ongoing operations and one-time projects. Much of this functionality was developed by JD Edwards for manufacturers, where tight integration from the factory floor to the executive suite is necessary for smooth operations. Now that governments need to run as efficiently as businesses, EnterpriseOne's

integration gives it an edge over solutions that were only designed for the public sector.

While EnterpriseOne offers high levels of internal integration, its compliance with open industry standards makes it easy for users to integrate the solution with other applications as well. EnterpriseOne is part of Oracle's Application Integration Architecture (AIA), a body of standards and tools for integrating the vendor's applications with each other and with non-Oracle products. By using AIA, solution providers and Oracle's customers can integrate EnterpriseOne with other applications using technologies that Oracle will support for years to come.

Because of its unique qualities, EnterpriseOne can often meet local government requirements in ways that are superior to other products. The following paragraphs describe how the solution addresses the challenges that this paper discussed earlier.

- ***Constituent expectations for higher service levels.*** EnterpriseOne offers robust systems for responding on a "24/7" basis to constituent requests

AMX International Steers Local Governments to JD Edwards EnterpriseOne

Since its founding in 1989, AMX International has specialized in helping local governments increase the value they gain from their information systems. The Idaho-based company has worked with more than 200 public sector customers including cities, counties, states, utilities, transit authorities, housing authorities, and not-for-profit organizations. In the process, the company has developed unique solutions for small and medium-sized governments. These include AMX Utiligy, a complete web-based customer information and billing system for utilities that works seamlessly with JD Edwards EnterpriseOne.

Over the years, AMX International has made substantial investments in EnterpriseOne because of the unique capabilities it offers to the public sector. As Scott Sears, Vice President of Sales for the company, explains, "From the beginning, JD Edwards made a conscious decision to build solutions for local governments. That decision is reflected in the public sector best practices and pre-integrated applications built into EnterpriseOne. In our opinion, no other product offers as many tightly integrated capabilities for local governments at such reasonable price points."

As part of its commitment to EnterpriseOne, AMX International has built a team of approximately 85 consultants who use the product with local government clients. The team members have an average of more than seven years experience working in the public sector and eight years working as JD Edwards consultants. As Sears puts it, "Successful software deployments depend on people who understand their clients' businesses. That is why we employ so many consultants with deep local government experience." In addition, the company has developed AMX Polaris™ for Public Sector, a set of tools and implementation methodologies that enable local governments to configure EnterpriseOne for their unique needs and do so predictably, rapidly, and economically.

As AMX International looks to the future, it will continue to bring best-fit solutions to local governments with EnterpriseOne as a key product. As Sears states, "Oracle has demonstrated to us that local governments are a strategic market for it, and that EnterpriseOne is one of its strategic public sector offerings. We plan to work with Oracle to serve local governments for many years to come." ♦

that come via phone calls, faxes, emails, web forms, and personal visits. The solution includes a Customer Relationship Management module that receives and consolidates requests from all of these channels. Then, EnterpriseOne Case Management routes the requests to the appropriate departments for response. A workflow engine enables the system to notify managers if responses are not completed in a timely manner. In addition, Oracle Portal makes the system accessible to constituents via the web. Taken together, these capabilities enable local governments to respond to their communities in a highly coordinated manner.

- ***Increased demands for compliance with regulations and standards.*** One of the most time-consuming aspects of compliance is the filing of reports, an area where EnterpriseOne shines. The solution allows local governments to create category codes that they can attach to accounts, vendors, employees, or almost any other record type. When financial reports must be generated, EnterpriseOne's reporting tools can sort and aggregate all accounts by their CAFR fund group or GASB 34 activity code, then print the results. Category codes can also be used for other compliance purposes, such as to indicate which government contractors are minority-owned. In addition, EnterpriseOne's built-in compliance calendar can notify managers when compliance tasks must be performed or reports filed.
- ***Urgent needs to improve financial visibility and accountability.*** Unlike many other accounting systems, EnterpriseOne is built upon a single database that gives managers an integrated view of all financial activities across multiple departments. All financial activities flow to the database in real time, eliminating the need for end of day batch processing. EnterpriseOne also offers a Grant Management module that performs end-to-end administration of all types of grants from multiple sources across multiple years. This helps local governments to maximize grant revenues, assure accountability, and reduce management overhead.

- ***Mandates to improve operational efficiency.*** Because of its integrated architecture and built-in workflow engine, EnterpriseOne helps local governments reduce much of the miscommunication and duplication that leads to waste and cost overruns. For instance, EnterpriseOne's Project Management module integrates tightly with the Human Capital Management module to ensure that the right employees and skills are available at the right place and time. At the same time, the Capital Asset Management module assures that optimal levels of equipment and maintenance parts are available to the departments when and where they are needed. In addition, the Procurement module includes capabilities to manage relationships with subcontractors and integrate their activities with the rest of the workforce.

While EnterpriseOne enables SMG organizations to address the challenges they face, it also helps them to overcome the obstacles that limit their success. It replaces isolated legacy systems with a single web-enabled platform that integrates people, processes, and information across multiple agencies and departments. It also offers tools to set up real-time transaction flows with other local government applications. This enables EnterpriseOne to act as a software hub to heterogeneous software environments.

To help local governments find and retain skilled workers, EnterpriseOne offers eRecruit, a solution that enables the HR staff to automate and web-enable the process of finding, attracting, and hiring qualified employees. Once they are hired, workers can use Employee Self-Service to access information, make requests, and get the benefits they deserve via the web. In addition, Manager Self-Service enables managers to oversee most aspects of their employee's careers to optimize their performance, ensure higher levels of worker satisfaction, and reduce turnover rates.

Though EnterpriseOne offers a wealth of capabilities, its per-user costs are comparable to those of many less comprehensive solutions. In some cases, Oracle solution providers can deliver EnterpriseOne via fixed-price contracts that reduce the financial risks of deployment. Many of these contracts are offered via Oracle Accelerate, a program that delivers

complete, industry-focused solutions for small and medium-sized organizations and aims to reduce the costs and risks associated with software deployments. In addition, Oracle and other vendors can deliver EnterpriseOne as a hosted solution, enabling customers to outsource the management of their applications, middleware, and servers.

How EnterpriseOne Compares to Competitive Products

Today, a large number of solution providers develop products for local governments. Among them, three of the most commonly considered vendors are Lawson Software, which offers its S3 line of applications, SunGard Bi Tech's IFAS products, and Tyler Technologies, which offers EDEN and MUNIS. While these vendors' solutions can do good jobs of meeting local government requirements, they lack the functional depth of EnterpriseOne in key areas. These include capital asset management, project management, job costing, and construction and property management. For these tasks, EnterpriseOne offers robust modules

that are fully integrated with its core financial systems. By contrast, its competitors either lack functionality or offer limited capabilities.

In addition, EnterpriseOne's architecture offers greater scalability and flexibility than its competitors do. For instance, while a single instance of EnterpriseOne can manage multiple agencies and districts, it can be difficult or impossible to do so with a single instance of EDEN or MUNIS. EnterpriseOne also runs on more operating systems and databases than these products. When compared to Lawson S3, EnterpriseOne works with a wider range of middleware products. For example, while EnterpriseOne supports application servers from Oracle, IBM, and BEA, Lawson is limited to an IBM-centric middleware stack.

In short, EnterpriseOne gives local governments a platform that can grow with them in ways that competitive products cannot. At the same time, the solution delivers its superior functionality and flexibility at competitive prices. This makes EnterpriseOne hard to beat from a price-to-value perspective.

How Oracle is Improving EnterpriseOne for Local Governments

Ever since it acquired JD Edwards, Oracle has demonstrated a commitment to enhancing EnterpriseOne and making it a better solution for local governments. As part of that commitment, the company unveiled a new release of the solution—EnterpriseOne 8.12—in April 2006. The release includes extensive enhancements to the applications that manage citizen relationships and human capital. For instance, Human Capital Management now includes improved capabilities for managing deductions, benefits, and accruals as well as administering leaves of absence.

In addition, Oracle is creating dashboards that provide EnterpriseOne users with real-time, role-specific information about the status of their operations. During the second half of this year, the company anticipates that it will ship financial and compliance dashboards that could be particularly useful for local governments. The dashboards will provide financial managers with a wealth of key performance indicators and visual alerts for critical conditions such as

accounts that are out of variance with budgets or vouchers that are paid late.

Oracle plans to continue enhancing EnterpriseOne well into the future. A new version of the product, EnterpriseOne 9.0, is anticipated to ship in 2008 around the same time that the first Fusion Applications become available. While the vendor is still determining what enhancements EnterpriseOne 9.0 will contain, it is clear that the new version will include more extensive use of web services. Some of these services will enable EnterpriseOne 9.0 to interoperate with the first generation of Fusion Applications. This will allow EnterpriseOne 9.0 and subsequent releases to act as platforms for service-oriented architectures.

Over the next several years, Oracle plans to turn much of the "best practices" business logic in its sizable product portfolio into a large body of web services. These services will be made available not

only to Oracle's Fusion Applications, but also to its existing product lines. This could make it easier for EnterpriseOne users to add new functions to their current applications. For instance, an EnterpriseOne 8.12 customer might use a service for collecting usage data from electrical meters that was originally derived from Oracle's SPL product. Such a service could be invoked by and integrated with EnterpriseOne using industry-standard middleware from Oracle, IBM, or other vendors. In a similar fashion, local governments could incorporate customer relationship management functions from Oracle's Siebel offerings into

EnterpriseOne. This could improve how governments work with constituents when processing traffic tickets, delivering social services, and performing other tasks where comprehensive case management is critical.

In short, EnterpriseOne has a promising future ahead of it. Oracle plans not only to enhance the solution through new releases, but also to give it access to external web services that could extend its functionality even further. This makes it a strategic product for Oracle that will maintain its position of importance well into the next decade.

Why Local Governments Should Consider EnterpriseOne Today

While Oracle has made it clear that EnterpriseOne will remain a strategic solution, local governments must still determine if the product is a good fit for their needs. After helping dozens of organizations to select and deploy mission-critical applications, Andrews Consulting Group has found that EnterpriseOne has unique attributes that make it an ideal match for certain types of organizations. Small and medium-sized governments that value the following attributes often find that EnterpriseOne is the best solution for them.

- **Integration and breadth of capability.** The modules within EnterpriseOne are tightly integrated in ways that make it easier to use than comparable solutions. This combination of deep functionality and simplicity may be the most important reason for its long-term success.
- **Ease of deployment.** In the industries that EnterpriseOne serves, many organizations find that the applications can be deployed "as is" with limited need for customization. In addition, Oracle has done much to streamline the deployment process. For instance, the company has created Oracle Business Accelerators for JD Edwards EnterpriseOne, offerings that simplify deployments by providing preconfigured applications that can be easily modified via a simple "question and answer" interface.
- **Ease of management.** Once EnterpriseOne is deployed, it frequently costs less to manage than competitive alternatives. That is because the JD Edwards development team has designed the solution for organizations with smaller IT staffs. For instance, EnterpriseOne allows users to access all applications via web browsers instead of Windows clients. Unlike traditional Windows clients, browsers do not need to be updated when the applications that they access are changed. Compared to Windows clients, browsers are also much easier for most employees to use with minimal assistance. As a result, browser-based clients can reduce costs for PC administration, help desk support, and user training.
- **Low overall cost of ownership.** Because of its ease of deployment and use, EnterpriseOne often enables organizations to support their business processes at a lower cost than competitive products. Our own experience with clients indicates that EnterpriseOne has a markedly lower cost of ownership than alternatives such as those from SAP. One of our clients—a chemical manufacturer in the eastern United States—deployed EnterpriseOne shortly before a European firm acquired it. Since the parent company used SAP R/3, our client had to deploy it as well. Though the two applications were functionally equivalent, it took our client twice as long to implement R/3 as it took to deploy EnterpriseOne.

- ***Supported by both Oracle and IBM.*** The two vendors have agreed that the JD Edwards community is critical to sales of their respective products. As such, they are working together not only to support JD Edwards applications, but also to enhance them indefinitely. This puts two of the world's largest software vendors squarely behind EnterpriseOne.

As the above paragraphs make clear, EnterpriseOne not only has a proven track record, but also has a promising future ahead of it. For local governments, it combines robust functionality with low costs of ownership and the assurance that Oracle will support and enhance it for many years to come. This is why we recommend EnterpriseOne to our clients as a sound investment that they should carefully consider. ♦

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JD Edwards software has been an important area of focus for ACG for over ten years. More than one hundred organizations have used ACG over the years to get additional value out of their JD Edwards systems. ACG is a past multiple winner of JD Edwards Partner of the Year.

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Lee Kroon has been a Senior Industry Analyst for Andrews Consulting Group since joining the firm in 1998. He has over 30 years of experience in the IT industry and has been studying mid-sized companies, IBM, and the ERP market since 1986. Lee's name will be familiar to many in the JD Edwards user community as the author of more than 1,000 articles for professional journals and industry publications. His regular columns for MC Press Online are very popular among those interested in the IBM System i and the software packages that run on it, such as JD Edwards. He welcomes your comments at lkroon@andrewscg.com.

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