

Oracle Special Feature

Performance, Availability and Manageability – Do they matter?

PERFORMANCE, AVAILABILITY AND MANAGEABILITY – DO THEY MATTER?

You won't get far on any IT website or magazine without coming across these three words. They are common phrases for any software company trying to stress the benefits of its solutions. And at first glance they appear so obviously to be good things to have. But what do they really mean for midsize businesses and do they really matter?

Let's take an example. Imagine a company that decides these three critical success factors are not top priorities. Let's say that it is an online bookshop. Its website offers a wide range of specialist books to people all over the world. The site is slow, orders take a long time to process due to the lack of a modern customer relationship management (CRM) solution and delivery times are slower than those of its competitors. Another impact on the business is the slow order-to-cash cycle time. Since the order is delayed, the time to receive cash takes longer. Some stores resort to expedited shipments to meet customer request dates and this lowers overall margins as well. Slow business processes are a drag on a number of business performance metrics. Over time, customers will drift away because they will soon realise that competitors offer a faster service. And switching to a new online supplier is quick and easy to do. All that matters to these customers is that the goods arrive quickly. Performance has let the company down.

Now suppose the company does something about this. It improves its business processes and the ordering process gets faster. But there is a new problem. The server goes down because there is a sudden surge in business. It simply can't cope with the rise in traffic and it fails. Backup is not prepared; there is no replacement service waiting to take over. The company does not have a clustered server environment to take up the additional business at short notice. Customers are again let down and drift away.

The company now knows that something must be done, so it deploys sophisticated disaster recovery, on-demand CRM

software tied to an ERP system, and backup solutions. It has high performing processes that can cope with surges in activity, it has a complex solution to support customers and for backup and... it needs an IT expert to run it all. This IT manager is really the only person who knows how to manage the new system and the business depends on him to monitor business activity online and respond to any IT issues that arise. He alone draws off the data on which decisions are made. He saves the day and becomes a valuable resource, allowing other executives to concentrate on other business issues. They are relieved. Their investment has been worth it. All is well. Or is it?

The IT manager leaves. He joins a competitor, taking with him all his expertise and, worse still, some of the customer data that he was charged with capturing. The business is devastated; customers leave the sinking ship. The remaining executives need to rebuild the business. Now, for the first time, the words 'performance', 'availability'

and 'manageability' take on a new and powerful meaning. They will not make the same mistakes again. They deploy software that is easy to manage by everyone – not just IT specialists; software that has built-in scalability, that will cope with unplanned surges in activity, that protects critical information from theft, that can be installed quickly and that doesn't cost the earth. They choose Oracle products for midsize companies. They don't look back.

So can an organisation really cut IT costs, improve user experience of its IT infrastructure and be ready for growth through built-in scalability – and do all this whilst maintaining and possibly even improving performance? Some companies clearly can and have done, and we take a closer look at their strategies for success.



PERFORMANCE = SPEED?

People expect performance – instant websites, mobile access – and it's never good enough or fast enough. No one will use a service or buy a product if the process takes a long time or isn't fit for purpose. And customers are fickle, especially online customers. Traditional relationships with local shops and suppliers have been replaced by faceless online self service that is easier to desert with no repercussions. Businesses of all sizes compete on a level playing field where performance takes centre stage. Whether that 'performance' means speed, accuracy or quality, customers will choose the suppliers that consistently deliver. Very few companies can survive with second-rate performance issues.

You may think that doing things faster and faster is the ultimate goal and to a large extent you'd be right. Online business is now conducted at frightening speed and customers expect instant response and a real-time experience. Most website visitors stay on a page for just a few minutes before moving on and deals are won or lost in seconds, sometimes milliseconds. Even so, it is important to be careful about what speed actually means for your business.

There is no point in paying for superfast processes when regular speeds will do. Latency is big business, especially for those trading in financial markets. But there are good examples in this market of businesses that regulate their speed depending on the business process. Firms trading in the options market, for example, are more concerned with the speed at which market data is received and disseminated, trading opportunities identified and validated and orders generated than they are with sub-millisecond execution. It is true that some proprietary trading firms and market makers benefit from quoting milliseconds faster than their competitors, but even then it is just as much the speed at which they receive market data as it is the speed of deal execution.

The trick is to balance speed of order execution and delivery with quality and accuracy. Delivering an order overnight is not satisfying customers if the wrong item is despatched or if the invoice was inaccurate or if the financial details were incorrectly captured. Other critical processes, such as authentication, order matching, fraud detection and prevention and CRM also become an essential part of the performance mix. So you

have to seek top performance across all processes so that you achieve accuracy and speed, even at peak levels of activity. Where IT is concerned, top performance is about making the right investment in the first place and then ensuring that it is fit for your growth. Above all, it is about making sure that you are using the power of your IT functionality to maximum effect, and that means investing in a solution that has ease of manageability.



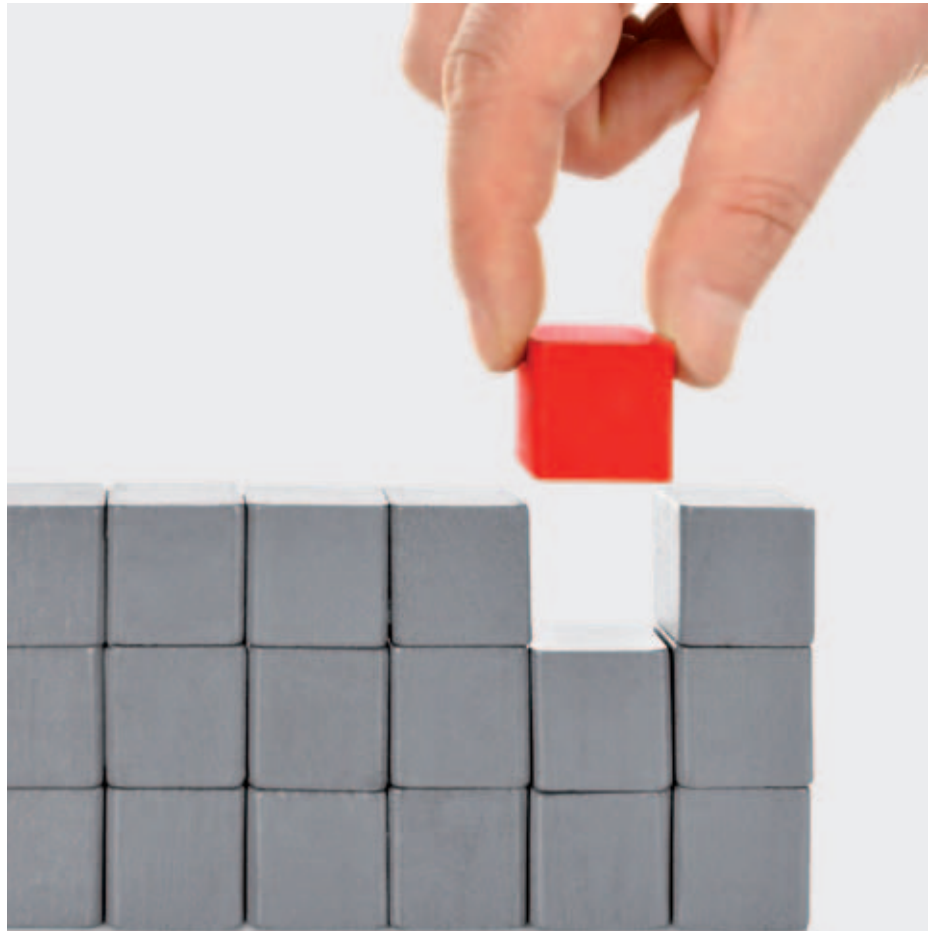
**CUSTOMER SPOTLIGHT:
ATHENS INTERNATIONAL AIRPORT**

One of Europe's busiest airports, Athens International Airport, handled 210,000 flights to 113 destinations in 2009. In 2009, 16.2 million passengers passed through the airport, which is highly rated for its quality of service and passenger satisfaction. It was looking to improve the performance of the Oracle Database infrastructure that underpins 70% of the airport systems, including 100% of real-time business-critical flight control and passenger-facing systems. It also wanted to build a scalable enterprise architecture capable of supporting 20% average annual growth in passenger and freight volumes while eliminating outages in the around-the-clock environment.

It commissioned Oracle Advanced Customer Services to work with an in-house IT team to upgrade to Oracle Database 11g with Real Application Clusters, for a centralised, fault-tolerant, high-performance infrastructure. It collaborated with Oracle Consulting throughout the upgrade, minimising risk and enabling knowledge transfer. It also leveraged Oracle's support for clustering software, hardware and operating system to eliminate the costly multi-vendor support model and reduce system maintenance costs by 30%. And it benefited from enhanced performance to automate previously manual tasks using Oracle E-Business Suite applications, cutting process cycle times and improving staff productivity.

MANAGEABILITY = ACCESSIBILITY

Midsize organisations have fewer resources than giant corporations, less market power and are forced to do more with less. They face financial and regulatory burdens that even the big companies find challenging, they lack the economies of scale that help larger companies to hold down cost. Cost is still an issue and continues to drive priorities. Much of the expense comes from the initial purchase, but also the further work in training and maintenance to ensure



they are getting the best out of the software potential. Effective tools and a sound set of processes are especially important for fast growing companies that are stretched on the IT talent they have at their disposal. They need ease of manageability – intuitive dashboards that can be used with no real IT skills. Maintaining a tight security policy is a significant issue for midsize firms that are not large enough to have a chief security officer, but on the other hand have less of a sprawling network to protect. What is important for the long-term security of the business is that it is not too reliant on a few people to use the system, interrogate it, extract the data for critical business insight and resolve any issues that arise.

In order to meet these challenges, Oracle has made the manageability of its products one of its primary goals. Oracle Database 11g automates a number of key administrative tasks, reduces the complexities of administration and provides self-tuning capabilities that deliver optimal performance out of the box. With its self-managing

capabilities, Oracle Database 11g eliminates time-consuming, error-prone manual administrative tasks, so that midsize businesses can focus on strategic business objectives instead of performance and availability fire drills.

Oracle Enterprise Manager enables customers to reduce complexity and increase efficiency in their application environments through a unique application-to-disk approach to systems management. It is the only solution in the marketplace with combined management capabilities spanning applications and supporting infrastructure for physical, virtual and private cloud computing environments.

Oracle Database 11g Release 2 and Oracle Enterprise Manager provide unique management capabilities for overcoming extreme database management challenges. With unparalleled self-management capabilities, Oracle Database 11g provides industry-leading automation, enabling administrators to focus on strategic business objectives instead

of reactive fire fighting. Maximise your database performance with an ROI of 100% and benefit from Oracle database's significant cost saving and timesaving capabilities for managing your databases. A recent study conducted by the Edison Group demonstrates that Oracle Database 11g is 40% easier to manage than IBM DB2 Enterprise 9.5.* With Oracle Management Packs for Database you gain extreme productivity for your IT and extreme value for your enterprise.

*Source: Edison Comparative Costs Study 2008

WHAT PRICE AVAILABILITY?

It's a very brave company that can boast of having no IT systems issues that cause disruption to its business. It's a risk that every business takes and each has to assess the extent of that risk by asking what the impact of downtime would be for its organisation. For some, it will be an inconvenience that will need to be addressed over a set period of time. For others it will spell utter disaster even if the system only goes down for a few minutes. So on the question of how much availability matters, it really does depend on the nature of your business. Only then can you decide how much to invest to ensure maximum availability – which incidentally will only ever be 99.9% at best! And that comes at a cost.

Midsize firms are being squeezed from all sides. Larger rivals are trying to edge them out and customers are gradually

exerting their increased power in pricing and setting of contract terms. To respond effectively, midsize organisations must work more smartly using their people and technology to maximum effect. And so the availability issue needs to sit amongst the other demands on your resources. For example, you will need higher availability for customer-facing applications, but perhaps lower availability for internal processes. These days, many software companies promise high availability but companies should take care not to take these claims at face value. Delve a little deeper and you will see that riders are attached, especially to high availability combined with scalability. How many companies can you immediately think of that have suffered from a situation where their IT crashes because of an unexpected surge in business? There are thousands of examples. Here is one company that achieved a highly available and scalable IT infrastructure that was also a simpler overall solution:

CUSTOMER SPOTLIGHT: KNEIP

KNEIP wanted to reduce the cost and complexity of IT maintenance across the company's 50 disparate servers and provide a flexible IT infrastructure enabling a faster time-to-market for new services. The challenge was to provide a highly available and scalable

database infrastructure for data and applications on which KNEIP's information services are built, allowing faster time-to-market of services, guaranteeing more uptime and better scalability to support the company's growth. KNEIP implemented Oracle Database with Real Application Clusters to provide a reliable and scalable IT infrastructure, improving employee efficiency, cost reduction, and leveraging of resources. It also consolidated its 50 disparate Windows and UNIX servers in an efficient blade server environment that leverages Oracle Real Application Clusters, reducing IT maintenance complexity and costs by 20%.



Oracle Real Application Clusters (Oracle RAC), with Oracle Database 11g Enterprise Edition, enables a single database to run across a cluster of servers, providing unbeatable fault tolerance, performance and scalability with no application changes necessary. Analysts are taking note of Oracle RAC's growing importance as large numbers of customers across all industries consolidate their transaction processing and data warehousing applications.

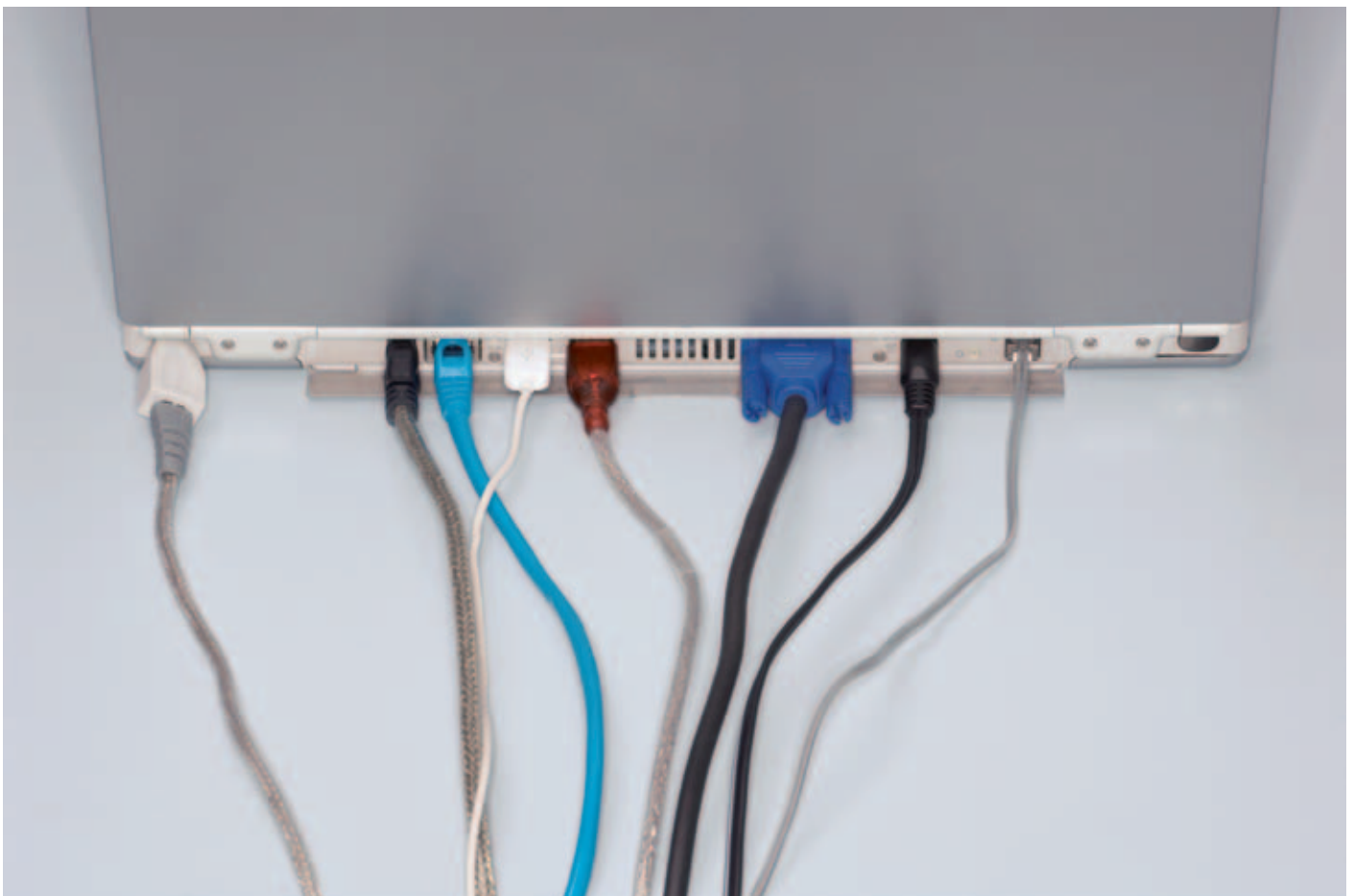
Oracle Advanced Compression and Oracle Database 11g Release 2 help manage more data in a cost-effective manner. With data volumes tripling on average every two years, Oracle Advanced Compression delivers compression rates of 2-4x across all types of data and applications. Storage savings from compression will cascade throughout the data centre, reducing network traffic and data backups as well. And by reading fewer blocks off disk, Oracle Advanced Compression also improves query performance.

GO GREEN WITH FEWER DISK DRIVES AND LESS ENERGY

In addition to compressing structured data and unstructured data such as documents, images and multimedia, Oracle Advanced Compression helps Oracle Database 11g to utilise storage resources more efficiently and reduce power requirements. Using Oracle Advanced Compression, Oracle customers can store more data, execute queries faster and help make the planet a little greener.

PARTITION FOR IMPROVED PERFORMANCE

As a key requirement of high performance, high availability database environments, partitioning splits tables and indexes into smaller, more manageable components. Oracle Database 11g offers the widest choice of partitioning methods available, including interval, reference, list, and range. Oracle Partitioning is also the foundation of Oracle's Information Lifecycle Management strategy, which aligns the business value of information to cost-effective storage tiers for large data warehousing and transaction processing applications.



SMALL BUSINESS – BIG FOOTPRINT – NOT COMPLEX

No business can flourish without a coherent strategy and the ability to make it operational, which typically requires investment in adequate infrastructure, and the technology required to exploit it can help companies to execute faster and more flexibly in order to reach their business goals.

Smaller and smaller businesses need bigger and bigger footprint software with leading business practices. They need to use the tools that give them the same advantage as the big boys. Luckily for midsize businesses, it is now possible to get the enterprise-class tools they

need to compete with larger companies, effectively levelling the playing field without paying an enterprise-class price or taking on a long and expensive software implementation project.

“What we’re finding,” says Mark Johnson, Vice President of Oracle Accelerate, “is that even companies with \$10 million in revenue are buying and using full-footprint software; not just the financials and accounting side of it, but also bigger, more complex distribution networks. So they’re crossing international boundaries, multiple states, multiple types of channels, multiple layers in the supply chain and the supply chain reaching back into Asia, Europe

and Latin America. Doing that – and you have to do it in order to compete – creates complexity, and then you discover that you need a way to manage that complexity. And that’s where Oracle Accelerate comes in.”

Midsize organisations that are serious about growth in this next phase of the economic lifecycle need to be putting performance, availability and manageability at the top of their agenda, confident that they can be achieved without huge increases in cost or disruption to their business. The key is to find the right partner who understands their needs and has a portfolio of solutions that are within budget.

LEARN MORE, OR CONTACT US TODAY

Visit oracle.com/no/midsize now to learn more about Oracle solutions. Alternatively, contact us now on 800 14411 or e-mail us at contact-nordics_ww@oracle.com for a no-obligation discussion of your requirements.

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Oracle Corporation
Worldwide 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

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