Delivering Value with Oracle E-Business Suite Financials Release 12.1

An Oracle White Paper
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EXECUTIVE OVERVIEW

Globalization is an inescapable force in doing business today, whether it’s about pursuing new markets and customers or responding to a new set of global competitors or standards. The global economy offers a tremendous opportunity for growth, but at the same time presents management with some tough challenges. For example, the office of finance faces challenges to meet diverse financial reporting and tax standards, increased regulatory and governance requirements, while remaining agile to take advantage of future growth and expansion opportunities.

The recent global recession left indelible marks on companies across industries and geographies. Due to the loss of liquidity, the uncertainty on future revenues, and the speed at which conditions were changing, executives had no choice but to act on what they could control, costs. Now as companies slowly get back onto an even keel, they are shifting their focus to growing top line revenues and market share through strategic initiatives, such as acquisitions, divestitures, and reorganizations. By remaining focused on driving efficiency and productivity while reducing complexity across the enterprise, it accelerates companies’ abilities to support these strategic goals and emerge stronger after the recession.

Oracle’s latest release, Oracle E-Business Suite Financials Release 12.1, supports these objectives by offering a global solution for effective financial management. It delivers a global business platform that drives standardization and simplification, automates business processes, reduces operational costs and increases efficiency.

This whitepaper is intended to highlight the benefits that may be realized through an upgrade or implementation of Oracle E-Business Suite Financials Release 12.1. For those customers that are considering a move from an 11i implementation directly to Release 12.1, this whitepaper also calls out the significant enhancements from Financials Release 12.
INTRODUCTION

The key drivers behind Oracle E-Business Suite Release 12.1 include:

- Opportunity for rapid value
- Opportunity to standardize and simplify with a global business platform

The first driver focuses on the opportunity to extend value when upgrading. According to feedback received from CIOs, they are looking for strategic investments that will have a six to nine month return or payback that can be considered part of an organization’s strategic agenda or IT roadmap.

The second driver is the need for companies to standardize and simplify. This is due in part from cost pressures from globalization and merger and acquisition activity. Organizations today cannot afford the luxury of having redundant, duplicate or inefficient systems with expensive integrations. So the opportunity to standardize and simplify on a common global business platform is a way to reduce costs, reduce complexity and be more efficient in this environment.

Only Oracle has the thought-leadership and development resources to continue to offer the broadest and deepest financial solutions that address these two drivers and deliver significant value for an organization’s IT investment.

BUSINESS BENEFITS OF RELEASE 12.1

The following sections focus on the key business benefits of upgrading/implementing Oracle E-Business Suite Financials Release 12.1.

Opportunity for Rapid Value

When you target your technology investments in the right areas, it can play an important role in helping organizations manage through any economic crisis and emerge stronger than ever. Research by McKinsey shows that targeted IT investments which make operations more efficient or increase revenues can deliver larger returns than simple cost-cutting measures typically do.¹

Increased Visibility Drives Greater Shareholder Value

Oracle Business Intelligence (BI) Applications are complete, prebuilt solutions that provide a single, integrated view of enterprise information. Organizations can gain greater insight and alignment across business functions, helping users at all levels of the organization better understand how their business is performing. Oracle BI Applications are tightly integrated with E-Business Suite releases and support E-Business Suite SSO (Single Sign On) and security at the user, object and data layers. Additionally, Oracle BI Applications leverage E-Business Suite Flexfields with pre-built “Action Links” allowing Oracle BI Apps users to securely access

appropriate content and drill to transactional details within E-Business Suite applications.

Oracle Financial Analytics, part of the Oracle BI Applications family, provides organizations with better visibility into the factors that drive revenues, costs, and shareholder value and delivers robust financial information across the company value chain to enhance customer, supplier, and workforce analysis. For example, Oracle Financial Analytics enables better insight into General Ledger balances to better understand product or customer profitability or highlight how staffing costs and employee or supplier performance correlate with increased revenue and customer satisfaction.

In addition, Oracle Financial Analytics provides hundreds of financial metrics, alerts, reports, and dashboards to provide financial professionals from executives to department managers with timely information on costs and revenue at levels of detail such as by product, geography, region, and customer. This allows managers to fine-tune strategy and improve performance without having to wait days or even weeks for specific reports to be run. With Oracle BI Applications, E-Business Suite users obtain the right information at the right time, so that corrective actions can be taken before issues escalate.

**Drive Greater End User Productivity**

Oracle User Productivity Kit (UPK) provides a comprehensive content and training platform that simplifies the deployment process by facilitating and promoting end user adoption—the biggest barrier to enterprise application success. Whether it’s a new implementation or an upgrade, Oracle UPK adds value through all phases of the software ownership lifecycle.

Oracle UPK reduces content development time and cost with its ability to produce multiple outputs from a single recording session. This allows users to rapidly produce interactive transaction simulations, classroom and web-based training materials, and in-application performance support. Additionally, with the efficient creation of user test scripts, organizations can quickly define and test system transactions before go-live, providing the necessary materials to support successful user adoption.

As of Release 12.1, there are seven UPK modules for Oracle E-Business Suite Financials which consists of over 370 pre-delivered topics. Additionally, customers can develop their own custom content. Oracle UPK allows organizations to achieve a much faster ROI from their Oracle E-Business Suite investment by increasing productivity and reducing overall software implementation costs.
Manage Changes to Policies and Controls

Oracle Fusion Governance, Risk, and Compliance (GRC) Solutions allow companies to consolidate multiple governance requirements, automate risk and compliance activities, and embed preventive controls in the context of business operations—all from a single platform. The core policy and content management capabilities align multiple requirements within the same superset of controls and allow you to report on those controls in details. This eliminates duplicative documents and effort, providing the basis for a comprehensive view of GRC initiatives and their performance.

With Oracle Fusion GRC you can also automate critical cross-industry GRC tasks and automate processes, such as policy and procedure documentation and communication, assessments of risks and controls, the remediation of control violations, as well the certification process throughout the multiple levels of your organization.

Lastly, Oracle Fusion GRC embeds controls into daily business operations to prevent control exceptions within the context of the business transaction itself. For example, a coarse-grained control would prevent a purchasing agent from creating a new vendor and issuing payments to vendors. However, Oracle goes a step further by providing fine-grained controls that prevent the purchasing agent from creating a new vendor and issuing payments to that same vendor.

Drive Greater Business Agility

Business agility is often associated with being able to quickly assimilate new solutions or acquisitions into an organization for a rapid return on investment. Oracle E-Business Suite customers now have immediate access to solutions that quickly bring value to their organizations.

Integration to Enterprise Performance Management

Oracle Hyperion Financial Management (HFM) is a financial consolidation and reporting application. It provides financial managers the ability to rapidly close and report financial results across heterogeneous environments to meet global regulatory requirements and even sustainability requirements—all while reducing the cost of compliance.

Oracle Hyperion Financial Data Quality Management (FDM) helps finance organizations certify the quality of their internal controls throughout the consolidation and reporting process. Oracle FDM provides a source-to-report view of financial data, allowing business analysts to develop standardized financial data management processes and validate data from any source system. Fully integrated with Oracle’s performance management applications, Oracle FDM is the only enterprise-class system for managing financial data quality.

Oracle E-Business Suite 12 and 12.1 customers can integrate with Oracle Hyperion Financial Data Quality Management to easily bring data from the Oracle E-
Business Suite General Ledger and other sources into Oracle Enterprise Performance Management (EPM) applications. Users can then drill from Oracle EPM applications, such as Hyperion Financial Management (HFM), Hyperion Planning, Oracle Essbase, or Hyperion Strategic Finance, all the way back to Oracle E-Business Suite balances and originating transactions.

Integration with Environmental Accounting and Reporting

Companies around the world are facing increasing pressure to improve their energy efficiency, reduce waste in their operations, and report the impact of their emissions and energy usage on the environment.

Oracle Environmental Accounting and Reporting helps companies comply with mandatory and voluntary greenhouse gas reporting schemes and identify opportunities for CO2 emissions and cost reductions. As an add-on module to Oracle E-Business Suite Financials which seamlessly integrates with existing Accounts Payable business flows, Oracle Environmental Accounting and Reporting allows companies to capture environmental data either electronically or manually at the operational level, such as recording energy usage at the time of invoice entry, and then report on those results. It utilizes Oracle Business Intelligence to provide immediate insight into an organization’s environmental data to identify and manage CO2 and cost reduction opportunities—providing rapid ROI.

Integration with Oracle Imaging and Process Management

Oracle Imaging and Process Management (Oracle I/PM) offers an end-to-end imaging solution to optimize process automation by coupling document capture and imaging technology with advanced workflow and process monitoring. Oracle I/PM comes pre-integrated with Oracle E-Business Suite Financials to alleviate the burden of processing high-volume paper-based processes, such as invoice processing or expense report management. In addition, because the licensing is CPU-based, customers can start with one process, such as invoice processing in Oracle Payables, and then expand imaging to other applications and processes, such as Oracle Internet Expenses, Oracle Receivables or Oracle Contracts. This allows customers to grow their return on investment over time and continue to decrease costs and cycle times.

Lower Costs with Standardized Accounting

If you use multiple legacy or third party source systems, you probably had to create custom integrations to bring the resulting accounting transactions into your Oracle Financials system. Maintaining these custom integrations can be costly and error prone with no visibility into subsequent changes you may make in the source system.

Oracle Financials Accounting Hub (FAH) efficiently creates detailed, auditable, and reconcilable accounting entries in a very controlled and consistent fashion.
FAH includes an accounting transformation engine that consistently enforces accounting policies. It also includes an accounting and rules repository that provides centralized control and detailed audit trails, while simultaneously meeting multiple reporting requirements, such as corporate, management and legal requirements.

**Standardize and Simplify with a Global Business Platform**

Working across multiple geographies, systems and rules, according to local standards, call for global business processes and work flows that can span applications, divisions and regions. This need is particularly evident in the area of global financial management. With increased compliance and governance mandates, organizations are centralizing critical finance operations in order to enhance control and visibility. Oracle E-Business Suite Release 12.1 enables you to stay competitive by giving you the ability to operate globally while meeting local compliance requirements.

**Increased Operational Control and Efficiency**

Oracle E-Business Suite Financials Release 12.1 centralizes many common finance functions, such as accounting, tax, payment, and banking to provide greater efficiency and control and help you standardize business processes across your enterprise.

**Ensure Consistency with Centralized Accounting**

The centralized accounting engine helps companies meet multiple legislative, industry and geographic requirements concurrently in a single instance by applying standard accounting rules to all business transactions in a consistent, controlled fashion. For example, a supplier invoice for the purchase of goods can be simultaneously accounted using US GAAP, IFRS, and local French rules. Thus, the accounting for that invoice can have different debit and credit accounts and amounts in different currencies and charts of accounts to represent the different accounting conventions.

The accounting results can be maintained with as much detail or summarization as you want with full auditability and reconciliation, including complete drilldowns from general ledger to the originating source transaction to help you understand root causes and take immediate action.

**Simplified Tax Compliance**

The centralized tax engine, Oracle E-Business Tax, reduces the cost and complexity of complying with multiple tax authorities. This centralized tax engine delivers consistent tax services to all E-Business Suite business flows through one application interface, simplifying tax configuration. It also integrates with external tax vendors for maintaining country-specific tax content, such as Vertex and Taxware in the United States.

“We went live with Oracle E-Business Suite Release 12.1 on time and on budget. The new features in the latest version will enable us to operate more efficiently and effectively, such as managing our US$6 billion capital and grant monies.”

Prasad Nettem, Director for Enterprise Financial Systems, Chicago Public Schools
By centrally storing tax content, such as tax jurisdictions, tax rates and tax rules, it allows the tax determination engine to use these rules to calculate transaction taxes (sales, use, VAT, etc.) based on the place of supply, the parties involved and other applicability rules. Each taxable transaction includes all noteworthy tax information that is recorded in a central tax repository that can be used by management and tax authorities for auditing and reporting purposes. The result: increased operational efficiency and visibility with reduced compliance costs and errors.

Streamlined Intercompany and Reconciliation

Oracle Advanced Global Intercompany System (AGIS) provides a centralized intercompany accounting system that streamlines the intercompany trading and reconciliation process. It prevents out-of-balance conditions from occurring in the first place, ultimately helping companies spend less time reconciling intercompany transactions at period-end close.

Oracle Advanced Global Intercompany System provides the following features in Release 12.1:

- **Intercompany Invoicing**: AGIS can automatically create Intercompany Payables and Receivables invoices for intercompany trading partners in situations where local statutory compliance requires physical invoices for intercompany transactions.

- **Multi-party intercompany transactions**: AGIS can create a single intercompany batch that supports multiple recipient transactions across different ledgers, currencies and calendars that are automatically submitted to all recipients for approval. Optional prorating of the distribution amounts based on the proportion of the transaction can be allocated to each recipient.

- **Intercompany reconciliation**: AGIS supports reconciliation between any pair of legal entity trading partners whether they are in the same or different ledgers. The reconciliation process has the flexibility to be executed at any time for open or closed periods and run at different levels of detail.

- **Inter/Intracompany Balancing**: If you enter a transaction or journal between companies for the same or different legal entity, AGIS will automatically create the necessary intra- or inter-company accounting entries, depending on whether the companies are in the same legal entity or different legal entities.

Faster Payment Cycles

Oracle Payments, the centralized payment engine, along with a newly structured bank account model allows funds disbursements and payments to be processed more efficiently. The highly configurable payment engine supports straight-through processing based on industry standard protocols, with a dashboard for process visibility and management. A single payment can span multiple operating...
units, currencies, payment methods and bank accounts, dramatically increasing efficiency and reducing bank fees.

**Faster, simpler period end processing**

Many organizations have made significant progress in reducing the time to close their books. Unless companies continue to focus on streamlining the close process, recent gains could well be erased by the increasing demands of new financial reporting regulations. Growth through acquisitions or geographic expansion also adds complexity to financial reporting processes. Oracle E-Business Suite Release 12.1 makes parallel financial reporting easier and streamlines period-end processing.

**Increased Efficiency for Processing and Reporting Across Ledgers**

Ledger Sets allow you to perform processes across multiple ledgers at the same time to increase processing efficiencies. Some of these processes include opening and closing periods, creating journals and allocations, and reporting on ledger balances. The result: greater visibility and control across multiple ledgers.

**Simplified Maintenance and Streamlined Processing**

The Accounting Setup Manager acts as the central location for defining and maintaining the relationships between ledgers, legal entities and operating units along with financial-related setup options. This centralized setup simplifies the inquiry and maintenance of these relationships and offers a single, clear view of your accounting implementation. An online checklist of accounting setup steps ensures complete and accurate accounting setup.

**More Productive Shared Service Operations**

In 2004, 24% of executives worldwide thought Shared Services was 'strategic' for their business. In 2011, 89% think it is. “It's no longer a question of whether we should adopt shared services or outsourcing models. Now, it's simply how well and how far we can leverage them.”² A Shared Services model of operations drives cost savings and increases information quality. Organizations are increasingly consolidating non-revenue generating, administrative tasks in shared service centers as a way to focus on their core competencies, increase efficiencies, and better manage and access information. Additionally, they can cut operating costs by eliminating redundant processes, leveraging self-service, automating processes, and standardizing common business practices.

Oracle E-Business Suite Financials 12.1 includes a number of capabilities for increasing the efficiency of shared service centers.

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² Shared Services and Outsourcing Revolution is here, SSON (Shared Services & Outsourcing Network)2011.
**Improved Productivity**

To increase the productivity of your shared services personnel, Multi-Organization Access Control (MOAC) enables the same user to enter transactions, process data, view information, and run reports on behalf of multiple divisions or business units. In other words, a single application responsibility can access, process and report on multiple operating units, which is common in a shared service center. You can control who can perform which tasks for one or more operating units through the use of security profiles that define each user’s access.

**Efficient Payment Handling**

Spend less time managing bank account information with the Bank Account Model in Oracle E-Business Suite Financials Release 12.1. The Bank Account Model provides a single access point for defining and maintaining bank account information for Oracle Payables, Oracle Receivables, Oracle Payroll, Oracle Cash Management and Oracle Treasury. This model along with the centralized payment engine and the enhancements to Multi-Org Access deliver significant efficiency to shared service centers that perform collections and disbursements. For example, a single responsibility can process invoices across multiple operating units producing separate payments, all with a single bank instruction.

**Reduced Cost of Ownership**

Oracle E-Business Suite Release 12.1 makes it easier and less expensive to implement, manage and scale global applications with an improved user experience and flexible systems connectivity.

**Increased User Productivity with New User Experience**

Oracle made a focused effort to enhance the user experience in Oracle E-Business Suite Release 12.1. Over 120 user experience professionals, many from Apple, Yahoo, Google and Microsoft, performed extensive out-of-the-box usability tests on released products leveraging focus groups and eye-tracking studies. Results include a reduced overall number of pop-ups and duplicate screens, re-designed and streamlined workflows, a reduced number of steps to complete key tasks, and an improved overall look and feel. By designing business processes intelligently, eliminating extraneous steps, and leveraging technology, people can work faster and smarter.

**Flexible System Connectivity**

Connecting disparate systems and processes has long been a business priority and IT challenge. With an updated web services repository and process management tool, Oracle E-Business Suite Release 12.1 lowers the costs of integrations with third party applications and adaptable business processes.

**Comprehensive Web Services Integration Repository**
Oracle E-Business Suite Release 12.1 has hundreds of services so that IT can easily integrate the E-Business Suite into cross-business, cross-product business flows. It includes web services, public java & PL/SQL APIs, business events and batch interfaces. The Integration Repository enables key integration types including business-to-business, enterprise application integration, business process management, and business activity monitoring. Industry-standard messages and standards-based XML documents are supported. A user-friendly interface makes searching and viewing available integration points easy. Maintenance is simplified by functionality that automatically keeps in step with source code via standard patching.

**Simplified Integration**

Oracle Business Process Execution Language (BPEL) Process Manager offers organizations the ability to manage processes spanning heterogeneous applications. Third party and legacy applications can be integrated to extend process automation. A graphical user interface facilitates the process of quickly integrating applications and a web-based console is used to manage system performance. Prepackaged, standard interfaces for applications and legacy systems are used to connect systems, reducing the integration effort and shortening time to value. In addition, the Process Manager is built on widely adopted industry standard language (BPEL).

**Oracle Fusion Middleware Certification**

Oracle E-Business Suite Release 12.1 is certified on Oracle Fusion Middleware, a comprehensive, hot-pluggable family of middleware products. This certification enables you to more easily leverage a portfolio of leading security, integration, and business intelligence solutions among others. For example, Oracle built cross-application flows between Oracle Retail and Oracle Financials in Oracle E-Business Suite Release 12.1. You can extend the capabilities of your E-Business Suite implementation by creating your own cross-application business flows.

**TOP FIVE REASONS TO UPGRADE**

With a focus on simplification, standardization and centralization, this release applies to all customers, regardless of size or industry, from the large multi-national to the small to medium sized business. When considering an upgrade to this latest release, it is important to understand the return on the investment of the upgrade. Here are the top five reasons to consider an upgrade:

1. Enhanced support for global shared service centers
2. Increased operational efficiency with centralized business functions
3. Improved end user productivity
4. Greater flexibility in producing IFRS comparative reporting
5. Access to new capabilities and the latest technologies

“Abu Dhabi Media Company is growing rapidly, and E-Business Suite Release 12.1 will play a key role in this growth. We have already seen performance increases and everything is a lot more user-friendly. In fact, the feedback from users has been very positive.”

Atif Ashfaq
Technology Project Manager, Abu Dhabi Media Company
**Enhanced support for global shared service centers**

Finance can achieve significant cost savings by consolidating routine processes into a shared services environment that is located in a low-cost country. Even more substantial savings can be gained when companies use this as an opportunity to consolidate finance systems, standardize processes, and identify global process owners to eliminate redundancies. By designing better controls into the processes, companies can improve governance and reduce audit costs. In addition, shared service organizations often provide better customer service and more timely and consistent information.

The heart of Release 12.1 for Financials enables businesses to work globally, whether this is across applications, divisions, or regions. The global business foundation enables businesses to standardize accounting and tax rules with centralized setup and maintenance that is also highly flexible to meet diverse global financial reporting requirements. Secondly, as globalization shifts work around the world, companies must address the different accounting and reporting requirements in countries in which they operate. This requires producing multiple sets of financial statements to satisfy local, statutory, and parent company reporting needs. Together with Oracle General Ledger, Oracle’s centralized Subledger Accounting enables compliance with multiple accounting requirements concurrently.

**Increased operational efficiency across finance with centralized business functions**

Oracle E-Business Suite Release 12.1 offers greater efficiency and flexibility with many new centralized and standardized key business functions. The new centralized architecture not only improves support for shared services it standardizes and simplifies the financial infrastructure across your enterprise. This release supports the centralization of the following key business functions:

- Accounting policies are standardized across the entire enterprise with Subledger Accounting—ensuring that everyone adheres to the same set of rules.
- Financial results are stored and easily accessible with Ledgers and Ledger Sets—supporting faster and simpler period end closing.
- Legal entities easily model legal corporate structures and tie all related components together with Legal Entity Configurator.
- Banks and bank accounts are centrally managed providing a single point of access for internal bank accounts across Oracle applications.
- Payments are centrally disbursed and captured with Oracle Payments—automating and streamlining integration with external financial institutions.
• Transaction taxes are consistently managed and processed with E-Business Tax—offering consistent support and control of complex transactional tax requirements across the enterprise.

• Inter- and Intra-company relationships and accounts are centrally defined with Advanced Global Intercompany System—improving period end reconciliation.

**Improve end user productivity**

Employee productivity continues to be a top concern for most organizations as well as a key aspect for purchasing new applications. Simplistic, convenient and efficient are qualities customers are looking for when it comes to boosting the productivity of transaction flows and end-to-end business processes. Oracle E-Business Suite Release 12 leveraged intellectual property from several acquisitions and made a significant investment in the overall user experience. New pages introduced in Release 12 were designed with a completely different approach to simplify the user experience. End users will experience dashboards, step-by-step check lists, wizard-like pages, and consolidated single-page setups. Here are a few examples:

• Collections
• Payments
• Accounting Setup
• Tax

**Greater flexibility in producing IFRS comparative reporting**

Companies transitioning to IFRS will inevitably find themselves having to capture data in new ways or gathering additional information. They may need to use new accounting definitions and valuations for certain balance sheet and income statement lines, obtain more comprehensive reporting from overseas operations, provide more detailed segment reporting, or comply with wider disclosure obligations. The challenge will be to honor a fundamental tenet of IFRS, which is consistency in definition and in depth of detail. Each reporting entity must report a financial item, such as revenue as recognized, in the same way, according to the same definition. If your organization has standardized data definitions for customer, employee, supplier, product, and management organization, then you have a head start. The next step is to define corporate accounting policies centrally and implement controls to ensure that the rules are applied consistently across the enterprise.

Not only does management need to respond to the specific accounting policies and procedures laid down in IFRS, but it also needs to keep firm control of all of the other statutory requirements relevant to the group at the same time. It is this “multi-GAAP” view of the world that makes IFRS so challenging. If the U.S.
moves forward with IFRS, public companies will need to support both U.S. GAAP and IFRS during a transition period, referred to as comparative reporting.

Oracle applications provide an adaptable infrastructure to support diverse legal and business requirements worldwide. Oracle E-Business Suite has an architecture designed to ensure strict control over the accounting for subledger transactions with Subledger Accounting. It uses a common data model to store subledger transactions centrally and ledgers to capture legal entity accounting treatments. By simultaneously populating multiple legal entity ledgers from a single business transaction, companies can achieve consistency across all subledgers while satisfying numerous reporting requirements.

**Access to new capabilities and the latest technologies**

New features and enhanced functionality delivered in Oracle E-Business Suite Financials Release 12.1 were designed based on extensive customer feedback, industry best practices, analyst research, and our own commitment to improve our applications. With a planned upgrade path to Fusion, Oracle E-Business Suite Financials Release 12.1 delivers the first benefits of Fusion planning and development. Leveraging “early” Fusion fundamentals, organizations can get comfortable with architecture and technology changes while planning a long-term applications roadmap. Enhancements throughout the release demonstrate that Oracle offers the most comprehensive and adaptable global business platform to support business growth at lower cost with more control and flexibility. Below is just a sample of the over 300 features and enhancements from Release 12 and 12.1:

- Replacement for disabled accounts
- Invoice line level entry and approval
- Partial period revenue recognition
- COGS and revenue matching
- Line level cash applications
- Conversion of delinquent receivables to payment plans
- Funds optimization with cash pooling and zero balancing
- Enable Reconciliation at the Payment Group Level
- Bank account-level reconciliation options and tolerances
- Rollback on select assets with Automatic Depreciation Rollback
- Streamlined receipts management with receipts tracking and receipts missing capabilities

**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 Oracle E-Business Suite 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.

This release has undergone more upgrade and system testing than any prior E-Business Suite release. It also requires fewer pre- and post-upgrade steps. Additionally, Oracle E-Business Suite Release 12.1 gives you unprecedented continuity and choice. For example, you will be able to run your business the same way as before once you upgrade, even with the new financials architecture. While Sets of Books become Ledgers and Ledger Sets, the Subledger Accounting engine performs accounting from the subledgers into the General Ledger, and Operating Units are used to segregate transaction data, your accounting results won’t change. Release 12.1 uses the same business rules from your 11i 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 the new features. For example, you may want to use this upgrade as an opportunity to move to a single chart of accounts in order to take full advantage of Ledger Sets, which provide a highly flexible framework for meeting corporate and local financial reporting requirements and processing, managing and analyzing global transactions. Likewise, you may want to look at rationalizing the number of responsibilities with the new user access model designed to improve productivity in shared services environments.

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 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

Organizations desiring to increase their momentum after this recession have created a strategic IT plan that incorporates solutions that will provide value to their organizations today and into the future. Upgrading to the latest E-Business Suite release should also be considered part of that strategic plan. Staying current on the latest applications release as well as taking advantage of the latest technology advancements that Oracle offers is a great way add value continuously to your organization. During the upgrade, customers have an opportunity to take advantage of implementing the rapid value solutions that are integrated with E-

Many clients are evaluating whether to upgrade from Oracle E-Business Suite 11i to Release 12 or wait for the larger Fusion release. There are significant application and architecture changes in Release 12. Upgrading now will help build the foundation to prepare for Fusion—maximizing business value while mitigating risk.

Sean Malinski, Accenture Partner, Global Business Solutions - Oracle Practice
Business Suite. Organizations committed to transforming their finance organizations should upgrade to the latest release to help them reduce costs and complexity while standardizing business processes on a global business platform.

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 Oracle E-Business Suite Release 12.1, Oracle delivers on its Applications Unlimited commitment, the long-term plan to provide continuing enhancements to existing investments in Oracle Applications. Oracle E-Business Suite Financials Release 12.1 is based on extensive customer feedback, industry best practices, analysts’ research and Oracle’s own commitment to thought leadership.

FOR MORE INFORMATION
Find out more about Oracle E-Business Suite Financials Release 12.1 from the following resources. Please note that a login is required for all documents accessed from My Oracle Support at support.oracle.com.

- Release 12.1 Information Center on My Oracle Support (Doc ID: 806593.1)
- Release Content Documents for Oracle E-Business Suite Release 12.1 (Doc ID: 561580.1)
- Release Value Proposition for Oracle E-Business Suite Financials Release 12.1. This is intended to help you assess the business benefits of Release 12.1 and plan your information technology (IT) projects and investments. (Doc ID: 804373.1)
- Oracle Advisor Webcasts:  (Doc ID: 398877.1)
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Author: Annette Melatti
Contributing Authors: Amrita Mehrok, Theresa Hickman

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

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