

Powering Project-Driven Businesses with Oracle Project Portfolio Management Cloud



In This Paper

- Many enterprises lack a holistic view of their project management processes
- Oracle Project Portfolio Management (PPM) Cloud uses open standards to create a best-in-class solution
- Oracle PPM Cloud makes it easier for users to collaborate on projects internally or externally

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Modern Perspective

Project management has historically been a complicated and convoluted process. The ad hoc, often one-off nature of projects and proposed solutions create numerous pain points that organizations within enterprises often exacerbate in their attempt to mitigate.

A typical project launches at the departmental level. Thus, the solutions to plan and execute the project are typically decided on and deployed at that level. Project management and monitoring is often undertaken separately, in different parts of the organization. This results in disparate solutions that often take the form of a myriad of ERP and custom solutions, according to Colleen Baumbach, Senior Director, Project Portfolio Management Product Strategy at Oracle, and it often brings with it a lack of integration among the projects collectively and individually within the enterprise as a whole.

While senior management and project leads may lament this lack of integration, those in the trenches typically remain loyal to the applications with which they are familiar. Often this means Microsoft Excel on a user basis and Microsoft Projects on a departmental basis, with both sometimes finding themselves rolled up into an enterprise-wide ERP system.

“A lot of customers come to us and say they want an integrated solution, but they don’t need everything,”



Baumbach said. “That’s because most organizations aren’t mature when it comes to project management.”

Enterprises tend not to view project management as a holistic process. Much like the disparate systems they have in place, they see a disparate collection of issues. They typically look to solve specific pain points with single applications. Rather than migrate an entire enterprise to a new system, they are looking to manage a problem spot and have it flow into a specific component (e.g., cost, human capital leverage, or how demand is driven) as needed.

In many cases, however, the pain points are symptoms of a larger issue, and to remove them the situation must be viewed in the context of the full project life cycle. Oracle Project Portfolio Management (PPM) Cloud,

part of the integrated suite that is Oracle ERP Cloud, not only does this, but it’s also built with the user in mind. Designed around end-to-end business processes, it uses the latest in modern open standard technology to create a best-in-class business application. The Oracle PPM Cloud solution solves PPM pain points through role-based analytics, collaboration, optimization, costing, and control.

Its rich functionality is no surprise, given Oracle’s longstanding success in the market. “Oracle continues to demonstrate its longevity in the overall PPM software market, providing detailed control and management of large, complex projects,” said Gartner Research Director Daniel Stang. “This solution’s reputation in the field as a de facto standard in project management environments worldwide cannot be denied.”

What Is Project Portfolio Management?

To truly understand the advantages Oracle PPM Cloud brings to project management it's important to understand the foundation of PPM. PPM enables corporate and business users to organize a series of projects into portfolios and provide reports based on the various project objectives, costs, resources, risks, and other pertinent associations.

PPM software enables users, usually management or executives within an enterprise, to review the portfolio that will assist in making key financial and business decisions for projects.

PPM has six core components, each of which is found in any project undertaken:

- Project costing
- Project contracts and billing
- Performance reporting
- Resource management
- Project management
- Collaborative planning

All of these components flow into the two other components of ERP — procurement and financial

management — putting PPM in an interesting position in the ERP landscape. Projects, by their very nature, are rarely stand-alone. While a good PPM software package will centralize resource and project tracking, there is no getting away from financial accountability or resource optimization, both of which are important to managing the project and helping the enterprise achieve its goals.

PPM solutions play a dual role, directly and immediately benefitting the project at hand and benefitting the whole enterprise indirectly and in the long term.

“There are different ways to serve project management, which has processes that sit within CRM, HCM, project management itself, and accounting/financials software, and then applying business intelligence across the entire process,” said Forrester Analyst China Martens.

“Some ERP apps have extensions to cater to the needs of businesses that are oriented around projects; other ERP apps take a project-based focus; and other solutions may be a mix of best-of-breed capabilities from CRM,

HCM, project management, and accounting.”

Meeting the PPM Challenge

Oracle PPM Cloud is designed to meet, with ease, the many challenges that senior executives, project organizations, and project leaders face. Oracle PPM Cloud offers an integrated yet modular project management suite designed to automate, streamline, and control project management processes end-to-end without expensive hardware and system management overhead costs.

Nine solutions focusing on project financial management and project execution make up the Oracle PPM Cloud solution. Because Oracle PPM Cloud is so modular in nature, enterprises can choose the products to deploy and add more products when they are ready. Baumbach said most customers start with Project Costing because costing is universal. Billing and contracts is also popular for customers that bill for project-based work.

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The following solutions make up Oracle PPM Cloud:

1. Project Performance Reporting
2. Project Costing
3. Project Control
4. Project Contracts
5. Project Billing
6. Project Management
7. Resource Management
8. Task Management
9. TAP for PPM

Project Performance Reporting: Uses a **multidimensional reporting model** to give project stakeholders answers to critical business questions to enable them to take action in real time.

Project Costing: Provides a highly automated and streamlined **project costing process**, allowing project-centric organizations to capture and account for project costs and commitments across other Fusion applications and third-party integrations for standardized cost collection processes.

Project Control: Manages the planning, budgeting, progressing, and forecasting aspects of a project from a user perspective using an intuitive interface to provide simplified viewing and control to better oversee critical activity.

Project Contracts: Delivers a **common contract framework** that allows users to manage the customer contract terms and conditions for products

and services, independent of how the project is executed.

Project Billing: Works with Project Contracts to ensure compliance with the customer contract when **billing and recognizing revenue** for a customer project.

Project Management: Provides easy to use collaborative planning and essential scheduling capabilities for the project manager and team members.

Resource Management: Optimizes the allocation and utilization of resources to ensure best-fit candidates from a global repository are assigned for every project.

Task Management: Offers real-time, in-context collaboration to enable team members to work socially and move the project along easily.

Tap for PPM: Delivers a complete view of projects on any iOS device so users can understand the health of the project and performance while on the road or even at the client's site.

Running through all of these solutions are the central tenets of Simplify, Accelerate, Collaborate, and Control. The result is cloud services that are more sophisticated around the financial planning and control of the project and that free up resources to be better utilized in other ways.

Simplification is apparent throughout the Oracle PPM Cloud portfolio. From the modern user experience through power user settings, becoming confident and proficient with the cloud service is a straightforward process. This is also achieved through Oracle PPM Cloud's integration with popular desktop tools, including Microsoft Project, which enables users to work



in a comfortable environment. And, this support helps the transition from reliance on fragmented project tools to a complete project portfolio management cloud solution.

Oracle PPM Cloud also delivers greater insight and makes analysis simpler. Analytics drive key decisions in many enterprises. While analytics have the potential to lead to better decision making, they are unable to do so unless the right people have the right data. When Oracle speaks with customers, analytics are one of the most frequent topics discussed, Baumbach said.

The Project Performance Reporting Cloud delivers insights via graphs and embedded analytics with over 150 pre-seeded data points in a rich set of subject areas. It is also able to work across multiple projects and historic indicators to determine what is going on. Rather than looking at custom reports, project managers and others can look at a standard set of key performance indicators (KPIs). Having this critical information at one's fingertips is vital to the project's success.

Related to simplification is acceleration. Tight integration and customized analytics mean less time and resources are spent tweaking and searching for data. More time can be spent analyzing the data and taking action. This insight into what

might have gone wrong, "gives critical information to project managers for historical data," Baumbach said, making it easier to get the information needed to make decisions.

Since projects are inherently social, Oracle facilitated the meshing of project information among team members, making it easier for them to collaborate internally or externally. The Team Connect feature offers an integrated, easily configured project space for all project members where any team member can upload documents or files for everyone working on a project to see and contribute. Users find functionality such as activity streams, forums, blogs, presence, document management, calendaring, and polling in Team Connect that make it comprehensive enough to meet all of their collaboration needs. For users who want the ability to work any time, Oracle offers "Oracle Tap for Oracle PPM Cloud," a Fusion application that can be accessed from any iOS device.

Integration, analytics, and collaboration are valuable, but they have great potential for the wrong information to end up in the wrong hands or for users to overstep their roles. Hence, controls are critical. Oracle PPM Cloud offers numerous built-in controls. Role-based usage and access are built into the services. This enables internal and external users to have direct access to exactly

(and only) what they need. In addition, for critical areas across the PPM suite, such as contracts, role-based analytics are also available. Project team members are given access to the financial information on an as-needed basis. Controls also prevent missteps, particularly where expenses come into play. Baumbach pointed out that standardized cost policies, for example, enforce validation at the point of entry. If costs are not validated upfront, the transaction will not go through. This way, "if it isn't right, it doesn't come in," she said.

Summary

PPM is a critical component of any enterprise involved with projects. PPM is hardly a stand-alone service though. Many of the components in PPM such as project costs, capital assets, budgets, billing, and revenue flow into financial management. Oracle PPM Cloud brings these complex and critical integrations together seamlessly and transparently for the organization and the user.

The benefits of this cohesive offering are truly felt when the big picture is examined. Ultimately, Baumbach said, this standardizing and focus on PPM flows downhill and benefits the financial management team, particularly if Oracle Financials Cloud is used as well. ■