



An Oracle White Paper
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Roadmaps to Oracle Fusion Applications for Current Oracle Applications Customers

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Introduction

Oracle customers have a number of options to consider as they plan their move to Oracle Fusion Applications. Depending on their implementation and solution requirements, they may choose to

- Upgrade to new leading-edge applications
- Replace their existing legacy systems with Oracle Fusion Applications
- Phase in Oracle Fusion Applications while retaining functionality with their current solutions

Many customers have custom interfaces and extensions, commonly known as CEMLI (configurations, extensions, modifications, localizations, and integrations) built on their existing Oracle solutions. The number of CEMLIs and their complexity can affect the approach to Oracle Fusion Applications adoption. A heavily customized environment might be best served by using phased approach—replacing some existing systems with Oracle Fusion Applications while keeping others. Oracle Applications customers using the latest releases, such as Oracle E-Business Suite 12.1.x and PeopleSoft 9.1 solutions, may not be ready to completely replace their solutions with Oracle Fusion Applications; however, an environment where Oracle Applications and Oracle Fusion Applications coexist could be beneficial.

This white paper discusses a variety of roadmaps for Oracle Applications customers who are considering updating their existing solutions with Oracle Fusion Applications. It focuses primarily on Oracle Applications customers using Oracle E-Business Suite and/or Oracle's PeopleSoft Enterprise applications. Oracle Consulting developed the roadmaps outlined here through extensive experience implementing and upgrading Oracle Applications solutions and working with customers in the Oracle Fusion Applications early adopter program.

Why Oracle Fusion Applications?

Designed from the ground up using the latest technology advances and incorporating the best practices gathered from Oracle's thousands of customers, Oracle Fusion Applications are 100 percent open-standards-based business applications that set a new standard for the way we innovate, work, and adopt technology. Built on a set of unique design principles, only Oracle Fusion Applications set a new standard for business.

Oracle Fusion Applications are a complete, standards-based platform. They can help you

- Reduce staffing overhead and training budgets
- Enable IT consolidation and reduce management costs
- Accelerate the pace of change and time-to-market for new initiatives
- Create unique processes and differentiation

Oracle Fusion Applications provide a complete user experience. A role-based approach to increasing productivity incorporates more than 4,000 hours of customer input and testing involving more than 1,000 businesses and public sector organizations. You get

- A tailored experience with built-in flexibility to improve the efficiency and effectiveness of your organization—from the executive leadership team to front-line workers and customers
- Embedded business intelligence that accelerates the pace and accuracy of business decisions
- Integrated collaboration that connects teams with the processes in which they participate
- Powerful Enterprise 2.0 technologies that incorporate unstructured information—such as invoices, product manuals, and business documents—into structured processes for richer experiences and better-informed decisions

Oracle Fusion Applications also provide a flexible approach to adoption and deployment.

- A complete yet modular approach enables the uptake of Oracle Fusion Applications at your pace and on your timeline
- New and value-added applications work with and add significant business value to other Oracle Applications
- Flexible deployment options include on-premise, public clouds, private clouds, and software as a service (SaaS)

Oracle Fusion Applications application and process leadership give you the “best-of-the-best” combination.

- Processes based on Oracle E-Business Suite and Oracle’s PeopleSoft, Primavera, JD Edwards, and Siebel applications
- Based on customer input and innovation covering all areas of business and industry requirements

Definitions

For the purposes of this paper, we use these terms to mean the following.

- **Upgrading**—Replacing an existing Oracle Applications instance with a new release (either a currently installed Oracle Applications version or Oracle Fusion Applications)
- **Reimplementation**—Treating an existing Oracle Applications installation as a “legacy system” and implementing some components of a live Oracle Fusion Applications installation or an entirely new Oracle Fusion Applications installation
- **Coexistence**—Adding Oracle Fusion Applications solutions to a customer’s existing Oracle Applications solutions, rather than upgrading or implementing new solutions in place of existing solutions
- **Migration of data**—Converting data from one Oracle instance to another Oracle instance by using Oracle’s Open Interfaces API and other Oracle or third-party conversion tools

Objectives

In considering their existing Oracle solutions and the path to Oracle Fusion Applications, most customers have the following business objectives in mind.

- Protecting their investment in Oracle solutions
- Getting the key benefits of Oracle Fusion Applications
- Mitigating the risk of upgrading, reimplementation, or coexistence
- Minimizing disruption to daily operations
- Keeping employees motivated and challenged

Upgrading Versus Reimplementation

There is no “one size fits all” approach to Oracle Fusion Applications. The right roadmap depends on the customer’s current solution implementation, software release levels, business needs, organizational structure, staff competency and adaptability to change, as well as the nature and number of existing CEMLI.

Oracle Applications customers with reasonably up-to-date software releases such as Oracle E-Business Suite 12.0.x or PeopleSoft Enterprise 8.x, and CEMLI that cannot be easily replaced, such as interfaces with legacy systems, should consider a phased approach to minimize risk. Oracle Applications customers with solution components that are not yet available in Oracle Fusion Applications are also candidates for a phased approach. These Oracle Applications customers may choose coexistence so they can continue to benefit from their existing solutions while taking advantage of new functionality in Oracle Fusion Applications.

Oracle Applications customers with older releases of Oracle solutions that are generally working well may be reluctant to replace their existing solutions. But in order to protect their investment in Oracle solutions, the software should be maintained at reasonably current levels in order to take advantage of product features and maintain access to new updates, fixes, and critical patch updates. For some of these Oracle Applications customers, reimplementation may be a sound and cost-effective approach. The rationale for reimplementation is also compelling if there is a significant number of CEMLI that could be complex and expensive to upgrade, particularly if the new functionality offered in Oracle Fusion Applications eliminates the need for CEMLI built on older releases. Reimplementation also provides an opportunity to redesign financial structures and take advantage of new features in Oracle Fusion Applications. Although reimplementation may initially seem more costly than an upgrade approach, in some cases a reimplementation to replace Oracle Applications with Oracle

Fusion Applications is actually more cost-effective. An analysis of the different options will help business stakeholders select the best approach.

Given the complexity and the dynamics of the different data models of the applications and technology stacks, not all older Oracle Applications versions may have upgrade scripts. Currently, upgrade scripts are limited to Oracle E-Business Suite Release 12 to Oracle Fusion Applications. The presence of CEMLI further complicates the upgrade process. For customers using older versions, an upgrade to the latest Oracle Applications release should be seriously considered in the short term, followed by a longer-term, phased approach of upgrading to Oracle Fusion Applications. If there are compelling reasons to move to Oracle Fusion Applications sooner, such as redesigning the Chart of Accounts or the need for process improvement, reimplementation is a better option in order to mitigate risks. Note that the upgrade path depends on the availability of upgrade scripts from Oracle Applications to Oracle Fusion Applications.

Coexistence

For Oracle's financial applications (Oracle Financials, PeopleSoft Financial Management, etc.), a common coexistence scenario is to implement Oracle Fusion Accounting Hub with an existing Oracle Applications solution. Oracle Fusion Accounting Hub is a financial management and analytics solution that enables customers to keep their current solutions within the existing footprint while still getting the advantages of the financial reporting and analysis capability of Oracle Fusion Applications. Data from existing legacy or third-party systems can be integrated into Oracle Fusion Accounting Hub via Oracle Fusion Subledger Accounting. Oracle Applications customers that have implemented Hyperion solutions can also enhance their footprint with Oracle Fusion Accounting Hub.

There are two models of coexistence with Oracle Fusion Accounting Hub. The first is to institute an integration platform by using Oracle Fusion Subledger Accounting to create accounting for Oracle E-Business Suite or PeopleSoft General Ledger. The other model is to create a reporting platform by extracting data from Oracle E-Business Suite or PeopleSoft General Ledger to gain the ease of financial reporting in Oracle Fusion Applications. Having a choice of coexistence strategies helps the customer select the scenario that best fits their existing footprint.

Using Oracle Fusion Accounting Hub with Oracle Applications is an example of a solution-based coexistence model that addresses specific requirements within a business area. Another example is using Oracle Fusion Talent Review with PeopleSoft Human Resources or Oracle Human Resources. Depending on business needs, some Oracle Applications customers may consider a pillar-based coexistence model such as using Oracle Fusion Human Capital Management with Oracle Financials.

Both coexistence models are supported by Oracle's prepackaged integrations that may contain Web services and batch integrations, depending on the business requirements. An assessment of current business requirements and solutions should be conducted before a coexistence model is proposed. A coexistence model may be implemented as part of a phased approach toward establishing an entire Oracle Fusion Applications footprint.

Example Solutions

The following are solutions that could be the basis for moving to Oracle Fusion Applications.

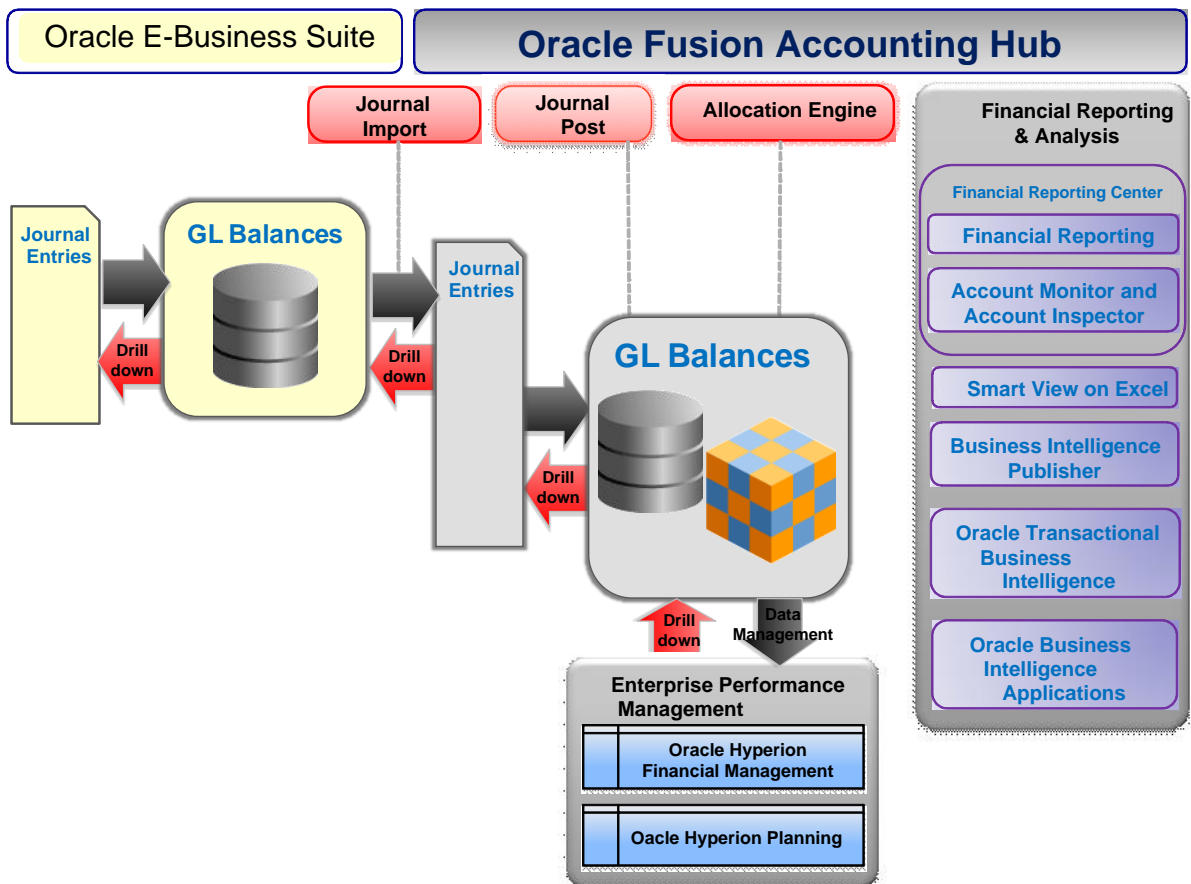
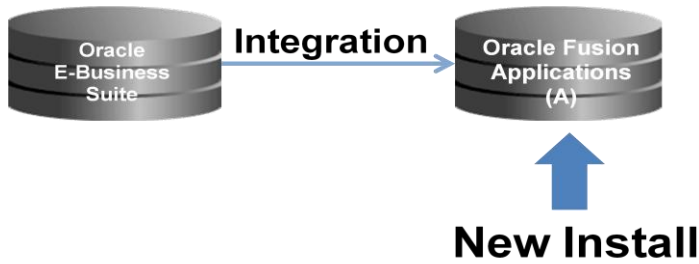
- Oracle Financials 11.5.10.2
- Oracle Financials, Oracle Human Resources, Oracle Order Management, Oracle Purchasing, Oracle Inventory, and Oracle Manufacturing 12.0.6
- Oracle Financials 12.0.6 with PeopleSoft Human Resources 8.9
- Oracle Financials, Oracle Projects, and Oracle Human Resources 12.0.6
- PeopleSoft Financials, PeopleSoft Supply Chain Management 9.1, and PeopleSoft Human Resources 9.1

Example: A Phased Approach

The following is an example of a phased approach on the path to Oracle Fusion Applications. ABC Corporation, an Oracle Applications customer, wants to implement new functionality in Oracle Fusion Applications while mitigating the risks that are associated with a "big bang" approach. For this customer, the existing Oracle E-Business Suite solutions consist of Oracle Financials, Oracle Human Resources, Oracle Order Management, Oracle Purchasing, Oracle Inventory, and Oracle Manufacturing 12.0.6.

Phase 1

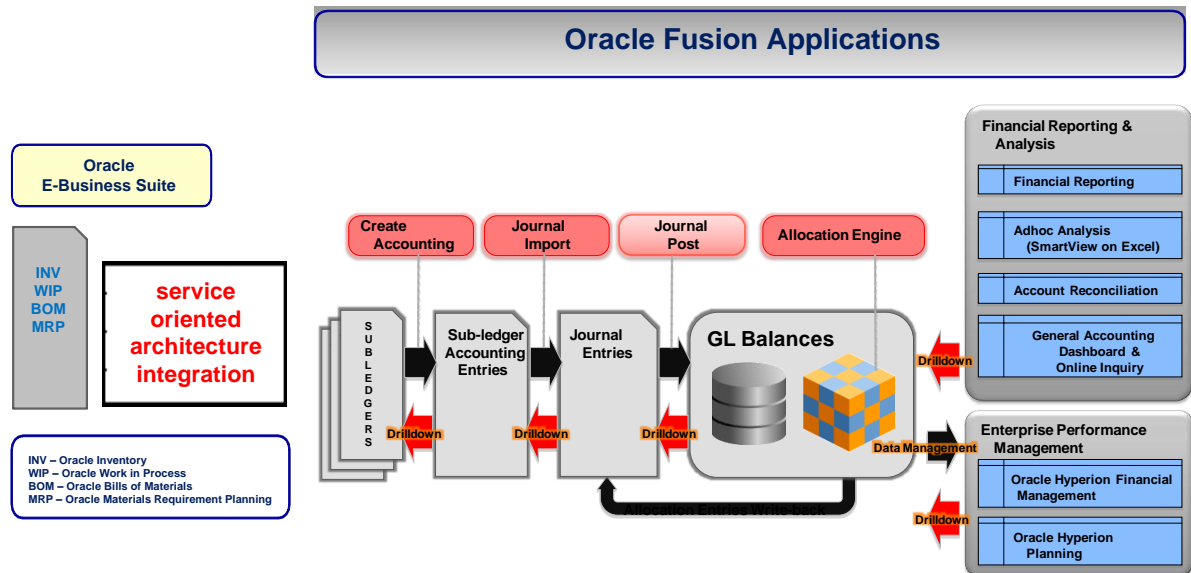
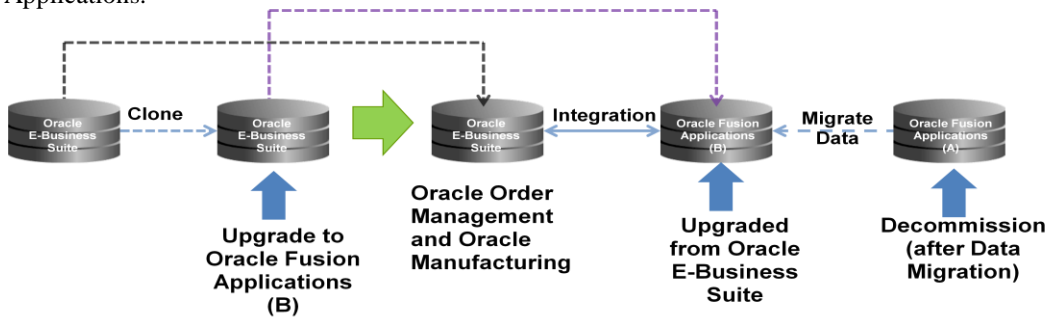
ABC Corporation wants to benefit from the financial reporting and analysis in Oracle Fusion Accounting Hub while retaining its existing Oracle E-Business Suite 12.0.6 instance. The customer will also implement Oracle Hyperion Financial Close Management for its financial closing and consolidation, and Oracle Hyperion Planning Plus for budgeting and planning activities.



Phase 2

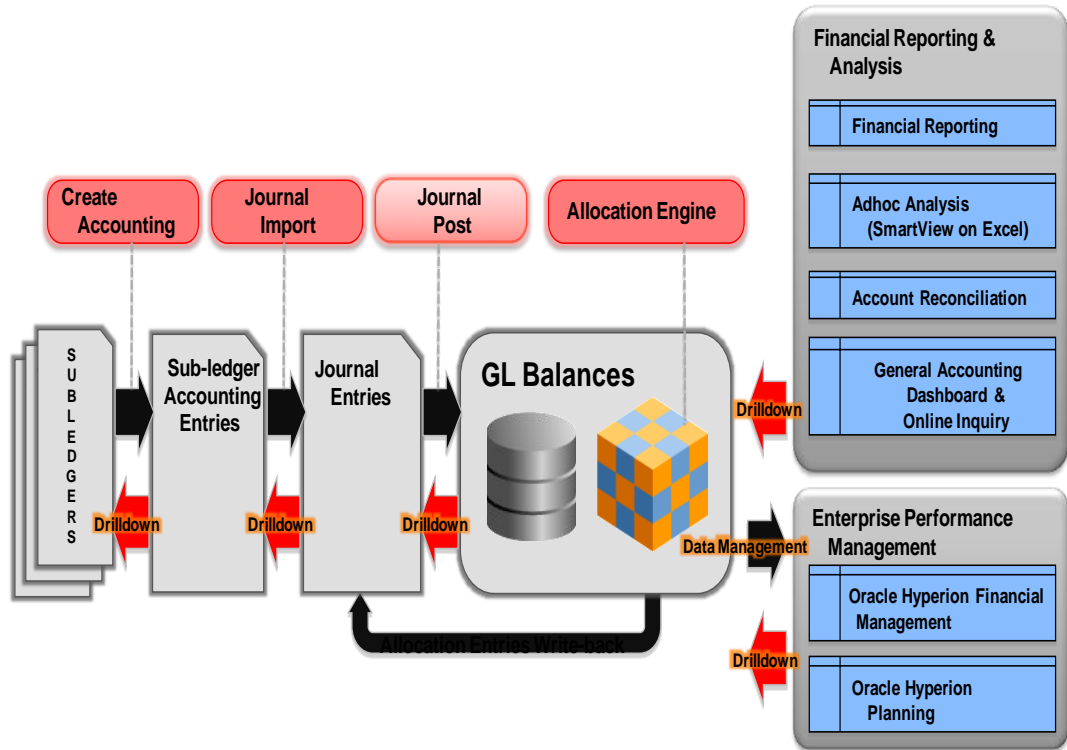
In Phase 2, a new Oracle E-Business Suite instance is created from a copy of a production Oracle E-Business Suite 12.0.6 instance. This new Oracle E-Business Suite instance is then upgraded to Oracle Fusion Applications (B) with the intent of deploying Oracle Fusion Financials, Oracle Fusion Human Capital Management, and Oracle Fusion Procurement. The data to support Oracle Fusion Accounting Hub is migrated from Oracle Fusion Applications instance (A) to the upgraded Oracle Fusion Applications instance (B). The production instance of Oracle E-Business Suite 12.0.6 will continue to be used for order management, inventory, and manufacturing processes, and integrates with Oracle Fusion Applications (B) through a service-oriented architecture to support these processes in Oracle E-Business Suite.

This phase depends on the availability of upgrade scripts from Oracle E-Business Suite 12.0.6 to Oracle Fusion Applications.



Phase 3

In Phase 3, the entire environment is running Oracle Fusion Applications. This includes manufacturing solutions that are reimplemented in Oracle Fusion Applications with data migration from Oracle E-Business Suite 12.0.6. This phase requires the availability of manufacturing and order management functionality not included in Oracle Fusion Applications, and should be considered a longer-term plan.



Evaluate the Options

Whenever a customer must choose between upgrade and reimplementation, it is vital to perform a detailed business and technical assessment of the customer’s requirements and existing solutions. Oracle Consulting has the deepest and broadest knowledge of Oracle products and solutions, including Oracle Fusion Applications, and can provide a roadmap tailored to the customer’s unique requirements and application footprint. The roadmap is based on an assessment of the customer’s existing Oracle Applications and the target Oracle Fusion Applications solution, and includes a high-level project plan and risk assessment. The assessment also takes into account the customer’s technical environment, CEMLI, and existing issues in order to fully leverage Oracle Fusion Applications.

The following table is a high-level summary of scenarios and their options.

CURRENT	KEY BUSINESS DRIVER	OPTIONS
Oracle Financials 11i	Upgrade to the latest software release as soon as possible	If the only compelling reason is to keep a software release up-to-date, upgrade to Oracle E-Business Suite 12.1.3. In a future phase, upgrade Oracle E-Business Suite to Oracle Fusion Applications when it becomes available. Alternatively, reimplement solutions with Oracle Fusion Applications.
Oracle Financials, Oracle Human Resources, Oracle Manufacturing 11i	Interested in Oracle Fusion Human Capital Management, Oracle Fusion Talent Review, and Oracle Fusion Accounting Hub	Given that Oracle Fusion Applications does not include a manufacturing module, an older release of Oracle Manufacturing makes the timeline to Oracle Fusion Applications more challenging. <ul style="list-style-type: none"> Option A: Implement Oracle Fusion Financials, Oracle Fusion Human Capital Management, Oracle Fusion Talent Review, and Oracle Fusion Accounting Hub, and integrate with Oracle Manufacturing in Phase 1. In Phase 2, reimplement Oracle Manufacturing in Oracle Fusion Applications (upgrade V1) when it becomes available. Option B: Take a longer-term approach. First upgrade to Oracle E-Business Suite 12.1.3. Then implement a coexistence scenario using Oracle Fusion Human Capital Management, Oracle Fusion Talent Review, and Oracle Fusion Accounting Hub with Oracle E-Business Suite 12.1.3. Finally, upgrade Oracle E-Business Suite to Oracle Fusion Applications when upgrade scripts are available. Migration of data will be necessary.
Oracle Financials, Oracle Human Resources, Oracle Projects 12.0.6	Interested in Oracle Fusion Accounting Hub and Oracle Hyperion Financial Close Management	First implement Oracle Fusion Accounting Hub and Oracle Hyperion Financial Close Management to coexist with Oracle Financials, Oracle Human Resources, and Oracle Projects. Then upgrade Oracle E-Business Suite to Oracle Fusion Financials, Oracle Fusion Human Capital

		Management, and Oracle Fusion Project Portfolio Management when upgrade scripts are available. Migration of data will be necessary.
PeopleSoft Financial Management and PeopleSoft Human Resources 9.0	Interested in Oracle Fusion Accounting Hub and moving to Oracle Fusion Applications as soon as possible	Implement Oracle Fusion Accounting Hub to coexist with PeopleSoft Financial Management and PeopleSoft Human Resources. Then implement Oracle Fusion Financials and Oracle Fusion Human Capital Management.
Oracle Financials 12.0.6, PeopleSoft Human Resources 8.9	Interested in Oracle Fusion Human Capital Management, Oracle Fusion Talent Review, and Oracle Fusion Accounting Hub	Implement Oracle Fusion Human Capital Management and Oracle Fusion Accounting Hub to coexist with Oracle Financials. Then Upgrade Oracle E-Business Suite to Oracle Fusion Applications when the upgrade scripts are available. Migration of data will be necessary.

Conclusion

With the wide range of solutions that have been implemented by Oracle Applications customers, it is natural that the path to Oracle Fusion Applications will vary, depending on the particular implementation and requirements of each customer. Customers on older Oracle Applications releases should realize that it is necessary to keep the software release reasonably up-to-date. In some cases, there may be compelling reasons to reimplement rather than upgrade. Depending on the requirements and the solutions that the customer has in place, a reimplementation could be an opportunity for some redesign work to derive additional benefits and mitigate risks.

Where Oracle Fusion Applications provide additional, rich functionality not available in the customer's existing solutions, a coexistence scenario can bridge the gap. A phased implementation approach combined with an initial coexistence scenario can provide key benefits and reduce risk and costs, while ensuring no loss of functionality in existing Oracle Applications solutions.

Engage the right people with the required skills and experience early on the path to Oracle Fusion Applications to ensure success. With a detailed business and technical assessment and proper planning, the end result will be very rewarding for existing Oracle Applications customers that are considering a move to Oracle Fusion Applications.



Roadmaps to Oracle Fusion Applications for Current

Oracle Applications Customers

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Hardware and Software, Engineered to Work Together

