Executive Overview

CIOs and the IT systems that support them are more business-focused than ever. In recent years, IT executives have become full partners in the process of eliminating waste and driving their company's response to change. Successful, agile companies appreciate IT systems that adapt readily to their information needs. Coping with every challenge — from peak usage to full-blown organizational transformation, is critical to quick delivery of information to employees — especially decision makers. Global markets operate at the speed of the Internet. Businesses can't ignore change, or they risk being left behind.

An Oracle Optimized Solution is an Application to Disk stack of Oracle software and hardware that is engineered, tested, and certified to work together, as a single system, to ensure customers get the maximum performance and productivity from their IT assets.

Introduction

In general, IT-led innovation transforms businesses in three distinct stages: building a lean business, shaping an agile business, and driving business innovation. Building a lean organization means integrating, and standardizing IT systems and business processes for optimum performance. While lean practices focus on the speed, quality, and cost of operations, the agile organization focuses on the speed, quality, and cost of change to those operations.

Shaping an innovative business is done by creating dynamic, flexible, and aligned business processes and accompanying systems. But the impact of agility is not limited to operations; it also affects the business model and organizational structure. It is no longer acceptable to limit change efforts to business and management processes and an annual software upgrade. In a responsive value chain, IT systems, business processes, and information sources must be set up in such a way that they offer multiple options for new requirements, rather than just supporting the old, well-defined paradigms. Dynamic organizations also need pervasive access to information that can be shared with every stakeholder in the value chain.

Oracle has excelled as a company for more than a decade, despite a challenging global economy and a series of major acquisitions. Oracle has run its business using Oracle Enterprise Business Suite, like 65,000 of its customers. With the acquisition of Sun, Oracle now provides Oracle Optimized Solutions: a complete applications to disk solution engineered, tested, and certified to work together as a single system.
The Challenges of Change

Employees at all levels of the organization need access to relevant and timely information to support decision-making. Crucial management processes, such as planning, budgeting, and scenario analysis, should be supported by systems that enable the fast and continuous evaluation as well as adoption of strategic options to cope with ever increasing market change. The CIO needs to ensure that the IT landscape is dynamic and flexible, and is able to integrate processes and information exchange across the extended enterprise. The way is then open to continuous business innovation.

Oracle: Embracing Change

Oracle appreciates these pains and priorities because it faces the same challenges. Well before the dot-com decade, Oracle pioneered the development of relational database management systems. With databases and business applications at its core, the company is a thirty-plus year veteran at the heart of the global IT industry, well respected for innovation and business execution. Oracle has not only encountered change, it has actively sought change out as opportunity. Beginning with the acquisition of PeopleSoft in 2004, Oracle has expanded its product offerings by acquiring over 50 companies — then merging the newly acquired operations with its own — including very dissimilar IT assets, standards, and practices. Oracle’s acquisition history over the last decade is almost unrivaled in the industry (Figure 1).

Figure 1. Oracle acquisitions over the last decade, with the largest acquisition in each year — and its value in US$. 

[Diagram showing Oracle acquisitions from 2004 to 2009 with values for each acquisition]
The most recent acquisition — Sun Microsystems — has transformed Oracle into one of the world’s largest providers of hardware for database systems, at the very core of most Fortune 500 companies. The acquisition of Sun went beyond uniting two long-time partners. Sun was one of the world’s leading providers of industry-standard workstations and servers. Sun sold billions of dollars worth of servers each year — many running Oracle databases and applications — helping deliver solutions to telecommunications, manufacturing, education, financial, and government customers.

“M&A activity almost inevitably creates a major conundrum for the CIO. On the one hand, the new enterprise’s data is fragmented across company boundaries. On the other, management is experiencing a heightened (even frenzied) demand for accurate, consolidated information. Basically, you’re asked to make a silk purse from a sow’s ear.” ¹

Every CIO knows the challenge of acquiring or merging with another company. A merger is at best painful and at worst disruptive. Yet Oracle has made every acquisition work, coping with the complexities and not only surviving, but thriving. During the last seven years, Oracle has averaged 16 percent annual growth, building its success on a keen understanding of the challenges it’s customers face (Figure 2). Arguably one of the industry’s most lean and agile organizations, it knows that information enables productivity, flexibility, and innovation. Oracle has succeeded because it truly understands the importance of information technology.

¹ Dan Pratte “Use BI Tools to Ease Merger and Acquisition IT Integration Issues”, TechRepublic, 7 May 2001, articles.techrepublic.com
Oracle Runs Oracle and the Oracle Enterprise Business Suite

Oracle runs its worldwide, mission-critical operations using its very own Oracle Enterprise Business Suite. Oracle Enterprise Business Suite (EBS) applications are complete business and industry solutions that improve business performance through greater efficiency and collaboration. Oracle EBS Web services fit seamlessly into heterogeneous application environments with flexible and scalable solutions that can be matched to business needs of customers in more than 20 industry verticals, including communications, engineering and construction, financial services, health services, manufacturing, public sector, and retail (Table 1).

| TABLE 1. COMPONENTS OF ORACLE ENTERPRISE BUSINESS SUITE |
|------------------------------|----------------------------------|
| **SAMPLE SOLUTION**          | **DESCRIPTION**                  |
| Oracle Customer Relationship Management | Organize, automate and synchronize business processes such as sales, marketing, customer service, and technical support. |
| Oracle Financials             | Financial applications designed to execute specific business processes, such as Oracle Assets, Oracle General Ledger, Oracle Payables, Oracle Receivables, and Oracle Cash Management. |
| Oracle HR Management System   | Automates recruiting, training, benefits, payroll, and timekeeping. |
| Oracle Mobile Supply Chain Application | Supports delivery, receiving, inventory, and manufacturing processes that use hand held radio frequency (RF) devices. |
| Oracle Advanced Procurement   | Corporate purchasing from tendering to invoicing and payment. |
| Oracle Quoting                | Automated sales quote generation application that enables the easy, consistent and secure creation and management of quotes across field sales, telesales, e-commerce and business partners. |
| Oracle Transportation Management | Integrates and streamlines transportation planning, execution, freight payment, and business process automation across all modes of transportation, from full truckload to complex multi-leg air, ocean, and rail shipments. |
| Oracle Warehouse Management System | Enables companies to maximize their utilization of labor, space and equipment investments by optimizing resource usage and material flows across a global supply chain. |
| Oracle Retail Store Inventory Management | Enables store personnel to quickly receive merchandise, manage physical inventories, conduct stock counts, order merchandise, and transfer stock. |
| Oracle Enterprise Asset Management | Supports sophisticated, condition-based maintenance strategies for property, plants, and public infrastructure. |

According to Oracle’s web site, there are more than 65,000 Oracle Applications customers worldwide.2

Implementing a Complete Oracle Optimized Solution

Oracle Enterprise Business Suite is one component of Oracle Optimized Solutions, a hardware and software stack comprised of Oracle applications, Oracle Database, Oracle middleware, the Oracle Solaris operating system, Sun servers, Sun storage, and Sun networking. These highly optimized solutions are engineered, tested, and certified to work together as a single system to help customers quickly deploy their Oracle solutions and maximize the productivity of their IT assets. Contrast the complexity of a multi-vendor solution with the simplicity of an Oracle Optimized Solution (Figure 3).

Delivering Reliability with Oracle Optimized Solutions

- Because Oracle can optimize each layer of its technology stack in conjunction with all the others, Oracle Optimized Solutions provide increased performance, security, and ultimately, higher uptime to Oracle E-Business Suite applications. Software can be optimized to take advantage of hardware features, hardware can be engineered to provide direct advantages to software, and functionality can move within the complete system as needed to promote performance, reliability, scalability, or other desired aspects. Full-stack integration and optimization lead to faster innovation.

- Validating the proper operation of solutions comprised of elements from each layer of the stack is essential to confirm that the software functions and performs as designed in real-world environments. Oracle Integrated Stack Testing (OIST) confirms that hardware and software components in typical enterprise configurations interoperate and perform well together. Select combinations of applications and platforms are tested to create reference configurations. Oracle fully
qualifies each combination by testing the software and hardware stack as a unified solution, thereby reducing user testing time and deployment costs. Using these reference configurations, business managers have a pre-tested, viable starting point for a system architecture.

Delivering Performance

• Oracle optimizes the performance of each piece of the Oracle Application to Disk stack individually and as part of the stack — from Oracle E-Business Suite through Oracle Database and the Oracle Solaris operating system to Oracle servers and storage. Oracle software is enhanced to take advantage of the unique features of Sun SPARC servers and Sun Storage, including high levels of threading and flash cache technology, while leveraging open standards and interoperability. Sun and Oracle have maintained binary compatibility between operating system releases for nearly a decade, enabling existing Oracle Solaris applications to run unmodified on the latest Oracle Solaris 10 operating system. As a result, Oracle Solaris applications developed ten years ago are guaranteed to run on Oracle Solaris 10 unchanged, taking full advantage of new and advanced Solaris features.³

• The combination of Oracle's Sun T-series and M-series SPARC servers, Sun's other hardware, the Oracle Solaris operating system, and Oracle's other software, provides an incredible ability for customers to select the method of scaling that best suits them — from scaling out across smaller building blocks, to scaling up on large SMP configurations, to leveraging Oracle’s virtualization software to “scale within” (Figure 4). Oracle’s unique scalability means customers can leverage their investments, by enabling the application of similar skills and talents across ALL environments, reducing complexity, risk and cost.

Ease of Management

- Only Oracle supplies a complete application stack and the management for it in an integrated offering. Oracle Enterprise Manager provides complete support for Oracle Database and Oracle Fusion Middleware and incorporates Sun management through Ops Center. Oracle Enterprise Manager provides a seamless view of live business transactions enabling IT to proactively spot issues and drill down to fix them in real time before business is impacted. Oracle Enterprise Manager Ops Center provides comprehensive tools to manage Sun SPARC servers, the Oracle Solaris operating system, and Solaris virtualization technologies, and can dramatically improve the efficiency of IT operations.
Faster Time to Deployment with Oracle Optimized Solutions

- Oracle Optimized Solutions are put through rigorous trials using fault injection, stress, performance, and scalability testing.
- Oracle tests all components so customers can quickly deploy these reference architectures and leverage best practices in existing and new environments.

Oracle on Oracle: Oracle E-Business Suite and Oracle Optimized Solutions

The Oracle Corporation uses many applications from the Oracle Enterprise Business Suite — including ERP, Customer Relationship Management, Oracle Financials, Human Resources, and other Oracle EBS application modules — to run its own dynamic, mission-critical global business. Oracle has also long used large Sun servers to power the database tier of its in-house Oracle Enterprise Business Suite implementation. For example, two Oracle SPARC Enterprise M9000 servers — each running the complete Oracle Optimized Solution software stack — currently power the Oracle Database behind Oracle’s EBS applications (Figure 5).
Two other Oracle SPARC Enterprise M9000 servers — configured to assure the continued availability of Oracle’s data company-wide — are located at a secondary datacenter a comfortable distance away. These servers are also used to test new applications before they are deployed in the primary datacenter.
Meeting the Challenges of Change with Oracle

Oracle provides award-winning Global Customer Care in 27 local languages, 24 hours a day, seven days a week, whether an organization is using a single Oracle product or a complete Oracle hardware and software solution. With a complete Oracle hardware and software solution, organizations avoid getting bounced back and forth between multiple vendors without ever getting a particular problem resolved. Oracle is the one company to call to resolve an issue, and the one company to praise when things go right.

Oracle Consulting Services is the premier services provider focused exclusively on ensuring the success of customers deploying Oracle applications and technology. Drawing on industry best practices and deep software expertise, Oracle consultants assess a company's business needs, help create (or modify) its enterprise computing strategy, and deploy technology to maximize the value of its Oracle investments. Oracle Consulting helps companies extend the value of software applications and evolve to the next generation of Oracle E-Business Suite applications. Whether a company implements one module, multiple modules, or the complete suite of solutions for its industry, Oracle consultants and partners have the experience to accelerate IT projects and lower risks. Oracle Consulting provides implementation services directly to customers or in concert with systems integration partners.

Conclusion

Coping with change is hard, even when that change is self-inflicted through a merger or acquisition. Oracle designs, builds, sells, and supports both Oracle Enterprise Business Suite software and Oracle hardware systems. It uses both to run its own operations. Even after 50-plus acquisitions, it’s a safe bet that an Oracle Optimized Solution works well. Oracle Optimized Solutions are complete, hardware and software-optimized solutions — engineered, tested, and certified to work together.

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5 An Oracle Customer Case Study — *Exterran Holdings, Inc. Implements Hosted IT Solution On-Time and Significantly Under Budget* — demonstrates the value of Oracle Consulting and the Oracle Enterprise Business Suite to an innovative and agile customer integrating IT systems after a series of mergers.
## References

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