Oracle Cloud Platform Empowers Finance to Reimagine the Possibilities

Where are you on your ERP cloud journey?

After more than two decades of active use, today’s enterprise resource planning (ERP) systems still represent the heartbeat of the enterprise. Nearly everything connects to the ERP system, both upstream and downstream, including finance, purchasing, procurement, order management, sales, marketing, and HR. But are yesterday’s ERP systems still up to the task of running a modern business?

Moving ERP functionality to the cloud is an opportunity to re-invent and transform fundamental business processes. Cloud applications have virtually no scalability limitations, and new capabilities can be added all the time—from the latest mobile-computing extensions to artificial intelligence (AI) and machine learning (ML) algorithms. For example, AI technology can change the quarterly close process from a linear, event-triggered routine to a continuous activity. A modern ERP system could automatically report exceptions as they occur, learn from those exceptions, and make recommendations to resolve similar issues in the future—eliminating delays and accelerating the close process.

Similar types of automation can have a decisive impact on supply chain planning, marketing segmentation, customer support, sales enablement, manufacturing responsiveness, and many other business domains.

Read on to learn about the core principles of a successful, cloud-based digital transformation and how Oracle’s modern cloud technologies can help you get there in four key moves.

• **Connect** disparate information systems beyond ERP for a 360-degree view of the business

• **Extend** ERP apps with specialized functionality and experiences, from mobility to AI to blockchain

• **Secure** the entire environment with intelligent, automated security

• **Analyze** relevant data and deliver intelligent insights from blended data sources
As the guardians of the financial health of the organization, chief financial officers (CFOs) play a critical role in most digital transformation initiatives. Finance is moving away from a mere reporting role and toward decision support and predictive analytics, with responsibility for managing the overall performance of the organization. The finance team is the custodian of a great deal of corporate data, and these professionals depend on ERP applications as the touchpoint for many critical business processes.

Because CFOs look for measurable returns, they bring a solid business perspective to these endeavors. A desire to increase efficiency and reduce costs is motivating many of these business leaders to shift from on-premises ERP installations to software-as-a-service (SaaS) systems that reside in the cloud. However, although these decisions may be initially motivated by a desire to reduce costs, 81 percent of finance leaders that responded to a recent ERP trends survey said that the ability to stay current with new technology was the top benefit of moving ERP functionality to the cloud.¹

Every organization follows a unique journey to the cloud, and it’s important to be able to move at your own pace. What do you need to embark on a successful journey?

- The right focus and leadership—ideally both the CFO and CIO, and possibly CHRO, prioritizing technology initiatives that meet pressing business needs
- The right structure—especially organizational systems that enable cross-functional collaboration, because much of the data used in finance originates elsewhere

Finance and HR often pair up when moving to the cloud because both areas have stakes in areas such as budgeting and workforce planning. Ultimately, these two disciplines can serve as role models for other corporate functions interested in moving to the cloud.² Don’t think of it as a finance transformation but rather as a business transformation that starts with finance—and in which finance, IT, and HR work toward common goals.

A full 73 percent of finance leaders said that closer alignment between the CIO and CFO is critical to achieving transformation in finance.

Cloud-based ERP systems have become the new standard for the finance office. More than three-quarters of respondents to an ERP Trends survey said they are either running ERP in the cloud or have plans to do so.
Make a Break with the Past

Organizations have to continually modernize their information systems to keep up with competitors, but many companies are hindered by aging IT infrastructure, mountains of data, rigid business processes, and user experiences that don’t meet the demands of today’s tech-savvy workers. Yesterday’s ERP systems simply aren’t flexible enough to adapt to these constant changes.

On-premises ERP systems are known for expensive and lengthy upgrade cycles that yield major updates every two to three years, at best. That’s not going to help you innovate or be agile enough to embrace market trends. To turn the tide, you need an innovative software foundation that will accommodate the very latest technology—one that is updated with new features on a continuous basis so that you can rapidly respond to new opportunities, as well as contend with evolving legislative and regulatory requirements in your market.

Combining SaaS apps such as Oracle ERP Cloud with Oracle Cloud Platform allows you to innovate continuously, often several times each year, ensuring a continually modernized technology foundation.
Embrace a New Vision

A cloud journey requires not only a starting point but also a vision for where you are heading and what you want to do when you arrive. But the journey never really ends since new technologies continually emerge to shape future business strategies. Oracle helps you imagine the possibilities for simplifying, enriching, and elevating your business.

• **Simplify with connections:**
  It starts by connecting your applications such as Oracle ERP Cloud into your existing infrastructure. Connect data, processes, and people to standardize and improve process quality, reduce response times, and lower costs.

• **Enrich with insights and extensions:**
  Go beyond operational reporting and use blended data from ERP, performance management, and other data sources to achieve a 360-degree view of the business. Use data visualization to tell a compelling story and use intelligent analytics that are predictive and prescriptive to make informed business decisions. When out-of-the-box functionality doesn’t meet your exact needs, rapidly build out business extensions.

• **Elevate with experiences:**
  Get ahead of the competition by providing engaging, personalized experiences to employees, customers, and partners. For example, you can use Oracle Digital Assistant to create personalized conversational interfaces bolstered by AI-powered capabilities that can pull data from multiple sources, analyze trends, and assist with process workflows.

SaaS apps embody modern best practice processes, allowing for personalization, unique configurations, and some degree of tailoring, but companies also need to be able to build new custom apps and extend existing ones in order to successfully evolve. With the help of cloud platform-as-a-service (PaaS) options, Oracle SaaS customers can easily incorporate unique digital functionality for integration, application development, security, mobility, AI, predictive analytics, blockchain, and many other emerging technologies. Oracle Cloud Platform makes it easy to embrace the possibilities with visual, business-oriented tools that enable compelling user experiences.

Reimagine the Possibilities

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Conversational UI

Smart Devices

Smart Transactions
Choose Your Own Path

Your digital transformation to the cloud is not a one-step journey, and it will most likely follow a couple of well-defined paths. You can choose whichever starting point makes sense for your organization. Each path gives you options to adopt innovative technologies.

- **Embrace SaaS**: Some customers are ready to embrace the cloud from the start by adopting the innovative, foundational capabilities native within Oracle SaaS applications. These customers can drive enhanced value by complementing their SaaS applications with Oracle PaaS to connect, extend, secure, and analyze those apps using an expansive suite of emerging technologies that is ready to work with Oracle SaaS applications.

- **Move to the cloud**: Other customers want to keep their on-premises apps and enhance them with modern cloud services as they gradually increase their cloud footprint. This path creates a hybrid environment in which customers can “lift and shift” existing apps to Oracle Cloud Infrastructure, and from there use Oracle PaaS technologies to connect and extend those on-premises apps—all within a managed cloud infrastructure.

In both cases, Oracle offers a complete transformation platform that goes beyond “single line-of-business” offerings. Whichever path you take, the underlying Oracle Cloud Platform services deliver continuous innovation, at your pace—use what you need, when you need it. With Oracle Cloud, you can reimagine the possibilities, and those possibilities are limitless.
Where Do You Start?

How can you deploy Oracle technologies to accelerate innovation in your own digital transformation? It all depends on where you are in your cloud journey—still on the edge or “all in.” Embracing a digital transformation can seem quite daunting when there’s a whirlwind of evolving technologies to choose from and the urgency of not wanting to be left behind. Evaluate your organization’s culture, leadership and skills to gauge your readiness for the journey. Although not necessarily sequential, typical cloud journeys follow a maturity level by addressing immediate needs first or conducting a pilot project.

Take incremental steps that easily deliver big results and move on from there. Follow the four types of innovation motions as your guide:

1. Connect
2. Extend
3. Secure
4. Analyze

Connect: Data, Processes, and People

Simply Connect with Oracle Integration for a Connected Enterprise

It’s imperative to have a good integration strategy from the start—one that considers systems outside of ERP and dictates how those systems should integrate with common methods and patterns that can be adopted and reused throughout the enterprise. All cloud journeys require connecting to other technology environments, whether you are migrating from an on-premises operation or making a clean cutover with an all-in cloud mentality. Organizations that update on-premises systems to cloud-based systems typically have a lot of applications and data to connect—both in the data center and from other SaaS systems. They also need to facilitate collaboration by connecting people with key business applications and data, and automating processes that touch many different systems, from front-end applications such as CRM to back-end applications including finance, payroll, and others.

Oracle Integration eliminates barriers between business applications through a combination of machine learning, embedded best practice guidance, prebuilt integrations, and process automation. It includes an extensive library of adapters to connect Oracle and third-party applications, so you can access new business services fast. Because it is a platform service, it eliminates the need for “point integrations” that further create information silos. An integration platform enables organizations to orchestrate and automate processes, and connect data across applications: SaaS to SaaS, SaaS to on-premises, and across on-premises environments.

Oracle ERP, EPM, and SCM Cloud customers see added benefit from using Oracle Cloud Platform because it provides prebuilt templates, prepopulated integration recipes, and ready-to-use adapters for fast, proven integration.

- Minimize development and maintenance costs with prebuilt adapters and integration flows in hybrid environments
- Save time and reduce errors with QuickStart process templates to create and automate business processes
- Increase collaboration and productivity with rapid point-and-click, low-code integrations
Extend: Insights and Experiences

Simply Converse with Oracle Digital Assistant for an Engaged Enterprise

Today’s employees expect to see modern digital capabilities in their workplace applications, such as personal digital assistants and chatbots. Machine learning algorithms enable chatbots to discover patterns in consumer and business data and make recommendations based on contextual insights. Machine learning–based innovations can be easily applied to ERP, enabling finance and operations teams to spend more time on strategic initiatives that grow the business by increasing efficiency, accuracy, and compliance across business processes.

For example, Oracle Expense Reporting Assistant streamlines expense report processing by automatically creating, classifying, and matching expense items. It uses machine learning to improve the automatic classification of expense items, monitor policy violations, and reduce audit risks.

Project Management Digital Assistant provides instant project status updates and enables users to update time and task progress. The digital assistant learns from past time entries, project planning data, and the overall context to tailor interactions and capture critical project information.

- Engage users through voice, text, and gestures in a conversational, personalized manner
- Use AI-powered recommendations to guide users, automate interdependent business processes, and initiate tasks without user prompts
- Connect workflows across multiple ERP, SCM, HCM, CX, and custom/third-party applications

Simply Deliver with Oracle Java Cloud/Oracle Visual Builder Cloud for an Agile Enterprise

When out-of-the-box functionality is not enough for what you need, Oracle’s open development framework fits the bill. Oracle Java Cloud is ideal for extending SaaS applications. Developers can use Oracle Java Cloud to embed new functionality in existing SaaS apps, as well as create standalone mashup applications that gather data from SaaS apps and other external sources, in the cloud and on-premises. Extensions are guaranteed to be compatible with Oracle SaaS apps because they utilize the exact same platform that delivers Oracle SaaS services.

Oracle Cloud Platform supports Java and open standards to maximize developer productivity and eliminate the risk of vendor lock-in.

- Rapidly design, prototype, and publish web and mobile apps without the need for sophisticated coding skills
- Take advantage of cloud-based tools for developing blockchain applications, mobile computing capabilities, and Internet of Things (IoT) applications
- Increase productivity with instant access to extensions built by Oracle partners and the Oracle Cloud community
Secure: Advanced Control and Compliance

Simply Protect with Comprehensive Cloud Security for a Safe Enterprise

All cloud-based systems pose unique security risks and challenges, but ERP applications are particularly vulnerable given the sensitive nature of their data and functions. According to the Cloud Security Alliance (CSA) ERP Security Working Group, it is vital to understand and evaluate all the risk factors involved with ERP migration, provisioning, and consumption of cloud services. Many SaaS-based ERP apps only have nominal controls governing who can access application services—and there are various other security factors to consider as well.

SaaS-based ERP systems are more secure than on-premises systems because they are maintained by the vendor and consistently updated with security patches. However, even though your SaaS providers may take care of security within their cloud environments, when you have multiple SaaS solutions, security vulnerabilities depend on proper exchanges among multiple applications. Oracle Cloud Platform provides a comprehensive set of tools for managing identities, monitoring user activity, responding to security incidents, and addressing regulatory concerns.

- Secure diverse cloud environments with an intelligent platform that prevents, detects, and rapidly responds to regulatory issues and security threats
- Use AI to establish baselines and recognize unusual activities, such as when a user unexpectedly changes permissions, privileges, or configuration settings
- Obtain a complete view of multicloud environments through a single pane of glass, rather than requiring you to manually investigate incidents

Analyze: Gain a 360-Degree View of the Business

Simply Discover with Oracle Analytics Cloud for an Intelligent Enterprise

ERP applications include standard reporting and analytics capabilities for most business functions, but today’s managers want more: more charts, more visualizations, more ways to gain insights into the day-to-day workings of the business. Oracle ERP Cloud is a great starting point. It includes role-based dashboards that use infolets to present data, making it easy for people to access important information right away. However, when a business needs information that spans multiple sources in addition to the ERP applications—whether it’s understanding daily cash flow requirements, predicting business financing needs, or many other important analytics scenarios—users can tap into Oracle Analytics Cloud to personalize and visualize data, obtain new insights, and make knowledgeable decisions.

Oracle Analytics Cloud democratizes access to information by empowering many types of users with decision-making capabilities.

Infusing AI and machine learning into analytics makes it easier for business users who are not analytically savvy to obtain timely, proactive business insights—rather than merely consuming other people’s findings.

- Enrich SaaS data with connections to on-premises sources as well as to Oracle SaaS and third-party applications
- Use ML, AI, and natural language processing to obtain insights and discover hidden patterns
- Embed analytics in any application context for people to customize and personalize
Connect, Extend, Secure, and Analyze: A Successful Cloud Implementation at Mitsubishi Electric

Organization
As part of a US$40 billion global company, Mitsubishi Electric is a world leader in industrial automation. Its e-F@ctory solution in Japan represents the state-of-the-art in intelligent, data-driven manufacturing and supply chain management.

Challenge
Mitsubishi manufactures thousands of complex industrial products to fulfill more than 10,000 orders each day, with millions of different combinations for the components that make up each product. Previously, Mitsubishi wrestled with complex, fragmented, on-premises systems for HR, SCM, finance, warehouse management, transportation, and shop floor production. It could not utilize a growing volume of machine data, which sometimes delayed critical decisions.

Solution
Mitsubishi used Oracle application integration and data integration technology to connect and automate digital processes spanning Oracle Cloud applications handling ERP, HCM, and CX functions, as well as Oracle Internet of Things Cloud. It used Java Cloud to create extensions and build new applications that bring together unique views for factory supervisors.

Because Mitsubishi’s IoT data represents sensitive intellectual property, it used Oracle Identity Cloud to secure access to the information and create audit trails to monitor usage. Then it used Oracle Analytics to access and blend various types of data from multiple back-end and front-end systems. The results? Managers can gain insights to optimize factory floor operations, reduce costs, and maximize the use of scarce resources.

Success
Oracle Cloud technology combines data and functionality from key disciplines including HR, supply chain, finance, and security into a seamless solution that not only manages and visualizes IoT data, but also integrates these different disciplines into cohesive business processes within the e-F@ctory solution as well as a global ecosystem of partners and customers.

Mitsubishi uses artificial intelligence and process automation from Oracle SaaS applications and Oracle Cloud Platform to increase uptime by 60 percent and production by 30 percent, and to reduce manual processes by 55 percent and floor space by 85 percent.
Intelligence at Every Layer

Oracle’s complete, integrated cloud technology foundation includes pervasive intelligence that spans the SaaS, PaaS, and IaaS layers. Artificial intelligence is embedded into all the apps and extended throughout the platform, driven by machine learning–powered innovations that augment the knowledge and capabilities of users. These unique capabilities make Oracle Cloud technologies simpler to access, easier to create, and more efficient to secure, manage, and run.

Oracle Cloud Platform

- Browser-Based and Mobile Applications
- Chatbots and Digital Assistants
- Citizen Developers and IT
- Multisource Analytics
- Data Visualization
- Adaptive Intelligence
- Integration Mapping
- Process Orchestration
- Internet of Things
- Identity Management
- Multifactor Authentication
- Proactive Data Monitoring
Conclusion: It’s Time to Reimagine ERP

ERP systems, and especially financial systems, remain at the heart of the enterprise. Are your ERP systems keeping up? For example, do they make it difficult to adopt new business models and utilize new technologies? Do they leave your company mired in old modes of thinking and rigid business practices? Cloud-based ERP systems offer many advantages, such as continual software updates to maintain a strong security posture and keep pace with ever-changing regulatory requirements. With the addition of a rich palette of platform services, customers gain prebuilt, visual tools for creating rich user experiences.

You can use foundational technologies provided natively in Oracle ERP applications and extend and enhance them with an expansive scope of emerging technologies from Oracle Cloud to meet your needs. If you want capabilities that are not currently available in the applications, you can add them using the cloud platform components, giving you the flexibility to grow at your own pace. It’s a cohesive, forward-looking strategy that ensures you always have up-to-date technologies that work seamlessly with your ERP applications.

Cloud Essentials

Visit Accelerate SaaS Innovation with Oracle Cloud Platform to learn more, or sign up for a free trial at cloud.oracle.com/tryit.