



NUCLEUS
RESEARCH

THE UNIFIED ORACLE CLOUD AT OPENWORLD

ANALYST

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THE BOTTOM LINE

At Oracle OpenWorld 2019, Oracle announced a number of new human capital management (HCM) features. The new offerings include updated integration features and strategy as well as new artificial intelligence (AI) capabilities for the HCM Cloud. Oracle also highlighted the growing number of customers that are transitioning to the Oracle HCM Cloud. This has included smaller customers because the cloud has democratized access to enterprise-level solutions. Oracle HCM Cloud's lower startup and ongoing costs mean that any organization can take advantage of the benefits delivered by a single, enterprise-wide technology deployment.

OVERVIEW

Oracle made multiple new product announcements and released an updated roadmap for its HCM Cloud at OpenWorld this year. The main focus of the Oracle announcements was on new integration features strategy for HCM Cloud. While there are a number of tools that come standard on the Oracle HCM Cloud platform, the newest standard integration available is the Oracle Digital Assistant. The digital assistants are available across the Oracle Cloud applications and are accessible by both text and voice. Oracle also expanded the use of its AI capabilities within HCM Cloud, allowing organizations to take greater advantage of the data that they are generating. In addition to these main announcements, Oracle also updated features and functionalities found in the cloud already, such as its Occupational Safety and Health Administration (OSHA) compliance and reporting capabilities.

CUSTOMER PROFILES

A large number of Oracle customers were at Oracle OpenWorld this year, in addition to other stakeholders such as analysts, partners, and Oracle employees. Nucleus noted users' feedback on their use of Oracle solutions. The following are examples of customers' experiences.

FINANCIAL FIRM

This organization has previously been on a legacy on-premises HCM solution. The organization knew that it wanted a modern solution for payroll and HCM and was also looking to move its finance software to a new provider. The organization originally considered Oracle because it believed that its financial cloud offering was one of the best available. The organization has fewer than 5,000 employees and previously considered implementing a stand-alone HCM vendor, including Ceridian and Ultimate Software.

The organization eventually chose Oracle because it felt that the combined Oracle Cloud offerings provided the most robust functionality across all of its applications. Of particular importance to the organization was the ability to easily bring data from its different applications into a single data platform. With Oracle, the organization is able to use the Oracle data warehouses and pre-built reports generated from the data. The organization has also been able to scale the system as it expanded through acquisitions over the past several years. With one solution, the organization is able to upload the acquisition's data and information once, and it is shared throughout the system. This has improved the onboarding of acquisitions and smoothed the overall process.

MANUFACTURING AND FIELD SERVICE ORGANIZATION

This field service organization has more than 2,200 employees across the United States and is planning on expanding rapidly over the next five years. While the organization is on the small side for an Oracle HCM Cloud deployment, it knew that its expansion would necessitate an enterprise level solution. Additionally, the organization knew that it needed a robust enterprise resource planning (ERP) system to manage its manufacturing output. This was particularly important because a manufacturing organization's ERP system can help determine whether or not the organization is profitable.

To meet this need, the organization decided to select Oracle ERP Cloud to manage its manufacturing. Having decided to invest in an enterprise-grade solution, the organization thought it made sense to also select Oracle for its other enterprise technology needs. With the planned rapid expansion, the organization knew that it would easily be able to onboard new locations as well as personnel and facilities, while scaling without problem. Because of this initial investment in the Oracle Cloud, Oracle HCM presented the best possible solution for its needs.

THE VALUE OF THE SINGLE SUITE

When speaking with customers at OpenWorld, one of the key decision factors for selecting Oracle HCM Cloud was the fact that the offering was part of the overall Oracle Cloud suite. As organizations were also considering moving their finance, ERP, or field services offerings to Oracle, it made sense for them to consider Oracle HCM as well. With the Oracle Cloud offering a strong breadth of capabilities and functionalities, organizations were not forced to choose between a unified suite or a best-of-breed offering. In the Oracle Cloud suite, customers are able to take advantage of a single record of data, allowing them to achieve greater gains from data and analytics. In addition, a single suite makes management of the organization's technology solutions easier, allowing the organization to avoid costly configurations and ongoing support.

With its robust enterprise offerings, Oracle is in a unique position to expand its market share as more organizations look to move towards a single technology vendor. This will also impact the way that customers evaluate Oracle and its products. At OpenWorld, Nucleus spoke with multiple customers who chose Oracle despite having fewer than 5,000 employees. While smaller companies may not previously have been able to justify the cost of an on-premises deployment, the cloud has reduced the amount of support and maintenance that enterprise applications require. This allowed the companies that Nucleus spoke with to invest in multiple Oracle Cloud Suite products, enabling them to leverage the single suite to achieve greater benefits combined.