ORACLE

📖 **Guidebook**

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Moving to Oracle Cloud HCM

Eight steps to the future of work

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Chapter 1

Aligning people, technology, and business priorities

Five years ago, the question was whether it made sense for HR to move to the cloud. Today, the answer is clear: Only cloud-based solutions can keep pace with the speed of business and support innovative digital services for empowered employees.

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Tomorrow's HR, today: Exploring the role of human resources in digital transformation

Read the study

Once you've made the commitment to move your HR activities to the cloud, you face a key question:

How can you migrate HR to the cloud in the **least disruptive** and **most efficient** way possible?

We've answered that question for thousands of businesses worldwide. In this guide for HR and IT decision-makers and project team members, we provide an incremental, eight-step process that can help your HR and IT leaders transition to Oracle Cloud Human Capital Management (Cloud HCM)—the most complete, natively built cloud solution available.

Oracle Cloud HCM unifies all HR processes so that you can make smarter decisions faster and deliver a seamless employee experience for improved productivity and greater business agility.

Chapter 2
The benefits of moving to Oracle Cloud HCM

Yesterday's on-premises HR systems can't keep pace with the speed of business today and the demands of the modern workforce. Pressure is building for HR to quickly deliver insights that can help the business plug talent gaps and achieve strategic goals. And demand continues to rise for more convenient digital services.

Moving to a cloud HCM solution is the single best way to meet these demands and future-proof your organization. Here are some of the benefits.

▸ **Modern user experience:** The cloud offers a modern user experience not available with on-premises solutions. With a consistent, personalized, and intuitive experience available on any device, users can quickly find the information they need any time and anywhere.

▸ **Business agility:** Today's unprecedented pace of change requires new solutions. Mergers, acquisitions, reorganizations, and other changes create complexities that on-premises solutions struggle to manage. Only cloud-based solutions give you the flexibility and scalability to quickly and affordably meet new business requirements without overburdening IT.

▸ **Operational efficiency:** When HR systems are disconnected from the rest of your business, leaders lack the visibility they need to make smart decisions. Cloud-based HCM solutions unify data in a single source of truth—across all HR processes and from all areas of the business including payroll, planning, and more. This unified data delivers an all-in-one experience that supports better business outcomes.

▸ **Continuous innovation:** Moving to the cloud prepares you for what comes next, from digital assistants to predictive analytics to AI. An open cloud platform can future-proof your business to stay ahead of evolving needs and requirements.

▸ **Cost savings:** Cloud-based HCM solutions don't have the significant costs associated with managing, updating, and maintaining on-premises HCM solutions. As your business changes and customizations and integrations grow, the cost and complexity of on-premises solutions increase. Moving to the cloud can provide a more complete and configurable system that's always up to date with the latest innovations—lowering total cost of ownership. Moving to the cloud also shifts your business from a licensing model to a subscription model—from capital expenditures (CapEx) to operational expenditures (OpEx).

Chapter 3

Eight steps to the cloud

Research shows that HR leaders are more than twice as likely to view cloud solutions as very effective at achieving desired outcomes compared to former on-premises products.[1] For organizations considering a move to cloud, Oracle has developed an **eight-step process** for migrating to Oracle Cloud HCM applications as quickly and efficiently as possible.

There is one caveat: Communication and collaboration are critical to the success of this effort. Identify all stakeholders early in the process. As you build your team, ensure that each stakeholder is represented so that everyone in the organization is informed and that the team is collaborating to make the decisions that benefit everyone. This team will provide the foundation you need to implement the eight steps to Oracle Cloud HCM.

2X
HR leaders are more than **twice as likely** to **view cloud solutions** as very effective when compared to on-premises products.

Eight-step process
to migrate to Oracle Cloud HCM applications

1 — Know why you're moving to the cloud

2 — Inventory your talent and assets

3 — Catalog your customizations

4 — Rethink your customization strategy

5 — Prepare a project plan

6 — Start with the foundation and build incrementally

7 — Embrace services-based integration

8 — Start change management and user acceptance early

[1] Source: PwC Global HR Technology Survey, 2019

Step 1:
Know why you're moving to the cloud

The first step for the team is to understand—really understand—why you're migrating HR to the cloud. By digging deeply and collaborating closely, the team can generate actionable answers to several key questions that will guide how you design and prioritize your migration, as well as how you measure success.

> ### ✓ Best practice
>
> Get executive sponsors on board as soon as possible. Their buy-in and support will help their teams understand and support the move to Oracle Cloud HCM.

Make sure the project team can answer these key questions

✓ What are your motivations for selecting Oracle Cloud HCM?

✓ Are you hoping to reduce capital investment in your IT systems?

✓ Does moving to the cloud provide impetus to improve your HR business processes?

✓ Do you hope to eliminate technology fragmentation by standardizing your IT services?

✓ Are you looking to drive and improve employee engagement with modern applications?

✓ Do you need to provide better analysis and insight to the business?

Your answers to these questions can give detail to your roadmap to the cloud and ensure that the choices you make are the right ones every step of the way.

Soar to the cloud

Oracle Soar—the world's first automated cloud application upgrade offering—is a game-changer. Integrating our proven cloud methodology and automated upgrade utilities with new innovations and technology such as AI and machine learning, Oracle Soar[1] helps Oracle on-premises customers migrate to the cloud with up to 30% reduced time and cost. It's a whole new cloud journey with faster time to value, reduced risk, and increased transparency. If you're currently an Oracle E-Business Suite or Oracle PeopleSoft customer, consider using Oracle Soar to accelerate your cloud journey.

Let our Oracle experts focus on the technology, so you can focus on your business.

(Learn more about Oracle Soar)

[1] Oracle Soar available for PeopleSoft and E-Business Suite customers.

Step 2:
Inventory your talent and assets

Most organizations can leverage their existing workforce to support their move to the cloud. Your HR team should have people who understand not only HR processes, but also user roles, responsibilities, and data. You may already have employees with technical skill sets that will be extremely valuable during and after the migration.

Inventory questions may include the following:

▸ Do you have employees with knowledge or skills in these or related areas?

   REST services or APIs

   JavaScript or HTML

   Data conversion

   Reporting and analytics

▸ Does your IT team know of artifacts that can be transferred to your cloud implementation, either wholly or in part?

▸ Does the IT team have documentation on configuration decisions, branding standards, or loosely coupled interface designs?

If those skills are not available in-house, include the following:

▸ Is there a plan for reskilling and development?

▸ Is there a plan to source necessary talent?

Because your project team consists of both HR and IT people, you should be able to get an accurate idea of your organization's current assets and talent. This will enable you to fill any gaps before you begin so that your move to the cloud can be smooth and efficient.

In addition, it's important to partner with your CIO to understand the existing infrastructure and software licenses issued so that your organization can identify those that can be successfully transitioned to the cloud.

If you are currently an Oracle on-premises or Oracle PeopleSoft customer, consider using Oracle Soar to accelerate your cloud journey (see the Oracle Soar sidebar).

⊘ Best practice

Listen to and address concerns from all levels of the organization.

Step 3:
Catalog your customizations

Over the years, you may have customized your HCM software and other technology solutions with the help of the IT department. For HR, the move to Oracle Cloud HCM shifts you from customization to configuration, giving you more control and flexibility while reducing your reliance on IT. It's important that you catalog all the customizations that have been made as well as the requirements that drove those customizations. You will probably find that you won't need those customizations in the new system. However, the changes to the current system need to be documented.

The information you gather in this step will be used in the project's next step: Rethink your customization strategy.

Your IT team members can generate a catalog with details such as whether you have added or modified database objects, whether there are any custom database views, and whether you have personalized your existing user interface.

After you've created the catalog, review each customization.

- ⊘ Are the requirements that originally led to those customizations still valid?

- ⊘ Will your new cloud applications allow you to retire some of your customizations?

- ⊘ Do you have customizations that may not transfer to Oracle Cloud HCM and, if so, how should they be handled?

Your team's answers to these questions will help lay the groundwork for your customization strategy and identify any related changes to processes and procedures that will work best for your organization well into the future.

Rather than tying up IT teams to create customizations for specific business requirements, Oracle Cloud HCM is easily configurable and adaptable, giving more control to HR teams and freeing up IT resources to focus on other projects. Its user interfaces are intuitive and personalized, making navigation seamless across devices and easy to use.

Video: Learn more about configuring Oracle Cloud HCM

Watch the video

Oracle Experience Design Studio

One example of the innovations in Oracle Cloud HCM is the **Oracle Experience Design Studio**, which empowers HR teams to configure, personalize, and simplify HR processes without help from IT. The easy-to-use portal allows HR employees to design processes and transactions to best suit the needs of the teams they support.

Step 4:
Rethink your customization strategy

Moving from legacy systems to cloud applications lightens the workload for IT teams, which no longer need to maintain databases and create complex customizations to accommodate HR reporting needs or requested changes to the user interface. This requires that you rethink your customization strategy around three key principles.

▸ **Configure rather than customize.** You'll find that configuration of Oracle Cloud HCM is extremely flexible—much more flexible than legacy systems. When faced with a unique requirement, explore the available configuration options before considering customization. In essence, this capability makes it easier for HR to get what it needs quickly, without relying on IT to create a customization.

▸ **Employ loosely coupled interfaces.** Custom interfaces are often tightly coupled, which means they are tied to and dependent on an existing database structure. When the database structure changes with product updates, the interface no longer works—so that great-looking report you can view online might not work after the next product update. A benefit of Oracle Cloud HCM is its loose coupling, which allows your custom interfaces to survive changes to the database structure. And the continuous service delivery model for its applications gives you immediate access to new features and updates.

▸ **Plan for the future.** Moving to Oracle Cloud HCM is a continuous journey, not a trip to a final destination. Improvements and new features are delivered much more rapidly than with most legacy application systems. It's important to plan to accommodate this faster rate of change and to consider the strategic direction of this solution as part of your plan. Stay connected to the Oracle Cloud HCM community for information about the continuous stream of innovations and new features.

Moving to Oracle Cloud HCM is a **continuous journey**, not a trip to a final destination.

Step 5:
Prepare a project plan

As with any other business project, it's critical to develop a comprehensive project plan with major milestones. This plan is a living document; it will change many times. But building out that initial plan is crucial to your success.

Not only will the plan provide direction for your journey, it will also allow you to track your progress as you move to the cloud. Your plan should cover every aspect of your migration, including identifying responsible parties and providing a timeline for every step. Make sure that all stakeholders are involved in developing the plan and that they sign off on the completed plan. You'll need their buy-in and support.

As you develop the plan that's right for your business, be sure to take advantage of the resources available from other Oracle Cloud HCM customers and Oracle experts. See the Additional resources section.

Linda Livingstone
PRESIDENT, BAYLOR UNIVERSITY

Video: Baylor University unifies HR and finance with Oracle

Watch the video

⊘ Best practice

Provide training before bringing your cloud applications online—keep your employees informed to help them prepare.

Step 6:
Start with the foundation and build incrementally

Migrating to the cloud is a significant undertaking that can be overwhelming if it's not divided into incremental steps. Although some organizations opt to move all of their modules to the cloud at once, it's common to perform the migration in phases.

We recommend that you move foundational elements in the first phase—core HR functions in particular. Phase two can include talent management modules such as recruiting, learning, and performance. Once a foundation is in place, beginning with small, easily achievable projects that provide early wins can build momentum for larger changes that will come later.

Examples of small projects that you can undertake to accumulate early wins include the following:

▶ Build reports using Oracle's business intelligence applications

▶ Create a data hub using the Oracle Data Hub Cloud Service offering that runs on Oracle's second-generation cloud infrastructure

▶ Build custom interfaces with Oracle PaaS

▶ Begin services-based integration (see Step 7)

✓ Best practice

Keep your people engaged by sending regular project newsletters with screenshots to highlight new features and provide examples of the improvements to come.

Embrace services-based integration

HCM processes involve many diverse tasks, so it's critical to have a system that integrates all the data sources and functionality you need to support your mission. When your people data is derived from accurate, real-time information and unified across your enterprise, you have the information you need at your fingertips to align your people strategy with your business priorities.

Oracle Cloud HCM provides a consistent and satisfying user experience and ease of reporting. A consolidated talent profile brings new agility that supports the organization and fosters a culture of innovation.

For your IT teams, this services-based integration addresses the challenges of integrating legacy systems by enabling IT to offer the functionality locked into existing applications as reusable services. Oracle Cloud applications use industry-standard APIs and REST services for system integrations and interfaces.

The benefits of this alternative to enterprise application integration include the following:

▸ Legacy applications continue to work

▸ Standardized interfaces provide consistent access to the underlying services

▸ A fixed service provider is no longer needed

You can embrace services-based integration today using tools that follow the same industry standards. In fact, services-based integrations are great for the early projects described in Step 6.

⊘ Why Oracle Cloud HCM

▸ Easily configurable

▸ Frees up IT resources

▸ Intuitive user interfaces

▸ Seamless navigation

▸ Easy to use

Step 8:
Start change management and user acceptance early

To ensure the success of your move to Oracle Cloud HCM applications, your process must include significant consideration of organizational change management and user acceptance. This move changes the way people work, and those people will need both accurate information about each change request and time to process those changes.

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Video: NSF International scales and expands with Oracle Cloud HCM

Watch the video

⊘ Best Practices

‣ Get your key stakeholders on board early

‣ Line up and strengthen your relationships with executive sponsors as soon as possible

‣ Tell your end users what to expect

‣ Let teams know how their work will change and how they fit into this new enterprise system

‣ Listen to and address concerns

‣ Create newsletters with screenshots that highlight new features and provide examples of the improvements to come

‣ Provide training before bringing your cloud applications online

Chapter 4
Oracle Cloud HCM: Work made human

All HCM clouds are not created equal. To gain the benefits outlined in these eight steps, you need a robust solution that provides a streamlined experience on a proven cloud platform. Oracle Cloud HCM is a complete, natively built solution on one simple—yet powerful— platform that spans all HR processes, including recruiting, global HR, compensation, benefits, talent management, learning, workforce planning, work–life solutions, time tracking, and payroll.

Why Oracle Cloud HCM?

On-premises customers of all sizes, across every industry, are upgrading from their legacy HR systems to Oracle Cloud HCM. Here's why.

▸ **More agility.** Instead of customizing, you can configure to meet business requirements, which means less reliance on IT and easier navigation of business changes.

▸ **Faster innovation.** Automatic updates ensure that you always have the latest features to keep up with the pace of change.

▸ **Instant access to emerging technologies.** Adaptive intelligence, machine learning, digital assistants, blockchain, and more are embedded in the solution to ensure that you're using the latest tools to attract and retain talent.

▸ **New HR functionality.** Evolve HR with the latest functionality, including predictive analytics, next-generation recruiting, complete workforce management, talent review, and contextual learning.

▸ **Increased productivity.** Use any device, anywhere, to get more done in less time. Prioritize tasks with a personalized homepage, run analytics and reports from visually intuitive dashboards, complete transactions in only a few clicks, and more.

▸ **Improved data security.** Oracle Cloud includes best-in-class security to protect your data and simplify compliance.

▸ **Easier integration.** It's easy to integrate Oracle Cloud HCM with other applications. Plus, you get an all-in-one solution that includes enterprise resource planning (ERP), enterprise performance management (EPM), supply chain management (SCM), and customer experience (CX).

Chapter 5
Real stories, real solutions

EMERSON

Emerson moves to Oracle Cloud HCM for best-in-class security.

Emerson, a manufacturing leader with 130,000 employees, had a variety of disparate systems, including Oracle E-Business Suite and PeopleSoft.

" The security that Oracle has in place with the cloud was far superior to what we had, and Oracle has a vested interest to stay ahead of the bad actors out there. Oracle will be 10,000 times better (than us) at keeping our environment secure."

—Vice President of HR and Information Services, Emerson

◎ Challenge

▸ Finance was disconnected from HR

▸ There was no single, global view of talent

▸ The lack of self-service capabilities led to inefficiency and excessive HR transactions, as well as a disconnected workforce

⊘ Solution: Oracle Cloud HCM

▸ Went live in 44 countries within just six months

▸ Enabled a unified, secure cloud solution for HCM and ERP

▸ Lowered IT costs and total cost of ownership

▸ Improved manager and employee engagement

▸ Consolidated into a single learning platform

▸ Phased migration to Oracle Cloud: first PeopleSoft HR systems, followed by E-Business Suite systems

kotak
Kotak Mahindra Bank

Kotak, India's fourth-largest financial institution, boosts productivity by 90%.

Kotak Mahindra Bank had an outdated legacy system that created many inefficiencies.

"Instead of 95% of my resources being focused on HR operations, I can now have around 56% working toward organizational effectiveness. They work on areas of building competencies of people around selection, performance management, human leadership, and more. Today, our productivity is up 90%."

—Executive Vice President of HR, Kotak

◎ Challenge

▸ Employee reviews were not supported by technology

▸ Manual processes led to low productivity

▸ The workforce was disengaged and lacked alignment

▸ Data existed in disparate spreadsheets, leading to a lack of visibility

⊘ Solution: Oracle Cloud HCM

▸ **51%** reduction in manual processes

▸ **93%** of employees completed their competencies and goals

▸ **85%** adoption of performance reviews

▸ **39%** improvement in organizational effectiveness

▸ Nearly **2x** increase in productivity

Chapter 6

Oracle@Oracle

Oracle HR's business transformation—powered by Oracle Cloud HCM

Oracle successfully transitioned our HR function to Oracle Cloud HCM. In reimagining our HR experience, we learned several things that can be of use to any enterprise moving to the cloud.

Oracle CHRO Joyce Westerdahl shares how Oracle is leveraging Oracle Cloud HCM to enable exceptional employee experiences by streamlining and automating processes and empowering and delighting users.

Video: Reimagining HR at Oracle: The Employee Experience

Watch the video

Learn more about Oracle's cloud transformation at: oracle.com/cloud/oracle-at-oracle.

⊘ **Key lessons learned**

▸ Think differently

▸ Be willing to challenge your assumptions

▸ Adapt your practices

▸ Involve more people than the usual suspects

▸ Move fast, fine-tuning as you go

▸ Remember that change management isn't one-size-fits-all

▸ You can never overcommunicate

▸ Be ready for continuous innovation

Chapter 7

Make your move to the cloud

Migrating to Oracle Cloud HCM can help your organization accelerate innovation, improve the user experience, and lower IT costs. Follow the eight-step process described here to overcome financial, IT, procedural, and other hurdles—so you can reap the many rewards of a future in the cloud.

For more information on how to take advantage of our simply powerful Oracle Cloud HCM solution, visit oracle.com/hcm.

🗔 Additional resources

▸ Oracle Cloud Customer Connect

▸ Oracle Cloud HCM Get to Cloud Page

▸ Oracle Cloud HCM Support Community