Moving to EBS R12 with Oracle Upgrade Labs

Amit Vyas, Senior Practice Director
Oracle Consulting Services
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Why Migrate to R12?

<table>
<thead>
<tr>
<th>IT Drivers</th>
<th>Business Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supportability</td>
<td>New modules</td>
</tr>
<tr>
<td>Stability</td>
<td>New features and functionality</td>
</tr>
<tr>
<td>Improved performance</td>
<td>New requirements</td>
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<tr>
<td>New Features</td>
<td>Operational efficiency</td>
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<tr>
<td>Reduce maintenance cost</td>
<td>Design improvements</td>
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<tr>
<td>Out of box use</td>
<td>Opportunity to re-engineer</td>
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<tr>
<td>Retire Customizations</td>
<td>More business-handling Capabilities</td>
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Migration Dilemma

Based on objectives, footprint, complexity and user base, which approach is right for you?

- Technical Upgrade
- Reimplement

This Session will focus on the Technical Upgrade Approach
Typical Upgrade Activities

Technical Upgrade (via Labs)
- Provide Platform upgrade, if necessary
- Upgrade Oracle Application Server, Oracle Database, and Oracle Forms and Reports
- Upgrade Release 11.5.x applications to Release 12
- Perform repeatable CRP Test Upgrades to document migration steps and reduce downtime
- Enable smooth Production upgrade

CEMLI Upgrade
- Identify CEMLIs & determine complexity
- Evaluate R12 functionality & determine technical impact on CEMLIs
- Upgrade CEMLIs to the new technology stack
- Retrofit CEMLIs for compatibility & usability on R12
- Test CEMLIs to confirm execution

Functional Upgrade/Testing
- Determine impact of R12 on current business flows
- Determine setups to accomplish business processes
- Assist in resolution of functional issues
- Update existing E-Business Suite test scripts to reflect valid navigation paths for R12
- Develop new R12 test scripts
- Perform Regression, Performance, SIT & UAT Testing

Project Management
- Plan and manage schedule, tasks and Tollgates
- Track scope risks, issues, actions, quality, resources

Change Management
- Communication to stakeholders
- End User Training
- Assess Up/down stream impact
- Ready Trading Partners

Production Readiness & Post Go-Live Support
- Confirm Production Readiness
- Post Go-Live support
- Stabilization
Approach to R12 Upgrade

<table>
<thead>
<tr>
<th>Month 1</th>
<th>Month X</th>
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<tbody>
<tr>
<td><strong>Trial Iteration</strong>&lt;br&gt;(Impact Analysis &amp; Trial Upgrade)</td>
<td><strong>Final Iteration</strong>&lt;br&gt;(Production Cutover)</td>
</tr>
<tr>
<td><strong>Iteration 2</strong>&lt;br&gt;(Reference Process)</td>
<td><strong>Iteration 3</strong>&lt;br&gt;(Timing round, Perf, and UAT)</td>
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</table>

### Tech/ Lab Upgrade
(EBS Upgrade from 11.5.10.2 to 12.1.X)
- Initial Trial Upgrade Iteration to validate impact of upgrade to 12.1.X
- Test iteration focused on refining and documenting the reference process
- Second test iteration focused on Timing for cutover
- Production Cutover

### CEMLI Retrofit
- Apply all current CEMLIs and identify those that need retrofit
- Develop and test CEMLI’s. Support SIT.
- CEMLI break/fix during UAT
- Break/Fix support

### R12.1.X Functional Configuration
- Functional Impact Verification
- Functional Validation of setups and processes
- Functional Validation of setups and processes with Users
- Functional Support

### Testing and Validation
- Testing to verify CEMLIs and Functional processes
- Function/ System Integration Testing
- User Acceptance Testing, and Performance Testing

### Change Management
- Communication
- Change impact Assessment
- Training Content
- Develop End User Training
- Training Delivery

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Proven Optimum Shore Delivery Models

1. Standard Implementations
   - Customer Discovery → Strategy & Planning → Design → Execute, Test, Deploy → Results Analysis → Application Management

2. Accelerated Implementations
   - Strategy & Planning → Design → Execute, Tailor, Test, Deploy → Results Analysis → Application Management

3. Accelerated Upgrades and Migrations
   - Strategy & Planning → Design → Execute, Test, Deploy → Results Analysis → Application Management

4. Management Services
   - Knowledge Transfer → Run, Maintain, Enhance → System Test → Deploy

Customer Site | Onshore/Nearshore Upgrade Labs | Nearshore/Offshore Global Services Delivery
Upgrade Services – Key Tasks

**Project Delivery**

- Strategy and Project Planning
- Delta Analysis
- Upg - Iteration 1
- CEMLI Remediation / New Development
- Iteration 2
- Go-Live
- 3rd Party SW Upgrade
- Security
- Testing
- Updates/Fixes
- Training: Proj Team
- Environment Management & Tuning
- Training: End-User

**Production**

- Future Strategy
- Application, Database and CEMLI Support
- QA & Prod Support
- Change Mgt
- Environment Mgt

*Oracle Proprietary - Upgrade Services*
# High Level Upgrade Roadmap - example

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>MONTH</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
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<tbody>
<tr>
<td>Hardware/ OS Upgrade Needs and Solution Analysis</td>
<td>May</td>
<td></td>
<td></td>
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<tr>
<td>New Functionality Analysis, Solution &amp; Scope</td>
<td>June</td>
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<tr>
<td>Upgrade Strategy, Scope &amp; Timing Plan</td>
<td>July</td>
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<tr>
<td>Technical Upgrade Lab Work Stream</td>
<td>Aug</td>
<td></td>
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<tr>
<td>New Functionality Business Process Design &amp; Build</td>
<td>Sept</td>
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<tr>
<td>SIT, UAT &amp; Cut-Over</td>
<td>Oct</td>
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<tr>
<td>Chg. Mgmt Bus. Process Improvement</td>
<td>Nov</td>
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<tr>
<td>IT &amp; SME ORCL Training</td>
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<td>IT</td>
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<tr>
<td>End User Training</td>
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</tbody>
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**KEY:**
- ORCL
- Customer
- Check-point
# Upgrade Labs Services - Benefits

## Over 500 Successful Technical Upgrades

### Features
- Fixed Price
- Standard Processes and Best Practices
- Knowledge Transfer
- End-to-end Lifecycle Management
- Utilize Global Upgrade Project Team
- Automated Tools Accelerate Project Timeline

### Anticipated Benefits
- Speeds Upgrade and Time to Benefit
- Reduced Cost
- Reduced Risk
- Lower Total Cost of Ownership
- Unparalleled Experience

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### Unparalleled Experience
- Oracle Upgrade Labs Consultants deliver upgrade services every day of the week during every week of the year.
  - The Labs have been performing this service for over 10 years.

#### Reduce Cost & Risk
- Oracle Upgrade Labs services are fixed fee.
- The efficiencies built into our process enable low cost, value-added services in a specific time frame.

#### Follow the Sun Model
- The Upgrade Labs leverages a blended delivery model with resources spread across North America and India.
  - 24x7 work mode to monitor long running upgrades

### More Efficient Use of your time and resources
- Each upgrade brings with it a unique set of technical and process challenges. The upgrade tools change, as do the methods by which the tools are executed. By utilizing the Labs you eliminate the expense associated with developing in-house expertise.

#### Relationship with Development & Support
- The Upgrade Labs resources are tightly linked with our development and support organizations.
- The Labs work with early adopter programs and test pre-release versions of the applications.

#### Less Post Upgrade Work
- Upgrades performed by the Labs includes all post-release maintenance pack tasks including the application of help patches and any additional patching pursuant to the Oracle Application Release Notes.
Upgrade Assessment – Sample Tools and Templates

PROCESS & TECHNOLOGY ANALYSIS

“As Is” Process Diagram – Technical Overview

LEVERAGING NEW FUNCTIONALITY RECOMMENDATIONS & VALUE

Accounts Receivable

OBSERVATIONS

- DSS – 10 days overall
- Multiple systems requiring duplication of customer entity
- Various special handling procedures per country or business unit
- AS system causes double burden when new customers are entered

RECOMMENDATIONS

- Cross-Over Map Business Rule: Accounts Receivable functionality to provide synchronous handling of GL and AR
- Calculate future cash flow by AR, GL, and OLKIs
- Include reduce recurring manual tasks

BENEFITS

- Integrated data allows for automated cash flow from DSS to AR/transaction
- Cash/AR/cash management as a result of single location for AR, GL, and OLKIs
- Common data for all AR interfaces for cash to cash life cycle
- Reduce number of financial transactions available for all customer processes
- Inconsistent use of collection automation tools
- Limited backup functionality in case of failures
- Block your cash flow
- You need to maintain multiple versions to make their lives easier

CUSTOMIZATION (CEMLI) ANALYSIS

Current Technical Assessment

CEMLI Objects Inventory Analysis – As of 3/22/10

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LEVERAGING NEW FUNCTIONALITY RECOMMENDATIONS & VALUE

Benefit Analysis / ROI

Business Process Analysis

Current Taking

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UPGRADE ROADMAP

High Level Upgrade Roadmap

Table of Contents

- Improved Performance
- Improved Functionality
- Improved Customer Experience
- Improved Operational Efficiency
- Improved Business Processes
- Improved Financial Results
- Improved Compliance

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Financial Benefit Detail Summary

Business Benefits estimated at $78 million in five years

BENEFITS ANALYSIS / ROI

ABC has a notable clean BGS implementation which will expedite any upgrade and reduce risk and cost.

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Oracle Proprietary - Upgrade Services

Oracle Proprietary - Upgrade Services

Oracle Proprietary - Upgrade Services
Oracle’s CEMLI analysis tool is used to drive accurate estimation of technical upgrade tasks and reduce overall project effort/time in analyzing your existing environment.

- It compares your current inventory of application objects with a vanilla (uncustomized) environment at the same release level to isolate CEMLIs requiring attention.
- Output is used to target your development efforts on CEMLIs requiring the most retrofit.

**Complete Questionnaire**

Information required for running CEMLI Reporting Tool

1. Host Name (DB Tier):
2. DB Port No:
3. SID:
4. DB Version (Exact ver. and avoid 8i / 9i /10g etc):
5. Host Name (Appl Tier) :
6. APPLTOP username (ex. Applmgr ..etc) :
7. APPLTOP Directory:
8. Product Top Definition File (Use attached “ProductTopDefinition.pdf” to generate):

**Run Scripts**

CEMLI Tool - Steps

1. Customer needs to provide us the required information for each of its database and application instances (preferably on an environment which has all the current production CEMLIs installed) and the product_top definition file. Refer to the attached document to accomplish the same.

2. Once we have the above information, we run these in the CEMLI tool and generate shell scripts for each of the database and application tiers.

3. Customer needs to run the shell scripts on the same instance for which the information was provided in Step 1 and provide the output back to us (which is usually .pkg files). The attached document outlines the steps to accomplish the same.

4. We will process these output files to get the CEMLI list and share it with the Customer team (for verification) and Oracle Team (for further analysis).

Note – Repeat step 1-4, if you have multiple DB tiers

Repeat step 5-8, if you have multiple Appl tiers

**Interpret Output**

Refined CEMLI Retrofit Plan

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## Technology Upgrade Considerations

<table>
<thead>
<tr>
<th>Focus Areas</th>
<th>Considerations / Best Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instance Consolidation</td>
<td>• Total # of instances, modules, customizations. Also future integration strategy, phased upgrade/rollouts and high availability architecture. Leverage tools (iMerge) where possible.</td>
</tr>
<tr>
<td>CEMLIs and Customization Strategy</td>
<td>• Total number of CEMLI’s and extent of customizations. Identify # of CEMLIs to be retained/obsoleted. CEMLI strategies to consider include CEMLI remediation, reduction, rearchitecture and elimination via BPR.</td>
</tr>
<tr>
<td></td>
<td>• Leverage Offshore CEMLI services for CEMLI Assessment at object level and CEMLI remediation/retrofit, CEMLI reduction and standardization services.</td>
</tr>
<tr>
<td>Technical Architecture Strategy</td>
<td>• Database upgrade, OS upgrade or switch (Linux, Sun etc), RAC implementation, High Availability Architecture, Security considerations.</td>
</tr>
<tr>
<td></td>
<td>• Leverage R12 features such as Staged Applications System feature to reduce patching downtime. Db Initialization Parameter settings provides maximum availability and automatic memory sizing feature in R12.</td>
</tr>
<tr>
<td>Database Size and Version</td>
<td>• Existing patch and version levels, and new version to upgrade to. Database size increases approx 30% and needs to be planned for. Automated cloning / Platform Migration can be done.</td>
</tr>
<tr>
<td>Integration Strategy</td>
<td>• Re-implement existing interfaces or re-Architecture of integrations leveraging SOA.</td>
</tr>
<tr>
<td>Reporting Strategy</td>
<td>• Leverage enhanced BI reporting in R12 to revisit custom reports and current reporting strategy.</td>
</tr>
<tr>
<td>Data volume and history</td>
<td>• Data conversions may be necessary for a re-implementation strategy or in instance consolidation scenarios. In-place upgrades will require validation and testing but no conversion effort.</td>
</tr>
<tr>
<td>Performance Considerations</td>
<td>• Performance architecture focus from project start to ensure performance testing for high transaction scenarios, Automation of testing processes, downtime considerations, cutover planning, response time and throughput considerations.</td>
</tr>
<tr>
<td>Upgrade Process</td>
<td>• Checklists for pre and post upgrade steps, conduct minimal 3 test upgrade iterations (trial upgrade, process validation, timing round) and multiple for complex upgrades, leverage upgrade Labs for expertise, speed and process knowledge.</td>
</tr>
<tr>
<td>Testing Considerations</td>
<td>• # of automated test scripts for function, regression and performance testing, Downstream test cycles for SIT and UAT.</td>
</tr>
<tr>
<td>Other Considerations</td>
<td>• Languages, Countries, Operating Units.</td>
</tr>
</tbody>
</table>
Executive Sponsorship from the Business Organization is critical.

A clearly defined PMO and project governance to ensure for effective & rapid decision making, defined roles and responsibilities and issue management.

Full time Functional SMEs and IT resources with appropriate skills and subject matter expertise.

Scope Control is critical especially if the Upgrade involves more than a ‘like to like’ upgrade.
Upgrade Services

Labs Value Proposition and Lessons Learned

**Labs Value Proposition**

- **Lower the cost of your upgrade project**
  - Leverage lower cost remote resources
  - Defined scope offered at a fixed price providing predictability

- **Strategic use of resources**
  - Less or no ramp up time
  - Extension of your team enabling concurrent activity

- **Minimize business risk**
  - Proven model for remote delivery
  - Resources only focused on eBusiness Upgrades

**Lessons Learned**

- **Test and Re-Test**
  - Testing and validation is critical to success of the upgrade
  - Oracle team can help identify areas and processes requiring special attention based on our previous projects
  - Test your business processes not only with new transactions, utilize upgraded data (upgraded invoices etc)

- **Other**
  - Review latest certifications and alerts to identify known issues and solutions
  - Identify data that can be upgraded/migrated outside of the “Go-Live” window
R12 Upgrade Customers and Case Studies
R12 Customers
COMPANY OVERVIEW

- **Name**: Gap Inc  
- **Industry**: Retail  
- **Employees**: 150,000  
- **Revenue**: $16 billion  
- **Location**: San Bruno, CA and San Francisco, CA  
- **Background**: Gap Inc. is a leading international specialty retailer offering clothing, accessories and personal care products for men, women, children and babies under the Gap, Banana Republic and Old Navy brand names.

CHALLENGES/OPPORTUNITIES

- Gap had been running on Oracle Financials, Purchasing, and Projects since 2004. They were stable on Oracle Applications release 11.5.8, but faced with the following challenges:  
  - Oracle E-Business Suite Premier Support ended November 2007  
  - Existing system did not fully support local statutory requirements and inter-company accounting controls for Gap  
  - Existing System does not provide a direct path to next generation Oracle solutions (“Fusion”)  

SOLUTION/ PROJECT HIGHLIGHTS

- The Oracle Solution consisted of an upgrade to release 12. The upgrade of Gap’s single 11.5.8 instance included: GL, AP, FA, iExpense, PO, iProcurement, Project Costing, AR, and iSupplier Portal. Services Included:  
  - Core Upgrade Project Team providing support for the 12 month project plus 1 month of post production support  
  - International Leads in Japan, Hong Kong, and the UK  
  - Technical Upgrade services for CRPs 1-4 and production cutover via Upgrade Labs  
  - Hosting of the project environments for CRP1 and CRP2 (ASC)  
  - Update and Migrate 1149 CEMLI’s  
  - Automation of test scripts using the Mercury test tool  
  - Execute test scripts using onsite/offshore resources and automated test scripts

- Oracle Upgrade Lab used to reduce risk and cost.  
- Oracle Consultings Global Services used for a lower blended rate for the upgrade effort for the CEMLIs, update and automation of test scripts, and testing services to provide a predictable outcome.
Agilent – Lifecycle Approach

Phase I – “Run” Oracle Ebiz 11.5.5

Year: 2003 - 2006

Oracle Apps – Finance, Distribution, Planning, Mfg
8000 CEMLIs, 5000+ Users, Global Coverage
Provide 1800 man days of support per month

Task Force for CEMLI Performance tuning
De-merge of Operating Units
Technology Upgrades

PHASE II – “Build” Oracle Ebiz 11.5.10

Year: 2006

Upgrade/Enhancement

Scoping and Project Planning for Upgrade
Upgrade Enhancement

Retrofit the identified customisation and configure
Testing (Regression & UAT)

Document the result & Refine solution

PHASE III – “RUN” Oracle Ebiz 11.5.10

Year: 2007 +

Agilent awards a 5 year contract extension
Agilent awards Level 2 Support to Oracle
Agilent awards major Sol. Center projects to Oracle

Optimize & Enhance
Transition and Steady State
Transition Setup
Upgrade production Env
Oracle Knows Oracle Best

• Oracle Consulting is a leading implementer of Oracle products and one of the largest consulting organizations in the world
• Global Delivery Capabilities
• 145 Countries
• 15,000+ Consultants
• 2,500 + Implementation Projects Annually
• Proven methodologies and reusable assets
• Trained to introduce and exploit new technology
• In the business of implementing *only* Oracle products for more than 25 years

Speed, Value, Simplicity