

Oracle Fusion Procurement New Standards for Supply Chain Management – now also available in the Cloud

Key words

Cloud Computing, Oracle Cloud Offering, Oracle Cloud Services
Oracle Fusion Applications, Oracle Procurement, Oracle Fusion Procurement

1. Introduction

What is „THE CLOUD“?

Cloud Services enable users to purchase software and IT resources as a service, shifting the burden of capital expenses to a flexible, pay-as-you-go model. Cloud computing resembles a utility that supplies water or electrical power—users are able to access their business applications at any time and from multiple locations, track their usage levels, and scale capacity as needed without large up-front costs.

Cloud computing does not only support IT organizations. Increasingly, business leaders are finding that today’s clouds give them more control over their information systems than before.

2. What are the driving forces for Cloud Computing?

What does this imply?

The adoption of cloud computing is still in its early phases. But the momentum is growing. Business leaders at the leading edge of innovation have escalated their migration to cloud solutions and software as a service (SaaS) applications over the past three years, leveraging cloud-based systems to build better products, launch more-innovative services, deliver better customer service, and create new engagement models. Companies are attracted to the cloud’s lower up-front costs when compared to traditional IT-centric approaches to application deployment.

Complete and Integrated Business Processes

The comprehensive nature of Oracle Cloud is a key selection consideration for customers. Oracle offers a broad cloud portfolio, delivering a complete range of production-level, cross-functional business applications for each part of an enterprise’s organization with information and data shared seamlessly across Oracle Cloud Applications and other systems.

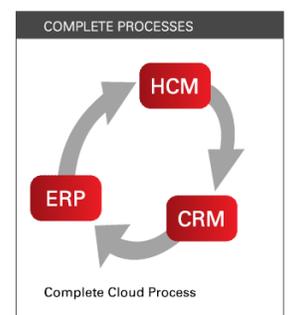


Fig. 1: Cloud Processes

Innovation, Speed, and Flexibility

Getting started with cloud applications is generally a simple process since there is little or no capital expense involved. By taking control of departmental computing needs, LOB managers can get to market quickly with new applications. Oracle Cloud applications allow customers to access the latest features quickly, without compromising visibility, control, or security.

Transform User Experience and Insight

A third key factor for modern cloud applications is the ability to transform user experience and insight. With Oracle Cloud applications, social capabilities are embedded directly into cloud-based business processes so it's easier for people to share information. This collaborative work environment seamlessly connects users and content within a social network, no matter where people are located or which devices they prefer to use.

3. Oracle Cloud Offerings

Oracle offers the broadest portfolio of cloud services.

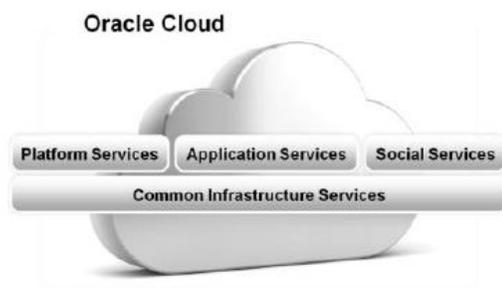


Fig. 2: Oracle Cloud Offerings

PaaS – Platform as a Service

This cloud service enables enterprise developers and independent software vendors to build new applications, or extensions to Oracle Cloud SaaS applications, on a platform that is easy to use, and standards based. It offers superior security, performance and reliability. It also extends to Oracle Database Cloud Service which is built on Oracle Database technology, running on the Oracle Exadata Database Machine, the best performing database platform in the world.

SaaS – Software as a Service

This is the most popular offering of Oracle cloud services.

It helps streamlining the enterprise business with ERP with increased productivity, lower costs and improved controls. Business processes and technology requirements will be simplified, return of investment accelerated, online collaboration with stakeholders within and outside the company enabled and tight control over costs through increased productivity and policy enforcement.

IaaS – Infrastructure as a Service

Communication Infrastructure provides for the delivery of secure, reliable and high- performing global network infrastructure and unified data, audio and video communication capabilities.

This service enables efficient communication between employees, customers, and partners and provides access to needed networking and communication capabilities anytime, anywhere - from field offices, data centers and remote access.

4. Oracle Apps in the Cloud – Overview

Oracle offers a complete suite of integrated services that include applications as a service, platform as a service, and infrastructure as a service – eliminating the data and business process fragmentation that comes with cloud silos.



Fig. 3: Application Services

Oracle Cloud Application Services include enterprise resource planning (ERP) services, human capital management (HCM) services, talent management services, sales and marketing services, customer experience services, planning and budgeting services, and financial reporting services. In addition, the application services are now integrated with Oracle Cloud Social Services, allowing organizations to transform their corporate business processes and systems using social capabilities.

These services can be deployed as different cloud options:

Private Cloud

Oracle Private Cloud introduces an improved way to effectively meet hosting needs that allows for rapid environment provisioning, helps reduce operational costs and significantly reduces power consumption in Oracle data centers.

Oracle private clouds enable more control and visibility over security, regulatory compliance, services levels, and functionality.



Fig. 4: ERP Applications

Managed Cloud

In addition to traditional on-premise models, customers can build their own private clouds or use a third party provider like Oracle to manage their IT for them as managed services.

Oracle Managed Cloud Services enable organizations to leverage their Oracle investments to extend into the cloud with greater value, choice, and confidence.

5. Oracle Fusion Procurement

Oracle Fusion Procurement, a key component of Oracle Fusion Applications, helps you spend smarter. With Oracle Fusion Procurement you can practice smarter negotiation, smarter buying, and smarter collaboration

Oracle Fusion Procurement drives results by delivering unprecedented insight to all types of users. Its revolutionary approach to collaboration, business intelligence, and process automation is changing the way procurement works.

Components of Fusion Procurement



Procurement

Oracle Fusion Purchasing

Oracle Fusion Purchasing enables automation of purchasing transactions and provides a robust work area for buying professionals to manage exceptions. Users can execute transactions without manual intervention, increase productivity, and enforce compliance at every step. Users can leverage supplier and agreement controls to automate creation from requisitions and communicate purchase orders to suppliers. This allows users to spend less time processing paper and spend more time discovering and exploiting new savings opportunities.

Oracle Fusion Self Service Procurement

Oracle Fusion Self Service Procurement delivers a friendly user experience that is similar to the best consumer web sites. With little or no training, employees can easily search, use shopping lists, browse categories, and find what they need. This means that for most use cases, there's less for employees to learn and fewer barriers to overcome. You can also leverage advanced capabilities for instances where there are requirements such as one-time delivery, accounting splits and project accounting. Fusion Self Service Procurement's user experience and embedded training changes the dynamics of user acceptance. Ultimately this has a major impact on user satisfaction, which helps drive broader adoption, compliance, and savings.

Oracle Fusion Sourcing

In order to meet performance objectives, procurement organizations must maximize the value of negotiated contracts. So it is important that they provide intuitive, easy to use tools for everyone involved in the sourcing process. Invariably, organizations that fail to do so suffer from low rates of adoption among sourcing professionals, pushback from line of business users, and the burden of training suppliers.

Oracle Fusion Sourcing inspires adoption and simplifies sourcing processes by providing users with step-by-step guidance throughout the negotiation lifecycle. It enables sourcing professionals to tailor negotiations to the organization's needs, leverage information from past events, and collaborate with subject matter experts from across the business. This reduces negotiation cycle times and accelerates the rate of realized savings.

Oracle Fusion Procurement Contracts

Oracle Fusion Procurement Contracts helps you create quality contracts faster and reduce risk with consistent enterprise standards, policies that govern their use, and flexible tools. You can boost

contract quality by ensuring that your contract creators adhere to established contracting policies. You can use flexible approval rules to ensure that every contract gets the right amount of review. Oracle Fusion Procurement Contracts expedites the contracting process by automating these rules and policies, enabling your contract authors and legal department to focus energy on higher-value and higher-risk areas while streamlining routine agreements.

Oracle Fusion Procurement Contracts allows you execute best practices consistently across all of your contracting activity by establishing a library of standard contract terms and preapproved templates. Regional administrators can tailor standards for local regulations and translate them to a local language. Templates also provide consistent style and layout. Completed contracts may be output in PDF, hardcopy, or Microsoft Word format for consistent printing or email transmission.

Oracle Fusion Supplier Portal

With Oracle Fusion Supplier Portal, your suppliers gain access to a secure, integrated work area that provides full visibility to transactions, offers closed loop collaboration, and enables electronic invoicing. Instead of struggling with disparate systems, faxes, emails, or voice messages, suppliers can access a secure work area that provides a complete summary of all transactions that require attention. With just a few clicks, suppliers get the most current status of negotiations, agreements, purchase orders, advance shipment notifications, and invoices. By providing instant access to the most current information a, you can enable them to better serve your business.

6. Fusion Procurement in the Cloud

This is the offering:

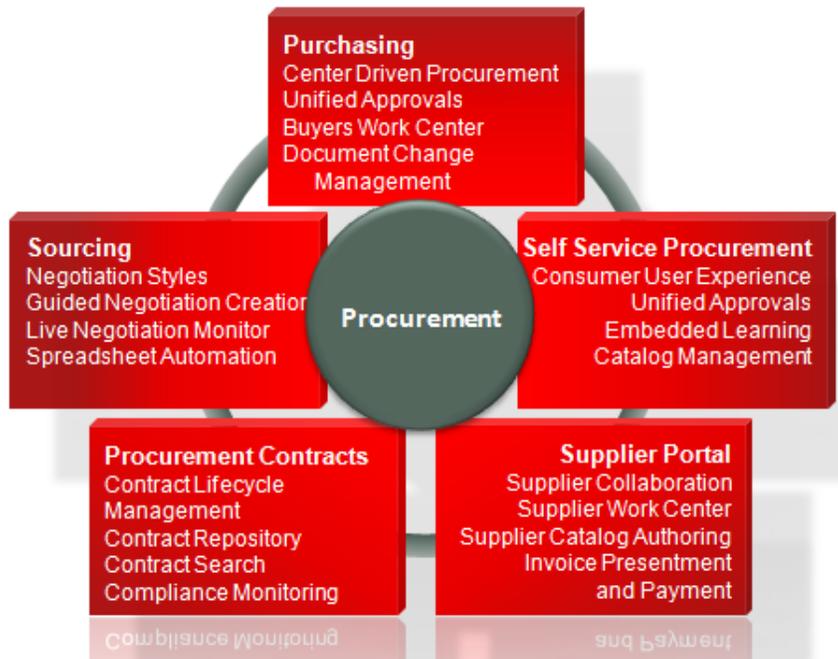


Fig. 5: Fusion Procurement in the Cloud

Fusion Procurement Cloud Services offer the following advantages:

- Automate transactions and manage exceptions using a central work area
- Uncover savings opportunities using embedded analytics during the sourcing process
- Increase employee satisfaction, reduce support costs and enforce compliance with self-service procurement
- Interact and collaborate with suppliers using a secure, integrated work area

The top cloud benefits are obvious and have been observed by the OAUG – the US counterpart of the DOAG.

53 % in cost savings

44% improvement regarding time to market

35 % increased business flexibility