IBM Information Management **software**

Gaining the Most from
Your Oracle EBS Upgrade

Information Gaps

Within an organization, the real cost of inefficiency is often the result of processes that are invisible to management. These costs often consist of the hours spent searching for information or simply forging ahead without all the information needed to make an informed decision.

Even when organizations are aware that they are operating with risky information gaps, they often decide to stay with the familiar processes that keep getting more and more expensive to handle and retain. For paper-intensive processes, the transportation and storage costs to maintain a paper-based filing system add up very quickly. Searching through a high volume of paper to find an individual critical document is also time-consuming and might not even be successful, which can become very costly when regulatory requirement or litigation is the reason for the quest.

Even when organizations make the effort to convert their various types of documents to electronic form, it can still become problematic if the document is not easily accessible. Without the consistent availability of all documents throughout the entire business process, improper and unsupported decisions can be made by staff because they are missing critical pieces of information.

The Opportunity of an EBS Upgrade

An Oracle E-Business Suite (EBS) upgrade provides an opportunity for your organization to evaluate new and previously unimplemented functionality that would improve efficiencies throughout the enterprise.

One feature that many organizations are considering is the implementation of attachment functionality to link electronic images of supporting documents to predefined Oracle forms and workflows. This functionality provides significant process benefits for any organization. Without it, decision makers are in the position of making decisions without the complete set of relevant information.

Let's take a closer look at some of the challenges your organization may be facing—including following the upgrade to EBS Release 12—and how you have the opportunity to make significant gains during your upgrade process.

Specific Oracle EBS Information Access Challenges

While efforts are being made to address the management of image-based documents through EBS attachment functionality, most options available today fall short for the following key reasons:

- Users can manually attach electronic documents only to specific transactions or entities from within the Oracle EBS application.
- The documents are then stored within the Oracle database, which impacts performance of the transactional database, increases storage requirements, increases the space required for rollback, and extends the amount of time required for database backup and recovery.
- The storage of the documents within Oracle EBS creates a silo situation because the documents cannot be accessed by users outside of EBS.
- The attached documents are not referenced and are not available within workflow processes.
- The attached documents cannot be monitored or managed for records retention.

As a result of these limitations, documents stored within the Oracle EBS database tend to be copied and distributed using paper routing or email. This method results in multiple versions of the same document being created and circulated throughout the company. Multiple copies of documents create risk for the organization and introduce challenges when determining the "source of truth" for auditors or legal counsel in the event of a federal or civil action.

Some companies have addressed these concerns by investing in stand-alone or "point solutions," which store data in a proprietary, single-use repository. While these solutions are created to allow an "easy" link for multiple ERP systems (PeopleSoft, JD Edwards, and other systems), it also creates a multitude of issues for your organization including the reinvention and maintenance of approval workflows outside of the Oracle EBS system.

Additionally, many of these solutions require the deployment of software to client workstations, provide limited functionality, and are limited to specific modules such as Accounts Payable or Human Resources.

While Oracle promotes a document management solution that provides an adapter for Oracle EBS, the adapter is implemented for a limited set of modules, and it relies on an external workflow system, which can be challenging to implement and maintain.

Business Function	Managed Outside of ERP systems	Business Issues

Accounts Payable	Accounts Payable Invoices
	Purchase Orders
	Receipt of Goods Documents
	Vendor Contracts
	Vendor Correspondence
		• Discounts lost due to excessive time to process invoices
		• Invoices lost and finance charges incurred
		• Inability to match PO and Receipt of Goods to Invoice raises internal control issues
		• Lack of validation against vendor contracts and correspondence leads to:
		  - Payments sent to the wrong address
		  - Incorrect payment method applied
		  - Shorter payment terms than negotiated

Accounts Receivable	Sales Order (in email, fax, paper form)
	Inventory Shipping Request
	Shipping Documents
	Delivery Receipt Confirmations
	Billing Invoices
	Customer Payments
	Customer Contracts
	Customer Correspondence
		• Insufficient supporting documentation for revenue reported per audit requirements
		• Lack of visibility into receipt of payment and whether it has cleared
		• Lack of validation against customer contracts and correspondence leads to
		  - Invoices sent to wrong address
		  - Longer payment terms than negotiated

General Ledger	Journal Entries Supporting Documentation	• Missing supporting documentation for journal entries due to mis-filing or failure to retain • Inability to balance accounts (especially intercompany accounts) without supporting journal entry documentation • Inability to provide adequate documentation for audits
Human Resources	Resumes W4 HIPAA Forms Employee Reviews	• Missed quality hires due to time taken to review and process resumes • Missing information from employee files • Security of files not sufficient for HIPAA requirements • Information needed for employee reviews not available within the system • Files lost due to sharing of information across company
Customer Relationship Mgmt	Customer Contracts Customer Correspondence Customer Invoices	• Inability to answer customer questions quickly • Inability for customer support to have immediate access to customer correspondence and invoices

You can be assured your organization is not alone in facing these challenges. According to the AIIM "State of the ECM Industry 2011" report, "Two-thirds of those without [ECM] systems have concerns about information accuracy and accessibility, particularly with regard to emails. ECM systems improve confidence in the integrity and retrievability of electronic information by a factor of three."

Extending Standard EBS Functionality with DocSavi

With the DocSavi solution from CM Mitchell Consulting Corporation, the ability to create a seamless workflow within EBS is satisfied.   Documents are stored within the IBM industry-leading enterprise content management (ECM) repository, which provides capabilities for the following:

- Version control
- Document security
- Access tracking
- Availability of documents to non-Oracle users

In addition, a direct link to the documents is created within the standard Oracle attachment functionality, which means that no additional training is required for the users to benefit from the availability of documents.

DocSavi uses Oracle standard APIs, which eliminate the requirement of any customizations. The resulting benefits include the following:

- You can provide access to relevant information in the context of the users' business processes (procure to pay, order to cash, project accounting, general ledger, and other processes).
- Investment in the Oracle approval workflow becomes viable, valuable and useful.
- Organizations become upgrade-proof and can escape the custom coding treadmill.
- Human Resources can more easily comply with privacy requirements.
- Customer Relationship Management can become more responsive with quicker access to historical customer correspondence whether it comes in by email or paper or through the web.
- Reconciliation of the General Ledger accounts becomes easier with supporting documents readily available.
- Supplier and Customer contracts, correspondence, and other documentation are not lost and are available when needed.
- Project documents can be organized and stored for easy access with the ability to drill down to employee records and AP invoice charges.
- A true document management application can be used to store, control and manage your Oracle EBS support documents.

Further Bolstering Oracle EBS with ECM

DocSavi seamlessly links Oracle EBS with the IBM ECM suite of products using standard, noncustomized Oracle integration methods. As a result, your organization can blend the IBM capabilities of content management, records management, and email management systems with key business processes driven by Oracle EBS and leverage the advantages of comprehensive workflow automation to streamline operational efficiency and help meet regulatory requirements.

Key Gains of Adding DocSavi and IBM ECM with Your Upgrade

The DocSavi front-end capture process interfaces directly with Oracle EBS to automatically populate documents, eliminating keystrokes and potential errors. This capture process ensures consistency with the Oracle Application, while allowing users to also access documents directly from the IBM ECM repository.

After an IBM ECM system is linked to Oracle EBS by DocSavi, users have direct access to information from any Oracle EBS application including Financials, Customer Resource Management, Human Resources and General Ledger.

DocSavi Benefits

DocSavi provides a single view to an organization's information that provides the following features:

- Uses existing Oracle EBS attachment functionality.
- Links to IBM ECM through Web-services.
- Provides complete line-of-business integration to Oracle EBS without costly customization.
- Allows documents to be captured through various methods (scanned, faxed, system reports, XML documents or Microsoft Word or Excel documents).
- Makes IBM ECM stored documents available through all image enabled Oracle EBS forms or directly from IBM ECM.
- Does not require additional Oracle licenses for Non-Oracle users.

- Supports automating the accounts payable function using invoice capture software:
    - o Matching and validating invoices against the purchase order
    - o Creating invoices automatically within Oracle EBS using the standard invoice import interface
    - o Using the Oracle Approval Management engine for approval by email with a link to the stored image

Return on Investment Example:
- Staff efficiency is typically improved by up to 5 hours a week.
  [(5 hrs a week * 50 work weeks) * ($55,000 year annual salary /2080hrs) *50 employees = $330,000 per year]
- Storage costs are often significantly reduced, if not eliminated. [5,500 sq ft storage space * 20.00 = $110,000 per year]
- Audit costs are often significantly lower because information is provided more quickly. [20 percent of $100,000 annual audit costs = $20,000 per year]
- Discounts can now be taken due to timely payment. [2 percent of $5,000,000 in annual purchases = $100,000 per year]
- Legal discovery costs are often reduced.
- Potential litigation losses are frequently reduced due to increased privacy and security.

To learn more on how Oracle EBS users can gain the most from the upgrade to Release 12 and avoid information gaps, contact:

Carol Mitchell
CM Mitchell Consulting
Ph: 303-526-2796
Email: carol.mitchell@cm-mitchell.com
www.cm-mitchell.com

About CM Mitchell Consulting

CM Mitchell Consulting (CMMC) is a woman-owned consulting company, established in 1992, that helps companies design, develop and deploy enterprise-level strategies to achieve Enterprise Information Management. TeamSavi™ expert consultants provide unparalleled experience in a wide array of industries and solutions. Our services help companies achieve the most of their investments in Enterprise Content Management, Knowledge Management, Enterprise Search and Oracle E-Business Suite deployments. The TeamSavi™ philosophy is to bring together the best people and solutions, and to partner with our clients to achieve the best possible results.

About IBM ECM

IBM's Enterprise Content Management software enables the world's top companies to make better decisions, faster. As a market leader in content, process and compliance software, IBM ECM delivers a broad set of mission-critical solutions that help solve today's most difficult business challenges: managing unstructured content, optimizing business processes and helping satisfy complex compliance requirements through an integrated information infrastructure. More than 13,000 global companies, organizations and governments rely on IBM ECM to improve performance and remain competitive through innovation.

IBM Corporation
3565 Harbor Boulevard
Costa Mesa, CA 92626-1420
USA

For more information, visit:
Ibm.com/software/ecm