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Oracle Insight Study – SUBOA Meeting September 2013

Mike Weiss – Value Program Director EPM



Agenda

Introductions

Program Overview

Discussion of Project Objectives and Scope

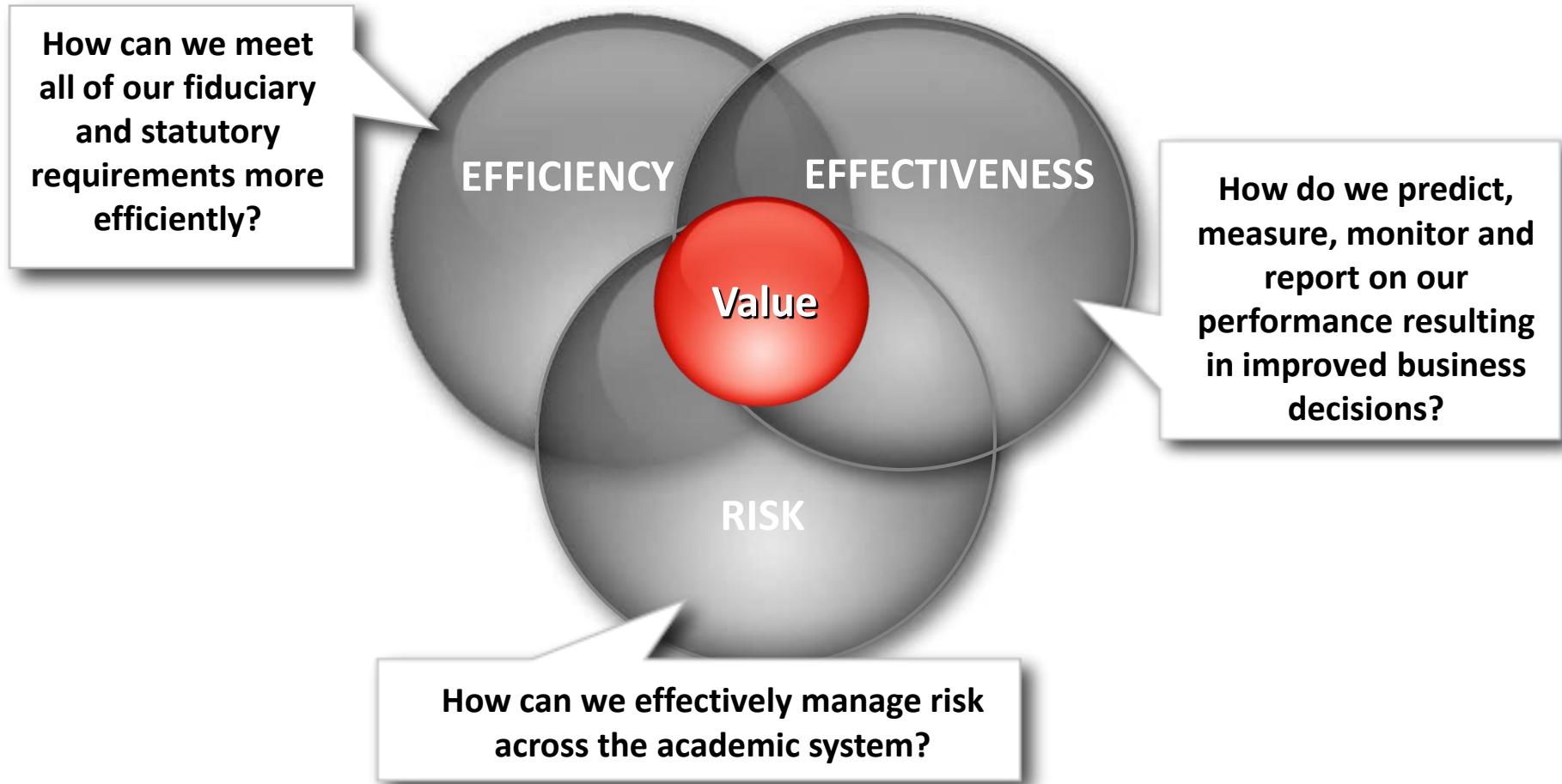
Review of Discovery Process Logistics

Open Discussion – Business Officers

- **Current Challenges & Wish List**
- **Q&A Session**

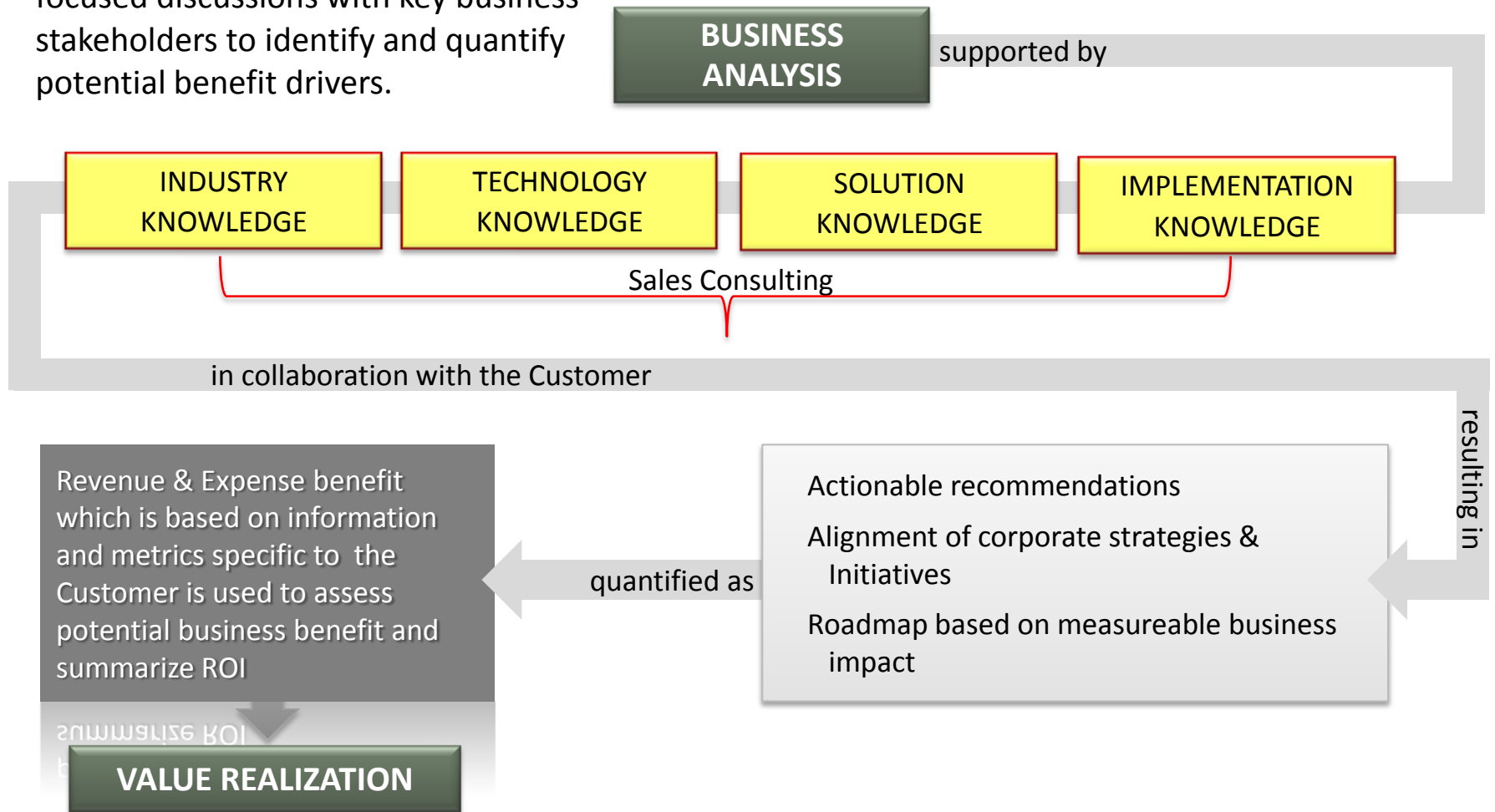
Next Steps

The Pillars of Value

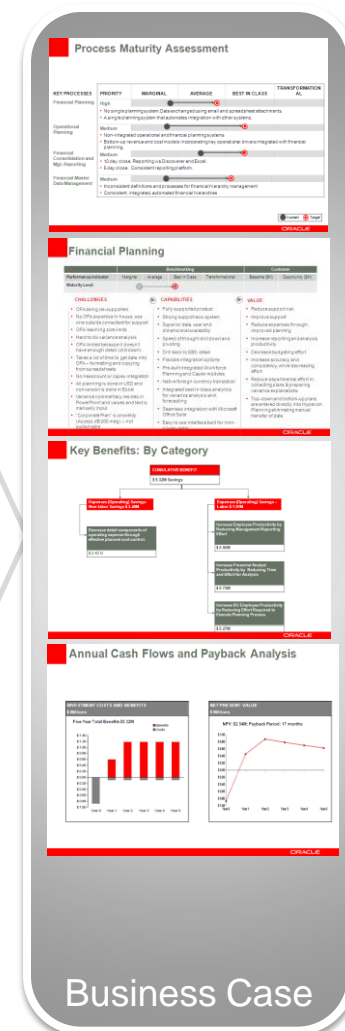
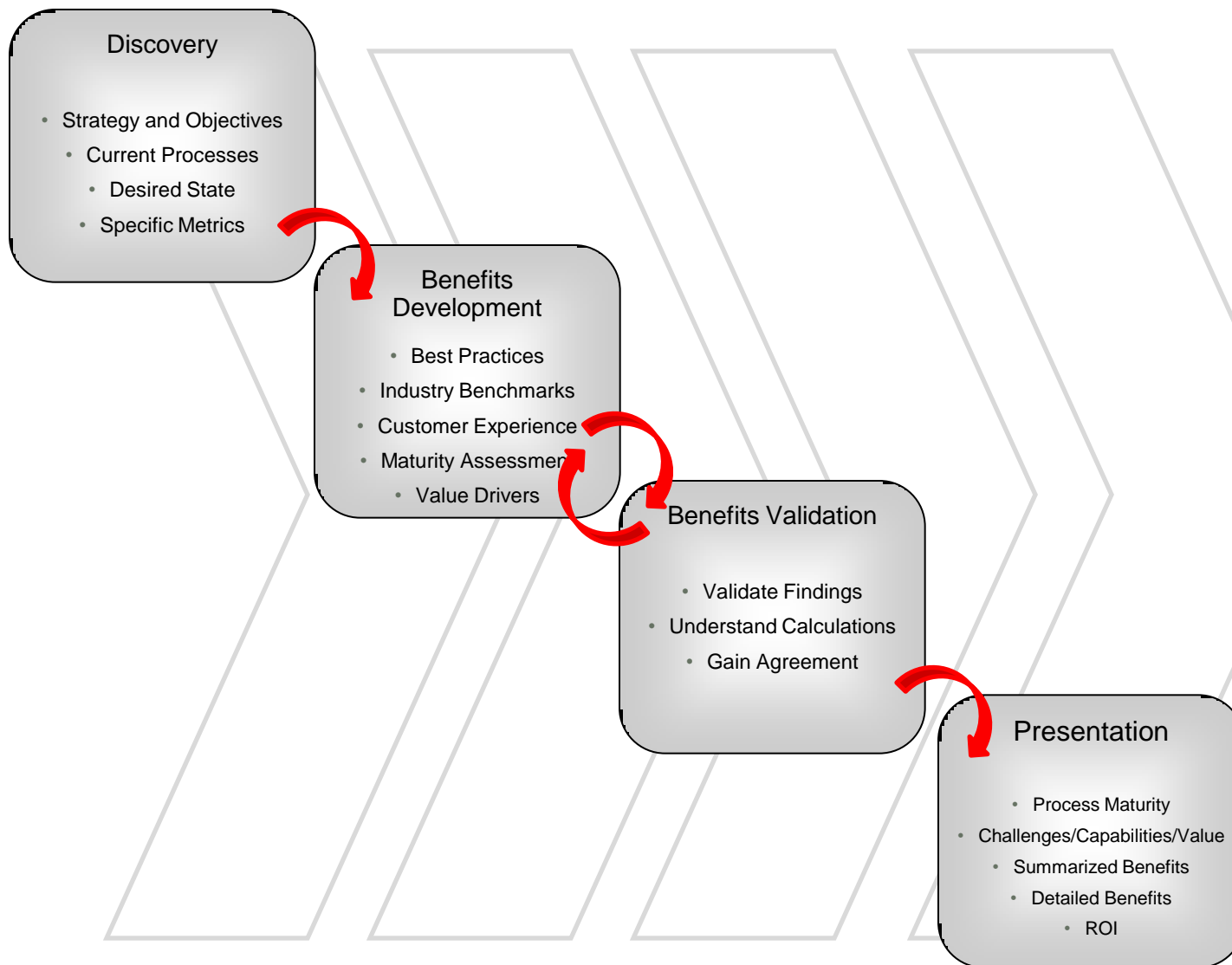


The Insight Engagement – What is it Exactly?

A collaborative engagement between the Customer and Oracle based on focused discussions with key business stakeholders to identify and quantify potential benefit drivers.

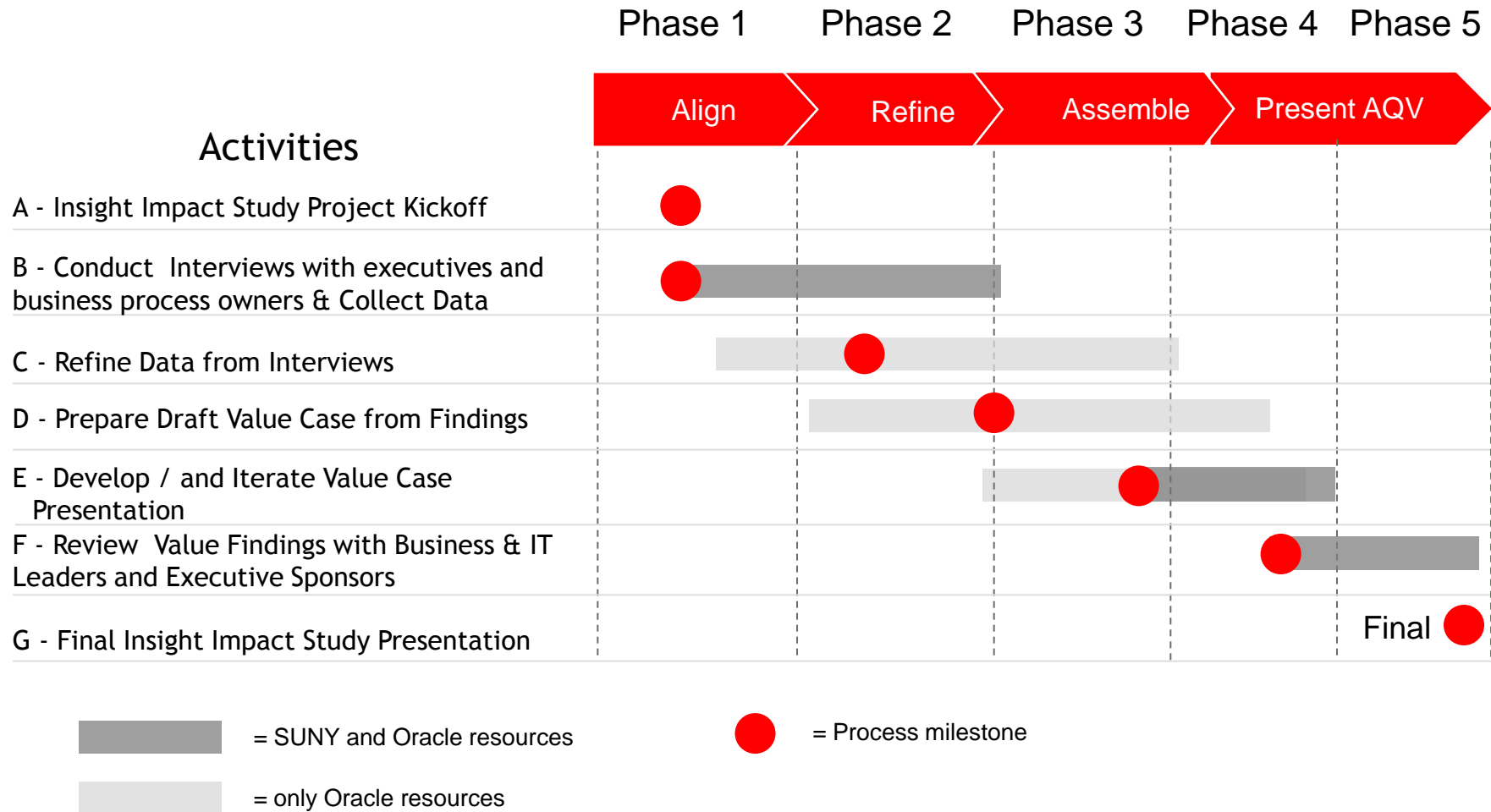


Insight Process - Key Steps in the Advisory Role



Insight Impact Study - Timeline

Activities



Proposed Insight Impact Study Objectives and Scope

Assist SUNY to determine how to leverage Oracle solutions to enable its strategy and maximize business value.

Objectives of Insight Engagement

- Overview of SUNY's business strategy and challenges
- Assess your business processes and benchmark those against leading practices
- Map/align enabling solutions to business objectives
- Prioritize opportunities to enable critical business processes

Project Scope

- Key Processes
 - Budgeting and Planning
 - Financial Close Process
 - Strategic Forecasting and Modeling
 - Management Reporting & Business Analysis
 - Data Management

Deliverable and Benefit to SUNY

- Business Case Analysis for enabling solutions
- Quantify and justify the investment and benefit of Oracle solutions
- Prioritization of these solutions based on business requirements
- Articulate the key steps necessary to achieve business benefits with a recommended implementation plan

Final Deliverables

Background

- XYZ was recently purchased by (New CEO) and (Investment Bank)
- (New CEO's) vision for XYZ is:
 - Organic growth
 - Strategic acquisitions
 - Become a Media & Entertainment
- XYZ current systems are outdated strategic vision

Scope of Engagement

- The scope of our engagement by XYZ is to global wall to wall ERP system replacement
 - US, EMEA, LA
 - (Division 1)
 - (Division 2)
 - All back office functions
- We agreed to:
 - Calculate business benefits and projected ROI
 - Summarize enablers to XYZ vision and goals
- Oracle has responded to XYZ request with the recommendations

Thanks to the Following People

- Executive Sessions**
 - (CFO Name) – CFO
 - (CIO Name) – CIO
- Stakeholder Interviews**
 - (VP Name), VP – (Division 1)
 - (VP Name), VP – (Division 2)
 - (VP Name), VP – Operations
 - (VP Name) VP – EMEA
 - (Director Name), Director XYZ Ireland
 - (Director Name), Director XYZ England
 - (BA Name)– Business Analyst
 - (Controller Name) – Controller
 - (BA Name) – Business Analyst

Business Case Launch – October 19, 2009
 Business Case Discovery – Oct 19 – Nov 20, 2009
 Software Demonstrations – November 9-13, 2009
 Business Case Validation – December 7-18, 2009
 Executive Presentation – December 21, 2009

Process Maturity – XYZ Capability Assessment

| KEY AREAS | MARGINAL | AVERAGE | BEST IN CLASS | TRANSFORMATIONAL |
|---------------|--|--|---|---|
| Finance | Manual reliance on spreadsheets, little automation | One common finance platform with minimal manual intervention | A single global integrated purpose built platform with data quality, availability, integration | Single global version of the truth with all groups on one GL is an integrated ERP platform containing applications spanning all management processes |
| (Division 1) | Manual new product management, purchasing, manufacturing, sales, customer service, etc. with no integration to corporate functions | Centralized project management with limited integration to finance, purchasing, sales and customer service | Integrated functions with near real time global data access. Key performance indicators accessible within a single ERP system | Fully integrated functions enabling two way flow of information across the enterprise. Real time decision making. One single source of the truth across the global organization. Corporate dashboard, analytics and strategic planning at leveraged regularly |
| (Division 2) | Manual production planning, scheduling, purchasing, sales, manufacturing, and customer service. Heavy reliance on excel | Centralized production planning with limited integration to purchasing and sales | Integrated sales, order management, planning and manufacturing with near real time global data access. Key performance indicators accessible within a single ERP system | Fully integrated functions enabling two way flow of information across the enterprise. Real time decision making. One single source of the truth across the global organization. Corporate dashboard, analytics and strategic planning at leveraged regularly |
| International | Country by country processes with disparate systems and manual data transfer | Fully documented processes with some integration across multiple countries | Integrated data across multiple countries enabling planning, reporting, inventory control, etc. to be performed centrally | Complete integration enabling seamless planning, reporting, and financial transactions including location, language and currency capabilities |
| Technology | Multiple antiquated disparate systems suggest business requirements | Integration across several key business functions with limited user flexibility | Integrated business functions with country by country requirements and enabling global language, compliance and reporting capabilities | A fully integrated enterprise-wide ERP system providing one single source of the truth and enabling global language, compliance and reporting capabilities |

The Total Value of Oracle to XYZ



Your Strategic Objectives and Initiatives

Improve Operational Efficiency

- Streamline business processes and provide one source of the truth
- Reduce errors and improve data integrity
- Possess a highly scalable financial infrastructure
- Prioritize opportunities to enable critical business processes

Expand and Grow the Business

- Provide a platform for opportunistic acquisitions
- Expand the business model to new frontiers including digital products
- Enhance finance analysis and 'what-if' scenario capabilities

Improve Debt to EBITDA Ratio

- Automate numerous current manual processes
- Possess analysis capabilities to project expense trends
- Conduct 'what-if' scenarios to formulate methods to maximize cash flow
- Run 'real-time' customer, region, business unit profitability analysis

Your Strategic Objectives and Initiatives

Improve Operational Efficiency On-going \$1,399,000

- Streamline business processes and provide one source of the truth
- Reduce errors and improve data integrity
- Possess a highly scalable financial infrastructure
- Prioritize opportunities to enable critical business processes

Expand and Grow the Business On-going \$ 696,000

- Provide a platform for opportunistic acquisitions
- Expand the business model to new frontiers including digital products
- Enhance finance analysis and 'what-if' scenario capabilities

Improve Debt to EBITDA Ratio On-going \$ 50,000
 One-time: \$3,712,000

- Automate numerous current manual processes
- Possess analysis capabilities to project expense trends
- Conduct 'what-if' scenarios to formulate methods to maximize cash flow
- Run 'real-time' customer, region, business unit profitability analysis

What We've Heard and Observed...

- Common Themes**
 - Very manual and antiquated processes for a company in 2009
 - Basic information capture and business analysis capabilities are lacking
 - We must improve our business processes if XYZ is to grow, acquire, enter new markets, etc.

- "We are overly reliant on people instead of processes and technology."
- "We're operating in the dark ages."
- "We're unique here."
- "We have a lot of duplicate functions such as the re-keying of data."

XYZ (Division 1) Quantifiable Benefits

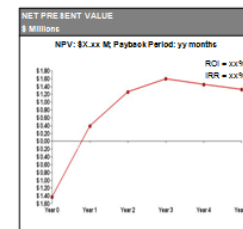
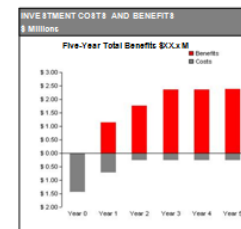
(Division 1)
 XYZ Identified Improvement

- BOM Creation
- Buying Templates
- RFP/PO Process
- Sales Forecasting
- Sales/Customer Service

On-going: \$484,000

One-time: \$

Annual Cash Flows and Payback Analysis



Discovery Process

- Sampling of institutions
- On-site approximately one day
- Questions
 - Focus on financial planning, budgeting & reporting
 - Interview staff involved in the process
 - Focus on people, process and technology
 - Current state
 - Future state
- Starting the process today with you



Discovery Process

Challenges & Areas of Opportunity

- It takes x days for us to prepare our budget
- I can't get the reports I need
- I have to use 3 spreadsheets and 25 tabs to prepare my budget
- Data is manually entered

Wish List

- Everything automagically happens
- I can go to one place to access everything related to my budget
- I can easily create my own reports and have access to them on any device

Q&A

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