



Why **Reimplement** Oracle E-Business Suite?

The Game Has Changed
With eprentise, Upgrading 11i to
R12 is the Better Transition Path.



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Summary

This white paper is for decision makers in organizations that run Oracle E-Business Suite 11i and are planning how to get to R12. The purpose is to show how **reimplementation** became a widely considered approach instead of upgrading, and to give EBS 11i customers a new perspective on upgrading.

Most organizations will **upgrade** if possible, since that is the easiest path for enterprise software product **upgrades**. However, there are a number of factors, including the new Financials architecture and concerns about product quality, that have led many to decide to **reimplement** or to delay. With the introduction of eprentise software, you can eliminate obsolete fundamental setup configurations and multiple instances as reasons that lead organizations to select **reimplementation**. If you like what R12 offers and you want to save time, money, and resources on the transition, you can combine eprentise Transformation software with Oracle **upgrade** to **upgrade** EBS 11i instances to a single global instance of R12.

The transition from 11i to R12 is a high-stakes major initiative for any E-Business Suite (EBS) customer. We have observed that companies plan the transition for approximately a year, then set budgets, line up resources, and do the work over one to two years. Projects may cost in the range of several million dollars to tens of millions and are often proportional to the size and complexity of the business.

We believe E-Business Suite 11i customers can **upgrade** instead of **reimplement**, shorten the time-to-value at a lower cost, and provide a better R12 result for both the Business and IT. Why **reimplement**?

Audience

This white paper will be useful to the following readers:

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">▪ Chief Financial Officer▪ Corporate Controller▪ Accounting Managers▪ Business Managers with corporate-wide responsibilities▪ Chief Information Officer | <ul style="list-style-type: none">▪ Director of IT Budget and Finance▪ VP or Director of Business Applications▪ Director of IT Application Architecture▪ Director of IT Program Management Office▪ System Integrator – Managing Partner▪ System Integrator – Senior Architect |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

11i to R12 Transition Decision – Upgrade or Reimplement?

As customers look at whether they should **reimplement** or **upgrade**, these are some of the decision points that they are considering.

1. Oracle E-Business Suite (EBS) R12 is a significant new version with valuable new features and capabilities. Most people currently think some customers are forced to **reimplement** in order to take advantage of R12, but that other customers *may be lucky enough* to reap the new release benefits via Oracle’s **upgrade** process. EBS customers with brand new implementations are not impacted by the transition complexities.
2. Most EBS customers **upgrade if given a choice** because that is the path of least resistance. Compared to **reimplementation**, it is simpler, uses fewer resources, will likely cost less, and the time-to-value is shorter. We observe that software vendors usually make **upgrades** easier than starting from scratch, if they know how and can do so at an acceptable cost. If not, individual customers shoulder the **reimplementation** burden.
3. We also observe that some customers’ business users and IT staff have been frustrated with their current EBS implementation and its restrictions. They accept the **requirement to reimplement** as an **opportunity** to break with the past and get a clean start with Oracle. Because it’s perceived as a requirement, they have an easier time justifying the additional expense, effort, and delay of putting R12 into production.

Nevertheless, **reimplementation** drains the business’s resources more than a typical major release EBS **upgrade**.

4. Your organization’s Oracle specialists, consulting firms, and industry analysts should **look at the current situation** and re-think

why they accepted that the new architecture required you to *start over and reimplement*.

5. Your E-Business Suite 11i environment may have **conditions that seem to require Customer reimplementation plus data migration**. An Oracle document, R12: Upgrade vs. Reimplement (Financials)¹ clearly defines the terms and introduces some of the key factors. Our **Decision Factors – 11i to R12** table below lists the conditions, including ones that are strong indicators for **reimplementation**, according to Oracle.
6. Here are some **reimplementation consequences** in the areas of implementation, data history, disposition of the 11i instance, reporting, and business intelligence:
 - You have to implement a fresh installation of R12.
 - You are on your own to get your historical data from the legacy 11i instance into R12.
 - You have to decide what history to load and what to do with the remainder. You will need a policy for each different type of data. The usual choices include most recent and current fiscal year, current year, and only open transactions.
 - Even though data conversion tools these days are powerful, and programmers in the global data centers are inexpensive, dealing with data history will be a significant part of your **reimplementation** project. It will cost money and require several iterations to get it right.
 - You will keep the 11i instance in “legacy” mode. Some call this a “sunset” instance.

It must be frozen and restricted to read-only access.

- You will devise reporting mechanisms to span the legacy 11i and operational R12 instances. That includes translations, reconciliations, mappings, and external reporting environments.
- If you have a business intelligence environment or data warehouse, you will make changes to incorporate the frozen legacy 11i and operational R12 environments.

7. Oracle's description of R12 reimplementation **comments on configuration setups and data migration:**

There is "greater flexibility in your setup and in how you migrate your historical data using supported public interfaces."

"Flexibility" here means you have another opportunity to make major IT decisions to live with for a long time. This is an advantage if you are not satisfied with your 11i setups. If you **upgrade**, Oracle provides no such opportunity for change within R12.

There is little to gain from custom historical data migration across the numerous EBS tables compared to the controlled historical data migration performed by Oracle's **upgrade** process.

Oracle's description concedes that **reimplementation** is more difficult, complex, and resource intensive compared to an **upgrade**.

"It is a project that you would generally undertake with the support of a professional services provider, such as Oracle Consulting."

8. **You now have a choice.** Despite the conditions that apparently require **reimplementa-**

tion, consider **ePrentise Transformation software plus Oracle upgrade:**

- Use ePrentise software to:
 - Transform the fundamental setups of your 11i instance(s) to eliminate the **reimplementation** conditions.
 - Adjust or re-do any unsatisfactory setups.
 - Transform the 11i data to reflect the removal of **reimplementation** conditions and new setups.
 - Consolidate 11i instances as required so there is only one instance to **upgrade**.
- Run the Oracle **upgrade**.

With this R12 transition approach, you retain more of your investment in the 11i instance. You also take advantage of Oracle's **upgrade** software, for which you pay as part of Oracle Support.

9. The result is an R12 instance with **all the desired target characteristics and all the historical data**. All the transactions in all subledgers reflect the new setup parameters.

- You have the same opportunity to change setups (flexibility) to define the target R12 instance as you would have if you were to **reimplement**.
- You can choose to bring all historical data or select subsets from 11i.

10. **ePrentise Transform plus Oracle upgrade** is cheaper, faster, and better than **Customer reimplementation plus data migration**.

- You will likely reduce the consulting services required.
- You may be able to launch R12 and start capturing the business benefits from 1 to 2 quarters earlier.
- We need to know more about your situation before we can talk about transition cost savings.

11. We understand that **if your organization has already made a decision** and you have started the **reimplementation** project, you may be reluctant for your people “to get distracted” by a new idea, even if there could be potential material savings or faster time-to-value. Would it be distracting to look for several hundred thousands of dollars savings?

12. One way to discover if ePrentise plus **upgrade** would be better for your organization is to invest about six person days of your R12 program management team and IT financial analysts’ time with us. They may already have analyzed R12, collected your business users’ requirements, and inventoried what needs to change from 11i to R12. What is the state of their **reimplementation** estimates for resources, costs, and schedule? The more detailed, the better.

Within two weeks, we can deliver a preliminary proposal of how you could use ePrentise Transformation software to **upgrade** to R12, how long it would take, and what it would cost.

13. The remainder of this white paper explores the **upgrade vs. reimplementation** decision and explains why we think there is no reason to **reimplement**.

Why Reimplement Made Sense

Given that the goal of a single global R12 instance, with all your data going back to when you first implemented Oracle Applications or the E-Business Suite, doesn't appear to work for certain 11i customers, you can adopt one of these compromise goals:

- Keep your historical data and **upgrade** to R12, but give up some of the new functional capabilities and business processes your business needs.
- Configure and set up R12 precisely the way you need to drive your business forward, and through great effort bring some of the historical data into R12. Keep the 11i instance(s) in read-only mode, and develop work-arounds to span the history and post-R12 data.

Clearly the second choice (**reimplement**) looks better because it is oriented toward future business and operations, not the past. The work-arounds that provide access to the historical data are similar to other IT-related compromises. This is the kind of challenge data warehouse and business intelligence professionals relish.

Setups – Not Easily Changed

The reason you have to make the choice in the first place is the underlying “setup” concept. There are certain types of setups “that are not easily changed” within Oracle E-Business Suite 11i. *Or in R12.* The E-Business Suite does not provide flexibility to change these setups to reflect the current and future business. It may be easier for the EBS customer to avoid making changes and instead change the goal.

It is not impossible to change the setups. It may be costly or technically difficult and take a long time. This is the kind of challenge system integrators, professional service firms, and independent software vendors relish.

EBS Instance Landscape

Another related impediment to upgrading to R12 is if the customer has several EBS instances. Many organizations have regional instances or have acquired instances via mergers or acquisitions. Oracle provides no practical way to consolidate multiple instances into a single global R12 instance. One of the major new features of R12 is support for global business. These customers have been planning to implement a global R12 and then load it with data from each of the 11i instances.

What Changes the Game

This is where eprentise Transformation software changes the game – it changes the entire concept of “not easily changed” setups. In turn, the 11i to R12 **upgrade** vs. **reimplementation** decision is reversed. If you can change the 11i setups and transform the data to reflect the new configuration, and then step back and let EBS do what it does best in R12, there are no compromises and no work-arounds.

With eprentise software you can change the “not easily changed” setups in both releases, 11i and R12. You can keep your history. You can change your 11i instance so that it matches your desired target environment and then you can **upgrade** to R12. If your goal is to **change the structure and setups** in EBS because your business has changed, **then eprentise Reorganization** software can help.

If your goal is to **create a single global instance** to support your enterprise needs, **then eprentise Consolidation** software can help. If your goal is to have complete, consistent, and correct data everywhere, then **eprentise** can help.

If your goal is to go from **11i to R12**, **Oracle upgrade** software does that.

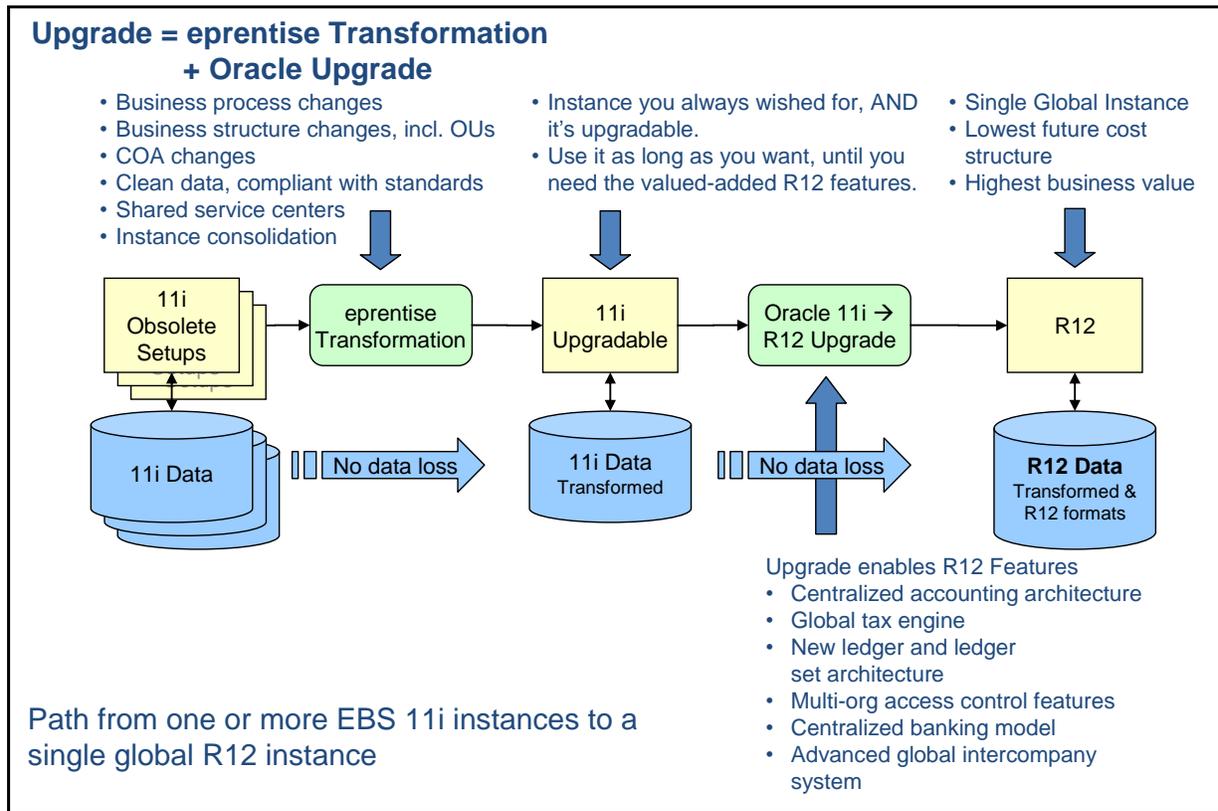
Why **reimplement**?

Transition Path Diagrams – 11i to R12

These diagrams illustrate the differences between a **reimplementation** and an **upgrade** approach.

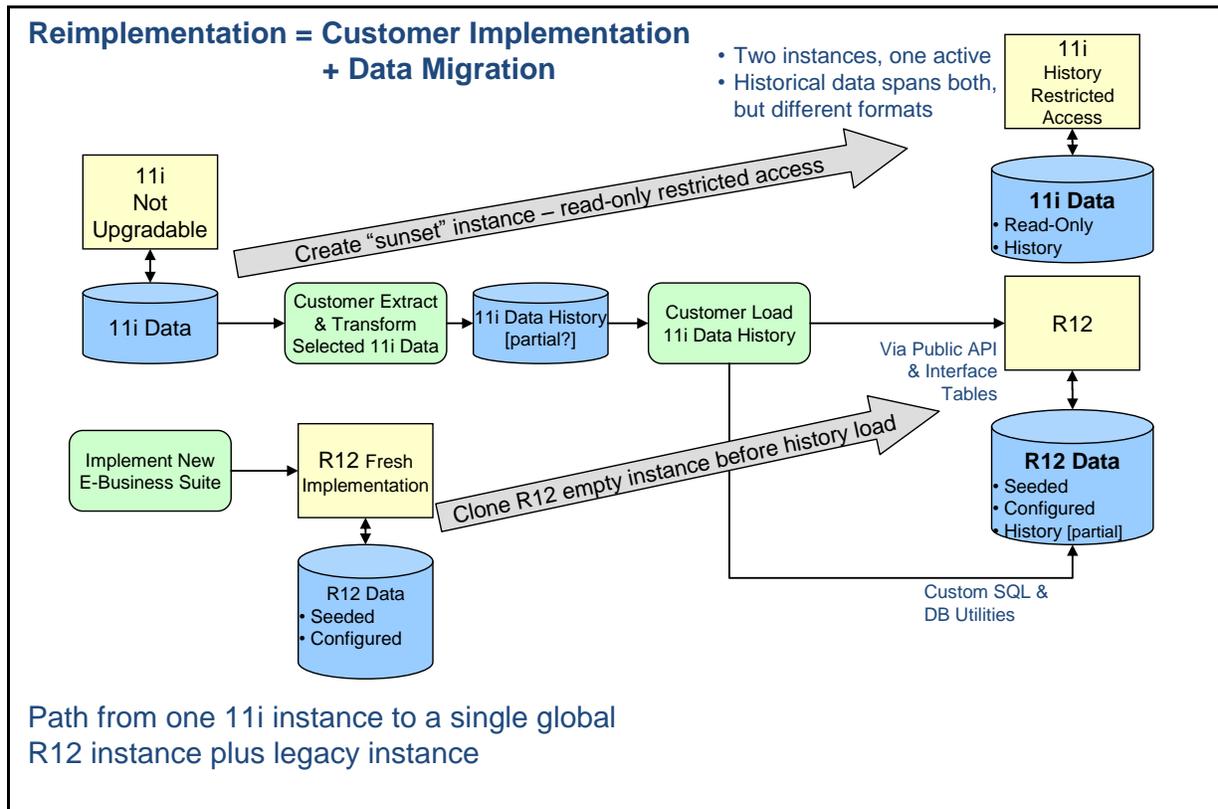
The first diagram shows the **upgrade** approach.

Figure 1 Upgrade Approach



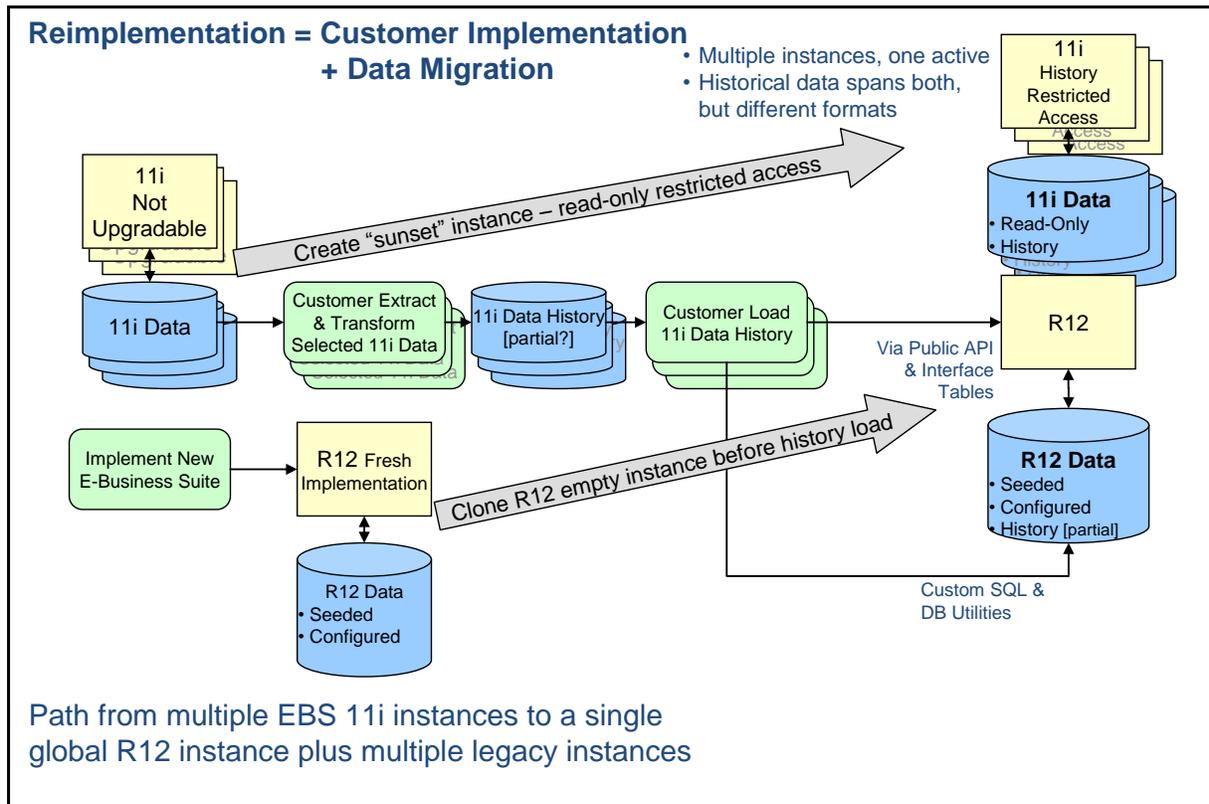
The second diagram shows the reimplementation approach. Customers following this path usually end up with the two instances (one R11i and one R12), and keep work around mechanisms in place to span the instances or to make adjustments in a downstream BI environment. We have heard of situations where IT promoted a **reimplementation** without thoroughly explaining the implications of the history data to the Business users.

Figure 2 Reimplementation Approach



The third shows the approach when there are multiple 11i instances. There are multiple extract and transformation operations for the data, and each 11i instance becomes a read-only history instance. It can be complex to coordinate multiple extract and transform efforts, particularly if the 11i instances are very different or geographically separated.

Figure 3 Multiple Instances Reimplementation Approach



Ten Reasons to Upgrade

These reasons relate to the three diagrams and the differences between the transition paths.

1. Reduced schedule and technical risk. **Upgrade** relies on commercial EBS conversion software from Oracle and eprentise, rather than reimplementation's technical analysts and data conversion programmers.
2. You can change your Chart of Accounts. **Upgrade** uses FlexField® to change one or more COA's segments and values so you can adopt a single global COA.
3. You test new EBS setups in familiar 11i. **Upgrade** uses eprentise Reorganization to change any fundamental EBS setup you have postponed until **reimplementation**. The common setups Oracle says are "not easily changed" include: Legal Entities, Sets of Books (Ledgers), Operating Units, Key Flexfields, Calendars, Costing Methods, Inventory Organizations, and Asset Categories.
4. Transaction data will be changed, too. **Upgrade** uses eprentise Software to convert all 11i data to reflect all COA and fundamental setup changes.
5. Your history matters. **Upgrade** uses Oracle **upgrade** to convert all 11i data to R12. Business users are happier with all EBS history and current data in a single R12 instance, rather than distributed between legacy and active instances.
6. Avoid custom data conversion. With reimplementation, you are on your own to create extract and loader scripts to convert and migrate your 11i data into R12. Unless you load everything, compromises lead to complexity, delays, and continuing expense.²
7. True single instance for past and future data. With **upgrade** the result is a single R12 instance, whereas with reimplementation you will have R12 plus the legacy 11i instance in read-only mode as a reference to history and the prior business structures.³
8. Avoid multiple custom conversions and legacy instances. For multi-national organizations with multiple EBS 11i instances, reimplementation requires data migrations from each legacy 11i instance into the single R12 instance. You will also retain all legacy 11i read-only instances.
9. **Upgrade** offers the most direct path and shortest time to single instance R12 business value. The most powerful **upgrade** advantage for multi-nationals is consolidation to a single global instance with standard business processes and all history data prior to the Oracle **upgrade** to R12.
10. **Upgrades** cost less. EBS customers pay for Oracle **upgrade** software even if they select reimplementation. Why leave money on the table and pay extra to do it yourself?

The Question of R12 Maturity

R12 was introduced in 2007. As a complex major new release, EBS customers expected quality issues with the software – even in fresh implementations – and the **upgrade**. There have been difficulties, but many see improvements as R12 has advanced from 12.0.x to 12.1.0.

Gartner, the IT research and advisory firm, published research in February 2009 that advised caution and careful planning for the 11i to R12 transition⁴. They found some customers experienced problems due to the architectural changes in the Financials, both with the end state software and with the transitional **upgrade** process. The paper recognizes that customers may use **reimplementation** as an opportunity to make fundamental changes to the configuration setups. “In a **reimplementation**, the user wants to leverage the new global financials functionality and may therefore revisit the whole conceptual design of their financials implementation.”

Logically if the Oracle **upgrade** software doesn’t work, then our suggestion to use eprentise Transformation software in conjunction with Oracle **upgrade** is not a viable option.

However, that is not the case. Oracle’s **upgrade** does work and over time customers report it has been getting better and easier. Oracle supports the software and **upgrade** process, and they help customers resolve difficulties during the **upgrade**.

Because of concerns with R12 maturity and the need for significant reconfiguration, Gartner wrote that multi-nationals and other large and complex customers “should approach the R12 **upgrade** with the mind-set of a **reimplementation**, rather than a simple **upgrade** of their existing environment. However, existing financials configurations can be migrated as-is if desired.”

Note that if the EBS customer wants to “revisit the whole conceptual design” then the eprentise software makes that possible *independent of the EBS release* whenever it makes sense for the business. The new financials “conceptual design” can then be **upgraded** as is with Oracle 11i to R12 **upgrade** software.

The Functional Business Analysis

It is important to keep the **upgrade** vs. **reimplementation** discussion in the context of the overall transition to R12. First understand what the R12 target needs to be. Compare that to the 11i instance(s). Itemize and inventory everything that needs to change. Then consider how you would make each change via **upgrade** (with eprentise Transformation software plus Oracle **upgrade**), and via reimplement (implement it and migrate your historical data).

A parallel analysis considers everything in the 11i instance(s) that *does not need to change* on the path to R12. What do you not need to touch if you **upgrade**? What do you need to replicate anew if you **Reimplement**? What extra historical data that is supposed to be unchanged must be managed and migrated if you reimplement?

Oracle provides useful documents. The R12 Adoption Best Practices⁵ and Upgrade Considerations by Product⁶. These supplement each module or product family’s implementation guide.

There will be other project components impacted by the 11i to R12 transition, virtually everything that touches the E-Business Suite. Some are mostly independent of the **upgrade** vs. **reimplementation** decision, such as reports and interfaces. Another set of items will be dependent, such as what happens in the Business Intelligence environment.

While creating the inventory of changes and working with Oracle documentation, it is natural to re-search the quality level of the Oracle EBS and **upgrade** software.

ePrentise Preliminary Proposal

When you have the inventory of what needs to change, including the current and future state for each item, then ePrentise can help you evaluate the use of our software for your R12 transition. For each change we will determine which of the ePrentise products and templates to use, and we'll provide you with a detailed understanding of the process. We'll provide a preliminary proposal detailing the software modules such as FlexField, Metadata Analysis, Reorganization, Data Quality, and Consolidation, and also disclosing product usage support services, schedule, and pricing.

You can then add the ePrentise preliminary proposal to your estimates for the Oracle **upgrade** to get the ePrentise plus **upgrade** estimates.

The Economic Analysis

The **upgrade** path combining the ePrentise software with Oracle **upgrade** appears to be less expensive, to be less risky, and to take less time than customer implementation plus data migration. That is because of the reliance on commercial software as opposed to manual efforts, and because the **upgrade** project path is more direct. We recommend a thorough comparison of the two transition paths as part of the overall 11i to R12 transition economic analysis. The economic analysis is tightly linked with the project planning and Business Functional Analysis.

An AMR Research paper addresses generic enterprise software **upgrade** strategies.⁷ They advise a comparison of the current and new release and getting stakeholders to estimate the savings or revenue opportunities for each. "While there are often potential cost savings from improved processes or IT portfolio rationalization, much of the justification for an **upgrade** must be based on opportunities and risk avoidance. While these soft benefits may not fit neatly into an ROI calculation, it is very important to quantify them and include them in the justification."

Oracle provides Release Value Propositions⁸ for the different R12 product families to help evaluate the upside opportunity in terms of increased revenue, customer satisfaction, and market share. The opportunities and risk avoidance metrics are essential to put a dollar value on every month the R12 go-live date is accelerated or delayed.

AMR goes on to say "the IT department needs to develop a cost estimate for the **upgrade** project that includes any anticipated software and hardware investment, external IT services, and internal personnel costs." IT can use the ePrentise preliminary proposal for the cost estimates. They will also have estimates for **reimplementation** costs: IT staff, outside consultants, business EBS user workload for analysis and testing, and software to assist in the data migration.



We recommend that senior financial analysts work with program and project managers and the ERP steering committee to develop a believable economic analysis to go along with the qualitative and technical analyses of the **upgrade** vs. **reimplement** decision.



Decision Factors – 11i to R12

This table identifies a set of factors to consider to determine whether to **upgrade** an Oracle E-Business Suite 11i instance to R12 or to **reimplement** the business application in R12. Inherent in the definition of **reimplement** are the questions of what to do with the existing business history data in the 11i instance(s).

For each **Decision Factor** in the **Desired R12 Target** column we describe the goal. These goals are accepted throughout the community of E-Business Suite customers. When you examine the 11i environment, it may already align with the R12 target or otherwise be **upgraded** easily. Other conditions call for changes that are not possible with the Oracle **upgrade** software *by itself*, but which are non-issues if you implement R12 – because you are not changing the 11i environment.

The table includes ideas from Oracle’s **R12: Upgrade vs. Reimplement (Financials)**. We show columns for the conditions that enable **upgrade** (*) and those that lead to **reimplementation** (**), according to Oracle’s document. We note which of these **reimplementation** conditions you can remove with eprentise software.

Oracle’s document asserts and we agree that if your EBS environment does not have the **reimplementation** conditions, upgrading is better. With eprentise software you can **remove the conditions** that lead to **reimplementation**. Thus, there is no longer a need to **reimplement**.

The table shows the implications of **reimplementation** and how eprentise software removes the conditions and enables the **upgrade**.

Think about your 11i environment while you review this table and see for yourself if **upgrade** looks better than it might have before.

* *Conditions that enable **upgrade***

** *Conditions that lead to reimplementation, according to Oracle’s document.*

Decision Factor – upgrade vs. reimplement	Desired R12 Target	11i Conditions that enable upgrade	11i Conditions that lead to consideration of reimplementation	Condition removed by eprentise	Reimplement implications; what must be done in addition to implement and test	How eprentise Software removes reimplementation conditions and enables upgrade
Business process configuration setups that are “not easily changed” such as COA, Costing Method, most Key Flexfields (KFFs)	Standardized and consistent configurations and business processes across all parts of the business, globally.	Satisfied.	Strong reasons to change setups “that are not easily changed.” ** Want to correct prior 11i mistakes and decisions in.	✓	Map all history data to new configuration setups, KFFs, etc.	eprentise transforms all configuration and KFF setups to the upgradable target structure (similar to implement in R12) and it transforms ALL HISTORY .
Legal Entity, Set Of Books (SOB), Calen-	Models and supports current and future	Satisfied with struc-	The enterprise (business or government) “has undergone	✓	Map all history data to new Ledger Set and Oper-	eprentise transforms all business structure setups to



Decision Factor – upgrade vs. reimplement	Desired R12 Target	11i Conditions that enable <i>upgrade</i>	11i Conditions that lead to consideration of <i>reimplementation</i>	Condition removed by eprentise	<i>Reimplement</i> implications; what must be done in addition to implement and test	How <i>eprentise Software</i> removes <i>reimplementation</i> conditions and enables <i>upgrade</i>
<p>Operating Unit (OU) structures</p>	<p>business. Simplified and lower cost Ledger Set operations. Use global tax engine. Transparency for Customers and Suppliers across sets of books and operating units.</p>	<p>structures. Oracle’s <i>upgrade</i> transformation produces the target structures.</p>	<p>significant change in the number and structure of its business units and organizations...” Current structures must be changed and Oracle’s <i>upgrade</i> cannot make required transformations.</p>		<p>ating Unit structures.</p>	<p>the desired target structure, and that will be upgradable to R12. The resulting structure in R12 will be as if you had done a fresh implementation. One difference is that at the same time eprentise transforms the setups, it will transform ALL HISTORY.</p>
<p>Org Unit Structure</p>	<p>Org Unit structure that reflects the current and future business. Org Units can be ledgers, legal entities, operating units, inventory organizations, HR organizations.</p>	<p>Satisfied.</p>	<p>Strong reasons to change.</p>	<p>✓</p>	<p>Implement the new Operating Unit structure. When loading any history transactions, change the Operating Unit as required.</p>	<p>eprentise can move historical transactions to new Operating Units. That includes updating all balances for the Operating Unit. Configurations can be copied to new Operating Units, and data that is shared across Operating Units may be standardized.</p>
<p>Number of E-Business Suite instances</p>	<p>Single instance environment that enables single source of truth plus simplified global business management and operations, with reduced IT operations</p>	<p>Single instance. *</p>	<p>Multiple instances. ** It is possible that you can <i>upgrade</i> one of the 11i instances, or that you already have an R12 instance. If so, you would reimplement each of the other 11i into the</p>	<p>✓</p>	<p>Implement a new global R12 instance. Extract, map, convert, and load selected history from each source instance to new single instance.</p>	<p>Use <i>eprentise</i> to consolidate the multiple 11i instances into one. The resulting single instance permits <i>upgrade</i>. eprentise will consolidate ALL HISTORY from all in-</p>



Decision Factor – upgrade vs. reimplement	Desired R12 Target	11i Conditions that enable <i>upgrade</i>	11i Conditions that lead to consideration of <i>reimplementation</i>	Condition removed by eprentise	<i>Reimplement</i> implications; what must be done in addition to implement and test	How <i>eprentise Software</i> removes <i>reimplementation</i> conditions and enables <i>upgrade</i>
	<p>costs.</p> <p>Use centralized banking model, global intercompany system, and global tax engine.</p>		<p>first R12 instance.</p>			<p>stances prior to upgrade. eprentise resolves duplicates among instances. Charts of accounts, calendars, other flexfields and configurations are standardized across instances.</p> <p>eprentise resolves all sequence numbers in every transaction line, and sums all balances.</p>
<p>Chart Of Accounts (COA)</p>	<p>Standardized COA that enables simplified reporting and global view.</p>	<p>Satisfied with COA structure and values. *</p>	<p>Obsolete non-global COA.</p> <p>Want global COA. **</p>	<p>✓</p>	<p>Select GL and subledger history data (all or part) to load into R12.</p> <p>Map history to new COA(s). Create code to translate from the old COA to the new COA.</p> <p>Alternative: create a new COA and do a financial consolidation to move your GL data to the new COA. No historical subledger data will have the new COA, and there will be on-going reconciliation between the new and old</p>	<p>eprentise converts 11i instance(s) COA(s) to target global COA, and transforms ALL HISTORY for all transactions in all subledgers.</p>



Decision Factor – upgrade vs. reimplement	Desired R12 Target	11i Conditions that enable <i>upgrade</i>	11i Conditions that lead to consideration of <i>reimplementation</i>	Condition removed by eprentise	<i>Reimplement</i> implications; what must be done in addition to implement and test	How <i>eprentise Software</i> removes <i>reimplementation</i> conditions and enables <i>upgrade</i>
					COA.	
Number of COAs	Single structure and values that meet global business requirements.	Single COA. *	Multiple COAs and want a single one or fewer COAs. **	✓	Same - Map all GL and sub-ledger history to new COA(s). The number of COAs becomes a workload multiplier factor.	eprentise converts 11i instance(s) multiple COAs to a small number of COAs or to single COA and transforms ALL HISTORY .
Business processes	Standard global business processes. Every business process is implemented through a combination of configuration data, workflows, and business rules. Examples of configurations are: profile options, approval limits, credit limits, costing methods, asset categories, aging buckets, and payment terms. Examples of workflows and “Business Rules” are: revenue recognition rules, security rules, and auto-accounting rules.	Standardized business processes. *	Multiple different business processes. Want to realize benefits of standard global business processes. **	✓	Configure the setups that define the global business processes. Modify workflows and business rules to reflect changed business processes.	All of the 11i configurations can be changed with eprentise software to match a defined target environment, and be reflected in all transactions. The workflows and “Business Rules” can be modified after the configuration is changed.



Decision Factor – upgrade vs. reimplement	Desired R12 Target	11i Conditions that enable <i>upgrade</i>	11i Conditions that lead to consideration of <i>reimplementation</i>	Condition removed by eprentise	<i>Reimplement</i> implications; what must be done in addition to implement and test	How <i>eprentise Software</i> removes <i>reimplementation</i> conditions and enables <i>upgrade</i>
Customizations and enhancements	Minimal customizations. Use of standard processes supported by Oracle, leading to reduced future maintenance costs.	Few. *	Many. **		Abandon customized processes for standard. Possible impact on history data mapping and loading.	If there are requirements to transform the history associated with customizations that you do migrate to R12, <i>eprentise</i> can do so. <i>eprentise</i> can bring data stored in custom tables into standard EBS R12 tables.
Back office services and service centers	Sharable, to enable global optimization for higher service levels and reduced costs.	Shared. *	Decentralized. **		Enable Multi-Org Access Control.	
Data cleanliness and standards	Some structures in 11i are more tolerant of duplicate or dirty data than R12. “For example, since supplier data moves from individual product tables in Release 11i to common TCA tables in Release 12, you should review your 11i supplier data and remove any duplicates.” ⁹	Data is clean, follows standards, and has been reviewed for compatibility with R12.	Data is inconsistent or dirty. Data administration standards have not been enforced within a single or across multiple EBS instances.	✓	Abandon or reconcile historical or dirty data left behind in the legacy 11i instance or instances with the R12 data going forward.	Use <i>eprentise</i> to clean and standardize the data prior to upgrade . <i>eprentise</i> can apply standard abbreviations and standard configurations across domains.



Decision Factor – upgrade vs. reimplement	Desired R12 Target	11i Conditions that enable <i>upgrade</i>	11i Conditions that lead to consideration of <i>reimplementation</i>	Condition removed by eprentise	<i>Reimplement</i> implications; what must be done in addition to implement and test	How <i>eprentise Software</i> removes <i>reimplementation</i> conditions and enables <i>upgrade</i>
Obsolete data	Only contains data (a) required for financial reporting and regulations, or (b) relevant to future business.	All data is relevant and should be incorporated in R12.	The business perceives the historical data as corrupt and not trustworthy, or simply not relevant to the current and future business.	✓	Keep the legacy instance, make it read only, and restrict access.	<i>eprentise</i> is able to remove data from 11i and the remaining data is consistent. After <i>upgrade</i> , the R12 instance only has relevant and trustworthy data.
Business Intelligence environment	Data from the R12 instance flows readily into the BI environment (e.g. OBIEE) and can be accessed easily by business users.	Single instance with consistent and standard data. Multiple instances that can be summarized and compared by the BI environment and tools.	Ineffective combination of EBS instance and BI environment. Consensus is to scrap the 11i data in the BI environment, and start fresh with R12 and OBIEE.	✓	Either abandon the historical data from 11i in the BI environment, or create mechanisms in the BI environment to span the 11i and R12 instances.	<i>eprentise</i> can be used to clean up the 11i data. <i>eprentise</i> can transform multiple 11i instances into a single upgradable R12 instance, which then becomes a single source for BI. <i>eprentise</i> can standardize R12 instances so no adjustments, mappings, or redefinitions are needed in the BI environment.

Summary Comparison – Upgrade vs. Reimplement

This table summarizes the differences between the two approaches for migrating from 11i to R12. It highlights how eprentise software and Oracle’s **upgrade** process combine to get the job done. In both approaches, by de-

finition the resulting R12 instance is functionally the same in terms of business processes, business organizational structures, transaction processing, setup configurations, and business rules.

When your Oracle E-Business Suite 11i instance or instances have reimplementation conditions, as defined by Oracle			
Migration Approach	eprentise Transformation(s) plus Oracle Upgrade		Customer Reimplement plus Data Migration
	eprentise Software	Oracle Upgrade	
R12 Instance Landscape	<ul style="list-style-type: none"> ▪ R12 instance contains all the data. ▪ No operational need for a legacy 11i environment. 		<ul style="list-style-type: none"> ▪ R12 instance contains a subset of the data. ▪ Legacy 11i environment must operationally available in read-only mode.
Migration Software	One time use. Not a bolt-on. Nothing persists in the R12 production environment.	One time use.	
Business Practices and Organization Setups	<p>The focus is <i>only on what needs to change</i>.</p> <p>You analyze, decide what to change, configure the target or use an existing configuration, fill out transformation templates, and test.</p>	Oracle upgrades in place without changes.	<p>The focus is on everything.</p> <p>You analyze, decide what to change, configure, and test.</p> <p>You also configure other setups <i>like they are</i> in the legacy 11i instance.</p> <p>The fresh implementation activities in the "Reimplement plus Data Migration" approach often take several conference room pilot iterations, which is a big investment in business user time. It also adds significantly to the elapsed time of the project, since the business users usually work on the project on a part-time basis.¹⁰</p>



When your Oracle E-Business Suite 11i instance or instances have reimplementation conditions, as defined by Oracle			
Migration Approach	ePrentise Transformation(s) plus Oracle Upgrade		Customer Reimplement plus Data Migration
	ePrentise Software	Oracle Upgrade	
History Data	<p>All ePrentise setup transformations are applied in place to the history data.</p> <p>No extract and translation required.</p> <p>No load scripts required.</p>	<p>Oracle converts the data in place.</p>	<p>You analyze, decide what data to take and what to leave behind, write extract, transform, and load (ETL) scripts or employ data conversion tool, test, and execute data conversion.</p> <p>You may put in pointers to old data or translation tables to span the legacy 11i and operational R12 instance.</p> <p>Determining extract procedures and then translating to the new 12i setup, and reconciling requires skilled resources and time</p> <p>Data load takes time – 2 days per API at a minimum, up to 2 weeks per API. Limited exception reporting available (mostly counts of records loaded)</p>
Project Team (Enterprise business and IT staff plus optional third-party professional service providers)	<ul style="list-style-type: none"> ▪ The customer team will require: <ul style="list-style-type: none"> ○ A project manager ○ Approximately 1 – 2 business users and a business system analyst per functional area ▪ ePrentise product usage support staff 	<ul style="list-style-type: none"> ▪ The customer team ▪ Since the upgrade will be “technical” without introducing functional changes, the customer team will be small and include an applications DBA. 	<p>Oracle suggests third party professional services provider to complement your staff team.</p> <ul style="list-style-type: none"> ▪ Your staff team ▪ Third party professional services providers ▪ The customer team including optional professional service resources will need an applications DBA to install EBS, a technical team to write ETL scripts or programs, QA, and functional resources. ▪ Estimate 2 – 10 technical resources per module, a full QA team to test the data conversion and new implementation, and 1 – 2 business users per module.



When your Oracle E-Business Suite 11i instance or instances have reimplementation conditions, as defined by Oracle			
Migration Approach	ePrentise Transformation(s) plus Oracle Upgrade		Customer Reimplement plus Data Migration
	ePrentise Software	Oracle Upgrade	
Risk in Migration of History Data	<p>ePrentise software generates transformation code automatically, which virtually eliminates risk of data integrity errors or overlooking something to convert.</p> <p>ePrentise software is covered by ePrentise product support.</p>	<p>The Oracle upgrade software and process is complete and undergoes continuous refinement.</p> <p>There may be defects and questions but these are covered by Oracle Support.</p>	<p>Schedule and technical risk since you have to manage, analyze, code/script, and test.</p> <p>EBS may not provide public documented interfaces (APIs and Open Interface Tables) for all tables. If you load or modify EBS data directly, there is a data integrity risk and functionality risk.</p> <p>The EBS public interfaces only provide minimal exception reporting and data validation.</p>



About ePrentise

ePrentise helps organizations that run Oracle E-Business Suite by providing Transformation software. These customers have particular Oracle-related challenges when they “**upgrade**” their business at a macro level and want their Oracle instance or instances to follow and support the new “release” of the business. The implementation of EBS is a model of the business’ organization and processes. EBS was not engineered to make it easy to change certain key aspects of the implementation — the model of the business — for a business “**upgrade**”.

The complexity of EBS meant that customers had few options other than reimplementing if they wanted to keep their systems aligned with the business changes. A series of reimplementations is not only costly, it is unnecessary.

ePrentise Transformation software was architected from the ground up with the purpose of providing enterprise agility to organizations that rely on OEBS for their financials and day-to-day operations.

ePrentise also works with System Integrators, Consultants, and Professional Service firms who help EBS customers.

To learn more about ePrentise Transformation software, we invite you to visit www.ePrentise.com, call 888-943-5363, or email sales@ePrentise.com.



End Notes

¹ R12: Upgrade vs. Reimplementation (Financials), by Elise Mattei, Metalink Doc ID: 780989.1, Modified 02-MAR-2009.

² While Oracle provides common APIs for the load into EBS, there is little available help for extracting and changing the data. Especially when loading from multiple systems, and IDs need to be changed, there is no “map” to identify all the related data that also must be changed to maintain relational integrity. See

<http://www.eprentise.com/agilitybydesign/?p=19> and <http://www.eprentise.com/agilitybydesign/?p=181>

³ Even with the history instance available, the data is not the same. It has been translated to be loaded into the “new” environment, and is only as accurate as the coding, reconciliation, and testing at the point of conversion. Access requires a “reverse translation”, reconciliation, and coding.

⁴ **Oracle E-Business Suite Release 12 Upgrades: Approach With Caution**, by Nigel Rayner and Yvonne Genovese. ID Number: G00164869, February 19, 2009.

⁵ **Best Practices for Adopting Oracle E-Business Suite, Release 12**. Doc ID 580299.1, An Oracle White Paper, June 2008.

⁶ **Release 12 Upgrade Considerations by Product (FINANCIALS)**, by Financials Product Development, Version v6.0, updated September 15, 2009.

⁷ **Reduce the Pain of ERP Upgrades With Better Planning**, by Jim Shepherd. AMR Research, AMR-R-20456, June 2007.

⁸ **Oracle E-Business Suite Release 12.1 Release Value Propositions**, Doc ID: 804373.1, August 13, 2009.

⁹ **Best Practices for Adopting Oracle E-Business Suite, Release 12**. Doc ID 580299.1, An Oracle White Paper, June 2008.

¹⁰ This is often why the earlier implementations do not meet the current business requirements. Customers, not understanding the features, implemented so that the Applications looked like the legacy system (that didn’t meet their needs and prompted the decision to go to EBS).