e*prentise* ®

**Consolidation Software
for Oracle® E-Business Suite**

ORACLE Gold Partner
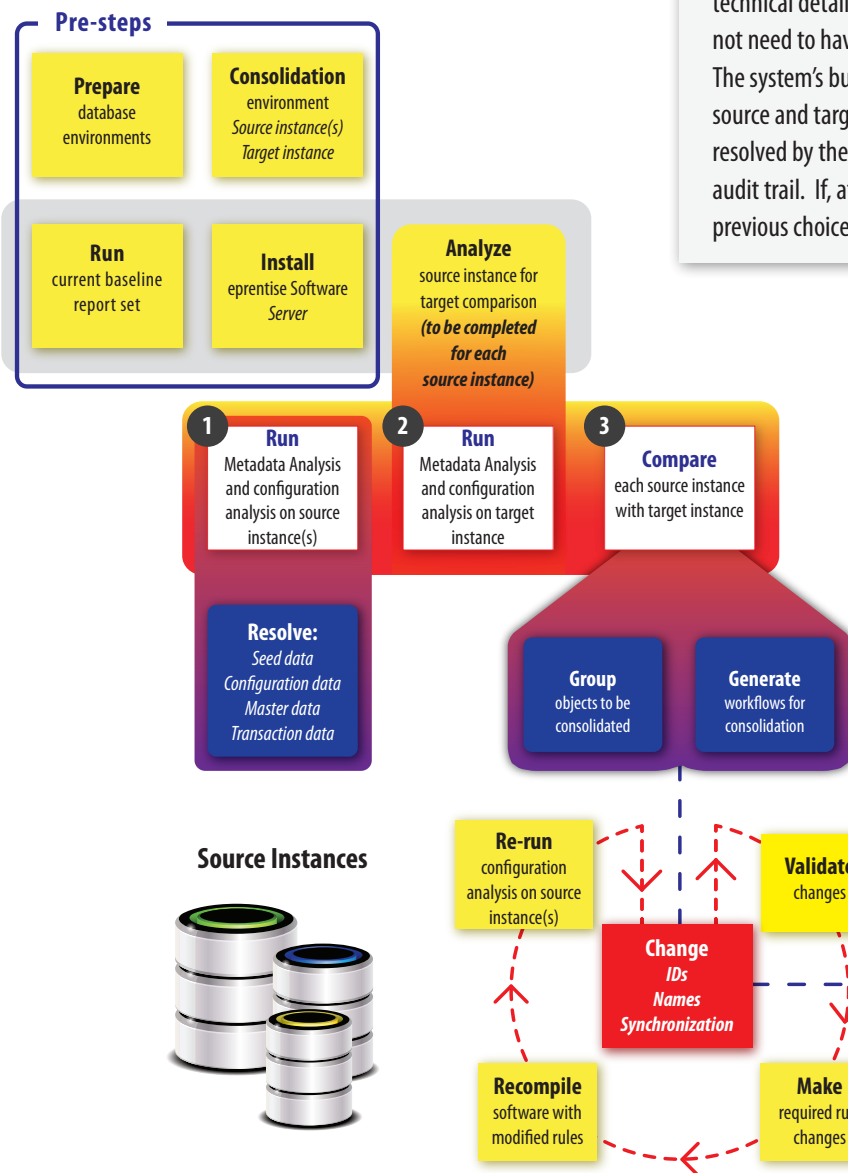
Gartner. | 2011
COOL VENDOR

Consolidate Multiple Oracle EBS Production Instances

...without Reimplementing.

Consolidation software from eprentise allows companies to merge two or more instances of Oracle E-Business Suite (EBS) into a single, consolidated database instance that includes all of the data and history from the source instances.

Relying on its built-in knowledge base of Oracle EBS, eprentise software provides a streamlined, cost-effective way to consolidate different instances after a merger or acquisition or a move to a centralized data center. eprentise Consolidation software automates the process and generates all of the required code, standardizing data, resolving duplicates, aligning set-up parameters, and synchronizing business processes across multiple implementations of EBS. The result is a single database that synthesizes all of the source EBS instances, fully aligning them with the current business strategy.

With its drop-down lists, rule creation templates, and mapping tools, eprentise software enables non-technical business users to make changes without understanding the underlying technical details. All code is automatically generated by the software. The business user does not need to have technical knowledge of the EBS version, specific modules, or SQL coding. The system's built-in error checking capability identifies and resolves differences between the source and target instances, identifies exceptions, identifies business decisions that must be resolved by the user, and generates the code to resolve conflict - all while maintaining a full audit trail. If, after a test run, the results are not exactly as desired, users can modify their previous choices to achieve the preferred final design for the target EBS instance.

Instance Consolidation Process

Pre-steps

Prepare
database environments

Consolidation
environment
Source instance(s)
Target instance

Run
current baseline report set

Install
eprentise Software
Server

Analyze
source instance for target comparison
(to be completed for each source instance)

1 **Run**
Metadata Analysis and configuration analysis on source instance(s)

2 **Run**
Metadata Analysis and configuration analysis on target instance

3 **Compare**
each source instance with target instance

Resolve:
Seed data
Configuration data
Master data
Transaction data

Group
objects to be consolidated

Generate
workflows for consolidation

Key Features of eprentise Consolidation Software

» Tightly integrated with EBS—eprentise Metadata Analysis and Configuration Analysis understand the relationships, database objects, and usage of every data item in order to perform the functions of copy, filter, change, and merge without compromising the data integrity.

» Drop-down lists, pre-defined rule templates, and intuitive, easy-to-use interface designed for business end users.

» eprentise built-in knowledge base of Oracle EBS understands the impact of all changes and "learns" the patterns and rules that determine what changes need to be made and how to apply those changes within EBS.

» The target instance reflects a realignment of all the source data to create a complete, consistent, and correct target database.

Source Instances

Re-run
configuration analysis on source instance(s)

Validate
changes

Change
IDs
Names
Synchronization

Recompile
software with modified rules

Make
required rule changes

Move Data
from source instance to target instance

Rebuild
indexes and compile

Validate
and resolve gaps
(target)

Target Instance:
A single instance with Complete, Consistent, and Correct data and **all history**.

An enterprise view of the data

The IT savings resulting from consolidating instances are substantial, but they don't begin to match the savings that are possible when the business standardizes on data and business processes. According to Gartner, "we have seen organizations save 15% to 40% of their ERP operations and support budgets after consolidation; the bad news is that this is rarely enough to pay for the project."[1] However, consolidating an ERP system enables business transformation. The ideal goal of a consolidation project is to drive a collective agreement on how the business should be run, what data assets need to be shared, and how business processes should be standardized on a foundation of common enterprise-wide operating procedures. If every business unit or region has different processes and metrics to run the same type of business, it is hard for management to compare the performance of those parts of the business.

Change from a Regional to a Global organization to leverage supplier and customer relationships

A single EBS instance enables a global team to jointly service customers, reduce duplication of administrative efforts, and present a single face to their global customers and suppliers in order to effectively cross-sell and take advantage of economies of scale. Within a single EBS instance, there is one view of the customer (without the additional burden of having to load to a data warehouse).

One company reported that after consolidation, the average time to register supplier invoices was reduced from seven days to three. The percentage of supplier invoices received and processed electronically has risen from 16% to more than 35%, and 99% of customer invoices were raised and auctioned within two days (a reduction from over 4 days). The consolidated instance led to better visibility and improved governance of finance and accounting processes, including better purchase order controls and reductions in both manual payments and accounts receivable reconciliation.

Realize merger and acquisition synergies

As companies consolidate, they find that they have many similar operations around the world, such as factories, distribution centers, and sales offices. There are also many business operations that can be consolidated including payroll and finance operations. Organizations can benefit by operating a shared services center to handle transaction processing and even by handling higher-value activities such as management reporting. Operating efficiencies result in cost savings of over 20% on total employee costs through labor arbitrage and approximately 15% cost reduction on financial operations for many companies. A single, consolidated instance is the key to significant reductions in days sales outstanding, in turn reducing both the month-end close process and on-hand inventory (by managing its raw-material inventory across plants, one company reports a reduction of 50% of inventory costs). A consolidated instance approach is a foundation for rapid integration of new acquisitions.

Establish a single-source of truth to streamline data processing and reporting

Functionality across multiple instances diverges as time passes, leading to inconsistencies between and among critical business data. This can result in duplicated master data for customers, products, and materials resulting in increased numbers of reports and related reconciliations between instances. Worse, such duplications can result in incorrect decisions or costly process redundancies.

According to Gartner research, "enterprises integrating high value, diverse and new information types and sources into a coherent information management infrastructure will financially outperform their industry peers by more than 20%."[2] Establishing such coherence is, at best, difficult in a multiple instance ERP environment.

The mantra for all efficient and effective organizations is "do more with less". For the most competitive organizations, the expectation is to do more with less, and to do it even better. Having an effective and efficient record-keeping and transaction-processing system is key to organizational performance. Multiple EBS instances can lead to significantly slower transactional processing due to different recording schemas for similar transactions and different definitions of the data. Worse, because there is no inter-instance functionality built-in to EBS, centralizing data processing is significantly hampered by the lack of an easy way to synchronize transactions that affect organizations within the disparate instances. When companies had the luxury of dedicated accountants for each legal entity, this was manageable. But streamlined operations mean centralized accounting, where a single accounting group may be processing transactions for several legal entities. When these entities are established in multiple instances, there is no easy way to efficiently process transactions for all entities. Oracle has recognized the need to post transactions efficiently in multiple organizations by introducing multi-org processing through Multiple Organizations Access Control (MOAC) in Release 12 of EBS. But if the entities are in multiple instances, multi-org processing is unavailable and costly errors can occur due to confusion. At a minimum, the effort to record transactions is encumbered as accountants have to reference "cross-walk" documents that were created to outline how similar transactions need to be processed differently in each instance.

Consolidation software from eprentise allows companies to merge two or more instances of Oracle E-Business Suite (EBS) into a single, consolidated database instance allowing streamlined processing and reporting, without the high cost and resources required for a reimplementation.

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[1] ERP Consolidation: Standardizing Processes and Evaluating Your Options, by Bill Swanton, 1 December 2010

[2] Key Issues for Data Management and Integration, 2011 by Mark Beyer, et al, 22 February 2011, G00208941

eprentise Consolidation at a glance

Client	Global Automotive Parts Supplier
Profile	40 distribution centers serving more than 3,400 distributor-owned and independent jobbers in the US, Canada, and Mexico
Challenges	Multiple instances, each of which resided on separate servers, had created an over allocation of hardware and IT resources, creating operational issues, obstacles to growth, and barriers to improve company-wide efficiencies

Solution

eprentise Consolidation software for Oracle E-Business Suite to consolidate U.S. and Canadian instances into a single global instance

- Minimal staff involvement: just 5 FTEs
- Zero errors
- Brought over all history
- No configuration required
- Completed in 7 months
- Fraction of the cost of reimplementation
- No coding required

Results

- Reduction in infrastructure costs
- Reduction in IT personnel support costs
- Streamlined business processes
- Ability to leverage suppliers
- Strengthened agility to respond to market demands
- Ability to implement new initiatives more rapidly

	WITH SOFTWARE: eprentise Consolidation *Automotive Supplier*	**REIMPLEMENTATION:** Migration *Financial Services Provider*
Resources	about 5 FTEs	about 250 consultants
Project Duration	7 months	18 months
Cost	under $500k	between $12 million and $15 million
History	all history in a single instance	1 year history and balances*
Environment	Done in R11.5.10	Upgraded to R12
		must maintain sunset instances

Comparing Two Alternatives:
Consolidation with eprentise vs. Migration

"IT wanted to consolidate because of the reduced hardware footprint, reduced maintenance and support across all areas, but it wasn't until the stakeholders saw a direct business benefit that we finally received approval."

Manager, Oracle EBS Development
Automotive Parts Supplier

A strategy comparison of migration vs. consolidation for getting from multiple 11 instances to single, global R12

Typically, the **migration** process starts with creating a new R12 EBS instance and performing all the setups in every module. A migration approach generally calls for data to be extracted from the multiple current 11i instances, transform that data to meet the changes in the R12 configuration and reconcile the differences among the instances through custom scripts (and there are different scripts for each 11i instance), and then create scripts (again, different ones for each instance) to load the data into the new R12 instance. A common workflow is to extract the Current 11i data from each instance, transform that data into new data compatible with R12, and load the transformed data into the Current R12 instance, forming a global R12 instance. During a migration, companies generally only bring master data, open business transactions, and 1 - 2 years of closed transactional data into the new global instance. As a result, one of the byproducts of the migration approach are several recycled instances that must remain in a "sunset" (read-only) state for 5 - 10 years, the exact duration being based on external regulations for data retention and internal business operational requirements. Thus, there is an implicit redefinition of the requirements to include (1) a single R12 instance for future business, plus (2) a sunset instance for the historical data until its regulatory and operational usefulness expires.

Migration is the way things have been done in the early EBS days when it was necessary to combine two instances, and it is characterized as relying on highly skilled technical staff, labor intensive, and supported by very general purpose software utilities such as data loader. The end result is usually a compromise among schedule, business, and technical constraints. Migration generally takes a long time and is expensive; but, until now, it has been the only game in town and follows practices and techniques generally used in the Oracle EBS community.

Consolidation is new, characterized as relying on a purpose-specific software product that displaces labor, elapsed time, and technical risk. The eprentise Consolidation process starts by defining which of the existing instances is the target instance. Then it analyzes each of the source instances, compares every database object — and every data item in each of the sources — with those in the target. It identifies the differences and gaps between each source and target and automatically generates the code to merge the source data into the target instance. eprentise Consolidation software is the best choice for getting to R12.

eprentise Consolidation Technical Specifications and User Interface

Possible Conflicts	Common Items in Multiple Instances	Data Type	Resolution Automated by eprentise®
IDs	Chart of accounts ID 101	Different	✓
	Operating unit ID 01	Different	✓
Names	Report A	Different	✓
	Customer, supplier, and employee names	Same/Different	✓
Synchronization	Menus	Same	✓
	Units of measure	Same	✓

eprentise provides software that allows Oracle® E-Business Suite users to consolidate multiple production instances, to change existing configurations like charts of accounts and calendars, and to merge, split, or move sets of books, operating units, legal entities, business groups, and inventory organizations. Our software allows growing companies to make their E-Business Suite systems agile enough to support changing business requirements, avoid a reimplementation, and lower the total cost of ownership of ERP while also enabling real-time access to complete, consistent, and correct data across the enterprise.

eprentise
6052 Turkey Lake Road, Suite 202
Orlando, Florida 32819
407.591.4950

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WWW.EPRENTISE.COM + 888.943.5363