



THE OFFICIAL PUBLICATION OF THE ORACLE APPLICATIONS USERS GROUP

# Insight

FALL 2011

## TOTAL COMPENSATION STATEMENTS AT ECCU

### Implementation & Rerelease

A Roadmap to Centralization in the ERP World

What Project-Centric Companies Need to Know

*Before Upgrading to Oracle® E-Business Suite Applications Release 12*

Oracle Advanced Compression with E-Business Suite





# What Project-Centric Companies Need to Know ...

By Kimberly McDonald Baker  
and Robert D. Anderson, CPA

... Before Upgrading to Oracle® E-Business Suite Applications Release 12

**P**roject Partners has been helping clients plan upgrades to Release 12 of Oracle® E-Business Suite Applications since 2008. Much has changed in the past three years and in this brief article we provide updated advice to help project-centric firms upgrade successfully to Release 12. You'll find much more information and an in-depth webinar on this topic at [www.ProjectP.com/R12](http://www.ProjectP.com/R12).



Because Oracle Applications Release 12 is now stable and the current and pending releases provide new functionality within the Projects Suite, we strongly encourage project-driven firms to evaluate upgrading to take advantage of new features such as:

- Subcontractor Management, Payment Controls and Pay When Paid.
- Updated Contingent Worker functionality.
- Project Security in Oracle Purchasing.
- Change Management.
- Project Analytics.
- Enhancements to Agreements and Billing.
- HR rates used for project planning and costing.

Significant changes to the User Interface and major rewrite of the core Financial applications make Release 12 different from the usual upgrade. In R12 the modules with the most users have also seen the most changes:

- General Ledger.
- Accounts Payable.
- Accounts Receivable.
- Procurement.
- Cash Management.
- Reporting tools.

There are changes in functionality, in which application controls shared data, in external interface and table structures, in processes and most significantly, in the flow of accounting transactions.

## Where to Start

Oracle has made great progress in providing useful, easy-to-find information

on My Oracle Support. The best starting point is 411EBS – EBS INFO [ID 411327.1], which provides highlights and information from conferences and other sources. This document contains links to other documents and resources within My Oracle Support to help guide you through the upgrade or re-implementation process. You will find links and additional information about these resources on our website.


Use the Oracle resources mentioned above to help you with your planning. But keep in mind that this is a major upgrade, and you will probably need outside help. By putting together a realistic plan you'll know up front what you can tackle yourself and what areas require outside expertise.

## Upgrade or Re-Implementation?

If your R11.5.10 environment utilizes standard functionality, is patched to the correct level and has clean data, Oracle's guided upgrade path will move you to R12 in an orderly manner. You may choose to re-implement if some of the following are true:

- Your business organizational structure has changed and the configuration needs updating.
- Your current implementation has many customizations to retire and you want to use R12 features and functionalities to streamline operations.
- Your original implementation has issues, as this is a perfect time to fix the underlying problems.
- You have data quality issues.

“But keep in mind that this is a major upgrade, and you will probably need outside help. By putting together a realistic plan you'll know up front what you can tackle yourself and what areas require outside expertise.”



## Be Prepared

Identify and complete as many of the items below prior to migration as possible.

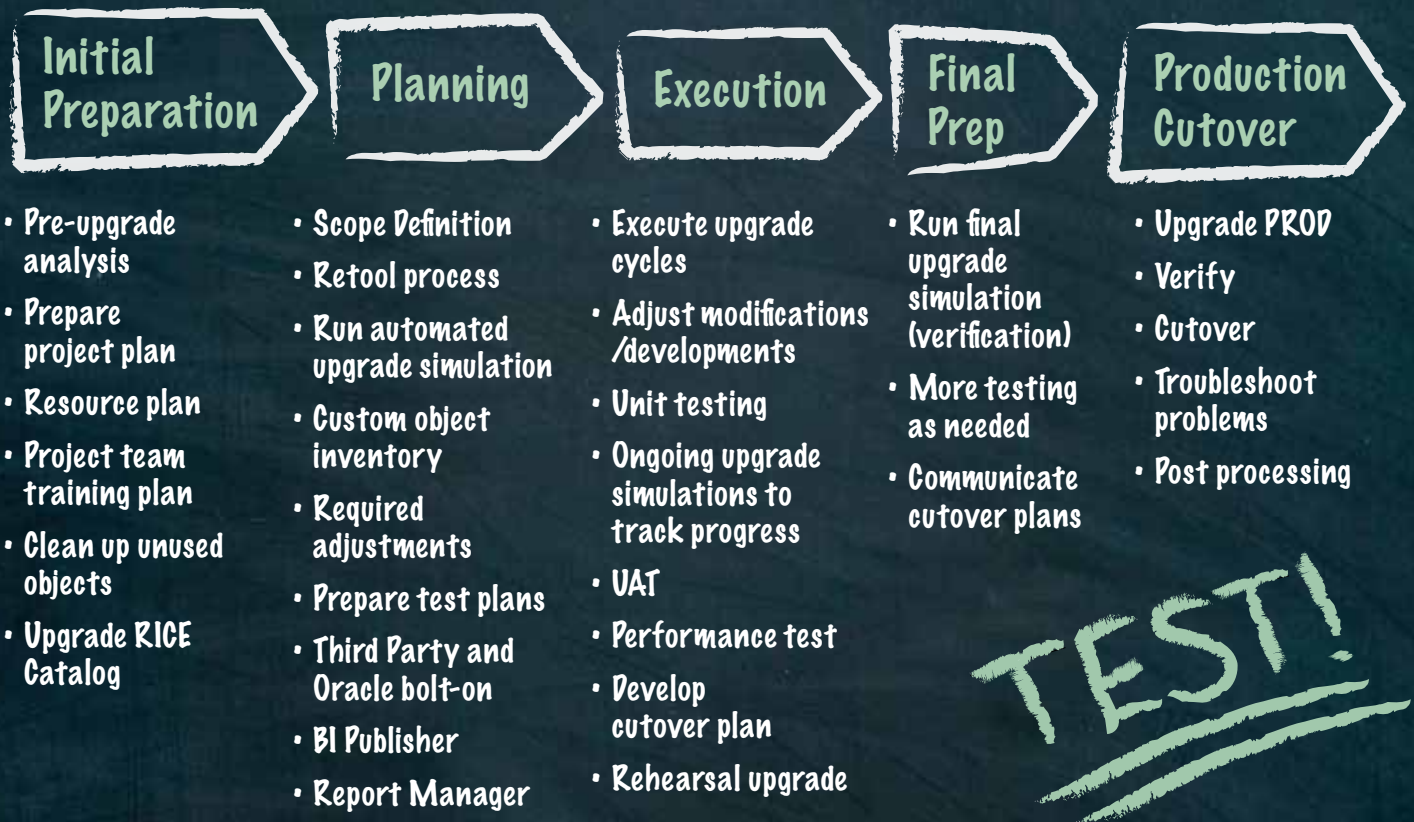
- Upgrade hardware.
- Upgrade database.
- Apply recommended patches.
- Clean data – much of your data will be converted into R12. Minimize conversion issues by cleaning up bank accounts, suppliers, customers and other items.
- Map your current business flows within R12 functionality and identify business process changes.
- Other unique items such as third-party applications and customization updates.
- Supplement in-house resources so they have time to do all the testing and upgrade work, and utilize skilled experts, such as Project Partners LLC, to help in critical areas.

## Lessons Learned

On the following pages are a few areas that we recommend that you research in advance of your upgrade, and that you test especially well.



# Major Upgrade Tasks



## Finance & General Ledger

Oracle Subledger Accounting holds detailed transaction information that is pushed to various ledgers, allowing greater flexibility, but it is new and complex and requires more time to complete monthly and quarterly close activities. E-Business tax setups are also now centralized and act like a data warehouse that collects information from many places. Give this extensive testing to make sure you can meet your Federal and State tax reporting requirements.

Multi-Org Access Control provides role-based access to multiple Operating Units which can be confusing to set up and dangerous if not done right. Critical reporting has changed. FSG reporting is now controlled by the Report Manager, other reports now have XML /PDF

output, and still other reports no longer exist. And of special importance: plan multiple phases of comprehensive testing across multiple month end and quarter end cycles because some errors do not appear until the second month end or second quarter end cycle!

## Accounts Payable

Suppliers are now owned by Accounts Payable, not Procurement, a significant change combined with three new Supplier Interface tables which replace direct inserts to tables. These changes require review of all Supplier-related RICE Objects. Other areas, such as the Invoice Workbench, Invoice Processing, iPayment and other functionality, affect activities like vendor consolidation for Accounts Payable and Advanced Accounts Receivable. BI

Publisher is now the easiest tool to create check documents, and you'll want to take advantage of this functionality. Other areas had many early problems that have been resolved, but still require testing to make sure they work for your project-centric organization's needs.

## Reporting

Desktop ADI, which is used heavily by Finance personnel, no longer exists. You must move to Web ADI. In moving from the Desktop to Web ADI, you lose the ability to drill down and change formatting without Report Manager. Leverage BI Publisher for reporting templates and consider Oracle Business Intelligence Enterprise Edition (OBIEE) if not currently part of your plans. OBIEE is a whole new world if you haven't used it before. This is part

of Oracle's strategic direction, but you must confirm the OBIEE environment technical requirements for Web Server, Portal, Oracle Internet Directory (OID) and your Operating System. Confirm OBIEE hardware requirements, and remember that this requires a single installation on a high-performance server. Test new tools to ensure your desired capability exists in R12.

### Testing, Testing, 1, 2, 3 – And Then Some

You will either test your upgrade multiple times in a test instance or live in production. Which do you prefer? Do not underestimate the need to test!

### Test Strategy

Define your test strategy. There are a lot of changes in core functionality that was stable for a long time and has now been rewritten. This is NOT just a technical upgrade where you apply patches and run a few tests. A lot of the processes that accounting and finance users will go through in R12 will be significantly different. Everything from how you pay people to producing routine reports has undergone big changes. Think through the entire cycle from your bank to your suppliers to ensure that everything is properly migrated and works as you intend it to. Identify business flows that test not only what you used to do in Release 11*i* but also the new functionality in R12.

You must do both load and volume testing. The reality is that you'll do it one way or another, so it's better to do it in a test environment. This is where you'll find out if your hardware is going to work for you – you need to know that before you go live.

### Test Instances

Ensure that you have adequate resources for multiple test instances. At a minimum you need two instances just for testing: one to reflect the results of your last test cycle and one for the new tests so you have the ability to evaluate and understand any differences between the test cycles. A development instance is a must and, at some point, a training instance and an instance that can be used for Oracle support issues and bug resolution.

### Library of Test Cases

To ensure success, you must use detailed test scripts. Leverage past Release 11*i* implementation or upgrade test cases and update them with items specifically focused on new R12 features and functionality. Make sure your test cases have specifics about the test data to be used and the expected results. If you don't know what the results should be, you won't know if your test has been successful. And lastly, maintain and update your test case library and track what you have used for each testing cycle.

### User Training

Don't underestimate the need to do extensive user training. Some of your employees have been using Oracle Applications for decades, and they are confident that they are expert users. Unfortunately, they don't yet know anything about Release 12. The core Financials have all changed. We can't stress that enough!

The Oracle User Productivity Kit (UPK) is becoming the standard for Oracle to deploy many kinds of information. Some areas of functionality, such as the Tax Engine, can only be

understood via UPK. By incorporating UPK into your training program you're going to be much more successful.

### Learn More

You will find much more information about successfully upgrading to Oracle Applications Release 12 on our website at [www.ProjectP.com/R12](http://www.ProjectP.com/R12) – including free webinars and whitepapers. Our experts are available to discuss your implementation concerns; reach us by phone at +1.650.712.6200 or email at [information@projectp.com](mailto:information@projectp.com). 

“This is NOT just a technical upgrade where you apply patches and run a few tests. A lot of the processes that accounting and finance users will go through in R12 will be significantly different.”



*Project Partners, LLC offers consulting services and software products to project-driven firms and is a single point solution provider for all requirements across Oracle® E-Business Suite™, Oracle Primavera™ and Oracle Fusion™ Applications. Our global team includes many of the experts who designed and delivered the Oracle E-Business Suite Projects Applications. Our integrated products extend Oracle Projects™ and Oracle Primavera solutions, and our management consulting services are provided by Project Management Institute® – certified Project Management Professionals and Certified Public Accountants.*



**If your firm  
manages projects,  
you need to know us**



*The Experts in Enterprise Project Portfolio Management™*

**No one knows Enterprise Project Portfolio Management better.**

Our team of Oracle® veterans has been working with Oracle Primavera and Oracle E-Business Suite Projects applications since they were invented. In fact, we helped invent Oracle Projects.

- We work exclusively with project-centric organizations, all day, every day
- We implement and integrate Oracle Primavera and Oracle E-Business Suite Projects applications
- Our products extend the functionality and enhance the user experience of these applications
- We provide proven, immediate Return on Investment

**Learn what we can do for you: [www.ProjectP.com/primavera](http://www.ProjectP.com/primavera)**



[www.ProjectP.com](http://www.ProjectP.com)

**1.650.712.6200**

All trademarks are the property of their respective owners.