



Oracle EBS R12 Upgrade Challenges and Benefits

While an EBS upgrade can ultimately offer improved features and performance, no amount of planning can save users from unexpected challenges before, during and after the upgrade. Even with challenges ranging from hardware implications to functional and technical retraining -- an R12 upgrade can still have many advantages. In this expert E-Guide explore the benefits of an R12 upgrade; including globalized features and more flexibility for companies with complex organizational structures.

Sponsored By: 



Oracle EBS R12 Upgrade Challenges and Benefits

Table of Contents

[Oracle E-Business Suite users face EBS R12 upgrade challenges](#)

[Users consider Oracle EBS R12 upgrade as Premier Support for 11i ends](#)

[Resources from Fujitsu and Oracle](#)

Oracle E-Business Suite users face EBS R12 upgrade challenges

By Shayna Garlick, Associate Editor

As Premier Support for Oracle E-Business Suite 11i ends and users begin their upgrade planning for Release 12, many are anticipating unique challenges when moving their data, technologies and IT staff to the new version.

At the Oct. 25 New England Oracle Application Users Group conference held at the DCU Center in Worcester, Mass., customers discussed the pros and cons of an upgrade to EBS R12. While an EBS upgrade can ultimately offer improved features and performance, no amount of planning can save users from unexpected challenges before, during and after the upgrade.

The Fortune 500 company ONEOK, an energy and natural gas corporation, completed an upgrade to R12 this summer after 11 months of test and exploratory rounds. The upgrade was ultimately successful; however, the team faced some challenges, even after planning their upgrade timeframe with the expectation that issues would arise. For example, the Vertex sales tax module they were using was not certified with R12, so they had to switch to Oracle's new Tax Engine. Another challenge arose when the final upgrade was performed mid-payroll cycle, locking old time cards.

Mike Miller, vice president of service delivery at Data Intensity, the IT services firm that helped ONEOK complete the upgrade, also discussed in his conference session the large amount of historical data that ONEOK had, which he said was one of the biggest challenges. Miller said this issue had the greatest impact on ONEOK's Oracle Accounts Payable system.

"We expected bugs, but data problems were a surprise," he said. "We knew that during the exploratory (round); we couldn't get upgrade rounds to finish until we ran purge programs."

Poulimi Mehta, a business analyst at General Dynamics, said that this will also be a concern for her company, since they plan to keep all of their past data. She said while an R12 upgrade is on her radar for some time in the next two years, they currently have a large

number of higher priority projects. She also wants to see what issues other users who upgrade run into -- and what solutions Oracle will offer

Some users are also asking whether they should upgrade R12 or go to Fusion Applications. Colleen Baumbach, senior director of product strategy at Oracle, spoke at the conference and recommended that users stay current on Oracle applications releases and also adopt a "coexistence strategy" by adding new Fusion apps modules to their existing Oracle apps portfolio.

Kathy Korman, a business analyst at Atrium Medical, said she hopes to start an upgrade to R12 sometime in the next year in order to get full support from Oracle. But when asked if she knew whether her company would adopt Fusion Apps, she said she didn't know yet.

"If we saw benefits in certain modules, we might consider it," she said.

Still, Fusion Apps or not -- and despite challenges ranging from hardware implications to functional and technical retraining -- an R12 upgrade can have many advantages. Stan Korwin of the consulting firm DARC Corp., who led a conference session on R12, said these benefits include globalized features and more flexibility for companies with complex organizational structures.

Neil Feldman, senior director of applications at Abt Associates, upgraded to R12 a year ago from EBS 11.5.8. He said that the upgrade allowed his company to get rid of about 25% of its customizations, like custom reports, and make them part of their standard product.

Feldman also said that while they had a few problems in the project building and Oracle Accounts Receivable (AR) space, these issues were resolved rather quickly.

"It was surprisingly smooth," he said of the upgrade.

Korwin that since R12 has been out since January 2007, the significant bug problems have been worked out.

"It's stable, he said. "It's been stable for the past couple of years."

Users consider Oracle EBS R12 upgrade as Premier Support for 11i ends

By Shayna Garlick, Associate Editor

Premier Support on Oracle E-Business Suite Release 11i ends Nov. 30 and end users are still struggling over whether they should do an EBS R12 upgrade.

Oracle bought users some extra time to make their decision after waiving the 10% maintenance fee for the Extended Support package through November 2011. But users moving to Extended Support will still lack certification with most new third-party products and face new minimum patching baselines for E-Business Suite 11i. Users must meet these new patch requirements by the time they move to Extended Support on Dec. 1 in order to have access to new bug fixes.

Even though E-Business Suite 12 has been out since 2007, economic challenges have still held users back, and adoption has been slow. But according to a SearchOracle.com survey this year of hundreds of Oracle database administrators and IT staff, 31% plan on upgrading E-Business Suite in 2010. And with Oracle's Extended Support fee waiver, this is likely to grow even more into 2011.

Oracle E-Business Suite 12 was one of the main topics of discussion Monday at the New England Oracle Applications Users Group conference at the DCU Center in Worcester, Mass. While the majority of users have yet to move to EBS R12, many are interested in learning about its features and implementation options as they begin their upgrade planning.

In his session titled, "Why do I need R12?" Stan Korwin of the consulting firm DARC Corporation highlighted various reasons Oracle users should upgrade, such as avoiding higher maintenance costs and keeping on the path to Fusion Applications. Korwin also spoke about the new features in EBS R12, calling Financials "the big change area." New R12 Financials features include subledger accounting, centralized bank transactions, multiple ledger capability and an Advanced Global Intercompany System.

Korwin showed the approximately 20 session attendees a visual of Oracle E-Business Suite 12's new and improved HTML-based "Swan" user interface and asked who had seen it before. Only a few people raised their hands, but Korwin said this was typical of his experiences with Oracle users and R12.

"There's a lot of talk about it, but very few people have actually been exposed to it," he said.



[Click to enlarge](#)

EBS Release Roadmap. Image courtesy of Oracle Corp.

Still, numerous users are in the planning stages. Many more hands went up when Samir Rathore of Sierra Atlantic asked the nearly 40 attendees in his session, "Oracle R12 Project: Upgrade or Re-implement," how many were planning an EBS R12 upgrade in the next 18 months.

Upgrade or re-implement EBS R12?

Christine Capozziello, a business analyst who works in HR payroll at Yale University, said her department recently did their last upgrade to Oracle E-Business Suite 11.3 and does not know when they will move to R12. She realizes they may not be able to fit this upgrade into the three-month time frame they usually upgrade in, and she was attending the conference to learn how much time they should plan for.

One factor affecting how long a move to EBS R12 will take is whether organizations choose to upgrade or re-implement R12. According to Korwin, a straightforward upgrade with no complications can be done in as quickly as three months. However, if you're unhappy with the way business is done or want to change your company's organizational structures, an

upgrade won't fix that. These are cases where you'll want to consider a re-implementation, which usually takes four or five months to a year, Korwin said.

Rathore also discussed re-implementations, which he called involved processes. Re-implementations include numerous change management processes and project lifecycle steps such as training, validations, mapping and gap analysis. Rathore also provided some questions companies should ask before deciding whether re-implementation is right for them, including:

- Has your company grown beyond the accounting structure originally envisaged?
- Are you concerned about the volume of inter-company transactions?
- Do you have many customizations that you are grappling with?
- Do some of the transaction flows require a fresh perspective and a fresh solution?

Tom Dimock, a functional superuser at BAE Systems, said whether his organization chooses to upgrade will depend on if it wants to take advantage of R12's new features. However, he noted that BAE's plan to go to EBS R12 doesn't have to be all or nothing.

"It could be that we re-implement one module and upgrade another," Dimock said.

Resources from Fujitsu and Oracle



[The Ultimate Upgrade Experience for Oracle E-Business Suite 12.1](#)

[Best Practices for Oracle Products Across Different Industries](#)

[What to consider when upgrading to Oracle E-Business Suite Release 12.1](#)