OPTIMUM SOLUTIONS

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Case Study: Replacing Ariba
Implementing Oracle iProcurement for an Online Brokerage Firm

PRESENTED BY:

Glenn Hoormann

Director, Optimum Solutions

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ORACLE CERTIFIED ADVANTAGE PARTNER

Agenda

OBJECTIVES

Present to the audience at the correct level

Present a case study of a customer who replaced Ariba with a total Oracle Procurement solution

Provide something of value to the audience relative to the Oracle Procurement solution

Answer all questions clearly, or follow up with the answer if necessary

- **Introductions**
- **The Companies**
- **The Project**
- **Challenges & Concerns**
- **Project Details**
- **What Did We Lose?**
- **What Did We Gain?**
- **What Would We Do Differently?**
- **Q & A**

Introductions

Introductions

- **Glenn Hoormann, Director, Optimum Solutions**
  - Working with Oracle databases since the mid 80's
  - Working with Oracle Applications since the early 90's
  - Working with Business Intelligence since the mid 90's

- **Audience**
  - Poll audience for
    - Functional, Technical or Management
    - Pillars - E-Business, PeopleSoft, Siebel, other

The Companies

Corporate Snapshot

SERVICE OFFERINGS

Business Process / Knowledge Transfer Approach

Centers of Excellence: Oracle, PeopleSoft, Siebel, Demantra, and Fusion

Business Intelligence, HCM, CRM, Financials, SCM, EPM, Portal

Industry leading Methodology: Optimum METHOD[SM], OptimumTOOLKIT[SM], OptimumSUPPORT[SM] Program
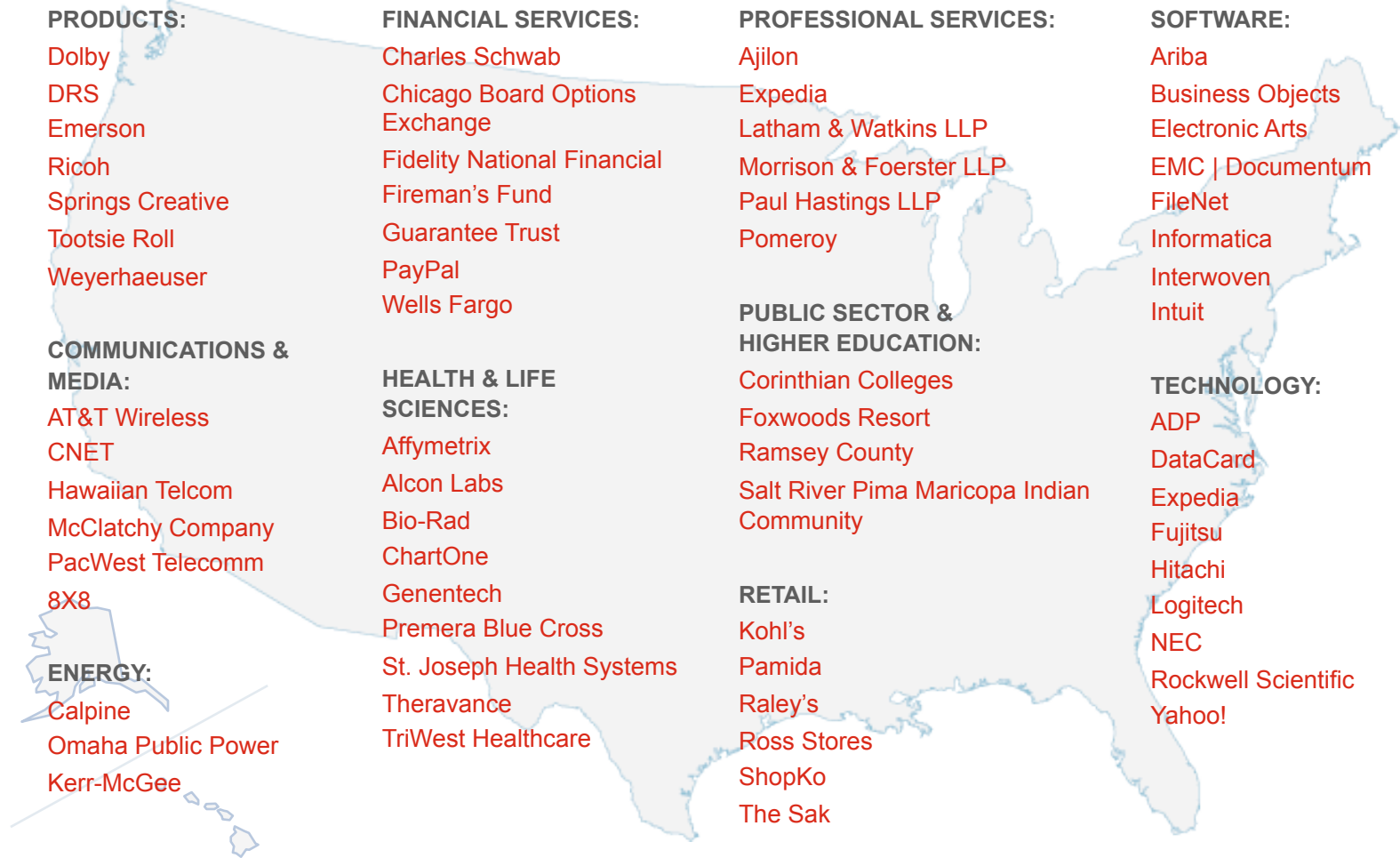
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OAUG STAR PARTNER LEVEL THREE

Optimum Solutions is a full-service consulting firm, specializing in enterprise system implementation and integration solutions.

- **San Francisco** Corporate Headquarters
- **Chicago** Eastern Region Headquarters
- Denver
- Washington D.C.
- Los Angeles
- Atlanta
- Dallas

Selected Clients by Industry

PRODUCTS:
Dolby
DRS
Emerson
Ricoh
Springs Creative
Tootsie Roll
Weyerhaeuser

COMMUNICATIONS & MEDIA:
AT&T Wireless
CNET
Hawaiian Telcom
McClatchy Company
PacWest Telecomm
8X8

ENERGY:
Calpine
Omaha Public Power
Kerr-McGee

FINANCIAL SERVICES:
Charles Schwab
Chicago Board Options Exchange
Fidelity National Financial
Fireman's Fund
Guarantee Trust
PayPal
Wells Fargo

HEALTH & LIFE SCIENCES:
Affymetrix
Alcon Labs
Bio-Rad
ChartOne
Genentech
Premera Blue Cross
St. Joseph Health Systems
Theravance
TriWest Healthcare

PROFESSIONAL SERVICES:
Ajilon
Expedia
Latham & Watkins LLP
Morrison & Foerster LLP
Paul Hastings LLP
Pomeroy

PUBLIC SECTOR & HIGHER EDUCATION:
Corinthian Colleges
Foxwoods Resort
Ramsey County
Salt River Pima Maricopa Indian Community

RETAIL:
Kohl's
Pamida
Raley's
Ross Stores
ShopKo
The Sak

SOFTWARE:
Ariba
Business Objects
Electronic Arts
EMC | Documentum
FileNet
Informatica
Interwoven
Intuit

TECHNOLOGY:
ADP
DataCard
Expedia
Fujitsu
Hitachi
Logitech
NEC
Rockwell Scientific
Yahoo!

Optimum | Oracle

Oracle and PeopleSoft have long recognized Optimum's industry domain expertise and leadership position in target markets, viewing Optimum practitioners as trusted business advisors and industry thought leaders.

ORACLE CERTIFIED ADVANTAGE PARTNER
E-BUSINESS SUITE

ORACLE CERTIFIED ADVANTAGE PARTNER
PEOPLESOFT ENTERPRISE

ORACLE | Demantra

Oracle E-Business

Optimum has been working with Oracle applications since the introduction of release 9.3. We have seen the product evolve and mature from an initial release of core functionality to today's robust ERP solution. As a result, we know how to maximize the benefits of Oracle and deliver exceptional added value to the enterprise.

PeopleSoft Enterprise

We have significant experience with the newest releases of PeopleSoft Enterprise including working with v9.0 since late 2004 and continuing through our numerous implementations to date – a claim few can make.

Demantra Demand Management

Optimum has been selected by Oracle as one of two National Demantra Partners.

As one of the few truly capable Demantra implementers in the marketplace, Optimum continues to solidify its leadership position with client successes and its jointly-sponsored events.

Leading Online Brokerage Firm

- **2.x Billion Annual revenue**
- **4,500 Employees**
- **29 Offices nationally**
- **Public firm**
- **Oracle E-Business direction**
  - Live on E-Business Suite 11.5.10

The Project

The Project

- **iProcurement**
- **Sourcing**
- **iSupplier Portal**
- **Procurement Contracts**
- **Contracts Core**
- **Oracle Supplier Network (OSN)**
- **These modules were replacing:**
  - Ariba Purchasing
  - eForm

The Project Timeline

- **January 07 -**
    - Oracle does Proof of Concept
- **February – March 07 -**
    - RFP Process
- **April 07 -**
    - Vendor Selection / Negotiate SOW
- **May – September 07 -**
    - Estimated Project Plan
- **October 07 -**
    - Actual Rollout - Contracts
- **November 07 -**
    - Actual Rollout – All other modules

The Project Team: Internal

- **Executive Steering Committee**
- **Project Manager**
- **Functional Leads**
- **Functional resources**
- **Technical Lead**
- **Technical resources**

The Project Team: External

- Executive Steering Committee
- Account Manager
- Engagement Manager
- Project Manager
- Functional Leads
- Functional resources
- Technical Lead
- Technical resources

The Project Team: Methodology

- **The Optimum Way**
  - Pursuing Excellence
    - Integrity
    - Excellence
    - Trust
    - Accountability
    - Leadership
    - Teamwork
    - Quality

The Project Team: Methodology

- **OptimumMETHOD^{SM}**
  - Key Components of Our Methodology
    - Define the Goals
    - Understand Requirements and Processes
    - Utilize Highly Experienced Teams
    - Define at the Earliest Stage
    - End User Participation
    - Focus on Knowledge Transfer
    - Robust System & Integration Testing
    - End User Readiness

The Project Team: Methodology

- **OptimumTOOLKIT^{SM}**
    - Project Management
    - Process Analysis & Design
    - Requirements Analysis
    - Configuration Templates
    - Customization Library
    - Testing Tools

Challenges & Concerns

Challenges & Concerns

- **Internal Project Team**
  - Based in 3 different geographies
- **Where to reengineer business processes?**
- **Replacing existing customizations**
- **Data Conversion - Contracts**
  - In part because existing system was hosted
- **Vendors & Purchase Orders**
  - Not an issue because of existing system
  - Currently interfacing these to Oracle from Ariba

Project Details & Considerations

Project Details & Considerations

- **13,000 Contracts**
- **3,000 Purchase Orders per month**
- **1,000 Vendors**
- **Workflows - Customized less than 10**
- **No Procurement cards**
- **Buyer Hierarchy**
  - Existing Employee / Supervisor
  - Wanted to change to Positional
  - 3 to 4 levels deep

- **Implemented Core Contracts because**
  - Quicker – Could open templates in Word
  - Clause Library required for Procurement Contracts was time consuming
- **OSN – Small number of vendors**

What Did We Lose?

What Did We Lose?

- **Supplier Network**
  - More robust in Ariba

- **User Experience**
  - Some users feel Ariba screens easier to use

What Did We Gain?

What Did We Gain?

- **Integration**
- **Accounting & Tax information**
    - Driven by commodity code
- **Visibility**
- **Timeliness – Real-time, no interfaces**
- **Resources freeing up**
    - 2 full-time resources maintaining interfaces
- **No printing of purchase orders**
- **Licensing considerations**
- **Upgrade / Maintenance considerations**

What Would We Do Differently?

What Would We Do Differently?

- Allow more time to explore business processes
- Analyze product functionality closer
- Research OSN early in process

Questions & Answers

Contact Information

*"Quite simply, Optimum
is the best ERP implementer
in the marketplace."*

**— G. Abatjoglou
CFO, ChartOne, Inc.**

Glenn Hoormann

Director, Optimum

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Thank You