

PeopleSoft Enterprise Upgrade Strategies

An Oracle White Paper

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PeopleSoft Enterprise Upgrade Strategies

EXECUTIVE OVERVIEW

Oracle's commitment to the PeopleSoft Enterprise suite of products is driven by our unwavering commitment to protecting and extending our customers' investments. Applications Unlimited delivers on this commitment. Applications Unlimited is Oracle's plan to continue providing ongoing enhancements to current PeopleSoft Enterprise applications beyond the delivery of Oracle Fusion Applications. Applications Unlimited provides PeopleSoft Enterprise and all Oracle Applications customers with more choice in their application and IT strategy, more visibility into product road maps, and more time to extract value from existing application investments. With no forced upgrades, Applications Unlimited allows customers to choose to adopt value-creating applications and technology only when it meets their business needs. Until then, they can continue deriving value from their existing applications.

One strategy that many customers are currently evaluating is upgrading to the latest release of PeopleSoft Enterprise. This paper will provide a framework for determining whether an upgrade to PeopleSoft Enterprise release 8.9 is right for your organization. There are several reasons to consider an upgrade. First, upgrading will give you access to new enhancements and software applications that can help keep your organization well positioned and up-to-date on the latest technology. You may also consider upgrading to provide performance and usability enhancements for the software applications you are running today and to ensure that you have access to the best support available.

The PeopleSoft Enterprise product line has evolved significantly over the past few years and made a dramatic leap with the recent PeopleSoft Enterprise 8.9 release. This release includes thousands of product enhancements and hundreds of new products, and there are more planned for the PeopleSoft Enterprise release 9, to be available in the next 12 months.

In this paper, we will explore your upgrade options in more detail and provide guidelines to help you determine the best upgrade path for your organization. There are several considerations to keep in mind when making an upgrade decision¹.

- **Functional**—What new features are in the latest releases?

¹ The issue of budget is integral to upgrade discussions, but it is not discussed here, because it is more of an internal discussion for your organization.

- **Technical**—What is the value of the most recent technology stack?
- **Operational**—What improvements have been made to lower the cost of running the applications?
- **Support**—What are the support options, and how do they affect upgrade timing?

FUNCTIONAL CONSIDERATIONS

When considering an upgrade, most organizations begin by looking at the new capabilities and enhancements to better understand the new release. A firm grasp of these features and functions is essential to evaluating whether the latest release is worth your organization's investment of time and resources.

The new capabilities in a release should offer several advantages including increased business capabilities and value, and lower operational costs (via retirement of customizations). In evaluating the PeopleSoft Enterprise 8.9 release, think about your environment and whether the current version meets not only the needs of today but also the demands of your business for the next three to five years.

This document is not meant to provide an exhaustive explanation of PeopleSoft Enterprise release 8.9, but it covers the highlights and provides a list of resources for obtaining more information on a given product area.

The following pillars are represented:

- Human Capital Management (HCM)
- Financial Management Solutions (FMS), including Enterprise Service Automation (ESA)
- Supply Chain Management (SCM)
- Customer Relationship Management (CRM)
- Enterprise Performance Management (EPM)

PEOPLESOFT HUMAN CAPITAL MANAGEMENT 8.9 HIGHLIGHTS

The Proven Human Capital Management Thought Leader

Over the years, Oracle's PeopleSoft Human Capital Management (HCM) has consistently delivered new strategies, innovative tools and technologies, and award-winning functionality that enable organizations to streamline traditional human resource management processes and reduce HR costs. The result? The HR needs of 75 million employees in more than 3,500 companies worldwide—70 percent of which can be found on the *Fortune* "Most Globally Admired Companies" list—are supported by PeopleSoft HCM. Customers include 76 of the top 100 *Fortune* 500 companies and 60 of *Fortune's* "100 Best Companies to Work For."

PeopleSoft Human Capital Management 8.9: The Workforce Performance Release

PeopleSoft HCM 8.9 is the fourth generation of Web-enabled applications with no code on the client, user-friendly Web interfaces, and a low total cost of ownership. PeopleSoft HCM 8.9—the “workforce performance” release—provides more than 250 enhancements using input gathered from more than 500 customer interviews and usability lab sessions. The result is a solution that delivers significantly more value for your HCM systems investment. PeopleSoft HCM 8.9 enables you to optimize the contribution of your workforce and measure your investments in people against the performance of your organization.

PeopleSoft HCM 8.9 delivers:

- **A flexible and adaptable global transaction architecture** with configurable business rules and logic.
- **Complete business process flows** that represent the stages of a high-performance workforce—from traditional workforce administration to processes that increase performance. We deliver a blueprint for HCM success, along with a best-practices foundation for the entire employee lifecycle.
- **Comprehensive reporting and diagnostic functions** including quantitative measurements, actionable analytics, and ROI justification that enable you to maximize the business value of your workforce.

Innovation: Simplicity Increases User Productivity

Oracle performed extensive usability testing to ensure that PeopleSoft HCM 8.9 provides a simpler, more intuitive user experience. With navigation based on the role or function of a user, employees, managers, and power users see only the content they need to see. Transactions follow the flow of business processes and require fewer clicks to complete. Built-in integrated workflow maximizes productivity and efficiency across your organization.

Results: A Dramatic Difference

- According to a survey conducted by Cedar in April and May 2004, PeopleSoft customers show an average decrease in the cost per hire of \$2,382, or 45 percent. Likewise, the average time to fill an open position decreases by 15.9 days, or 33 percent.
- By using PeopleSoft Time and Labor, National Geographic saved \$700,000 over five years.
- PeopleSoft HCM delivers a 51 percent lower total cost of ownership than SAP.
- In its first eight months of production on PeopleSoft HCM 8.8 Service Pack 1, PricewaterhouseCoopers tallied more than \$7 million in savings through

streamlined HR and payroll processing. The company has also reduced its regular maintenance time by more than 70 percent, thanks to the PeopleSoft Total Ownership Experience initiative.

For more information on HCM 8.9, please see oracle.com/applications/peoplesoft/hcm/ent/index.html

PEOPLESOFT FINANCIAL MANAGEMENT SOLUTIONS 8.9 HIGHLIGHTS

Information-Driven Financial Management

Improved financial performance and sustainable regulatory compliance start with better information. With the PeopleSoft Financial Management Solutions (FMS) integrated family of applications, you gain visibility into business-critical information, strengthen financial discipline and governance best practices, and realize efficiencies by automating and standardizing key business processes.

The result? Employees are empowered to identify the right markets, the right customers, and the right mix of offerings to drive growth by using a consistent, unified source of information. Regulatory compliance tasks are embedded directly into your business processes with enforceable business rules, workflow, and budget controls. And your staff has time to focus on strategic initiatives, thanks to the reduction of redundancies and manual processes.

The highly anticipated PeopleSoft FMS 8.9 release includes new product offerings and significant enhancements to the PeopleSoft FMS and PeopleSoft Enterprise Service Automation (ESA) solutions and introduces a new suite of PeopleSoft Asset Lifecycle Management (ALM) applications.

Introducing Asset Lifecycle Management

Leveraging Oracle's JD Edwards EnterpriseOne Asset Lifecycle Management, Oracle is proud to introduce Enterprise Asset Lifecycle Management (ALM) for PeopleSoft customers. These applications include:

- **Real Estate Management (REM)**—Enables organizations to effectively manage their real estate portfolio through lease administration and space optimization.
- **Maintenance Management (MM)**—Enables organizations with infrastructure, plants, and equipment to streamline maintenance operations and eliminate costly, inadequate custom integrations to third-party systems across project planning, procurement, maintenance, operations, and retirement.
- **IT Asset Management (ITAM)**—Leverages the industry's first and only solution to help organizations reduce hardware and software costs, control service expenses, and automate software and regulatory compliance.

Best Practices and Superior Ownership Experience

Oracle is committed to delivering a superior ownership experience and enabling industry and departmental best practices in all our products. Some of the major best practice and superior ownership enhancements in the FMS 8.9 release are:

- **Cash Management**—Adds a centralized framework for payment processing and electronic banking called Financial Gateway.
- **Commitment Control**—Includes automated budget maintenance, enhanced management of funds, and improved project integration.
- **Expenses**—Offers enhanced role-based approvals and audits, redesigned time sheets, travel authorizations, and cash advance processes.
- **Payables**—Includes a new automated and intelligent matching process and workbench, an Excel spreadsheet upload format, and summary vouchers.

Global Compliance Enhancements

Compliance continues to be a major focus for our customers and therefore for us. Enhancements to support compliance requirements include:

- Increased automation for global accounting standards, including automated cash flow statements
- Adjustment periods across multiple years
- Enhanced support for IFRS (IAS) 39
- Maintenance of multiple ledgers to reflect assets across a variety of generally accepted accounting principles (GAAP)

Industry Extensions

We have incorporated more industry-specific features into our PeopleSoft applications, including the following for education and government:

- **Cash pooling**—Universities and state and local governments can pool their funds to maximize their investment opportunities.
- **Plant fund accounting**—Expense purchases to an unrestricted fund, capitalize to a plant fund.
- **Federally funded research and projects**—The applications offer enhanced support.

Project Management Enhancements

PeopleSoft ESA applications offer many enhancements for project management, including:

- **Resource capacity planning**—Managers can create resource forecasts, identify resource gaps and gluts, and perform what-if analyses to determine the optimal use of resources.

- **Project scheduling**—Eliminates the need for a third-party desktop project-scheduling application by offering an integrated, browser-based scheduler.
- **Risk management**—Lets users document risk exposures, develop risk reduction plans, and evaluate the effectiveness of established plans throughout the entire project lifecycle.
- **Government contracting**—PeopleSoft Government Contracts 8.9 delivers key functionality to meet federal accounting regulations and complements PeopleSoft Enterprise Service Automation to create a complete solution.
- **Administration and funds management**—Public organizations can track the composition of funds and how monies are put together toward a capital program.
- **Asset capitalization**—Enables review of project asset capitalization transactions before capitalization, and reverse transactions that have already been capitalized.

For more information on PeopleSoft Financial Management Solutions 8.9, please see oracle.com/applications/peoplesoft/financial_mgmt/ent/index.html

PEOPLESOFT SUPPLY CHAIN MANAGEMENT / PEOPLESOFT SUPPLIER RELATIONSHIP MANAGEMENT 8.9 HIGHLIGHTS

The latest release of PeopleSoft Supplier Relationship Management (SRM) 8.9 and PeopleSoft Supply Chain Management (SCM) 8.9 delivers enhancements as well as new products to serve our customers.

Improve Contract Lifecycle Management and Reduce Supply Management Costs

Customers will benefit from PeopleSoft SRM 8.9 in three ways. First, they can exploit more savings opportunities by using sourcing optimization and total cost modeling to source from suppliers that provide the best combination of cost, quality, risk, and innovation. Second, customers can improve bottom-line results by converting negotiated savings into realized savings with PeopleSoft Supplier Contract Management. Finally, they can maximize business process effectiveness by leveraging built-in procurement best practices, providing greater control over services spending and broader adoption via simplified requisitioning.

At the heart of PeopleSoft SRM 8.9 is PeopleSoft Supplier Contract Management, the enterprise application that enables customers to create and enforce better supplier contracts. Customers can standardize contract processes, reduce time to contract, and drive contract compliance. Organizations can standardize contract processes across the enterprise by leveraging a centralized clause library, authoring tools, and comprehensive contract policies. They can also lower risk by reducing time to contract with flexible workflow, formal amendment processing, and parallel negotiation of legal and commercial terms. Finally, organizations can enforce contract compliance throughout the procure-to-pay process, via a

centralized contract repository, full visibility into all contract terms, and integration of supplier contracts throughout the procure-to-pay process.

Features of the new PeopleSoft Supplier Contract Management application include:

- **Centralized terms library**—Provides legal departments and buying organizations the ability to create, maintain, and reuse standard contract components.
- **Contract authoring**—Automated configurations and interactive wizards ask questions to produce highly tailored contracts that are standards-compliant by automatically adding clauses based on provided information.
- **Agreement management**—Allows users to define and track specific internal and external deliverables as well as create automated notifications that inform buyers and suppliers of agreement activity.
- **PeopleSoft SRM 8.9 integration**—Contract documents are linked to transactional contracts executed by PeopleSoft Purchasing to enforce preferred vendors' prices and terms.
- **Native Microsoft Word integration**—Enables offline redlining and the insertion of standard clauses from the centralized library while maintaining version control and a complete audit trail.

Enhanced Industry Functionality to Improve Business Processes

PeopleSoft SCM 8.9 contains many significant enhancements focused on deepening industry functionality. Industry enhancements built on best practices help organizations automate end-to-end business processes and better respond to changing customer demands on fulfillment operations. Oracle has invested in PeopleSoft SCM 8.9 to improve implementations, operations, upgrades, and usability, providing customers with a superior ownership experience. The defined installation, configuration, and integration path for PeopleSoft SCM 8.9 will ease management across the entire lifecycle of the application.

Additional new features of the PeopleSoft SCM 8.9 release include:

- **Fulfillment inventory engine**—PeopleSoft SCM 8.9 offers a re-architected inventory fulfillment engine to help reduce processing time from minutes to seconds, expedite order handling, and give users maximum flexibility to streamline operations.
- **Wholesale distribution**—Oracle has added significant new functionality to help wholesale distributors better manage supplier rebates and commissions, manage the “claimback” contract process, search for alternative suppliers, and provide the ability to sell directly to consumers.
- **Sourcing optimization and total cost modeling**—PeopleSoft Strategic Sourcing 8.9 allows users to apply sourcing policies and constraints to supplier bids and use total cost models that monetize and factor in hidden costs.

- **Capture of more services spending**—Enhancements to PeopleSoft Services Procurement 8.9 enable greater control and oversight for services spending, and include more process flexibility, additional global capabilities, and tighter integration with PeopleSoft Human Capital Management.
- **Accelerated self-service adoption**—A new, simplified, three-step requisition process in PeopleSoft eProcurement 8.9 makes the requisition process quick and easy.
- **Enhanced usability**—The ability to add expandable lines, requisition summary pages, and do mass approvals—including e-mail-based approvals—results in a more efficient approval process and more information in fewer clicks.
- **Procure-to-pay best practice automation**—PeopleSoft Purchasing 8.9 can increase procurement processes’ effectiveness, and includes capabilities such as managing and processing vendor rebates, effective dated item units of measure, and order multiples.

For more information on SRM and SCM 8.9, please see oracle.com/applications/peoplesoft/srm/ent/whats-new-8-9.html

PEOPLESOFT CUSTOMER RELATIONSHIP MANAGEMENT 8.9 HIGHLIGHTS

Delivering on Smart Business Processes

PeopleSoft Customer Relationship Management (CRM) 8.9 delivers “CRM for You”—solutions that have been tailored to fit your industry’s business processes, your customer strategies, and your success criteria. PeopleSoft CRM 8.9 delivers smart business processes in two ways.

First, it provides preintegrated business processes that enable information and transactions to be more tightly linked across different parts of the organization. Applications are integrated across the PeopleSoft CRM suite and with back-office systems, including supply chain, human capital management, and financial management systems.

Second, it enables organizations to optimize their marketing, sales, and service forces by embedding analytic intelligence into their key business processes. PeopleSoft CRM Analytics integrates enterprisewide data from both PeopleSoft and third-party applications to deliver key insights into profitability, customer value, trend analysis, and operational performance to all levels of users throughout the organization. PeopleSoft CRM has prepackaged modules that deliver key performance indicators and alerts, multidimensional analysis, and advisor technology for guided sales and support.

Leveraging SmartViews

PeopleSoft CRM enables organizations to gain better visibility into customer profitability. Organizations can use this insight to segment customers into portfolios. These portfolios, in turn, enable organizations to manage and optimize customer relationships proactively. To that end, the PeopleSoft system links operational analytics and analytic tools to address the two main goals of customer SmartViews:

- Understanding how to handle each customer in terms of lifetime value and other characteristics
- Incorporating that understanding into all business processes and touch-points for customer interaction

Understanding Customer Value

With PeopleSoft CRM, organizations can base their CRM initiatives on a core customer strategy. This provides a targeted and streamlined approach to CRM, as well as effective and profitable customer relationships. Customer SmartViews deliver a balanced view of the entire customer base and enable the organization to evaluate CRM initiatives and the ongoing value of customers, which can be an organization's most important asset. Key features include:

- Configurable templates to define customer objectives
- Key metrics tied directly to each customer portfolio
- The ability to define and select individual, enterprise-specific metrics
- Customer portfolios that enable strategic account managers to view performance across all accounts
- Access to both internal and external customer data and figures
- The flexibility to define plans for segments, consumers, and complex business-to-business organizations

Controlling Action Through Insight

The PeopleSoft Active Analytics Framework (AAF) enables organizations to use insight to control actions. It provides a common repository of key business data that can be leveraged to make solid decisions when interacting with prospects and customers. This data can come from PeopleSoft applications, legacy systems, third-party applications, or even sophisticated analytics engines. The AAF applies intelligence to the data and makes recommendations through several different mediums including onscreen alerts, e-mail, agent recommendations, and system workflow. Users are directed to take the appropriate action based on key customer, operational, and analytical insight.

A Superior Ownership Experience

In PeopleSoft CRM 8.9, application click counts for key business processes were reduced by 55 percent. In addition, 147 new usability features were introduced, including interactive reports, Quick Create capabilities for customer creation, the Quick Fill feature, and point-and-click user interface configuration.

Leverage unparalleled usability and performance to reduce your total cost of ownership and increase operational efficiency. PeopleSoft CRM 8.9 has raised the bar for delivering a better customer experience:

- 36 percent improvement in usability
- 30 percent improvement in performance
- 49 percent faster installation
- 26 percent less implementation time

For more information on PeopleSoft CRM 8.9, please see oracle.com/applications/peoplesoft/crm/ent/index.html

PEOPLESOFT ENTERPRISE PERFORMANCE MANAGEMENT 8.9 HIGHLIGHTS

Information Matters

It's a new era in business today. Empowered by corporate reforms around the globe, shareholders, regulators, and corporate boards are demanding greater transparency, increased operational discipline, and more-profitable growth. If you're still responding to these demands with spreadsheets and query tools, you risk falling behind your more nimble competitors. You need a solution such as PeopleSoft Enterprise Performance Management (EPM), an integrated suite of analytic applications that enables organizations to drive world-class performance by aligning the right information and resources with corresponding strategic objectives.

PeopleSoft EPM offers performance management solutions for every budget and every phase of the management cycle, helping managers formulate strategies for profitable growth, align strategies with operational plans, actively monitor day-to-day operations, and collaborate across the enterprise. It takes the guesswork out of performance management, offering prepackaged reporting, industry-specific analytic content, and modular applications to support every function of your business—from finance, sales, and service to marketing and human resources.

Rich Packaged Analytic Content

With PeopleSoft EPM 8.9, prepackaged content such as analytical maps, models, and metrics has been significantly expanded across every functional business area, including customer relationship management, financial management, human capital management, and supply chain management. In PeopleSoft EPM 8.9, data from PeopleSoft Enterprise and JD Edwards EnterpriseOne and JD Edwards World is

sourced, mapped, and rationalized into a single warehouse environment, enabling customers of JD Edwards EnterpriseOne and JD Edwards World to use all modules of the PeopleSoft EPM suite. Additionally, PeopleSoft EPM 8.9 has been architected so that warehouses and data marts can be licensed separately and deployed modularly. For example, a company can deploy the real estate data mart without licensing the entire PeopleSoft Financials Warehouse.

PeopleSoft EPM 8.9 provides more than 200 predefined key performance indicators through standards-based Web services, giving users of other applications access to the analytical content generated by PeopleSoft EPM. For example, users can monitor and track key performance indicators from Microsoft Office applications, including Word, Excel, PowerPoint, and Outlook. Additionally, users can define custom key performance indicators, and, by using Web services, enable them to interoperate with other applications. The Web services approach is part of Oracle's adoption of a service-oriented architecture and evolution toward Oracle Fusion—the convergence of Oracle, PeopleSoft, and JD Edwards applications into a single product.

Real-Time Interactive Profitability and Planning

As part of the PeopleSoft EPM suite, PeopleSoft Planning and Budgeting has been integrated into a unified solution to provide a seamless top-down/bottom-up planning process, which will help shorten the planning and budgeting cycle and align operational budgets with high-level strategic goals. A real-time modeling engine has been added to PeopleSoft Activity-Based Management, a cost and profitability analysis solution, enabling users to perform modeling and what-if analysis without having to run batch processes. Users can now create models and change elements to immediately see the impact.

Next-Generation Global Compliance

PeopleSoft EPM 8.9 provides enhanced integration between PeopleSoft EPM and PeopleSoft Internal Controls Enforcer, a compliance offering, to enable greater compliance and enterprise risk management. For multinational companies, PeopleSoft Global Consolidations can manage multiple reporting structures for both U.S. GAAP and international accounting standards. In addition, a major new feature of PeopleSoft Global Consolidations captures activities that affect account balances and provides instant audit trails to better enable customers to meet compliance-reporting requirements. For example, if an organization retires or sells a particular asset, that activity can be tracked and noted.

Creating a Superior Ownership Experience

PeopleSoft EPM 8.9 is now faster to deploy and easier to use and maintain. Usability enhancements include new navigation pages as well as personal scorecards and individual planning workspaces to make users more productive. In addition, the underlying infrastructure of the suite has been simplified with a single data movement tool from Ascential that optimizes data integration. New metadata

management enhancements include a metadata console that provides a single point of access for quickly understanding warehouse structures and content. This makes it easier for technical staff to maintain and extend PeopleSoft EPM's content and features.

PeopleSoft EPM also supports all leading business intelligence tools, including those from Cognos, MicroStrategy, and Business Objects. With these flexible information-access tools and the PeopleSoft EPM Warehouse, knowledge workers, business analysts, and managers can perform sophisticated business analysis with ad hoc querying and reporting, multidimensional analysis and exploration, and formatted production-style reports.

For more information on EPM 8.9, please see oracle.com/applications/performance-management/ent/index.html

TECHNOLOGY CONSIDERATIONS

Another key factor in evaluating upgrades is the technology foundation. This includes not only understanding what (if anything) has changed in terms of platform support but also being aware of enhancements to the infrastructure that may affect your implementation.

PeopleSoft has traditionally afforded several choices of technical infrastructure, and this continues. In 2005 we expanded the choices again, with the additional infrastructure option of Oracle Fusion Middleware for your PeopleSoft applications. This is simply another option for your consideration—rest assured, you will not be forced to switch infrastructures.

This section provides an overview of the new and recent enhancements to PeopleSoft PeopleTools.

PeopleSoft PeopleTools

PeopleSoft PeopleTools 8.46 is designed to improve the overall value of your implementation by lowering your total cost of ownership and improving your total ownership experience. By supporting open standards and enabling faster upgrades, PeopleSoft PeopleTools 8.46 is your key to a cost-effective upgrade.

Continued Support of Industry Standards

We support the most-popular industry standards, because they can help you leverage your existing infrastructure and lower your ongoing costs. In PeopleSoft PeopleTools 8.46, we've added support for Web Services Interoperability compliance, Web Services for Remote Portlets, and Java Specification Request 168.

Web Services Interoperability Compliance

Web Services Interoperability (WS-I) is an initiative to promote the interoperability of Web services across different platforms, applications, and programming languages. The goal is to speed the deployment and adoption of Web services.

Support of WS-I means you'll be able to expose your PeopleSoft content and business logic to other systems using a reliable, standards-based approach. You'll connect your systems to those of your partners over the internet. You'll share information more freely with partners—without increasing your integration costs.

Web Services for Remote Portlets and Java Specification Request 168 Support

Web Services for Remote Portlets (WSRP) is a standard that defines how to plug Web services into the pages of online portals. Java Specification Request (JSR) 168 is a specification that enables interoperability between portals and portlets.

These additions are especially important for organizations that have a large Web presence. Suppose your departmental organization develops a dashboard (a collection of “pagelets”) that provides departmental information at a glance. If your company uses a different portal solution to deploy a wide range of company news, information, and business productivity tools to employees around the globe, you can seamlessly surface the pagelets you've already built. In addition, each time a user interacts with the pagelet in the main portal, that person will automatically be transferred to the PeopleSoft application that generated the pagelet. This integration enables you to create a community portal experience for your end users. By supporting Web services security, PeopleSoft Enterprise 8.9 applications also allow single sign-on for third-party applications.

This functionality allows PeopleSoft software to offer content for consumption in a third-party portal. You'll be able to plug PeopleSoft application pagelets into the portal of your choice, which will significantly reduce your portal integration costs and create a seamless experience for your entire workforce.

Pagelet Wizard

Creating content for syndication has become a much easier task for all application users. In the past, your organization may have relied on developers to write code for new pagelets. Now, the handy Pagelet Wizard guides nontechnical users through the process of creating pagelets. Similar to commonly used wizards in Microsoft Office products, the Pagelet Wizard gathers information to build the pagelet with the appropriate content. Users create pagelets in an intuitive point-and-click fashion—whether they're using PeopleSoft or third-party data sources.

The pagelets you produce through the Pagelet Wizard are WSRP-compliant. With the Pagelet Wizard, you can create solutions more quickly, reduce your dependence on IT, and cut development costs. You'll also increase the agility of your business by allowing subject matter experts to create timely pagelets for their constituents within your organization.

Improved Integration Support

PeopleSoft's overall integration technology has been greatly enhanced. You'll benefit from easier setup, configuration, managing, and troubleshooting for integrations across your organization.

Examples of this improved integration technology include

- Simplified PeopleSoft Integration Broker setup and administration
- New integration point designer
- PeopleSoft Integration Broker event tester
- XML schema management and validation

PeopleSoft Integration Broker is an XML messaging hub that helps your systems communicate through standard Web services. Now it's easier than ever to set up and administer PeopleSoft Integration Broker. You'll reduce the cost and effort associated with creating the integration points that enable your employees to share tools and information.

What's New in PeopleSoft PeopleTools 8.4X

If you're using PeopleSoft Enterprise 8.3 or earlier, you're working with Oracle's PeopleSoft PeopleTools 8.1 foundation. PeopleSoft PeopleTools 8.4 has added several key technical features:

- PeopleSoft Integration Broker, which, as mentioned, supports Web services, also delivers prebuilt connectors to various ERP systems, including Siebel and SAP, and other Oracle software. Because you've invested in systems from a highly open, flexible vendor, you can leverage information from various sources across your enterprise, enabling you to get more from your major technology investments.
- Mobile technology enables your traveling employees to enter time and labor information through a PDA.
- PeopleSoft Enterprise's multichannel framework recognizes that your employees may contact your organization through multiple modes of communication, including e-mail, Web chat, phone, or walk-in. By uniting these different channels in a single queue, you can gain a complete view of an employee's interaction with you.
- Instant-messaging integration enables you to take advantage of one of the fastest-growing and most innovative technologies on the market. Just as employees can use instant messaging to communicate with friends through services such as AOL and MSN in their free time, they can now use this technology to get faster service from your team.
- PeopleSoft Enterprise 8.9 enables you to run your business logic and application server on Linux. Low startup costs and more-reasonable

hardware requirements are just two of the reasons that more organizations are using or considering the Linux operating system.

Note for client/server users: Compared to a client/server-based system, PeopleSoft Enterprise 8 reduces administration, support, and development costs, thus lowering the overall total cost of ownership. For example

- Web-based applications and administration mean that there is no code or clients to deploy to users—the existing IT infrastructure is used wherever a user may be.
- Single sign-on and LDAP integration make managing users, profiles, and passwords easier.
- PeopleSoft Integration Broker, with prebuilt integration points, brings the benefits of integrated enterprise applications without the cost.
- Advanced Web-based technologies such as XML, XBRL, and instant messaging reduce finance operational costs by automating and streamlining key business processes.

OPERATIONAL CONSIDERATIONS

We've always worked to use technology to minimize the time and money needed to operate and maintain enterprise solutions. This enables customers to install and implement software more quickly, simplify upgrades, receive real-time support and performance diagnostics, and achieve robust integration with other e-business software—delivering benefits that are highly quantifiable.

According to Forrester Research, labor makes up 65 percent of the total project cost for an average ERP implementation and up to 75 percent of the total for upgrades. To counteract these costs, PeopleSoft in 2003 created the Total Ownership Experience, a companywide initiative dedicated to improving the implementations, operations, upgrades, and usability of enterprise applications. The Total Ownership Experience focuses on the three key areas of the enterprise lifecycle experience: implementing, using, and maintaining applications.

The ongoing maintenance costs associated with these applications can be dramatically reduced. Preliminary analysis on PeopleSoft Financial Management 8.8 (we expect 8.9 to be consistent) by the Crimson Consulting Group reveals that the Total Ownership Experience initiative can lower maintenance costs by 30 to 50 percent.

PeopleSoft Enterprise 8.9 releases take these benefits to the next level. Oracle is continuing to unveil improvements that will further reduce implementation costs, enhance usability, and increase supportability.

The following benefits reflect those efforts and demonstrate how far Oracle has raised the bar when it comes to ensuring customer satisfaction:

- **Faster, easier update and upgrade process**—Keeping current with updates and fixes is a complex task. The new PeopleSoft Change Assistant helps automate the process of selecting and installing software updates, from the smallest patch to a complete system upgrade.
- **Faster incident resolution**—Problem diagnosis accounts for 70 percent of the time it takes to close a case. The PeopleSoft Diagnostic Framework embeds diagnostics into the applications, providing quick insight into possible problems.
- **Lower support costs**—Until now, tools have not been available to quickly identify and resolve application performance bottlenecks. PeopleSoft Performance Monitor provides instrumentation and the ability to monitor PeopleSoft applications with real-time performance diagnostics. With PeopleSoft Performance Monitor, customers will be able to diagnose performance issues up to 80 percent faster.

Enhanced Usability

PeopleSoft Enterprise 8.9 delivers greater usability across the product suite. Employees and managers can complete key processes more quickly and with fewer clicks. We've doubled our investment in our usability team and increased customer participation in validating the usability of our applications for this release. We now use real customer data to conduct performance and functional testing. Based on this information, we've created better titles, section headings, and color separations.

For example, our FMS application team performed detailed testing with more than 200 users to ensure that we had the 120 most-common financial management tasks right. In release 8.9, we improved task completion rates by 44 percent and reduced time on task by 29 percent.

The benefits you can expect from these enhancements include higher productivity, decreased training costs, less time and fewer clicks required for key processes, streamlined performance, and more-scalable applications.

New Feature: PeopleSoft Change Assistant

Anyone who uses the Windows operating system is familiar with Windows Update, the feature that periodically alerts users to download needed patches and updates. PeopleSoft Change Assistant performs the same function for PeopleSoft applications.

PeopleSoft Change Assistant is designed to automate the process of installing software patches, updates, and upgrades. It knows what version of PeopleSoft software you're using, your hardware profile, and your database version, and it uses this information to tell you which patches to apply, alerting you to prerequisites. PeopleSoft Change Assistant gets updates—including regulatory changes—from the PeopleSoft Customer Connection Web site, by using Web services. Once it has downloaded changes, it provides a wizard-style installation approach.

In addition to PeopleSoft Change Assistant, you'll benefit from the PeopleSoft Environment Management Framework. This framework provides a secure infrastructure for storing, retrieving, and distributing PeopleSoft configurations throughout your computing environment. Your administrators can instantly return to a "last known good" configuration, which considerably reduces the risk of your upgrades.

New Feature: PeopleSoft Performance Monitor

PeopleSoft Performance Monitor brings real-time, instrumented performance monitoring to your PeopleSoft Enterprise 8.9 implementation. Your administrators can see real-time and historical performance metrics of PeopleSoft applications and their underlying technology. If a database query in your organization takes longer than expected, your administrators can use PeopleSoft Performance Monitor to see the query that was executed and diagnose the problem. A dashboard enables administrators to compare systems information with historical information to identify abnormal behavior. They can quickly find answers to the questions they encounter most often, including "Why are my queries taking so long?" and "Why is the system so slow today?"

Example of Tangible Results

As an example of the power of investment in ownership experience, the enhancements in PeopleSoft HRMS 8.9 have resulted in

- 20 percent reduction in overall implementation time
- 30 percent less time to complete key tasks
- 80 percent fewer steps to update applications

Customer Endorsements

"PeopleSoft is meeting its commitment to improving the total ownership experience for customers. As one of the prerelease testers, we were able to experience for ourselves the dramatic improvements in the quality, usability, and performance of the software. The look and feel of the system is much more intuitive, which should speed user adoption and reduce training costs."

—John de Rijk, financial systems development manager, P&O Nedlloyd

"PeopleSoft has been very effective in helping us streamline our transactions, so that we've been able to grow the business significantly and not add more associates. Our cost per transaction is definitely best in class. We've benchmarked ourselves, and over the past three years, we have been able to reduce our costs tremendously on a transaction basis."

—Tracey Doi, senior vice president and corporate controller, Toyota Motor Sales U.S.A.

SUPPORT CONSIDERATIONS

In evaluating any upgrade, support always comes into play when you are timing your next move. To begin, let's review the current support policy:

Premier Support: Setting the Industry Standard

Oracle customers benefit from all the advantages of Premier Support, our award-winning, next-generation support program. A harmonization of best practices from PeopleSoft and Oracle, Premier Support is our commitment to continuous support innovation. Our Lifetime Support Policy is one of the key features of Premier Support. Premier Support provides maintenance and support for Oracle database, middleware, and applications for five years from their general availability date. Premier Support provides:

- Updates, fixes, and security alerts
- Tax, legal, and regulatory updates
- Upgrade scripts
- Technical support
- Certification with new third-party products/versions
- Major product and technology releases

Extended Support

Stay competitive, and upgrade when you need to. Your technology future is supported with Oracle's Extended Support. Our Extended Support provides an additional three years of support for specific Oracle releases for an additional fee. Extended Support provides:

- Updates, fixes, and security alerts
- Tax, legal, and regulatory updates
- Upgrade scripts
- Technical support
- Major product and technology releases

Extended Support does not include certification with new third-party products/versions.

Sustaining Support

Oracle's Sustaining Support puts you in control of your upgrade strategy. For as long as you license your Oracle products, you will receive technical support, including access to our online support tools, knowledgebases, and technical support experts. Sustaining Support provides:

- Access to the Oracle MetaLink/Customer Connection Web sites

- Major product and technology releases
- Pre-existing fixes for your solutions

Sustaining Support does not include:

- Updates, fixes, and security alerts
- Tax, legal, and regulatory updates
- Certification with new third-party products/versions
- Certification with other Oracle products

Customers can obtain customer-specific fixes for an additional fee.

Your support retirement dates are based on the date your software release became generally available, as shown in the chart below.

Existing PeopleSoft Enterprise Releases					
Release	GA Date	Updates, Fixes Security Alerts & Upgrade Scripts	Tax, Legal & Regulatory	Extended Support Ends	Sustaining Support Ends
SA 7.6 ANZ	Aug 1999	Aug 2007	Aug 2007	Not Offered	Indefinite
HCM 8.0 SP1	Dec 2000	Mar 2007	Mar 2007	Not Offered	Indefinite
FMS 8.0 Argen	Aug 2001	Aug 2007	Aug 2007	Not Offered	Indefinite
FMS 8.0 Brazil	Dec 2001	Jun 2007	Jun 2007	Not Offered	Indefinite
SA 8.0	Aug 2003	Aug 2008	Aug 2008	Not Offered	Indefinite
CRM 8.1	Dec 2001	Dec 2006	Dec 2007	Not Offered	Indefinite
EPM 8.3	Dec 2001	Dec 2006	N/A*	Not Offered	Indefinite
HCM 8.3	Nov 2001	Mar 2007	Nov 2007	Not Offered	Indefinite
FMS 8.4	Mar 2002	Mar 2007	Mar 2008	Not Offered	Indefinite
SCM 8.4	Mar 2002	Mar 2007	Mar 2008	Not Offered	Indefinite
CRM 8.4	Mar 2002	Mar 2007	Mar 2008	Not Offered	Indefinite
ESA 8.4	Jul 2002	Jul 2007	Jul 2008	Not Offered	Indefinite
CRM 8.8	Dec 2002	Dec 2007	Dec 2008	Dec 2010	Indefinite
EPM 8.8	Dec 2002	Dec 2007	N/A*	Dec 2010	Indefinite
HCM 8.8	Dec 2002	Dec 2007	Dec 2008	Dec 2010	Indefinite
SCM 8.8	Dec 2003	Dec 2008	Dec 2009	Dec 2011	Indefinite
FMS 8.8	Dec 2003	Dec 2008	Dec 2009	Dec 2011	Indefinite
Portal Solutions 8.8	Mar 2003	Mar 2008	Mar 2009	Mar 2011	Indefinite
ELS 8.81	Sep 2003	Sep 2008	Sep 2009	Sep 2011	Indefinite
CRM 8.9	Jun 2004	Jun 2009	Jun 2010	Jun 2012	Indefinite
HCM/CS 8.9	Dec 2004	Dec 2009	Dec 2010	Dec 2012	Indefinite
Portal Solutions 8.9	Mar 2005	Mar 2010	Mar 2011	Mar 2013	Indefinite
FMS 8.9	Aug 2005	Aug 2010	Aug 2011	Aug 2013	Indefinite
SCM 8.9	Aug 2005	Aug 2010	Aug 2011	Aug 2013	Indefinite
EPM 8.9	Aug 2005	Aug 2010	N/A*	Aug 2013	Indefinite

SA 7.6 ANZ, HCM 8.0 SP1, FMS 8.0 Brazil, FMS 8.0 Argentina, and HCM 8.3 reflect extensions to their Premier Support periods. Enterprise releases 8.8 and 8.9 will each have a path to Project Fusion. *Tax, legal and regulatory updates not applicable for EPM releases.

Generally speaking, you'll want to begin planning your upgrade approximately 18 months before the "Upgrade Scripts" retirement date of your current release to ensure that you'll have time to evaluate your options. Although each upgrade scenario is unique, this time frame will help ensure that you do not experience any gaps in support coverage and have the maximum amount of time on each release. Of course, if there is new software functionality available that will bring value to your business, you can always upgrade to the latest version as soon as it is generally available.

Upgrade Planning

If you are looking seriously at upgrading to PeopleSoft Enterprise 8.9 but you're unclear on how to build the business case to prove it, we can help. We've reviewed multiple business case documents we have developed a framework that holds up under executive scrutiny. You can use this framework for an upgrade or for any new technology purchase.



The following is a brief examination of each stage in preparing a document that builds a business case for upgrading:

- **Goals and strategies**—Articulating your company's overarching goals and the associated business strategies is the first thing you must do as you are building your business case. There are four basic, overarching goals.
 1. Revenue = growth. An organization typically increases revenue through acquisitions, selling more, or raising prices. Customer support and expanding channels are common growth indicators. For public sector organizations, growth equates to an increase in service offerings or expanded coverage.
 2. Cash flow = liquidity. To achieve a cash flow goal, a company may work to reduce accounts receivable, increase inventory turns, sell assets, or improve cycle times.
 3. Market share = units/volume. To achieve a market share goal, an organization typically drives toward economies of scale to reduce costs per unit. For public sector organizations, a market share goal has a focus on expanded services without an increase in budget.

4. Profitability = margin. In pursuing this goal, an organization works to reduce the cost of goods sold and/or sales, general, and administrative expenses or to raise prices. Public sector organizations don't track profitability but need to adhere to a high level of budgetary scrutiny and accountability while achieving high service levels.
- **Current state**—This is an optional section that is often useful for reminding the reader what current technology is in place.
 - **Business issues**—Business issues will often arise out of your discussions of the overarching goals of the organization.
 - **Mapping proposed solutions to business issues**—This is where you can work with Oracle's PeopleSoft team to determine which products or upgrade strategies would have the biggest impact on your specific business issues and challenges.
 - **Value of investment**—This is usually thought of as the financial metrics, but we think it should also include strategic value statements about how business outcomes might be changed with the new technology. We can leverage tools such as our Value Analyzer to help you ascertain what you should expect from the PeopleSoft upgrade.
 - **Project approach**—This section typically includes the timelines and resources that are required for the upgrade.
 - **Executive summary**—This represents a short description of the project and the expected benefit.

In some instances, a full business case may be more than you need; a simple ROI analysis and project plan may be all that is required. In each region, we have specialists who can assist you in using the ROI tools and the business case framework to build your unique case. In addition to Oracle's PeopleSoft, there are many third-party consultants who also excel in doing this type of analysis.

Oracle Fusion

The transition to the next generation of applications is a journey—and one you can start today. The course for this journey involves deeper delivery of the benefits in three key focus areas: better business insight, adaptive business processes, and superior ownership experience. Our investments are focused in these areas, and all future releases of our applications will raise the bar in these areas. The preponderance of feedback from business managers and users of enterprise software falls into these three categories.

As such, our investments in these three areas will bear more fruit as we deliver our next major release, PeopleSoft 9, in the next 12 months. Under Applications Unlimited ongoing enhancements to current PeopleSoft applications are planned beyond the next major release of PeopleSoft and Oracle Fusion Applications. Oracle Fusion Applications will embed business intelligence closer to the heart of

the system, so users can attain better business insight presented in the context of a workflow for decision-making. Our investment in a service-oriented architecture, done right, with appropriate degrees of flexibility in how processes are configured, will eliminate the business/IT divide. Our holistic approach to reducing total cost of ownership, as embodied in our Superior Ownership Experience initiative, assures you that we are improving every aspect of your experience with our software—installation, patching, upgrading, maintenance, and end user productivity. Each of these themes warrants, and has, a separate white paper.

Upgrade Paths to Fusion Planning

We plan to provide upgrade paths from Oracle's PeopleSoft Enterprise 8.8, 8.9, and 9.0 directly to Oracle Fusion.

ADDITIONAL RESOURCES

HCM Release Notes

<http://www4.peoplesoft.com/contdoc.nsf/0/0EF026306CB707BA88256F64006F5182?OpenDocument>

CRM Release Notes

<http://www4.peoplesoft.com/contdoc.nsf/0/FF4502BF76A49D6088256EBB007BB909?OpenDocument>

EPM Release Notes

<http://www4.peoplesoft.com/contdoc.nsf/0/B94FEB6C78917F5088256FEA000BD83C?OpenDocument>

FMS Release Value Proposition

<http://www4.peoplesoft.com/contdoc.nsf/0/F4A6E41795FE2FE78825705A004D1553?OpenDocument>

SCM/SRM/MFG/ESA/ALM Release Value Proposition

<http://www4.peoplesoft.com/contdoc.nsf/0/F4A6E41795FE2FE78825705A004D1553?OpenDocument>

Other Resources

You may also want to examine additional resources for more detailed information.

Upgrades Section of Customer Connection

The Customer Connection Web site contains a wealth of information on upgrades including documentation, “net change” documents, presentations, minimal technical requirements guidelines, and more.

From the Customer Connection homepage, click **Implement, Optimize + Upgrade** from the navigation bar on the left, and then click **Upgrade Guide**.

Product Documentation

Product documentation can be found on the Customer Connection Web site. Once logged into the site, click **Support** from the navigation bar on the left and then click **Documentation**. This site provides detailed documentation for each release.

Applications Strategy Briefing

We recently conducted a series of briefings covering our Applications Strategy, hosted by Oracle President Charles Phillips and Oracle Senior Vice President John Wookey. For further information, and to view the recorded session, please visit the Oracle.com Web site and type “Applications Strategy” in the search box to see the latest information.

Printed Materials

There are several additional papers, presentations, and documents available regarding Oracle’s Application Strategy available from oracle.com



PeopleSoft Enterprise Upgrade Strategies
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