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Interactive Workshop: *Ensuring Business Value from Your Cloud Implementation*

Russell Pike, GVP, Oracle Sales Consulting
John Hill, CFO, City of Detroit
Corey West, EVP and Corporate Controller, Oracle

CFOs Need Insight, But Can't Access It



76%

of finance leaders say their current ERP system is unacceptable

49%

of companies have **6 or more** ERP systems

Source: "ERP Consolidation: The Rationale is Growing Stronger", APQC 2014

Finance Ready for Cloud



In **2013** less than **20%** of CFOs considered cloud viable for core Financials



Today 53% of CFOs use Cloud

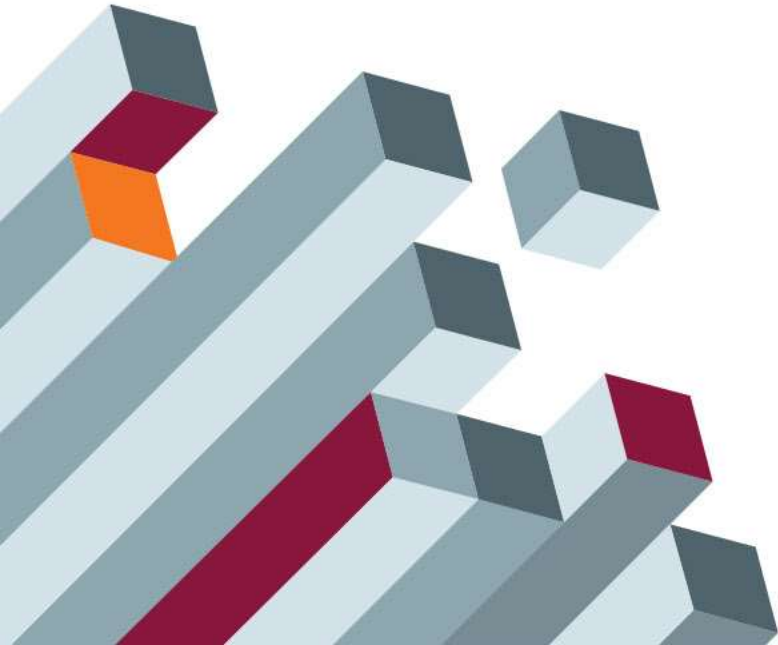
Source: Gartner, 2015

Creating Value in the Digital Age

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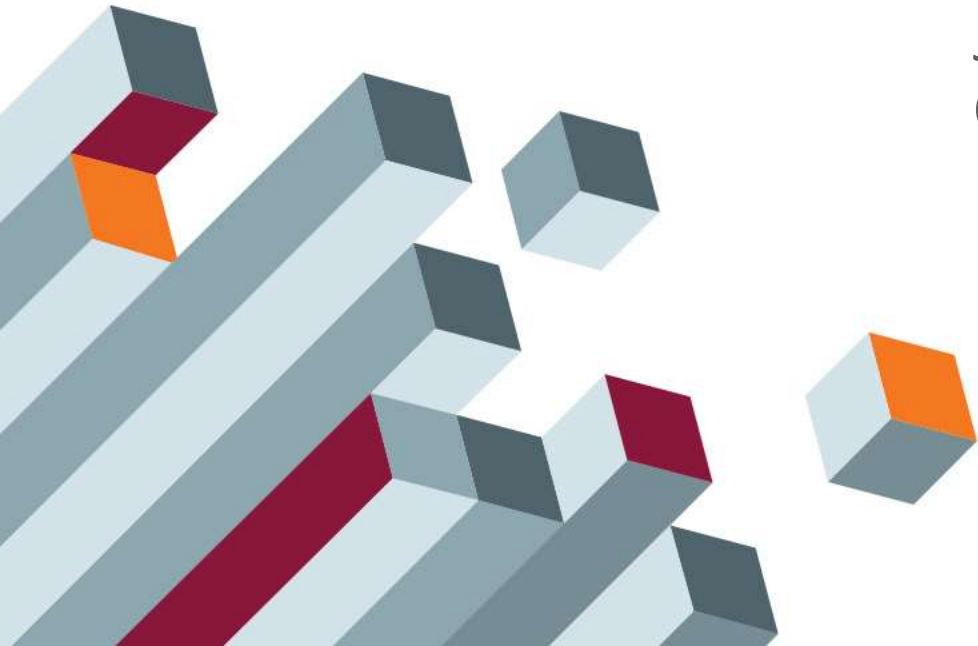
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CITY OF DETROIT

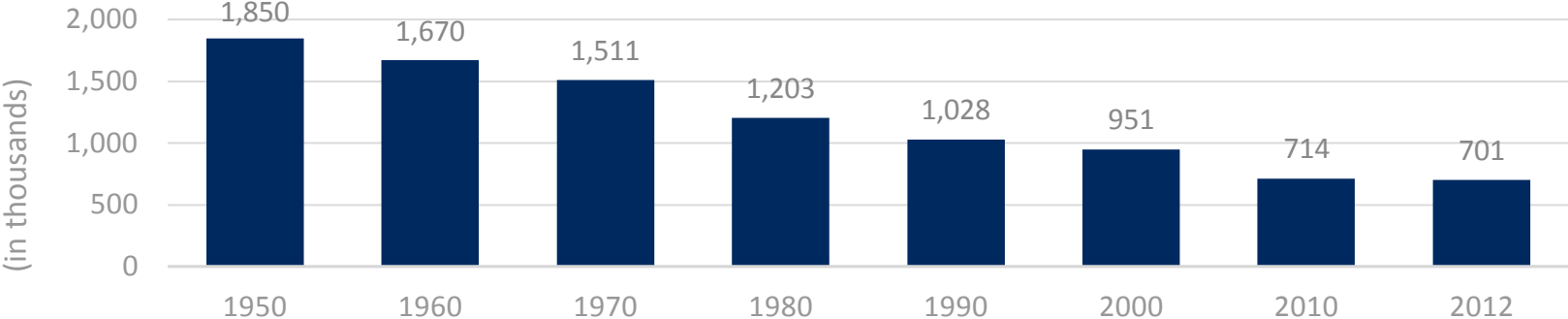
Approach to Financial Reform: Never Waste a Crisis

John W. Hill
Chief Financial Officer, City of Detroit

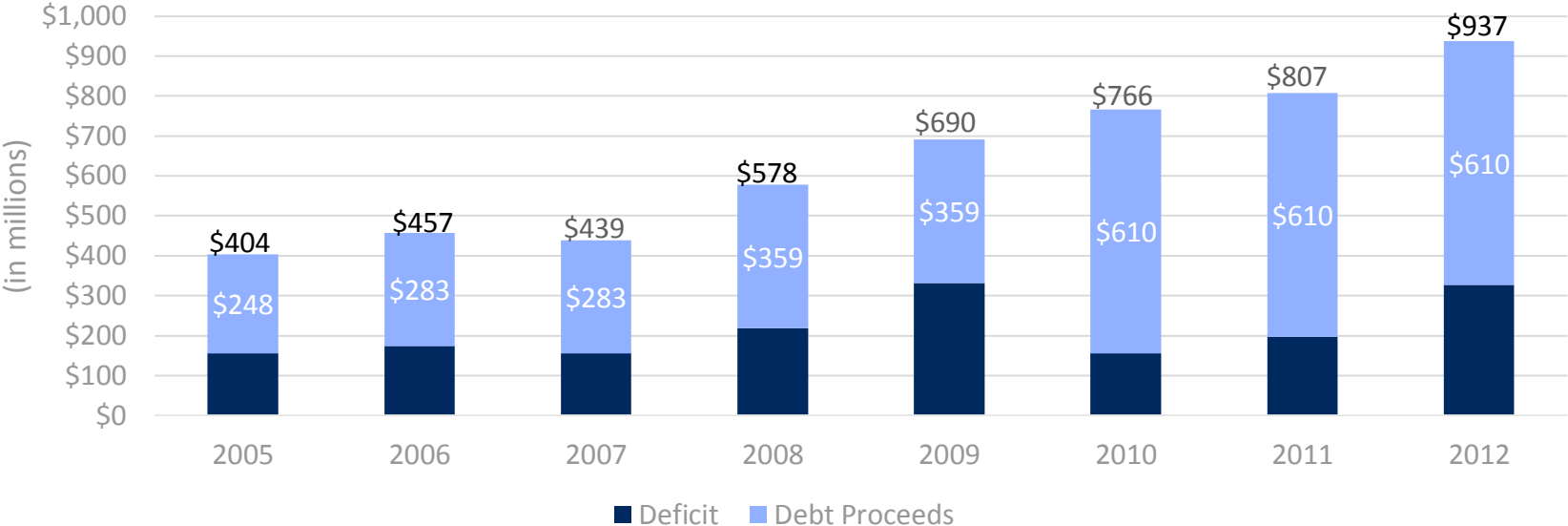


Causes of the Financial Crisis

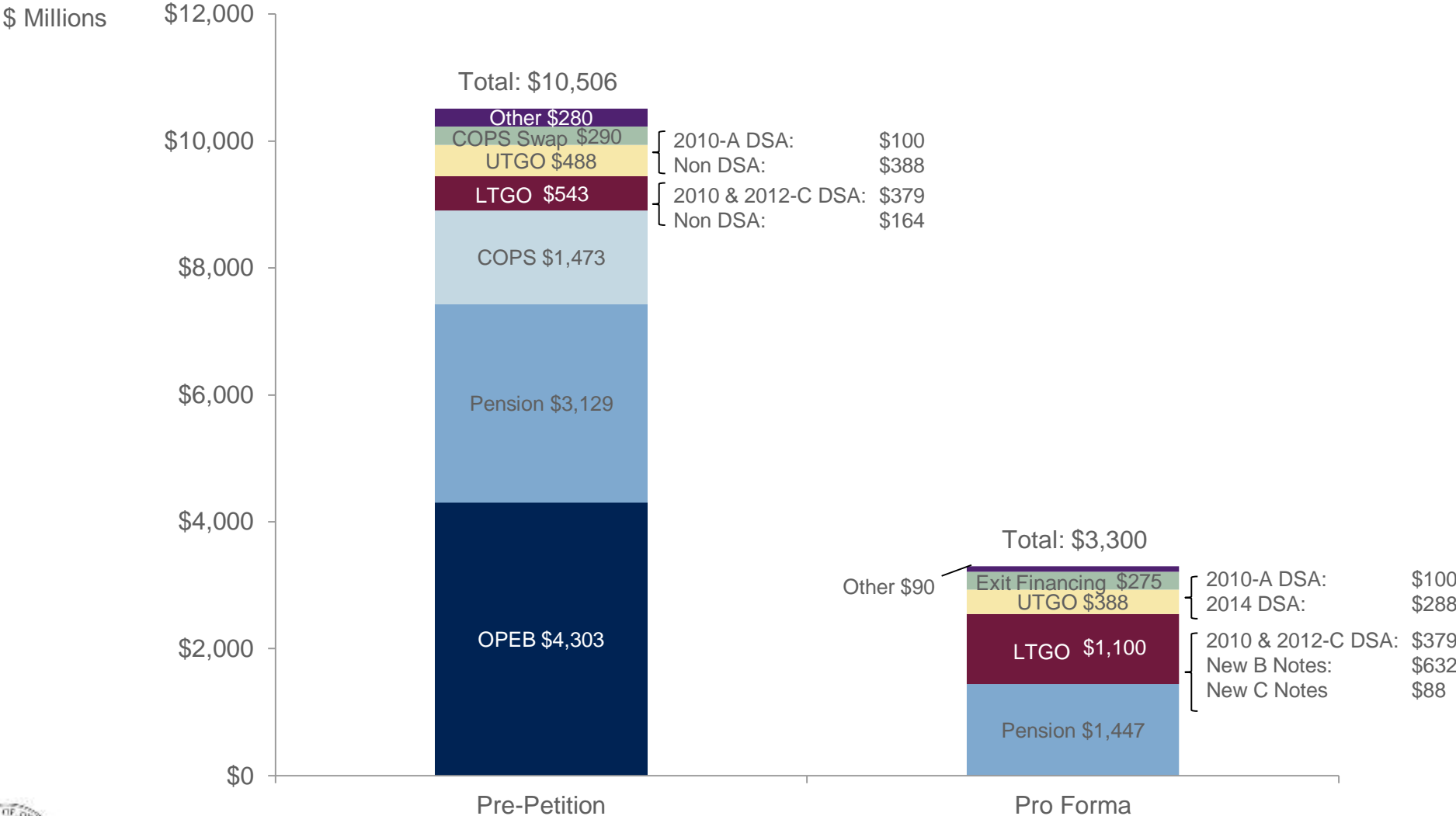
Detroit's Population



General Fund Accumulated Deficit



Financial Impact of Bankruptcy



1. Assumes \$55 million of New LTGO Bonds representing recoveries for prepetition Unsecured LTGO Bonds is paid off at exit.

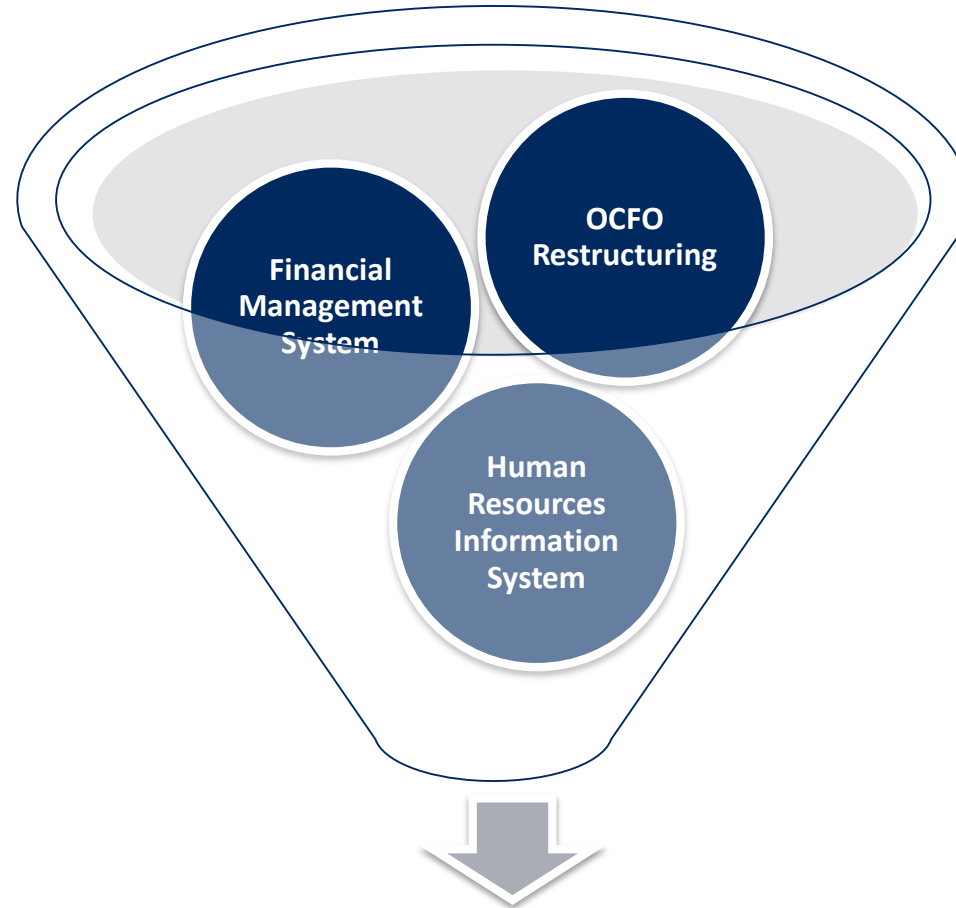


Emergency Manager Orders No. 39 and 41

- Established the Office of the Chief Financial Officer (“OCFO”) and the Department of Innovation and Technology (“DoIT”)
- CFO and CIO have broad restructuring authority to
 - Establish their own organizational structure
 - Capture related activities city-wide
 - Define job skills and competencies
 - Create a new job classification and compensation system
 - Make any recruitment, hiring, retention, promotion, demotion, reassignment and other related personnel decisions
- CIO and CFO, with approval from the Mayor, can identify, negotiate, award, sign contracts and procure new finance, human resources, and public safety information technology solutions



Financial Reform Approach



- ✓ **Fit-to-standard, leading practice business processes**
- ✓ **OCFO structure based on leading government standards and practices**
- ✓ **Qualified & trained professionals with defined career paths, continuous support**
- ✓ **Tracking & reporting capabilities for improved oversight and accountability**



Enterprise Resource Planning

FMS ORACLE Cloud

Selection Themes:

- Leading practice functionality
- Speed and experience of implementer
- Integration between functional modules
- Pure SaaS solution; no customizations

Modules Include:

- Financial management
- Procurement, sourcing and inventory
- Cash and treasury management
- Planning and budgeting
- Project portfolio management
- Business intelligence

HRIS

Selection Themes:

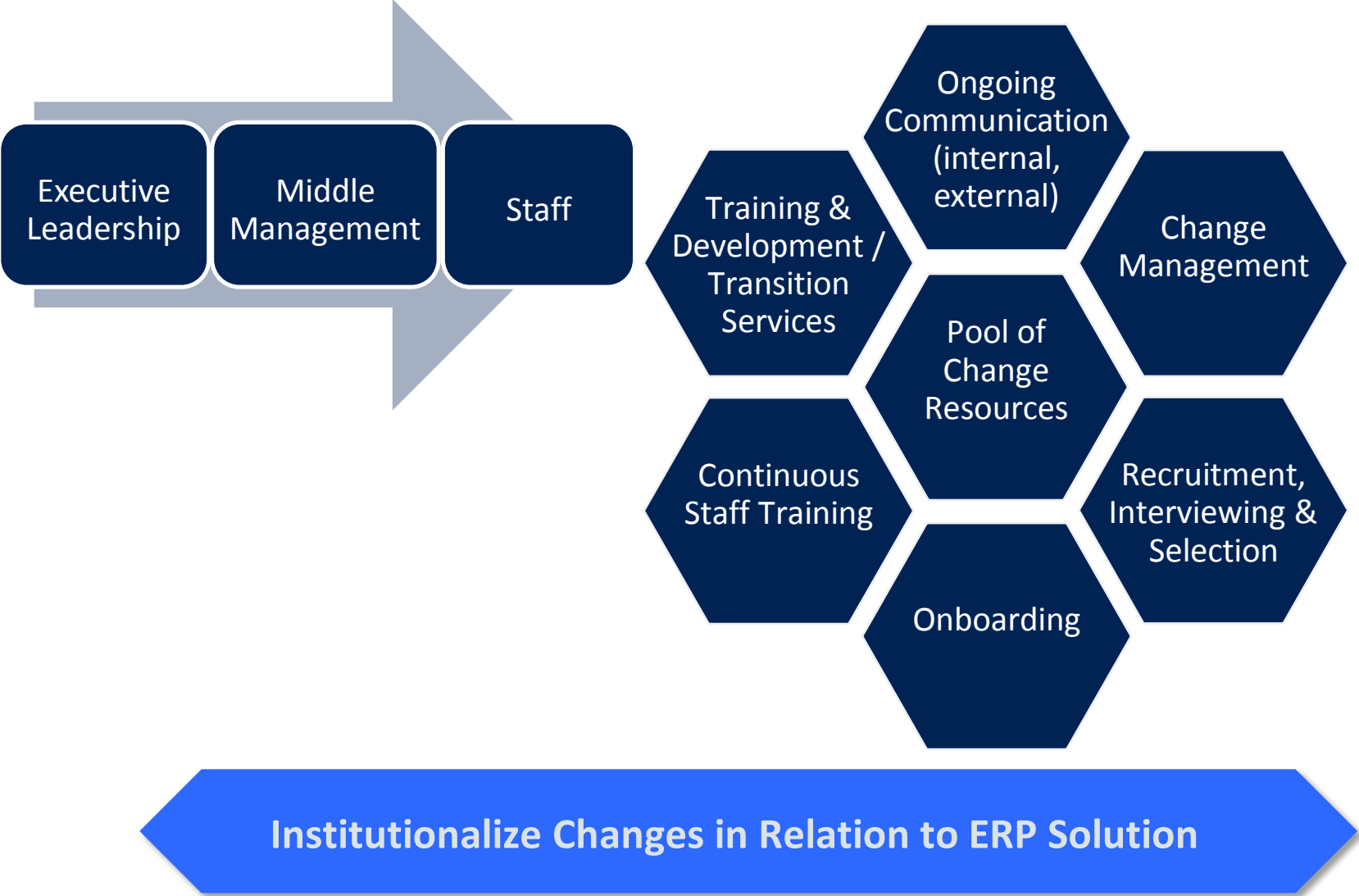
- Unified Human Capital solution
- Capability to handle complex nature of time collection needs
- Payroll engine functionality strongest
- Pure SaaS solution

Modules Include:

- Core HR
- Payroll
- Benefits management
- Time and attendance
- Talent
- Business intelligence



Restructuring Approach



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Oracle's Journey to ERP Cloud

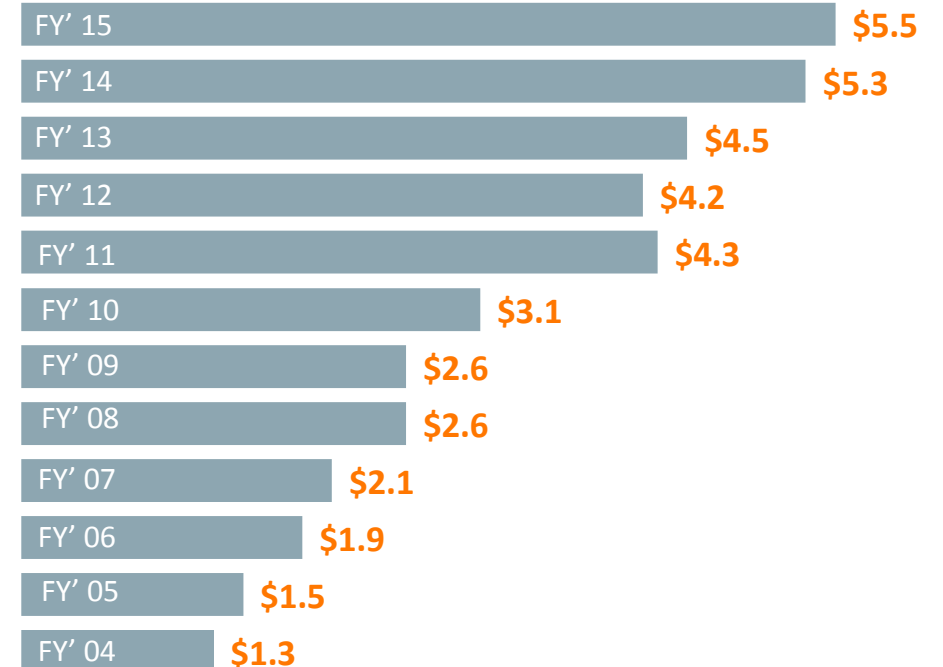
Corey West

EVP, Corporate Controller and Chief Accounting Officer,
Oracle

Oracle Corporation Today

- Founded in 1977
- \$38.2Bn USD in FY2015 revenue**
- 136,000 employees
- 400,000 customers in 145 countries
- Investing \$5Bn+ USD in R&D per year

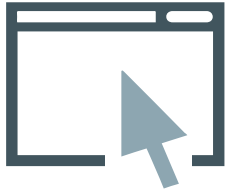
ANNUAL R&D INVESTMENT**



**Non-GAAP basis; \$ in USD billions

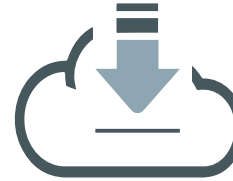
Oracle Successfully Transformed in the Early 2000s

Saved \$1+ Billion USD Per Year Through Operating Efficiencies



Simplify

Plan: One Best Process
Result: Less Risk, Better Visibility



Centralize

Plan: Use Centers of Excellence
Result: Greater Efficiency



Standardize

Plan: Same Way Everywhere
Result: Faster Time to Value

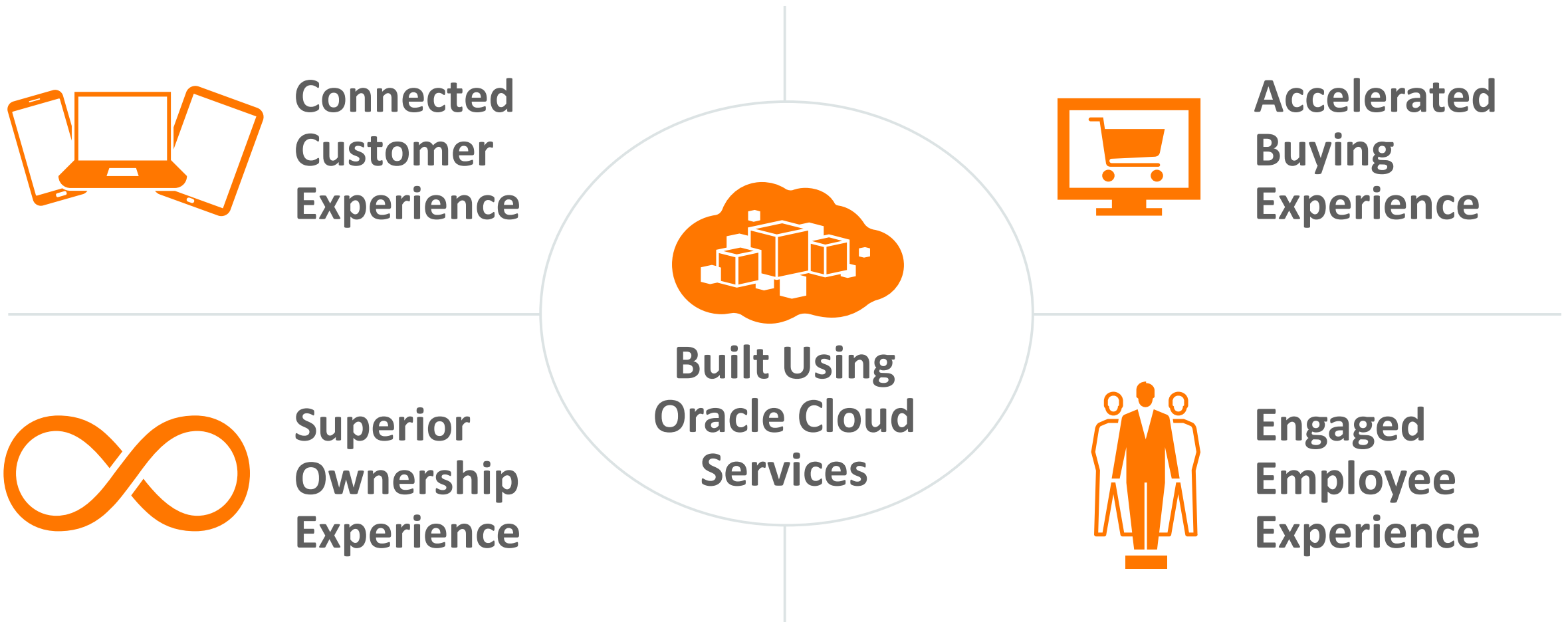


Automate

Plan: Minimize Manual Activities
Result: Higher Productivity

Cloud Transformation: Revamp the Oracle Experience

Become the Best Company to do Business with in the Cloud



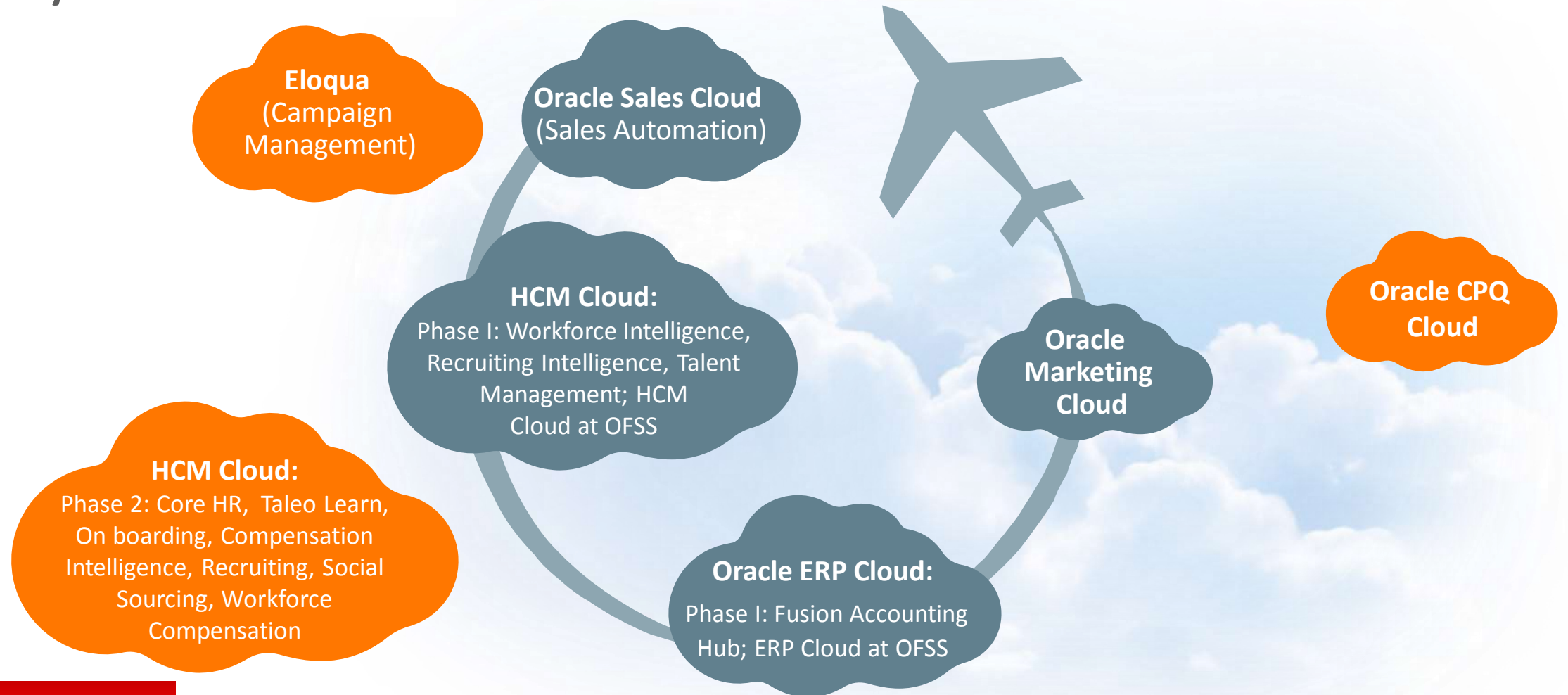
Oracle's Journey to the Cloud

Deployments in 2012-2013



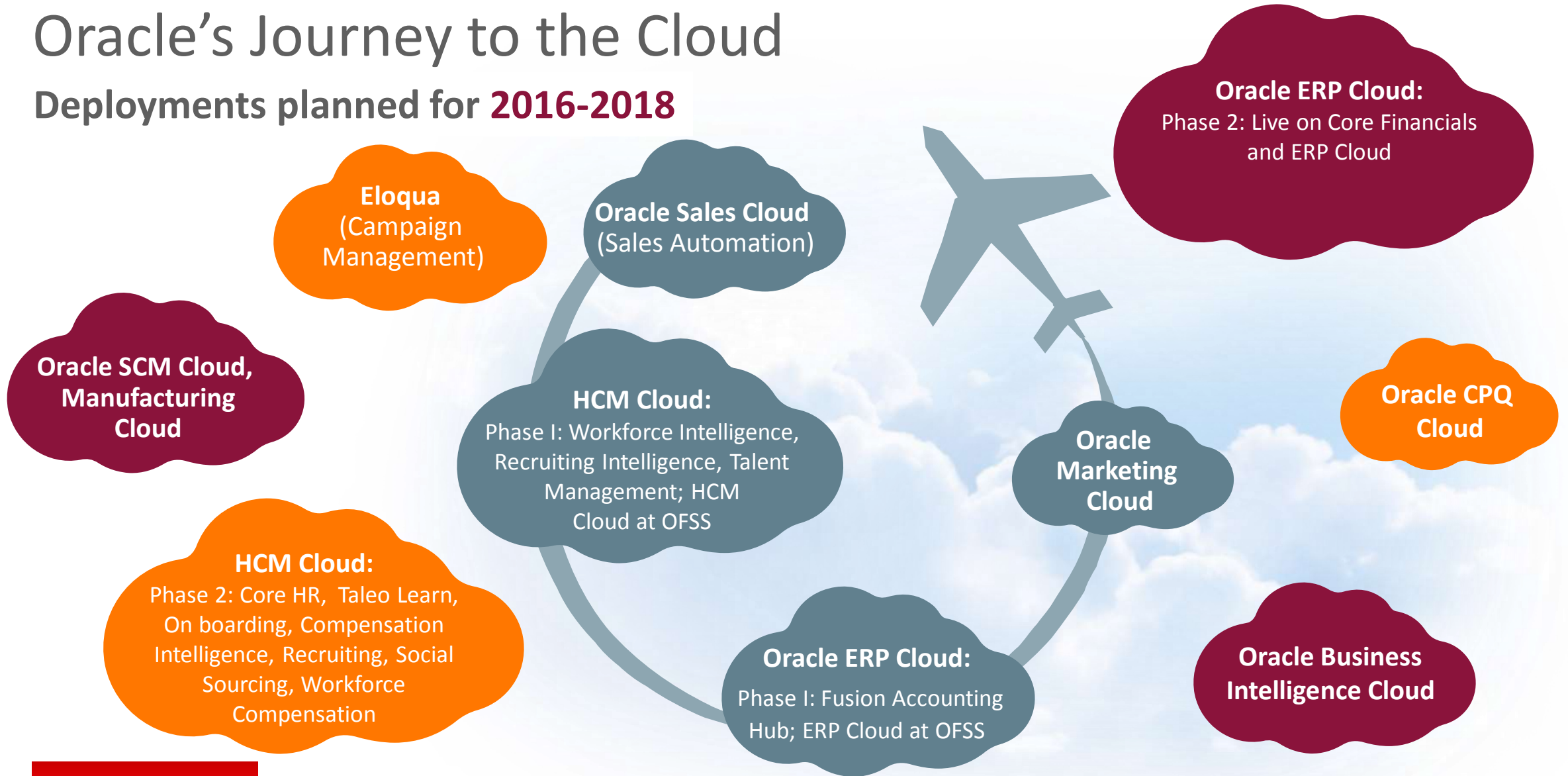
Oracle's Journey to the Cloud

Deployments in 2014-2015



Oracle's Journey to the Cloud

Deployments planned for **2016-2018**



Benefits from Standardizing on ERP Cloud

1

Single Global Chart of Accounts

- More efficient and lower cost transaction processing
- Simplify reporting across GL and all sub ledgers
- Simplify maintenance of GL and reporting hierarchy
- Simplify future data migrations

2

Increased Flexibility

- Modern, service-oriented platform makes it easier to extend standard flexibility
- Standards-based extensibility leveraging Oracle Cloud Platform as a Service
- Greatly reduce application risk
- Greatly reduce IT maintenance
- Simplify integrations
- Simplify uptake of functionality

3

Rapid Access to Innovation

- Functionality made available as cloud platform releases are updated
- Eliminate risk associated with upgrading on-premises platforms with customizations

How the Cloud Has Helped Our Business



Improved User Experience

- Role centric UI
- Job specific workbenches



Social and Mobile

- Oracle Social network to drive collaboration
- iPhone based expense submission



Improved Data Security

- User access only to data needed



Streamlined Consolidation

- Reduced the number of steps needed
- Reduced close cycle by 1 day



Process Efficiency

- Simplified HCM processes for job, assignments & comp
- New functionality

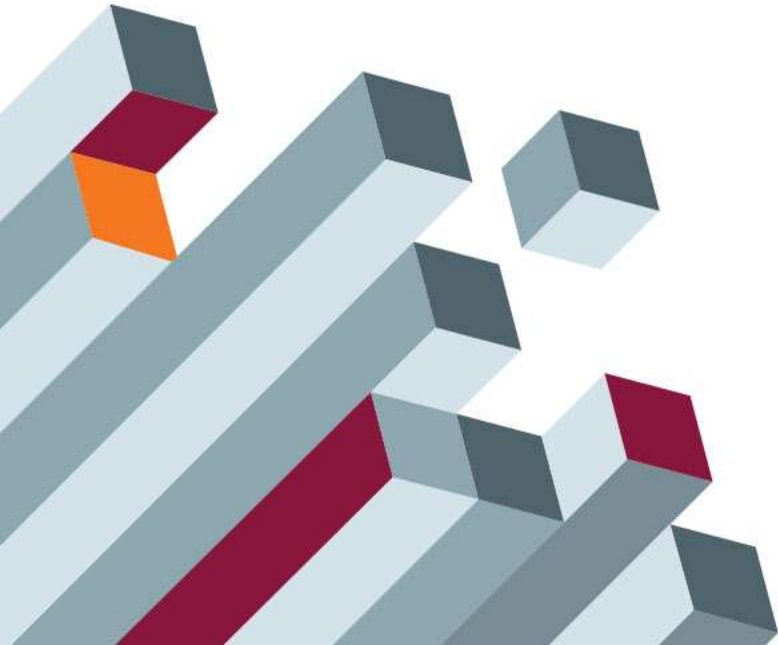


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