

COMPOSABLE ERP FOR ORACLE:

Your Roadmap, Your Advantage



Rimini Street

Introduction

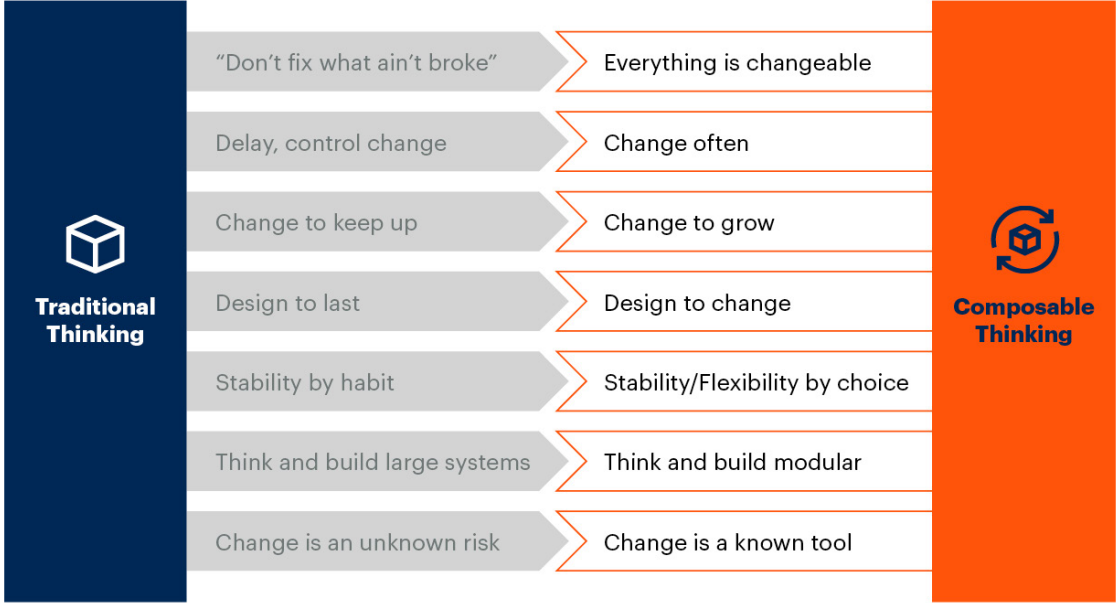
Consumer behavior — and work behavior — changed significantly during the pandemic. Ordering online became universal. In-person experiences became home delivery or buy online/pick up in-store. Working at the office became work from home. Companies that reacted quickly to the new expectations of customers and employees emerged the strongest and gained competitive advantage. Those that didn't continue to ramp up.

Companies that gained advantage during the pandemic may have leveraged composable thinking:

“Composable thinking suggests leaders shift their perspective from viewing change as a risk to seeing it as an opportunity. This means, first, recognizing opportunities in external changes, such as recessions, a pandemic, or geopolitical changes, and using them as an opportunity to disrupt. Second, it means promoting the creative use of design principles throughout the company.”¹

While there remain challenges of change management for companies that thrived during the pandemic and companies that did not, many of those with ERP from Oracle have another critical decision on the table: what will their next-generation ERP be? In many cases, opting for a composable ERP approach may pave the way for breakthrough innovation.

Adopting Composable Thinking



Source: Gartner
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Gartner

Figure 1

As per a Gartner® report, Figure 1 shows the juxtaposition of traditional thinking and composable thinking.²

What is Composable ERP?

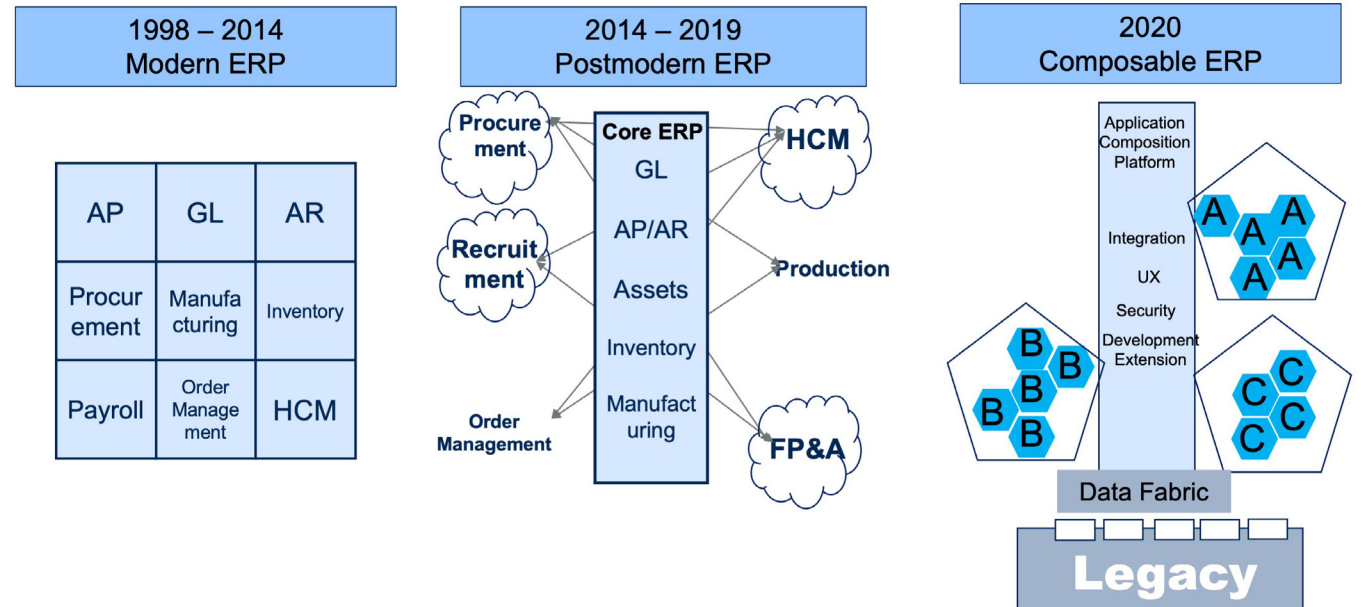
Composable ERP is a plug-and-play model, where companies choose easily integrated ERP elements to deliver better user experiences more quickly in response to evolving market conditions.³

As per a Gartner report, “Composable ERP is an adaptive technology strategy that enables the foundational, administrative and operational digital capabilities allowing an enterprise to keep up with the pace of business change. This strategy delivers a core of composable applications and, as a service, software platforms that are highly configurable, interoperable and flexible to adapt to future modern technology.”⁴

As per a Gartner video report, Figure 2 shows the progressive history of ERP, from the modern ERP to the postmodern ERP to composable ERP.⁵

Figure 2

The Past Present and Future of ERP



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Composable ERP Benefits

A significant advantage of modernizing pieces of the ERP is that organizations can get the capabilities they need “without having to upgrade the entire supertanker.”³ This approach is highly aligned with today’s pace of technology and business change.

With composable ERP, core functions such as accounting and order management are surrounded by movable enterprise business capabilities (EBCs) that are based on emerging technologies. The core ERP functions are highly reliable, years-old business processes that make sense to buy from a vendor. The composable, emerging technology components that can help create differentiation can be assembled using low-code methods⁶ — a much faster and more efficient approach.

A composable ERP strategy gives enterprises much needed agility for innovation, improving scalability and interoperability while providing greater access to data-centric processes. It can also help enable immunity to potential system disruption, a critical benefit for withstanding volatile market conditions.

OTHER BENEFITS OF COMPOSABLE ERP INCLUDE:⁷

- the ability to respond to business change with confidence
- its adaptability to the enterprise, rather than the enterprise having to adapt to the ERP
- a reduction in business risk from inflexible systems

Composable ERP for Oracle: Navigating a Business-Driven Roadmap

If your ERP footprint is Oracle, a composable approach can help accelerate innovation. The approach opens up options within a Business-Driven Roadmap, where all IT activities are aligned with your business priorities (*Figure 3*), rather than simply following a single vendor-driven roadmap.

In today's environment, enterprises need flexibility and agility to meet the needs of diverse business users, create differentiation, and drive transformation. Following a "one size fits all" Oracle roadmap may not provide the options and latitude that are optimal for growth.

Frank Reneke, Oracle services group vice president and general manager at Rimini Street, explains, "Our view is that vendor-imposed roadmaps should not dictate enterprise application strategies. You should be looking to create a Smart Path to transformation, which includes using support services to enable you to maintain and optimize existing applications while you prioritize modernizing those applications that are most important to your competitive advantage.

"Over time, if you want to transition you can, but deadlines imposed by vendors should not rush you to make decisions."

Fortunately, Oracle customers have choices: they can craft their own roadmap, move to composable ERP, and determine the ERP configuration that will best enable their transformation. The following pages show three potential options.

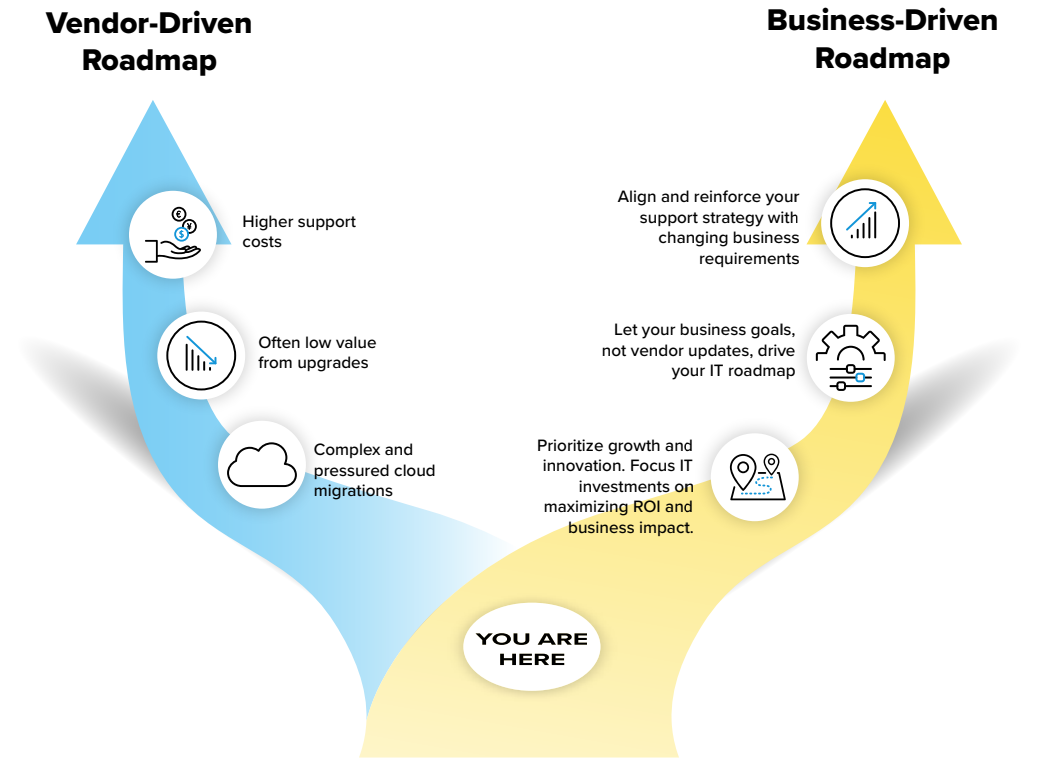


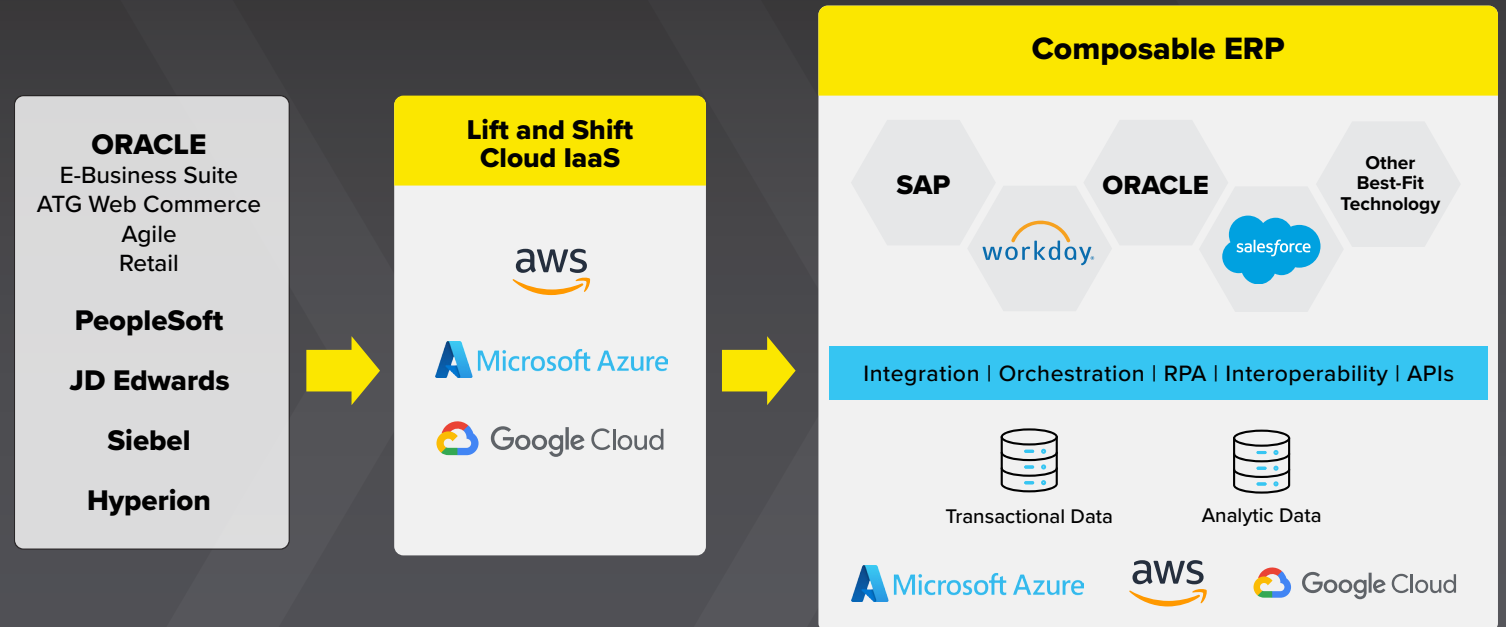
Figure 3: Benefits of a Business-Driven Roadmap

Stay on Your Current Software Release and Innovate at the Edges

If your customized, high-functioning Oracle applications such as E-Business Suite, PeopleSoft, JD Edwards, Siebel, and Hyperion meet your business needs — and you have no business case to upgrade or follow Oracle’s roadmap — then a composable ERP strategy aligned with a cloud approach could be your Smart Path to innovation and growth while maximizing your existing Oracle investment. And switching from vendor support to third-party support and managed services can help you self-fund innovation at the edges of your Oracle ERP with your support savings.

Figure 4 shows a progression for an Oracle applications “lift and shift” to cloud IaaS and a composable ERP strategy with best-fit technologies.

Figure 4: Composable ERP: Stay on Your Current Software Release and Innovate at the Edges

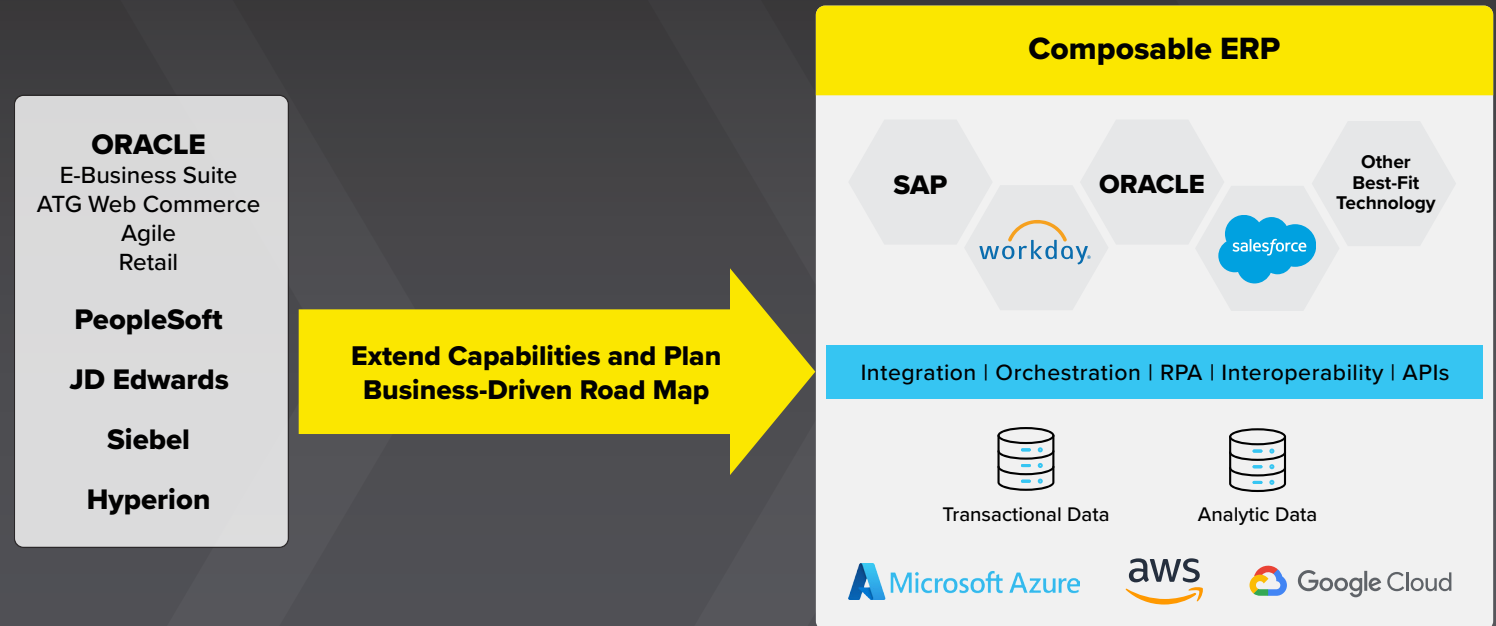


Supplement Oracle Support for the Latest Software Release

If you have a business case to stay current with the latest Oracle release and Oracle support, yet intend to move some applications to the cloud over time, then pursuing a composable ERP strategy could be your Smart Path to transformation and growth, as you calculate the ROI and plan your migrations. And supplementing your Oracle support with third-party support and managed services can help facilitate a smooth journey to the cloud, a precision landing, and SaaS success from the start.

Figure 5 shows a progression for extending capabilities and planning a Business-Driven Roadmap with a composable ERP strategy and select migration to best-fit technologies.

Figure 5: Composable ERP: Supplement Oracle Support for the Latest Software Release



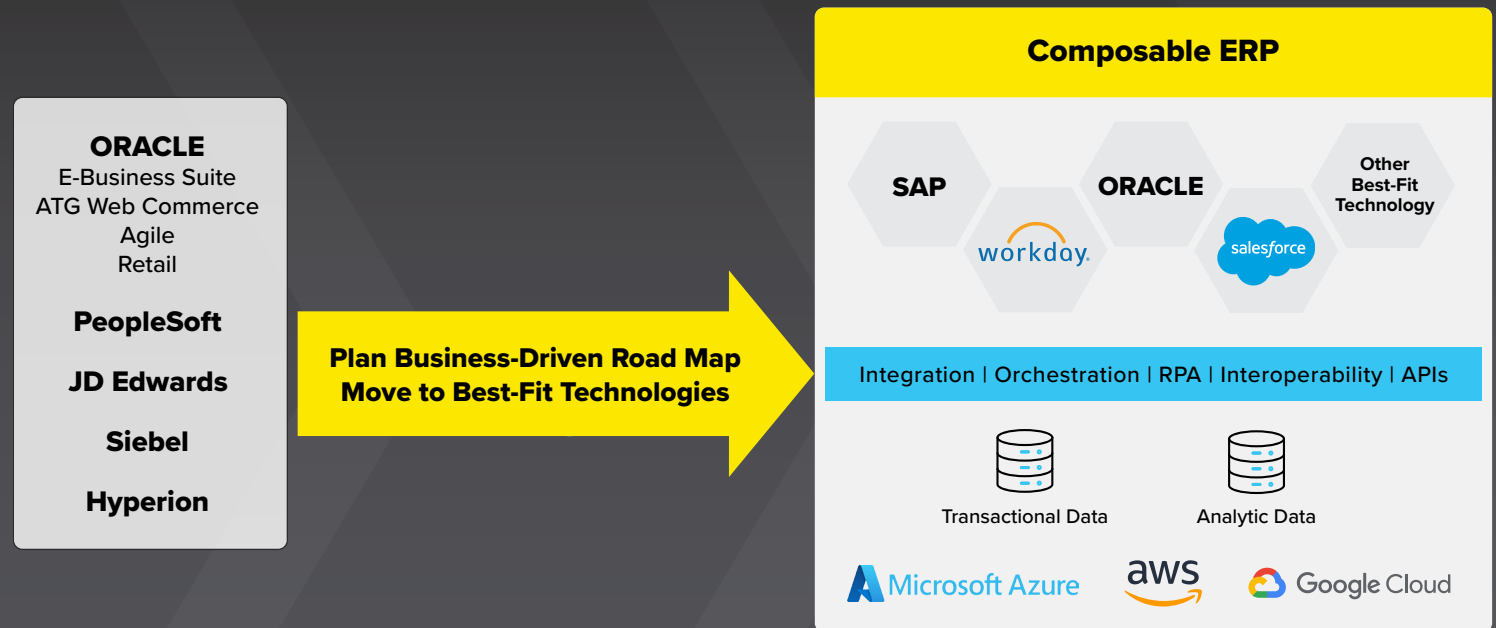
Move to Best-Fit Technologies

If you're planning a full migration to the best-fit technologies for your enterprise and want to allow sufficient time to make the move, then composable ERP and a Business-Driven Roadmap can help fuel innovation along the way. Benefits of this approach include:

- you can self-fund your transformation with support savings by moving from vendor support to third-party support and managed services
- you can innovate along your own roadmap — rather than Oracle's roadmap — with an expert support partner that can run, manage, and secure your Oracle ERP and Oracle ecosystem
- you can gain the flexibility to get ready over time, for a smooth, low-cost transition with minimal disruption

Figure 6 shows a progression to a fully composable ERP of best-fit technologies, with time in-between to optimize your migration.

Figure 6: Composable ERP: Move to Best-Fit Technologies



Why Composable ERP instead of Vendor Lock-In?

The challenge with purchasing all your software applications from one vendor is that it is restrictive. Opting for Oracle SaaS ERP will lock you into Oracle more deeply. And if you choose to replace your licensed Oracle software with SaaS technologies, be aware that you may have to surrender your perpetual licenses.

Oracle SaaS ERP lacks the flexibility of best-fit cloud options, and Oracle customers who move to Oracle SaaS have little room to add or integrate these best-fit technologies from other providers. Replacing stable core Oracle applications with Oracle cloud applications seems to run contrary to the strategy and benefits of composable ERP, where the possibilities and configurations are unlimited to help drive innovation and to quickly respond to market conditions, changes in consumer behavior, or economic disruption.

If you are considering a move to Oracle cloud applications, we recommend that you evaluate:

- your historical costs — and the value received — with Oracle products
- your historical costs and the value received with Oracle support
- the maturity of Oracle cloud applications and how they would align with a best-fit criteria for your ERP modernization
- the realities of any financial incentives from Oracle, including benefits and restrictions, as revealed in the fine print of a contract
- your overall relationship with Oracle and if it would feel comfortable, financially and strategically, to lock in more deeply with Oracle as your cloud vendor

Frank Reneke, Oracle services group vice president and general manager at Rimini Street, explains, “Composable ERP is a proven strategy for Oracle customers with complex businesses that need flexibility and agility to compete. In today’s fast-changing world, Oracle customers should be free to choose their own path and not be locked into a single-tier ERP platform or a single vendor-driven roadmap.”

C-Suite Considerations for Composable ERP

So how can the executive team — or IT leaders making a business case to the C-Suite — determine whether or not composable ERP is the right solution? There is a great deal to weigh, including your:

- desired business outcomes and the best path to achieve them
- current IT roadmap and how well it is serving you
- cloud vision and ERP renovation plans
- Oracle release and databases for the next-generation ERP
- ability to respond to business change and if it can be improved
- available IT resources and if they can be allocated more efficiently
- ability to deliver transformational quick wins to the business
- stakeholder patience or tolerance for lengthy, expensive IT implementations or migrations

If examining these considerations reveals opportunities for improved outcomes, growth, greater agility, more IT resources for strategic initiatives, or a stronger partnership with the business, then composable ERP could be your solution.



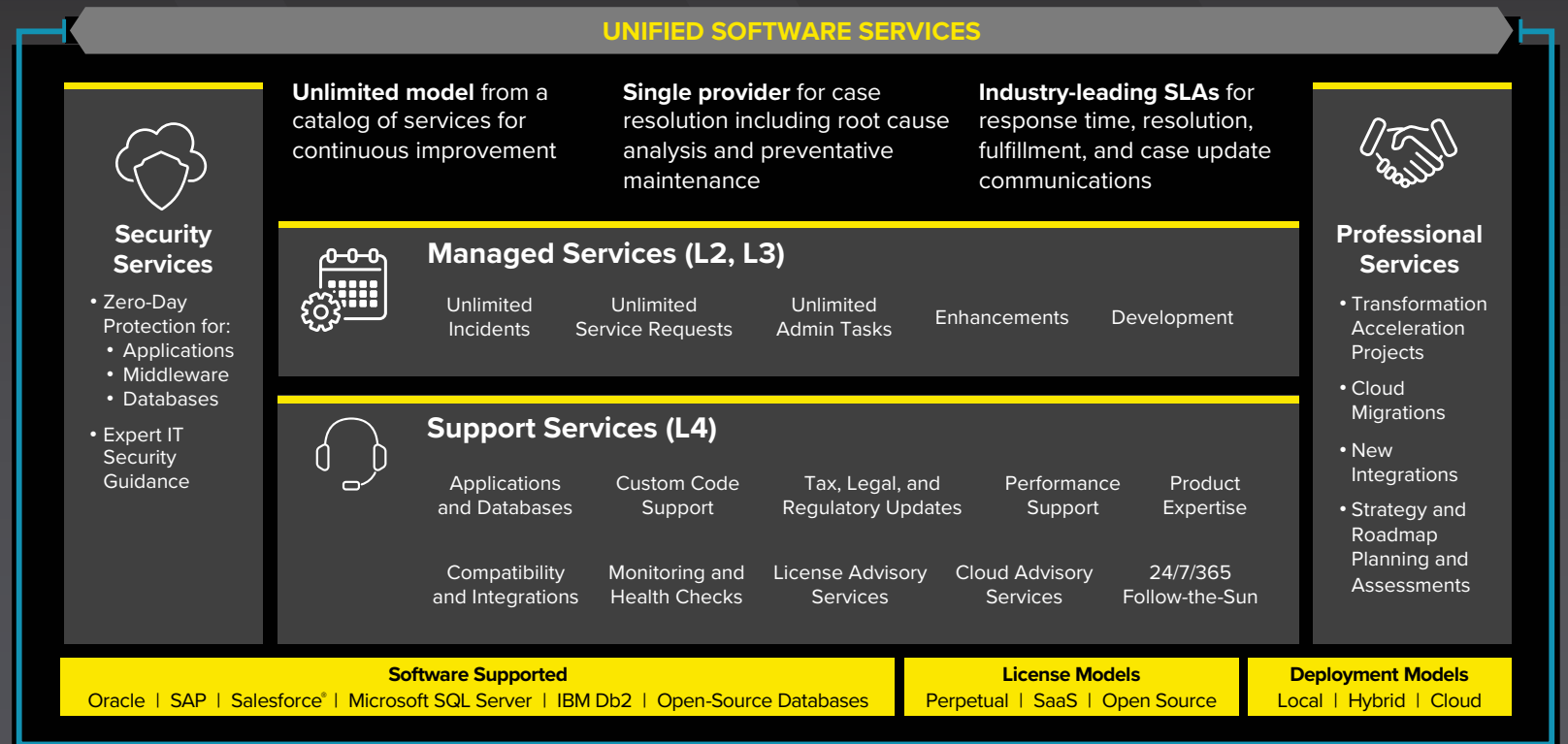
Getting Started: Rimini Street Can Help

In making your plans, it helps to have a proven partner to guide you along the way and help you achieve your goals. Rimini Street can help. We offer unified software services — comprehensive L4 product support, managed services, security, and professional services — for your:

- composable ERP as you stay on your current software release and innovate at the edges
- composable ERP as you supplement Oracle support for the latest software release
- composable ERP as you move to best-fit technologies

Figure 7 shows Rimini Street unified software services for a composable ERP strategy.

Figure 7: Rimini Street Unified Software Services for Composable ERP





**Wherever you are in your Oracle journey,
Rimini Street is your strategic partner.**

We can help plan, run, manage, and secure your Oracle ERP and Oracle ecosystem so you can innovate along your own roadmap, keep pace with business change, drive competitive advantage, and maximize your Oracle investment.

**For more information, explore
Rimini Street unified software services for Oracle.**

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¹ Flowable. “Composability – The Future of Enterprises.” April 4, 2022

² Gartner, Becoming Composable: A Gartner Trend Insight Report, Yefim Natis, Janelle Hill, Partha Iyengar, Gene Alvarez, Jennifer Loveland, Chris Howard, 17 September 2021

³ TechTarget. “Experts predict flexibility as a top ERP trend in 2022.” January 10, 2022, Jim O'Donnell

⁴ Gartner, The Collective Governance for Composable ERP Deployment, Duy Nguyen, Tim Faith, 30 September 2021

⁵ Gartner, Expert Insight Video: How to Launch a Composable ERP Strategy, Tim Faith, 12 April 2021

⁶ TechTarget. “Evolution of postmodern ERP to composable ERP explained.” March 30, 2022, David Essex

⁷ Unit4. “Flexibility and industry specificity are top ERP trends for 2022.” March 3, 2022

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