



Line 'Em Up: The Importance of Executive Alignment

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Before any major enterprise initiative launches, it should be “pegged” to executive vision for the future of the organization. Executive vision captures the strategic goals of the company and justifies the assets that will be required to achieve them. These days, Information Technology is usually a fundamental component of every business transformation. Alignment of the systems strategy with executive vision is critical for the organization and paramount for success.

Oracle enterprise projects should be treated as transformational business events that drive competitive advantage. They require significant asset, resource and capital outlays—and they demand vision and leadership. At the heart of every successful initiative is an executive sponsor who champions the project and takes ownership of the results. However, even with a strong leader, projects may struggle. While routine

technical challenges occur on every project, they are far easier to resolve than critical issues like scope creep and organizational resistance. Experience shows that these pitfalls can be avoided with through strong executive alignment.

Executive Strategies:

- **Launch into new markets**
- **Increase sales through existing channels**
- **Increase efficiency in asset utilization**

Enterprise systems should enable strategy. Oracle offers functionally rich solutions which should be evaluated against business needs to determine when, where and what features should be deployed. For example, a company running multiple ERP systems could start with a technical upgrade (from 11i to R12) as the first step in unifying the ERP platform into a

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common model. With business strategy focused on growing sales, better asset utilization and decreased cost of ownership, the upgrade and post-upgrade roadmap can be defined. R12 makes multi-divisional consolidation possible and serves to standardize supply and demand data for a global view. Consolidating onto a single ERP system translates to a lower cost of ownership. Scheduling the implementation of R12 ASCP and Demantra in a phased approach after the upgrade would then enhance the organizations ability to plan supply for the global customer demand signal thus lowering inventory investments and improving customer service levels. Because the initial upgrade project was attached to corporate direction, a plan for achieving improvements through the upgrade becomes relevant to corporate strategic objectives.

Executive teams need to understand their role in a project so that tactics are driven by strategy. Projects often have multiple goals—reduced DSO, lower support costs, and better employee retention. By understanding how these goals support the enterprise business strategy, executives from multiple disciplines will see the benefit of collaboration.

For instance, corporate HR's strategic imperative may be employee retention. The IT department may be tasked with lowering annual TCO. Oracle Fusion HCM is a cloud-based solution that accomplishes both by providing performance management, succession planning and compensation at a lower annual operating cost. The VP of HR may be thrilled about Fusion functionality but the CIO is skeptical of a hosted offering because of security concerns. To break through this impasse, the executive project sponsor must educate the leadership team on how Fusion HCM functionality meets staff retention needs while simultaneously delivering lower support costs, high availability and data security through a hosted SaaS model. With an effective project champion, the executive team will align to achieve the business goals that justified the project. By understanding and accepting the goals of a project holistically on behalf of the entire enterprise, the executive team is far more likely to collaborate for the good of the organization.

A successful enterprise application delivery hinges on numerous factors, but aligning the project with business objectives from the outset is one of the most critical. With strategic project alignment, executive teams can more readily understand the dollar investments, timelines, goals and objectives of the project and support its success.

