

Topics: Workplace**Issues:** What are the technologies and architectures that enterprises should leverage in the workplace?**Oracle Takes Oracle Fusion Applications to the Cloud**

Summary: On October 5th, Oracle announced Oracle Public Cloud providing subscription-based self-service access to Oracle Fusion Applications, Middleware and Database services managed, hosted and supported by Oracle.

Event: At Oracle OpenWorld 2011 in San Francisco, CEO Larry Ellison announced the Oracle Public Cloud including Cloud Services for Oracle CRM and HCM, Oracle Social Network, Java Cloud Service and Database Cloud Service. Limited availability will roll out over the next several weeks. Although pricing details were not announced the model will be simple and self-service subscription.

Analysis: Oracle has been slow to embrace the public cloud, and as recently as last year had its approach depicted as a “cloud in a box”. In announcing a public cloud offering, Oracle now provides a rich set of applications and integration services on multiple deployment models. Oracle Fusion applications are comprised of new code designed on a modern architecture, and now also work on desktops and mobile web browsers. Support for the iPad and iPhone were explicitly highlighted, while Android capability is expected but taking a back seat probably to the copyright infringement litigation between Oracle and Google.

Oracle touted the benefits of its architecture, and here there is considerable promise. The

Oracle Fusion Middleware and application layer can be provisioned to run on existing enterprise infrastructure, on private enterprise clouds, or in the public cloud. People can move part or all of their applications to the Oracle Cloud or move them to Amazon’s cloud. This provides Oracle a strong position to address the pressure being placed on IT organizations to adapt more modern, flexible and agile approaches offered by cloud architectures.

Oracle has invested six years in taking its stable of software from multiple independent code bases to an integrated portfolio built on a common SOA approach, a refreshed user interface, and inherent mobile support. This enables flexible and interoperable applications layered on extensible and open middleware that with a single code base can be deployed on premise or in the cloud.

Initially only Oracle’s CRM, HCM/Talent, ERP and Oracle Social Network applications will be provided in the public cloud. However, applications for financials, supply chain, GRC, procurement and PPM share the common architecture and will likely be added as demand and competitive pressure dictate.

Oracle’s strategy is a strong and direct response to the competitive inroads being made into both CRM and HCM by cloud software providers. The high-profile cloud offerings such as Salesforce and Workday can now be countered not only with cloud-based approaches, but also with an integrated portfolio of applications with common

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architecture, database, security, ISV platform, and mobile client support.

Cloud providers for CRM and HCM have their greatest success when taking a rip-and-replace approach to existing implementations, as coexistence does not work in their favor. Oracle's breadth of applications and the flexibility to start on premise or in the cloud and move among those models will be attractive to enterprise IT.

Oracle did not share specifics on pricing or the specifics on availability for Oracle Public Cloud. Oracle has had large data centers for years and will be leveraging these for its Public Cloud offering. Oracle Public Cloud is expected to be provided through a US-only data center initially, with expansion into Europe and Asia Pacific predicated on market success.

Aragon Advisory: Enterprises invested in Oracle software will want to evaluate Oracle Public Cloud options in relation to their growth and migration strategies. We expect those evaluating cloud-based CRM and HCM offerings to consider the flexibility of Oracle's on-premise and cloud capabilities a factor in managing overall risk. One challenge for Oracle will be evolving its technology and architecture heavy message to be more engaging and value-based to attract business decision-makers frequently in the drivers seat for movement to cloud-based applications.