Third-Party Support: Powering the Business-Driven Roadmap

You are not "frozen" by making the switch

Rimini Street®

Engineered for Support™

About Rimini Street, Inc.

Rimini Street is a global provider of enterprise software products and services, and the leading third-party support provider for Oracle and SAP products. The company has redefined enterprise support services since 2005 with an innovative, award-winning program that enables licensees of IBM, Microsoft, Oracle, SAP and other enterprise software vendors to save up to 90 percent on total maintenance costs. Clients can remain on their current software release without any required upgrades for a minimum of 15 years. Global Fortune 500, midmarket, public sector and other organizations from a broad range of industries rely on Rimini Street as their trusted, third-party support provider.

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Summary

Rimini Street clients continue to grow and evolve their ERP portfolios, including modernization of their technology stacks and investment in innovations such as cloud-based applications and tools. We can help make similar evolutionary steps possible in your enterprise.

What You Should Know

- Canceling vendor maintenance does not freeze your ERP solution. In fact, the opposite happens. Enterprises become more agile and flexible as they free up resources to invest where it matters. Using a third party, such as Rimini Street, for support frees you from the vendor's forced upgrade cycles. For many clients, this includes selectively implementing upgrades and patches they hesitated to apply without the safety net of a reliable support partner.

- A large Oracle customer with a dynamic environment is just one of many organizations that have canceled vendor maintenance as a part of a strategy to expand and grow. The story starts with the need to avoid the risk created by upgrading Oracle E-Business Suite (EBS) in the middle of a global rollout. The organization continues to be successful with its ERP strategy after getting off the vendor's roadmap, including a global rollout powered by Rimini Street and a database upgrade to Oracle R12. This Rimini Street client was also able to undertake several modernization and cloud innovation projects that it would otherwise not have been able to afford. The client is anything but frozen!

- You, too, can benefit from taking control of your ERP roadmap. Assess what you are getting from your annual ERP maintenance fees and vendor-provided updates. Weigh that against demands from the business that are waiting in the queue for funding and resources. Assess how you can use Rimini Street to support you as you develop and execute your ERP roadmap.

Leaving Vendor Maintenance Does Not Freeze Your ERP Solution

Some Oracle and SAP customers who are considering a move to Rimini Street for level 3 support voice a concern that their ERP solution will be frozen. Yet, change is inevitable. Areas that we see ERP customers continue to change include updates to the core ERP solution (aka upgrades), extensions, modernization and innovation (often including cloud initiatives). Rimini Street is an enabler of change and helps enterprises grow and gain competitive advantage.

You Can Expand Your ERP Footprint

Many ERP customers use as little as 20 percent of the ERP functionality they paid for. If your enterprise fits this description, after leaving vendor maintenance you can still expand your ERP footprint by deploying functionality that you already purchased. You can also roll your deployment out to additional regions/plants/users as long as you adhere to your license agreement. You can even expand your license rights and licenses, and purchase additional products from your ERP vendor to support growth.

You can purchase new cloud-friendly or cloud-native products to expand your ERP footprint. This has many benefits, including enabling you to make changes to the extended capabilities faster since they will sit outside of the core ERP solution and typically don't require time-consuming and expensive ERP change control processes each time the extended solution changes. Another benefit is the freedom to choose innovative extensions rather than attempting

to fit requirements into the "lowest common denominator" capabilities of the ERP solution. You can throw your "SAP first" or "Oracle first" strategy out for requirements that are not satisfied by core ERP. Funds freed up from reducing your vendor maintenance fees can contribute toward making ERP footprint expansion possible.

You Can Extend the Lifespan of Your ERP Footprint

There is more to "not being frozen" than being able to upgrade and expand your ERP footprint. We have entered an era where the IT mission is changing from "keeping the lights on" to growth and innovation. For many enterprises, upgrading the core ERP solution is a "keep the lights on" activity. It's also expensive, particularly for enterprises that have customized ERP to fit business needs.

Many CIOs are choosing to maximize the value of their existing ERP investment. Instead of spending precious IT funds, resources and time on disruptive upgrades to their core ERP, they are getting off the "upgrade train" and shifting funds to innovation. They use a third party to provide technical maintenance and support at a lower cost and invest the savings in modernizing, future-proofing and securing their ERP landscape. Examples of this include outsourcing the ERP infrastructure, virtualization, containerization — all activities that can help maximize the mileage you get out of your ERP for several years.

You Can Innovate Faster

Customers who cancel vendor maintenance are not frozen out of innovation. Rimini Street has helped many clients develop and execute roadmaps that include innovative projects such as cloud initiatives. Most innovation is happening outside of ERP. For most enterprises, the typical back-office business model has not changed materially in years. This is reflected by minimal innovation occurring in the back-office system of record (ERP). Instead, customers are preserving their core ERP and bolting on edge solutions around it.

The way that mega ERP vendors are moving their products to the cloud is not innovative. It's just changing the licensing and deployment model from internally deployed licenses to vendor-hosted subscriptions. Most SAP and Oracle customers have invested millions of dollars and tremendous amounts of time and resources in making their ERP solutions fit the business. Because moving to the vendor's cloud solution does not materially improve how the work of the back office gets done, vendors have created a gap in the market where companies want to innovate, but moving ERP to the cloud will not achieve that goal.

Instead, business innovation is occurring at the point of customer and vendor engagement. To support this, most technology innovation is occurring in systems of engagement. An example of this is SuccessFactors, which directly enables improvements in employee engagement processes.

You Can Upgrade if Needed

Upgrades are possible. Rimini Street has supported its customers through more than 150 successful upgrades to date. Before your vendor support expires, archive the releases of the software you are entitled to. This provides the content needed to perform the upgrade. Although there is a limit to how far you can upgrade, you absolutely can upgrade on a timeline that is right for your business.

Case Study:
An International Maintenance Products Company
Took Control of its Business-Driven Roadmap to Leverage
Third-Party Support and Cloud

A global provider of industrial maintenance solutions, with a specialization in water treatment and 8,500 employees in more than 50 countries, has a very large direct-selling business model. Its global Oracle presence crosses North America, Europe and Asia with three instances of Oracle EBS 11i and R12, and more than 15 million lines of custom code. Before switching from Oracle maintenance to Rimini Street Support, the company had deployed Oracle software in more than 20 countries.
The company wanted to extend its global Oracle rollout in Europe and Asia to include another 38 countries. This included integrating proprietary sales tools that were unique to each region. Stopping the global rollout for an ERP upgrade would have damaged the business. The company had no time for a forced ERP upgrade!

In early 2013, after Oracle announced an end to EBS 11 support, the company decided that it needed to protect its existing Oracle investment. It was not ready to move to Oracle cloud and decision makers determined that using Rimini Street to provide level 3 support would get them off the Oracle upgrade path and mitigate the risk of running an unsupported Oracle environment.

Rimini Street's scope of support includes support and maintenance for interfaces to sales tools, transportation systems, banks, 3PLs and other systems, plus other customizations to code.
Using Rimini Street for level 3 support freed up time, funds and human resources, enabling the company to accelerate its global Oracle deployment roadmap. Using Rimini Street also allowed it to preserve its investment in existing Oracle licenses while providing more resources and budget for modernization initiatives such as moving to cloud hosting, an R12 upgrade and security improvements and remediation. Since canceling Oracle maintenance and moving to Rimini Street Support, the company has continued to evolve its ERP portfolio through strategic cloud and internally deployed initiatives that extend or interact with its Oracle solutions. Examples of these include investing in sales and service mobility, developing a cost-effective disaster recovery plan and investing in physical and cyber security remediation capabilities.

The company accelerated its ERP roadmap — powered by Rimini Street — that reduced risk, increased overall company competitiveness and enabled growth. This included moving part of its Oracle EBS workloads to a third-party private cloud hosting services provider. The company was able to modernize with newer hardware. It achieved more than 50 percent improvement in application performance and more than 35 percent cost reduction. The company improved its inventory turn ratios and reduced inventory carrying costs, improving margins for high-demand SKUs. Because the company saved so much money, it could afford to deploy its Salesforce footprint globally.

Take Control of Your ERP Roadmap

If you are like other CIOs who have a mandate to innovate, you will need to change your focus from cost reduction to enabling growth and competitive advantage. This includes a shift from tickets and tasks to focusing on business outcomes and a shift from being a data center to being a business innovation center. As you become a key player on the CEO's growth team, it is critical for you to take control of your ERP roadmap to ensure that it supports initiatives that enable an open, agile and customer-engaged enterprise that can create new value and competitive advantage.

Analysts agree that to support digital transformation, IT must think beyond just moving applications or infrastructure to the cloud, particularly where doing so might create or perpetuate lock-in to a given vendor's product set or technology stack. Some analyst have even changed their ERP roadmap advice to clients. Instead of advice that "the future is ERP in the cloud," analysts now advise clients to assess "what you are getting" from your annual ERP maintenance fees and vendor-provided updates. Weigh that against demands from the business that are waiting in the queue for funding and resources.

This advice applies to Oracle and SAP customers. Because both vendors are releasing few new features for their mature products, the value received for maintenance fees paid has diminished. Both are also driving customers to their more expensive and proprietary cloud offerings but are not able to articulate a clear benefit to most businesses considering the move.

> ## What analysts tell Oracle internally deployed customers:
> Oracle EBS, PeopleSoft and JD Edwards EnterpriseOne customers should evaluate the cost of their maintenance fees against the features, functions and technology enhancements planned on the products' roadmaps.

What could you do if you stopped following the vendor-dictated roadmap toward a locked-in, costly cloud migration? Taking control of your ERP roadmap provides an opportunity to rebalance spending priorities for transformational initiatives. You can expand your ERP footprint, extend the life of your ERP portfolio, and upgrade if needed. If innovation and growth are business priorities, shift ERP funds to investment in a more nimble BI, AI, or mobile solution; use flexible cloud Infrastructure as a service (IaaS) for Oracle and SAP; or, like the company in the case study, do a bit of everything — reduce costs, upgrade, modernize and accelerate innovation initiatives.

Your answer can create a compelling story for using a third-party support provider, such as Rimini Street, to help reduce ERP operations costs, improve overall support and improve your ability to grow and evolve your ERP portfolio. You can even use Rimini Street to support you as you develop and execute your ERP roadmap. Although Rimini Street is known for helping customers immediately impact their bottom line, it also provides a proven way for many global companies to continue to evolve and actively roll out new capabilities. Instead of paying millions in ERP maintenance dollars, our clients have shifted IT spend to where it matters most.

Additional Reading

"*How Oracle Customers Innovate and Grow by Moving to Rimini Street,*" *Rimini Street, 2018.*

"*How SAP Customers Innovate and Grow by Moving to Rimini Street,*" *Rimini Street, 2018.*

"*Rimini Street Survey: 2017 SAP Applications Strategy Findings,*" *Rimini Street, 2017.*

"*Oracle Application Strategies Decoded,*" *Rimini Street, 2015.*

"*With ERP Support from Rimini Street, Multnomah County Gains Flexibility While Making Best Use of Taxpayer Dollars,*" *Rimini Street, 2018.*

"*ESCO Rides the Wave of Economic Change with Help from Rimini Street,*" *Rimini Street, 2018.*

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