Cutting-edge innovations in Oracle Cloud SCM: Planning for emerging needs and challenges

September 11, 2024

Speaker



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Gayle's experience includes:

- 30+ years business experience
- 25+ years Oracle ERP/SCM/HCM applications experience
- Several whitepapers and presentations on Oracle SCM, ERP and CX
- Roadmaps and Optimization Assessments, Implementation / HealthCheck Assessments
- Transformation, Modernization and Business Process/Ops
- Implementations and Support



Learning objectives



This session will explore SCM challenges, trends and Oracle's SCM strategy including Redwood, AI and other new innovations.



We will discuss Oracle's recent release(s) with some of the latest capabilities introduced or enhanced within Oracle Cloud SCM and share insights related to Grant Thornton's experience with these solutions and our clients.



Learn about approaches to evaluate Oracle's new capabilities for implementation and adoption in your organization.

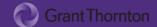


Agenda

- **01** SCM Trends & Innovations
- **O2** Redwood Platform (including Al, Mobile, Smart Operations and Sustainability)
- **03** Oracle SCM Quarterly Updates
- **04** Summary and Wrap Up



SCM Trends & Innovations



SCM key challenges

- 1. <u>Geopolitical tensions:</u> Ongoing geopolitical issues can disrupt supply chains, affecting everything from raw material availability to shipping routes⁴.
- 2.<u>Labor shortages:</u> A shortage of skilled labor continues to be a significant challenge, impacting production and logistics⁶.
- **3.Cybersecurity threats**: As supply chains become more digitized, they also become more vulnerable to cyberattacks. Ensuring robust cybersecurity measures will be crucial⁶.
- **4.**<u>Inflation and cost pressures</u>: Rising costs due to inflation will put pressure on supply chain budgets, necessitating more efficient and cost-effective operations⁶.
- **5.**Balancing efficiency with safety: Managing inventory efficiently while ensuring safety and compliance will be a delicate balance⁴.

"These trends and challenges highlight the dynamic nature of supply chain management in 2024. Companies that can adapt and innovate will be better positioned to navigate these complexities successfully."

Note: This data was from a Microsoft Co-pilot search and referenced Foodlogistics.com (4) and truecommerce.com (6)



2024 top supply chain trends

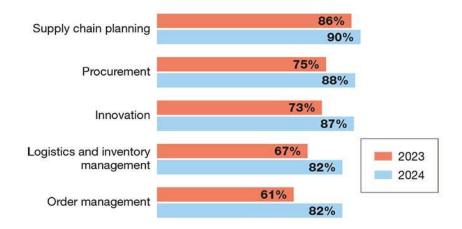
- 1. Digital Supply Chain
- 2. Big data and Analytics
- 3. Artificial Intelligence
- 4. Investment in systems and people
- 5. Visibility, traceability and location intelligence
- 6. Disruption and risk management
- 7. Agility and resilience
- 8. Cybersecurity
- 9. Green and circular supply chains
- 10. Geopolitical and the deglobalization of supply chains

Source: Association of Supply Chain Management (ASCM)



Top supply chain focus areas

Top 5 annual focus areas



Source: APQC (via Supply Chain Management Review)



Oracle Supply Chain (SCM) applications

Supply Chain Planning	Supply Chain Execution	Order Management	Logistics	Product Lifecycle Management	Procurement
Demand	Inventory	Order	Transportation	Innovation	Sourcing
Management		Management	Management	Management	
	Costing				Contracts
Supply		Product	Global Trade	Product Hub	
Planning	Manufacturing	Configuration	Management		Purchasing
				Product	
Sales &	Maintenance	Order Pricing	Warehouse	Development	Supplier
Operations			Management		Management
Planning	Quality	Global Order		Quality	
		Promising	Logistics	Management	Environmental
Supply Chain	Smart		Network		Sustainability
Collaboration	Operations	Channel	Modeling		
		Revenue			
		Management			



Strategy of Oracle SCM - Key areas

Oracle's Strategy and focus include:

- Innovation (tools/capabilities)
 - Redwood new/modern User Interface across applications
 - Artificial Intelligence (AI) building in AI throughout the applications
 - Functional capabilities (new and enhanced capabilities)
- Breadth of solution ("suite")
 - Full solution across SCM (and other Oracle Application areas i.e. ERP, HCM)
 - New "Fusion Suite" pricing
- Focus on Industry Solutions

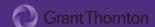


Strategy of Oracle SCM - Industry focus

- Oracle has broad and deep SCM capabilities
- Oracle is increasingly focusing on capabilities that are industry focused
- Examples of requirements that may be applicable to specific industries are:
 - Healthcare PAR inventory, GPO contracts/pricing
 - Industrial Manufacturing flow manufacturing
 - High tech (Saas) subscription
 - Medical device device history/tracking



Redwood platform (including Al, Mobile, and Smart Operations)



Redwood platform

- Redwood system design key points:
 - Modern User Experience (user interface)
 - Efficiency (fewer clicks)
 - Intelligent (leverages natively embedded Al)
 - Extensible/Customizable (via VB)
 - Personalization (business rules)
 - Extend solution (via guided journeys)
 - Notes:
 - Customer feedback was used as input to Redwood
 - Redwood is evolving with each quarterly release
 - Redwood is **consistent across devices** (phone, tablet, computer)

Source: Oracle



Redwood platform - SCM

- Redwood is coming over time and it's important to understand features, tradeoffs, and timing
- For SCM, Redwood capabilities are being developed across the suite for things such as:
 - Mobile –for areas such as inventory and maintenance
 - Searches examples include items and order management
 - Navigation/help within various applications/screens
 - Spreadsheet like view see multiple records on one screen (for easy review and processing)
- Smart Operation Workbenches (for role specific capabilities) including things such as inventory shortage, production supervisor workbench



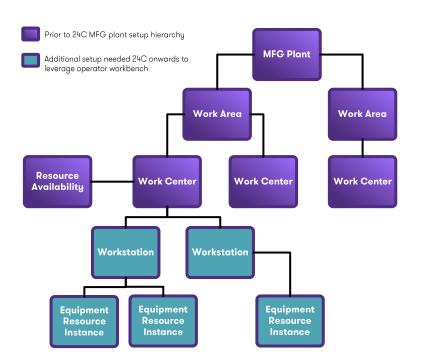
Redwood platform plans - SCM (example) areas

- Artificial Intelligence (AI)
 - Guided journeys how to create an item or BOM or enter an order
- Searches items, BOMs, orders
- Procurement By offering guidance/input (i.e. supplier qualification questions)
- Order Management Order Capture/Creation, Searches, Revisions, Mass actions)
- Smart Operations Supply Chain Execution (Manufacturing/Maintenance)
 - Workbenches: production supervisor, Maintenance supervisor, Inv Shortage
- Generating summaries, suggestions, notes (leverage Al)
- Mobile Inventory
 - Previously required 3rd party solutions
 - Oracle will now be offering some mobile capabilities too (in addition to 3rd parties)
 - Examples: stocking inquiries, cycle counting, inventory adjustments, internal transfers



Smart operations - Manufacturing

NEW Manufacturing Plant Setup



- Workstation: assigned location where a worker performs a job
- One or multiple workstations will be assigned to the work center
- Equipment Resource Instances get assigned to the workstations (based on resource availability defined in the work center)
- Equipment Resource Instance can only be in one workstation at any given time
- Existing work definitions and standard operations will not need to be updated (work centers are not going anywhere)
- Workstations will need to be defined to use the Operator Workbench
- Note: Limited to one operator being checked in e.g. cannot have multiple users completing work orders at the same workstation when only one user is logged in



Adopting Redwood

- Customers will be able to leverage the "SCM Redwood Personalization Helper Tool"
 - The tool will analyze customer configurations and provide a consolidated view of configurations and extensions
 - Customers will be able to review this information by module/capability
- Oracle quarterly update release notes will provide information on Redwood availability (and when it would be required)
 - Release readiness information will provide tradeoffs for applications/capabilities where Redwood will replacing existing functionality
 - Customers will be able to evaluate the timing to implement the Redwood solutions /capabilities (i.e. Proc Self Service (PSS) can be now and by 25C based on current information)

Source: Oracle

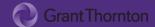


Sustainability

- Oracle considers sustainability equivalent/interchangeable with ESG (Environmental, Social and Governance) for the purposes on developing its sustainability solution
- Plan is to "record" something with sustainability impact
- Sustainability is an increasing priority for many companies/organizations
- The Oracle solution initially is focused on AP invoices and there are plans long term to continue to add capabilities across the full Oracle suite
- The intent is to be integrated with the Oracle Saas solution (and leverage capabilities and data across the solution)
- Data can also be imported into the solution
- Examples of capabilities to be part of the solution include: emission factor management and a sustainability ledger (as a single source of truth for auditors)



Oracle SCM quarterly updates



Oracle SCM quarterly updates

- Each quarter (24A, 24B, 24C, 24D) Oracle provides updates (new and enhanced features)
- Oracle provides release notes and has links to sites/pages with content on the updates
- It's helpful to review the updates in advance and look for opportunities for new and enhanced features (as well as to understand any required updates and timing)
- Updates are applied to lower environments the first Friday of the month (depending on a client's group) and then to Prod on the 3rd Friday of that same month
- For optional updates (or those required in future quarters), it's good to identify items to include in roadmaps to add or optimize capabilities.



Topics - Supply Chain Management (from 24C)

- SCM Key Cross Functional Updates
- Procurement
- Inventory Management
- Cost Management
- Order Management
- Manufacturing
- Redwood
 - Supplier Model
 - Guided Journey



SCM key cross functional updates

Unit of Measure (UOM) Enhancements
Define Yield, Co-product/By-product in Manufacturing
Minimum Transfer Quantity (MTQ) in Planning
Derive Supply Information for Transfers from Fulfillment Lines



Unit of measure enhancements

AUTOCREATE UOM CONVERSIONS WHEN ADDING A PACKAGING STRING TO AN ITEM

For example, add packaging string 12/CRD 5/PK 4/CTN 240 to the item RXJY 17 mg Tablet, then Product Hub adds the following item-specific UOM conversions to the database:

Item	From UOM	To Base UOM (Each)	
RXJY 17 mg Tablet	Card	12	
RXJY 17 mg Tablet	Pack	60	
RXJY 17 mg Tablet	Carton	240	

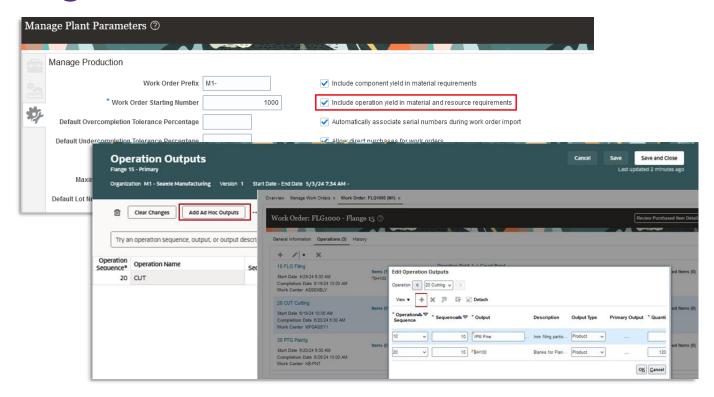
The autocreated item-specific conversion will be available in the Manage UOM Intraclass Conversions page in read-only mode. If you want to change the conversion factors, you must modify the packaging string assignment to the item as needed.



Define yield, co-products & by-products in manufacturing

Define operation yield at work definition to model expected quantity for an operation in discrete manufacturing

DEFINE co-products & BY-PRODUCTS in A DISCRETE MANUFACTURING WORK DEFINITION & WORK ORDER

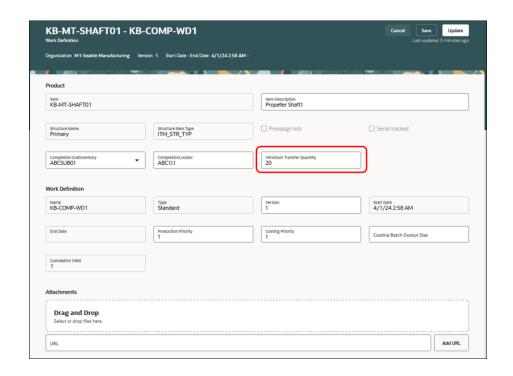




Minimum Transfer Quantity (MTQ) in Planning

RESPECT THE MTQ WITHIN AND ACROSS WORK DEFINITIONS

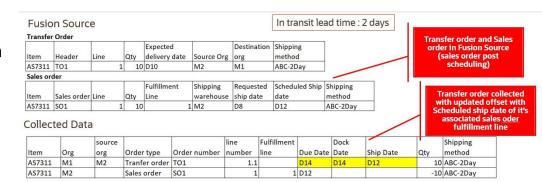
Previously the capability to define and use an MTQ was available but enabled only for production scheduling. With this update, supply planning also considers any defined MTQ when calculating a plan.





Derive supply information for transfer orders from fulfillment lines

- For Transfer orders interfaced to Oracle Order Management for fulfillment, previously planning considered supply information, such as scheduled ship date from the original transfer order
- With this update, planning derives information for the transfer orders from the corresponding sales order fulfillment line.





Redwood experience

Self-service procurement (SSP)/responsive SSP

In fusion applications update 25C (changed from 25A), oracle will be retiring the self-service procurement cloud - purchase requisitions application and replacing it with the new responsive selfservice procurement application. This modern, responsive application, built using the redwood design framework, is available now and can be used across devices such as mobile phones, tablets, and laptops.

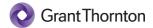
Where can i learn more?

Review the <u>list of support features</u> in the responsive self service procurement application.

Review the <u>product documentation</u> for the responsive self-service procurement application.

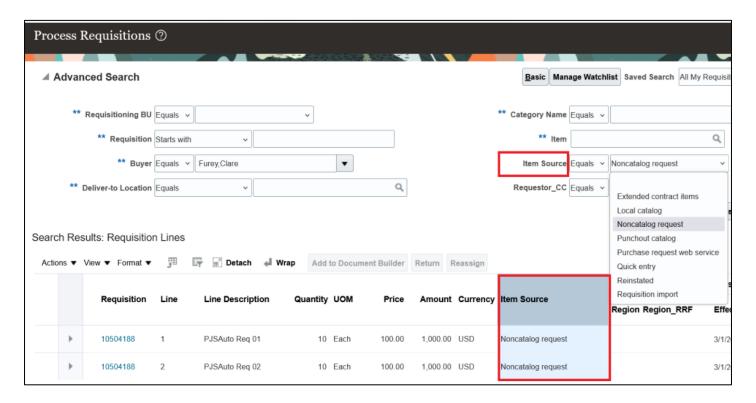
Review the customer connect <u>knowledge article</u> - demo and toi for the responsive self-service application.

Note: you must be a customer connect member to access the above customer connect content.



Procurement - Purchasing

SEARCH FOR REQUISITION LINES USING ITEM SOURCE





Procurement - Purchasing

CONFIGURE APPROVAL RULES FOR PURCHASING DOCUMENTS USING MAPPING SETS

•Configure approval rules for purchasing documents using mapping set attributes.

Category	Deliver-to Location	Department	Amount Limit (USD)		Approver
Medical/Surgical Supplies	84Houston	Neurology	1,000	10,000	Terry Smith
Medical/Surgical Supplies	84Orlando	Neurology	1,000	10,000	Tracy Davis
Miscellaneous Medical/Surgical	84Houston	Neurology	10,000	20,000	Scott Campbell
Miscellaneous Medical/Surgical	84Orlando	Neurology	10,000	20,000	Anne Balmer
Miscellaneous Medical/Surgical	84Houston	Cardiology	10,000	20,000	Bob Boyle
Miscellaneous Medical/Surgical	84Orlando	Cardiology	10,000	20,000	Alister Cook



Procurement - Supplier Model

EXTENDING NEXT GENERATION SUPPLIER SELF-SERVICE REGISTRATION

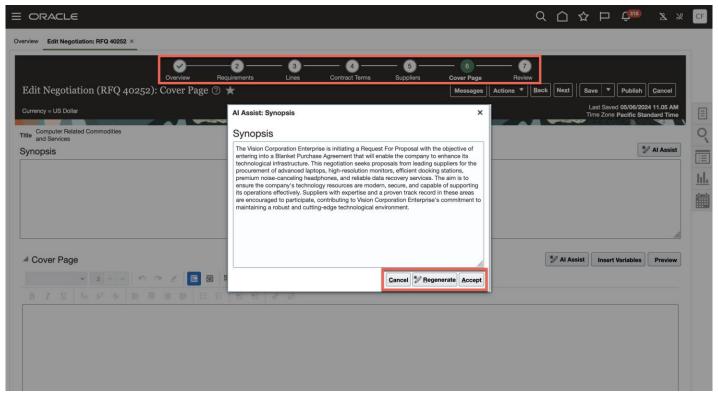
Tailor a seamless experience for your suppliers in the next generation supplier self-service registration by using Business Rules in Oracle's Visual Builder Studio.

- Configure the Company Details, Contacts, and Addresses pages to make fields required or optional, read-only or editable, shown or hidden, and now set defaults based on specific criteria such as country.
- With business rules, suppliers can get a more tailored registration experience with reduced support resulting in better supplier onboarding outcomes.
- Provide default values for these attributes on Company Details:
 Country, Organization Type, Supplier Type, and Note to Approver.



Procurement - Sourcing

CREATE NEGOTIATION SYNOPSIS WITH GENERATIVE AI





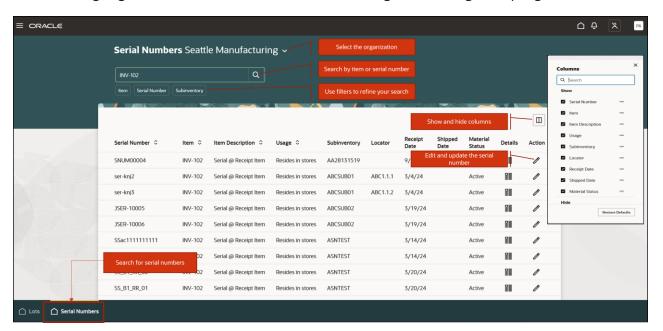
- Lot and serial page
- Define Sub inventories & Locators from templates
- Additional mobile functionality



Inventory Management - Redwood

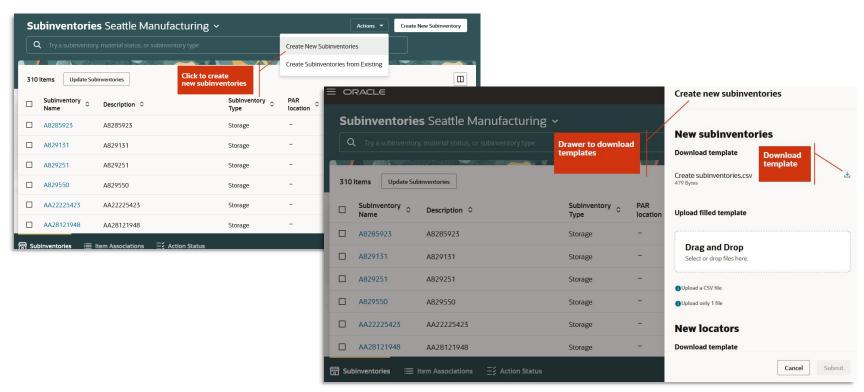
MANAGE LOTS AND SERIAL NUMBERS USING A REDWOOD PAGE

Now you can manage your lot and serial numbers using a redesigned page





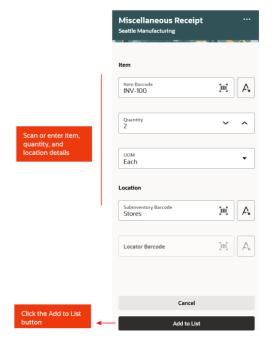
CREATE MULTIPLE NEW SUBINVENTORIES AND LOCATORS FROM TEMPLATE

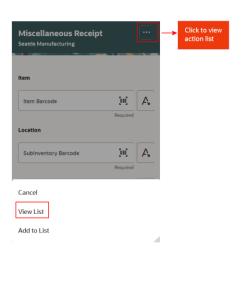




ADDITIONAL MOBILE FUNCTIONALITY - MISC. RECEIPTS

In update 24B, you could only perform miscellaneous issues using a mobile device. With the addition of miscellaneous receipts in this update, the Miscellaneous Issue task name has been changed to Miscellaneous Transactions, and users can select either a seeded or user-defined transaction type before performing the transaction.

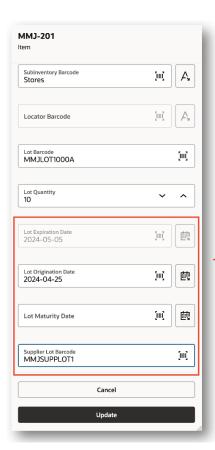






ADDITIONAL MOBILE FUNCTIONALITY – LOT AND SERIAL ATTRIBUTES WHEN PERFORMING RECEIPT OR PUT AWAY

When you receive or put away lot or serial controlled goods using a mobile device, it's critical to capture specific attributes during the transaction so you don't have to manually enter the data on another page. Now you can capture the lot expiration date, lot origination date, lot maturity date, and supplier lot number for lot-controlled goods, as well as the supplier serial number for serial-controlled goods, during the mobile put away transaction for standard routing or during the mobile receiving transaction for direct delivery routing.



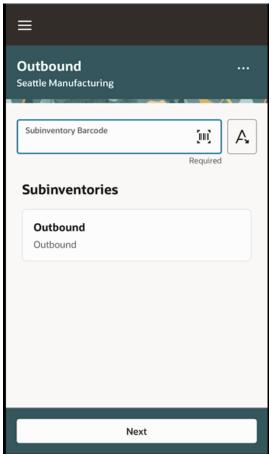
Lot attributes include the following:

- Lot Expiration Date
- Lot Origination Date
- Lot Maturity Date
- Supplier Lot Barcode

Inventory Management

RECORD CYCLE COUNTS WITH A STREAMLINED FLOW USING YOUR MOBILE DEVICE

When recording your cycle count sequences using a mobile device, you need an efficient way to identify which locations have open sequences that are due to be counted, and you need to have users confirm that they are indeed counting those locations. In update 24B, mobile cycle counting presented users with the locations with open count sequences, allowed users to select a location, and then subsequently had users scan the location barcode to confirm they were counting the selected location. To streamline this process, the mobile cycle count flow is now updated to present the location and allow scanning of that location on a single page.





Cost Management

Track lot or serial cost during transfer Search accounting distributions by accounting status

TRACK LOT OR SERIAL LEVEL COSTS DURING TRANSFERS

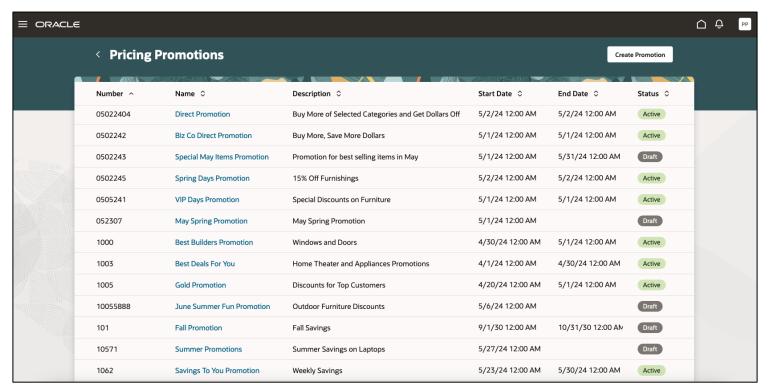
With this enhancement, you can now retain and track lot and serial cost information when goods are transferred from one organization to another. Transfer costs before and after upgrade:

Item	Lot/Serial	Cost in Shipping Organization	Cost in Destination Organization Before Upgrade	Cost in Destination Organization After Upgrade
ABC	Lot1 - Serial1	\$10.00	\$15.00 (Average Cost)	\$10.00
ABC	Lot1 - Serial2	\$20.00	\$15.00 (Average Cost)	\$20.00



Order Management - Pricing

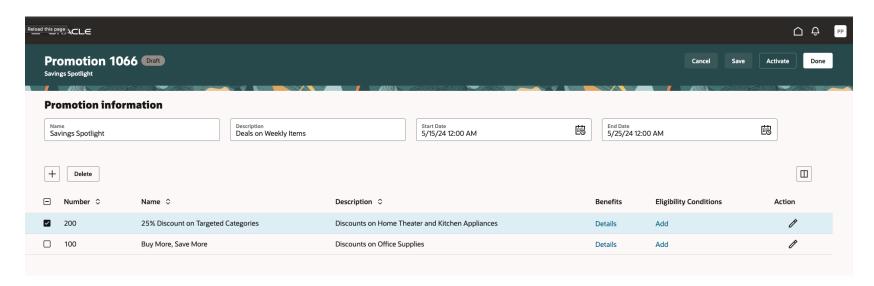
CREATE PRICING PROMOTIONS FOR SALES ORDERS USING REDWOOD PAGES





Order Management - Pricing

USE CATEGORIES TO SIMPLIFY YOUR PRICING PROMOTIONS



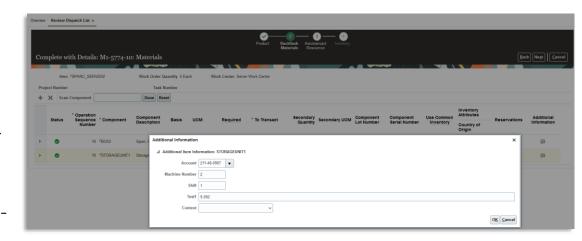


- Capture Descriptive Flex Fields throughout operations
- User Experience Enhancements Redwood
 - Work Definition Productivity Improvements
 - Search, Create, Edit Work Order Status
 - Search, Create, Edit Work Centers & Standard Ops



CAPTURE DESCRIPTIVE FLEXFIELDS DURING MATERIAL TRANSACTIONS THROUGHOUT OPERATIONS

- Now you can capture userdefined data using descriptive flexfields (DFFs) though the manufacturing process.
- You can do this via a user interface page, the Work Order Material Transactions REST resource, or the Work Order Material Transaction Import filebased data import (FBDI) template.

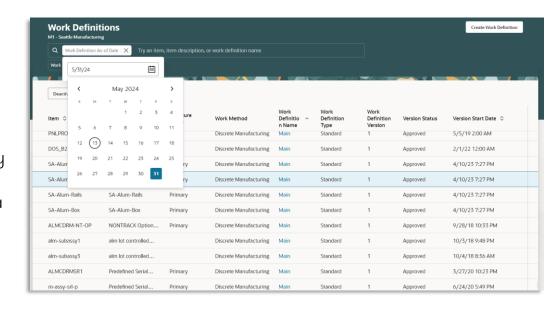




WORK DEFINITION PRODUCTIVITY IMPROVEMENTS

Several enhancements to help improve productivity while working with work definitions in Redwood pages.

These include Search Work Definitions as of a Specified Date. You can now search for work definitions versions that are effective as of a specified date. This helps you quickly find work definitions for change management scenarios that take effect on a particular date.

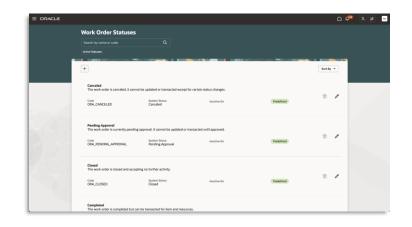




SEARCH FOR, CREATE, AND EDIT WORK ORDER STATUSES USING REDWOOD

You can now search for and view predefined and userdefined work order statuses and their corresponding system statuses using the Redwood user experience. You can also create and edit user-defined statuses for work orders.

- Search work order status' Use keywords and filters to quickly find a work order status to review and edit.
- Quickly create a work order status Create a user-defined work order status & associate it to a system status.
- Efficiently edit a work order status Update a work order status and optionally set an inactive on date.

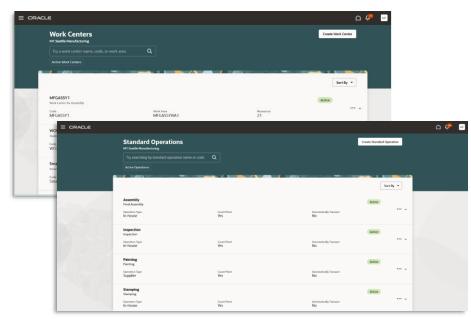




SEARCH FOR, CREATE, AND EDIT WORK CENTERS STANDARD OPS

You can now manage work centers and standard ops from single pages.

- Search work center or standard operation –
 Use keywords and filters to quickly find a what you need
- Efficiently edit a work center or standard operation – Take actions to view details, edit, and delete as needed

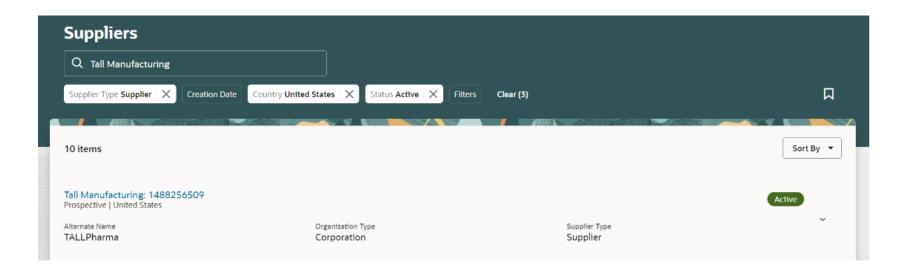




Redwood - Supplier Model

SEARCH SUPPLIERS WITH A NEW USER EXPERIENCE

Search for suppliers using an elastic-based smart search that supports searchable attributes across suppliers with built-in fuzzy matching and filters to progressively narrow search results. This improved search experience is powered by the Redwood design system.

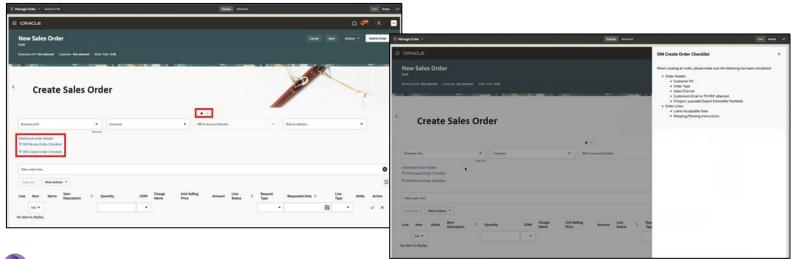




Redwood - Guided Journey

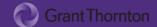
GUIDED JOURNEY EXAMPLE

View guided journey tasks at the page and section level. The page-level guided journey tasks are displayed as a train stop below the Create Sales Order guided journey header, with two dots that correspond to two tasks in the journey. The section-level guided journey tasks are below the first row of fields at the left side of the screen.





Summary and Wrap Up



Summary

- Oracle Redwood is here and will be provide more and more capabilities over time across SCM and all Oracle Saas solutions
- Innovations will continue quarterly include Al, new and enhanced capabilities
 - Customers will be required to move to Redwood for specific capabilities over time (i.e. starting with 25C for Procurement Self Service)
- Oracle provides new features every quarter (new and updates); it's good to have a process to review the quarterly updates and understand benefits, considerations and timing
- It's helpful to have a roadmap of projects and include optimization at some point in the roadmap (to incorporate new/enhanced features)
 - It's good to revisit the roadmap annually to adjust for changes in needs or offerings.



Questions





Thank you!

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