

# PeopleSoft to IaaS Cloud Migration:

Why the C-suite Needs to Embrace an Enterprise-wide Cloud Strategy to Drive Digital Transformation

## **Executive Summary**

The cloud cover has blown the winds of IT transformation in the most magical way. Enterprises—size and revenue notwithstanding—are fast jumping on the cloud bandwagon to benefit from unparalleled digital transformation. Organizations are moving critical business processes to the cloud, maximizing on the flexibility, agility, and scalability offered by the ecosystem. Not surprising, given that the ROI from cloud deployments is 3.2X more than on-premise deployments, resulting in faster time-to-market with limited disruption. While businesses are busy triggering technology-led innovation to make their mark, a new league of 'breakaway enterprises' is slowly but steadily changing the dynamics of the game with a robust technology footprint, enhanced customer delight mechanisms, and a powerful offerings suite. This whitepaper throws light on how these breakaway enterprises are leveraging cloud technologies to achieve maximum operational impact by migrating core business applications such as PeopleSoft to Oracle laaS and SaaS cloud systems. This paper further highlights the current challenges faced by organizations deploying on-premise systems and how these breakaway enterprises garner full benefits of laaS and SaaS migration on the cloud by offloading both strategic and tactical operations to a trusted and efficient partner.

# Why are CIOs and CTOs Redefining Their Cloud IT Strategy?

The constantly evolving roles of CIOs and CTOs have consistently fueled increased pressure to deliver high quality, robust, and secure IT solutions to cater to the needs of customers, employees, and other business partners. 2018 witnessed a massive increase in OpEx spends on cloud budgets and there has been an accelerated enterprise-wide migration of critical infrastructure, applications, and platforms to the cloud.

## Consider the below statistics from the leading IT research advisory company Gartner:

- \*Worldwide spending on public cloud services is anticipated to grow by 17.3% in 2019
- \*Among the various cloud categories of Infrastructure-as-a Service (IaaS), Software-as-a Service (SaaS), and Platform-as-a Service (PaaS), IaaS is expected to grow by 27.6% in 2019 to reach about USD 39.5 billion, up from USD 31 billion in 2018.

Ref: Gartner, Press Release, September 12, 2018, "Gartner Forecasts Worldwide Public Cloud Revenue to Grow 17.3 Percent in 2019" https://www.gartner.com/en/newsroom/press-releases/2018-09-12-gartner-forecasts-worldwide-public-cloud-revenue-to-grow-17-percent-in-2019

The writing on the wall is clear. CIOs and CTOs are viewing cloud adoption as a critical competitiveness benchmark and not just a cost component of the enterprise IT strategy. In this scenario, the following trends emerge within the realm of cloud computing, with specific relevance to the C-suite:

#### The number of cloud solutions (laaS, PaaS, SaaS) will increase exponentially

The coming year will witness explosive growth of cloud services with a large number of organizations across the private and public sector embracing the cloud for all the benefits it has to offer.

#### Adoption of quantum computing will decide the winners

IT biggies around the world will fight the race to outbid one another in the war to develop advanced quantum computers with a focus on enveloping this service with their advanced cloud offerings to fuel innovation.

#### The future belongs to hybrids

This will undoubtedly be the era of hybrid clouds, with businesses preferring to transition to hybrid cloud systems at their own pace, thereby reducing both risks and associated costs.

#### The ramifications of cloud security will become more rampant post GDPR

Implementation of the General Data Protection Regulation (GDPR) in 2018 has placed a greater emphasis on cloud security. With more and more enterprises officially moving towards cloud adoption, cyber security threats are expected to increase substantially. Compliance for cloud services as elucidated by the GDPR will continue to remain a tricky proposition, especially for businesses largely operating on pubic and hybrid cloud platforms.

Given these trends, organizations will be challenged than ever to remain highly competitive in a volatile and evolving technology ecosystem. The benefits of moving critical ERP applications to the cloud outweigh the inherent challenges threatening enterprise-wide adoption, and organizations are deploying business critical applications such as PeopleSoft on the cloud to benefit from immense savings in the form of cost, time, and resource strength. The mantra for growth is simple—stay relevant or perish—and CIOs and CTOs are steadfastly focused on this fact while preparing their enterprise cloud IT strategy.

# Pitfalls of on-premise PeopleSoft deployments and why enterprises need a robust Oracle roadmap

When cloud technologies were still in the nascent stages, PeopleSoft customers were hesitant to move heavyweight applications to the cloud and continued with a tried and tested on-premise strategy. On-premise deployments offer acceptable levels of flexibility and high levels of internal control—enabling IT managers to ensure total security of data moving within the enterprise. Other factors such as ease of software customization and deployment, readily available IT support, and certain compliance regulations pertaining to data steer the winds in favor of on-prem deployments. However, the challenges that on-premise brings along cannot be discounted.

#### **High CapEx costs:**

On-premise implies a very high capital outlay in setting up the necessary software and hardware infrastructure and this can put unnecessary pressure on IT budgets.

#### Complex implementation cycles and periodic upgrades:

On-premise PeopleSoft deployments are typically characterized by long implementation and upgrade cycles—resulting in increased costs for the organization and disrupting business as usual.

#### High hardware and IT infrastructure costs:

The cost of setting up a dedicated datacenter to host critical business applications can puncture the organization's financial framework—especially considering the high expenditure on account of rent, support staff, and other utilities necessary to ensure smooth performance of the hardware and other IT infrastructure.

#### Dinosaurian data storage and backup mechanisms:

Tape and disk storage and backups are almost extinct now and data stored using these old-fashioned mechanisms is easily subject to being corrupted or destroyed, causing the organization more than just financial loss.

It is at this juncture that a robust roadmap for migrating PeopleSoft to Oracle Cloud is of utmost relevance. Designing a structured migration roadmap enables IT managers to answer key questions such as:

- How can I move my critical ERP applications to Oracle Cloud with minimal risk—will a strategic migration to cloud laaS protect my enterprise IT investments?
- · How will my compliance requirements be met by private, public, and hybrid clouds?
- How can I prepare for a controlled PeopleSoft cloud migration?
- How can I match pace with technological innovation, demand for change, and the mounting pressure to reduce costs?
- How can I augment the performance of my critical enterprise apps before migrating to the cloud?
- · How can I maintain the security of my sensitive enterprise data on the cloud?

### Migrating PeopleSoft to Oracle Cloud: Customizations need not be a roadblock

PeopleSoft customers have been shying away from cloud adoption owing to the excessive customizations that are an integral part of SaaS cloud deployments. However, it has to be noted that SaaS applications follow standard processes based on industry best practices and several mission critical functionalities that require customization can now be built using Oracle PaaS and integrated with Oracle SaaS applications.

With the evolution of Oracle cloud technologies, traditional migration barriers such as heavy customizations have been removed, enabling PeopleSoft customers to seamlessly move critical enterprise applications to the cloud. Some PeopleSoft customers are even looking at deploying SaaS applications capable of co-existing with their conventional on-prem systems—for instance, an organization using PeopleSoft Financial Management can move certain application functionalities to the relevant modules on Oracle ERP Cloud as a way to ease transition to the cloud.

What are the deployment options available to PeopleSoft customers?

PeopleSoft cloud deployments can vary in terms of complexity from simple, less customized partial deployments to complex, full stack multiple deployments with the necessary customizations and functionality integrations. Oracle Cloud further allows implementation of different IT models that support PeopleSoft applications on the cloud.

#### **Types of PeopleSoft Cloud Deployments**

- On-premise
- Self-managed
- · On-premise with facility for augmenting technical and administrative staff
- Co-hosting with partially managed services
- Full hosting with technical and managed services on contract

Moving away from multiple customizations in a conventional on-prem setup towards Oracle Cloud provides immense benefits in terms of cost savings (low maintenance and support costs), more streamlined testing and upgrade processes (Oracle takes over that burden), and reduced TCO. The PeopleSoft Oracle Cloud migration process is simple and comprises the following basic steps:

- An end-to-end assessment of the current organizational goals with respect to moving PeopleSoft applications in entirety or part functionality to Oracle Cloud
- An analysis of the current enterprise app architecture using LTI's PeopleSoft Workbench tools
- Implementation of Oracle Cloud Manager to plan and execute the PeopleSoft cloud migration roadmap
- Integration of Oracle development products with a well-defined project management process for speedy app deployment and solution testing.

## Top benefits of moving PeopleSoft to Oracle Cloud

Oracle laaS and Oracle PaaS provide the necessary flexibility and operational scalability to optimize the PeopleSoft ecosystem on the cloud, in turn enabling improvement in performance and reduction of admin overheads. Some of the benefits of moving PeopleSoft to Oracle Cloud can be summed up as under:

#### Lift and Shift cloud solutions for speedy migration:

Oracle's PeopleSoft Cloud Manager is designed to enable seamless migration of PeopleSoft applications to Oracle Cloud using the power of automation to facilitate the move from on-premise to cloud. On-premise customers moving to the cloud get to retain their core configurations and customizations thereby protecting their investments in PeopleSoft. Further, implementation of change management protocols is not required as the applications do not necessarily undergo any changes in lift and shift. An added advantage is Oracle's guaranteed support assurance till 2030, which means organizations moving their PeopleSoft applications to Oracle Cloud continue to enjoy new feature and functionality upgrades by Oracle.

#### **On-demand deployment:**

Oracle Cloud allows easy on-demand deployment of pre-built PeopleSoft applications through the Oracle marketplace. This is a great advantage in terms of time spent on raising requests and identifying appropriate resources for deployment.

#### Easy backup, restore, and monitoring functionalities:

This is where the true benefits of cloud deployments are realized. PeopleSoft users can easily manage and control the backup and restore frequency without worrying about space availability. Monitoring of PeopleSoft applications on the cloud is fairly simple using the Oracle Management Cloud and Oracle Application Performance Monitoring Cloud Service that enables easy configuration of monitoring tools and system alerts.

#### Hassle-free system upgrades and patches:

Backed by an IT industry giant like Oracle, the latest upgrades, releases, and patches are applied seamlessly to the PeopleSoft cloud ecosystem with minimal downtime and impact on business.

#### **Increased savings:**

CIOs and CTOs are beginning to realize the immense benefits that accrue by moving critical PeopleSoft applications to the cloud, including low time and deployment costs, lesser risk, and reduction in staff required for management. Oracle Cloud facilitates full utilization and optimization of hardware; reduces resource needs; and increases resiliency; leading to better economies of scale and subsequently high productivity and profitability.

#### **Enhanced scalability and operational efficiency:**

Crucial PeopleSoft applications such as Talent Management, Recruitment Management, and Performance Management require frequent enhancements in terms of server support, memory, and storage to accommodate increases in the number of users and workloads. Running PeopleSoft on the cloud helps the organization scale as required, without the need to deploy additional resources. Hosting critical ERP applications on the cloud further increases operational efficiency by ensuring quicker turnaround cycles and enhanced service levels using cloud enabled tools to automate service requests.

#### High levels of compliance:

Placing business critical applications on the cloud ensures that all the associated infrastructure, security tools, procedures, and processes are compliant with regulations mandating cloud governance and security protocols.

# How can a trusted partner help organizations disrupt the current cloud technology landscape?

It's cutthroat competition in the cloud space today, with brands pulling all stops to foster innovation and stay ahead of the game. Disruption is the flavor of the decade and enterprises strive to be ahead of the curve by adopting a non-linear approach to provide superior customer experiences. Some enterprises however, break through conventional growth paradigms by leveraging access to cutting-edge platforms and technologies, optimized tools and processes, and advanced delivery mechanisms. These are the 'breakaway enterprises'—trendsetters and game changers when it comes to their core offering suite, customer experiences, marketing and brand engagement, and channel interactions. These breakaway enterprises enable newer business models; provide exceptional stakeholder experiences; build next-gen operational capabilities; and drive incremental revenue growth in a structured manner by disrupting emerging technologies.

Such future-ready enterprises are often backed by a trusted and skilled technology partner with the necessary expertise and experience in utilizing advanced technologies for maximum business growth. Running time and business critical applications such as PeopleSoft require the untiring and dedicated support from a partner fully equipped to address the most complex business requirements and provide

a comprehensive set of solutions that help enterprises increase efficiency and business performance and reduce TCO.

#### What should enterprises look for in a PeopleSoft Cloud Partner?

Breakaway enterprises are driven by operational excellence in business transformation. An expert partner facilitating the move from on-premise PeopleSoft applications to Oracle Cloud needs to:

- have rich experience in the implementation, upgrade, rollout, and support for HCM, CRM, FSCM,
   EPM, and ESA
- establish a dedicated Center of Excellence (CoE) for building innovative solutions to accelerate service delivery
- · implement a mature tool-based global delivery model for providing cost-effective solutions
- · leverage PeopleSoft Mobility Solution for speedy deployment of critical enterprise applications
- assign domain certified and experienced consultants with process expertise to deliver best-in-class industry solutions

### Operate, to Transform; Digitize to Disrupt

With the benefits of cloud adoption in PeopleSoft applications having been clearly established, the onus lies on an efficient partner that can "operate, to transform" the PeopleSoft cloud landscape by combining best-of-breed digital levers (analytics, AI, automation, etc.) with advanced technologies, re-imagined operational models, and enhanced process and domain expertise. An experienced transformation partner has the capability to help enterprises drive sustained business profitability and competitive differentiation—thereby enabling the transformation to a breakaway enterprise.

While it is a no-brainer that digital transformation is the way ahead for enterprises, CIOs and CTOs are still grappling with making the conscious choice of a reliable partner that can help move their legacy on-prem applications to the cloud. An experienced vendor with the necessary know-how can build a technology readiness framework capable of "modernizing", "optimizing", and "digitizing" enterprise applications, thereby enabling organizations to transform their business. The MOD (Modernize, Optimize, Digitize) framework when implemented in a structured manner can be a great enabler for enterprises transitioning their core PeopleSoft applications onto Oracle Cloud.



#### **Modernize to Sustain**

By replacing legacy apps and technologies with new, gold standard systems while retaining the existing business data ensures that current investments in PeopleSoft Cloud are both maximized and sustained for a longer period of time.



#### **Optimize to Innovate**

The PeopleSoft Oracle Cloud solution is optimized to run at peak performance levels under any circumstances to handle voluminous enterprise data without impacting the fundamental architecture, thereby helping businesses innovate with agility and scalability.



#### **Digitize to Accelerate**

The adoption of emerging technologies in enterprise mobility, analytics, the Internet of Things (IoT), and cloud offerings creates powerful value propositions for organizations to multiply business processes and build profitable business models.

#### Conclusion

Transitioning from a traditional on-premise ecosystem to a cloud enabled PeopleSoft Oracle application need not be a mammoth task; however, support from a reliable and trusted implementation partner that can seamlessly align Oracle enterprise cloud offerings with key business requirements, will define success or failure of the shift to cloud.

The need of the hour is a renowned industry leader offering a wide spectrum of services across the Oracle digital landscape along with robust intelligence on harnessing emerging technologies to build high performance enterprise applications on the cloud. A partner that can **RUN** next-generation development and support services; effectively **BUILD** product customizations and rollouts; and **TRANSFORM** the PeopleSoft platform through business process reengineering will help organizations scale the exciting and arduous path towards the cloud.

#### **Author**



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Santosh has over 23 years of experience with Sales and Enterprise Application Consulting background. He has vast experience leading and delivering quantum improvements in the supply chain from strategy to process redesign to technology implementation in both a consulting and multiple industry supply chain setting. Proven track record of working with client leadership to develop Enterprise Application strategy, build a digital roadmap and deliver true innovation to a global marketplace.

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