

Siebel 8.0 and 8.1 Upgrades: Building the Business Case

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Many organisations are implementing or upgrading Oracle's E-Business Suite (EBS) to bring about a reduction in the cost of operations, effective and efficient business processes and enhanced quality of information. There are a number of challenges associated with implementations or upgrades, though one area frequently proves difficult to get right... controls.

Building the Business Case

It is rare to justify a Siebel upgrade with just one feature or benefit of the target version. Instead, the business case is normally built by adding together a number of smaller gains to identify the total benefit.

Individual benefits are to be found not only by using new business functionality but also by seizing the opportunity to do things differently with new technology, or by reducing risk by ensuring all elements of the system are subject to vendor support.

A strong business case will identify all these benefits, and balance them against the potential costs – both financial and otherwise – of carrying out the upgrade project. Proposals to minimise these costs are key to the success of the business case.

Figure 1 is a guide to some of the key issues which should form the basis of any business case for an upgrade to Siebel 8.1.

1. New functionality

There is a host of new functionality in Siebel 8.0 and 8.1. Key improvements to the core technology are outlined in Figure 2, and some examples of new business functionality are given in Figure 3.

For new functionality to genuinely add weight to your business case, it is necessary to thoroughly analyse each new feature, both core and industry-specific, in the context of your organisation. From this analysis, a list of the true benefits offered by each of the relevant features can be developed. You can also identify opportunities where custom functionality in your existing system can be replaced with easier to maintain vanilla functionality in the new version.

2. Opportunity to Rework the System

As well as listing new functionality, it is wise to conduct a careful review of whether the existing system meets the current business requirements. The rationale here is that there could be a benefit to be gained

from resolving existing problems, and that the incremental cost of upgrading at the same time may be small.

In our experience, one particular area for attention is the complexity for users of completing key tasks. On the one hand it may be perceived that, if the users can successfully complete the task, their needs have been met. However, if key tasks are so cumbersome that users are actually finding other, potentially non-Siebel, ways of completing them, then it must be argued that the application is failing to meet business requirements.

Application performance as a whole should also be considered at this stage, since significant performance gains can be made by upgrading, whether just by harnessing improved efficiency in the new version, by using more optimal vanilla functionality in place of custom functionality, or by improving configuration quality.

3. Moving to Supported Systems

Another key area to consider when preparing the business case is the future of your existing software, particularly in terms of support.

Applications Unlimited is a very welcome commitment from Oracle but it does not apply to customers who are still on versions before Siebel 7.8. Even customers on version 7.8 cannot be completely assured that their entire infrastructure will remain supported; for example, components such as the database or operating system may become unsupported.

Your organisation's attitude to risk will determine how significant these factors are in your business case. Of course, if an application is generally stable then the risk posed by a lack of support is small. However, in an unsupported situation, it is difficult to fix a problem quickly if one does arise. At best, this could result in a loss of productivity. At worst, the application could be rendered unusable for months while an emergency upgrade is completed.

4. Ongoing Cost Reductions

Another factor to consider is the potential for reducing recurring costs. For example, an upgrade can lead to a reduction in training costs as well as first and second line support costs. In addition, if the upgrade is used as an opportunity to replace large amounts of custom functionality with new vanilla functionality, then ongoing support and maintenance costs can be significantly reduced, and the impact of adding further functionality in the future lessened.

Financial gains from this can be offset against projected costs of the upgrade.

5. Simpler Development

Because the improvements in Siebel 8.0 and Siebel 8.1 are primarily aimed at business users, your business case is likely to be dominated by business factors. However with any new Siebel version, there are technical incentives to upgrade, and Siebel 8.1 is no exception. Enhancements to Siebel Tools make it quicker to create and maintain the functionality you need than it would have been in previous versions and this is a useful technical benefit.

Reducing the costs

Once the potential benefits from an upgrade have been identified, the other part of a business case analyses the costs that will be incurred in realising the benefits. This section of our article reviews some key ways of minimising those costs.

1. Upgrade or Rebuild?

In a traditional upgrade, automated upgrade routines are used to upgrade both the data and the configuration. How much additional work needs to be done after the automatic routines have run depends on the source version of the application and how much custom functionality must be tested and potentially reconfigured.

The alternative is a rebuild, where the system is built from scratch from the vanilla application, and data is migrated using EIM – or other tools depending on the volume of data concerned. This offers an easier way to take advantage of any new vanilla functionality which can replace your custom functionality, and also avoids the possibility of migrating existing configuration problems to the new application.

Figure 1**Benefits of upgrading:**

New functionality
 Opportunity to rework the system
 Moving to supported systems
 Ongoing cost reductions
 Simpler development

Reducing the cost of the upgrade:

Choose the correct approach (upgrade vs. rebuild)
 Get expert advice at key stages
 Plan the deployment carefully

Figure 2**What's new in Siebel 8.0 / 8.1: generic functionality****Self Service Applications**

The self service applications (eg. eCommerce) have been redeveloped in Oracle ADF and are now standalone applications that call Siebel through web services.

- Developers have much greater control of UI than previously
- Easier to combine Siebel with other applications in presentation layer

BI Publisher

From 8.1.1, BI Publisher replaces Actuate for pixel perfect reporting.

- Report layout creation is no longer a technical development task
- Report deployment is decoupled from the Siebel release cycle

Task Based User Interface

This major new piece of functionality redefines the way users complete tasks.

- Views are arranged in a flow through which users must navigate
- Consistency of process and completeness of data entry are enforced

Microsoft Integration

Plug-ins and features greatly improve integration with key applications.

- Siebel toolbars added to Word and Excel
- Enhanced Exchange integration
- Improved communication between Siebel and Microsoft SharePoint

Figure 3**What's new in Siebel 8.0 / 8.1: business functionality**

Both Siebel 8.0 and 8.1 contain significant amounts of new business functionality. Some of this is applicable to many industries, whilst some of it is highly specific, deep vertical functionality. Selected highlights include:

- the ability to easily define and reassign sales territories
- major enhancements to Siebel Marketing
- additional order management functionality in addition to the major upgrade that happened as part of Siebel 7.8
- substantial improvements to case management for Public Sector customers and support for cross agency processing
- deepened sample management for the pharmaceutical industry
- more control over trade promotions budgets in the CPG industry
- specific account origination functionality in Siebel eFinance

It is usually assumed that rebuilding will be more expensive than an automated upgrade but in fact this is often not true. In applications with an extensive amount of custom functionality, a rebuild is very often the cheapest option. The source version can also determine the cheapest option, since upgrading from a very old version is usually cheaper to do by rebuilding.

2. Use of Experts at Key Stages

The nature of Siebel as a product means that there is a minimum threshold of skill beneath which nothing really useful will be achieved. For some products, it is perhaps possible that resources who know half of what an expert knows will contribute to a project at half the rate of the expert. In the

world of Siebel, if they are below the minimum threshold of skill, they will contribute effectively nothing.

In an upgrade project, there are key points – in particular, identifying opportunities to reduce the quantity and improve the quality of configuration – where the use of the right expert will determine whether or not the project is a success.

3. Plan the Deployment

Often costs associated with the deployment will be greater than the costs of the technical upgrade. Furthermore, a bodged deployment can destroy many of the planned benefits by reducing eventual user adoption.

We strongly recommend thinking about user training, including any changed business processes, and post go-live support as soon as possible. One technique that is worth thinking about, and which we have found saves a lot of cost and angst at go-live, is to use the development to test migration as a full dress rehearsal of final deployment.

In Conclusion

Siebel 8.1 brings many exciting new features to improve the experience of both users and customers, but upgrading can bring a far wider range of benefits. This is an opportunity to meet your organisation's changing needs with a sleeker, faster, more intuitive application.

Customer Snapshots

The following two customer snapshots demonstrate the cost and effort savings that can be achieved when resources with very high levels of Siebel expertise are deployed.

Customer Snapshot 1

Task: Upgrade

Customer: CPG company

An upgrade project often requires a smaller expenditure of both time and effort than you might expect.

Our customer had had a number of estimates for their upgrade project. Our estimate was one third of that of our nearest rival, and we completed successfully completed the project within our estimate.

Customer Snapshot 2

Task: Improving performance

Industry: Food and drink manufacturer

Often the key to enhancing perceived performance can lie in the redesign of frequently completed tasks, especially if these tasks are particularly cumbersome. This type of redesign should form a key part of many upgrade projects.

For this customer, we were able to reduce the number of views required to complete a key task from four to one, cutting the time it took users to complete the task by 50%.

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