Migrating Hyperion Planning to the Cloud

Step-by-Step Guide to a Cloud Migration

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Migrating On-Premises Planning to the Cloud

Migrating your on-premises Planning environment to a cloud application, like Oracle Planning and Budgeting Cloud Service (PBCS) or Oracle Enterprise Planning and Budgeting Cloud Service (EPBCS), can seem like an overwhelming task. Your Hyperion Planning environment is an integral part of your finance office's functions — but with the proper project planning, your migration can be seamless.

Migrating to the cloud comes with many benefits, including no initial upfront cost for hardware or software, less IT involvement, and no manual maintenance costs. With your application in the cloud, you don't have to deal with investing in an upgrade to the newest version — all your patches and upgrades update your application automatically.

If your organization is considering migrating your on-prem Hyperion Planning environment to the cloud, you first need to decide between Oracle's two cloud planning applications, PBCS and EPBCS. This white paper will go over the differences between those two applications, give you tips on the best way to document your processes to ensure success, and go over the actual migration process.

WHICH IS A BETTER FIT FOR MY ORGANIZATION: PBCS OR EPBCS?

Each of these tools comes with all the benefits of the cloud and provides a great planning solution for your finance office. However, the tool that best fits your organization depends on the level of flexibility you need and how much you're willing to spend.

Level of Flexibility

PBCS was built from on-prem Hyperion Planning, so you're already getting a proven system. Everything you get with PBCS, you'll also get with EPBCS. Both applications have the following features:

- 3 BSO Custom Plan Types
- 3 ASO Custom Plan Types
- 1 Consolidated Reporting Cube

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Like the on-prem version of Planning, **PBCS allows for flexibility to make changes to business rules and templates behind the business rules.** This is where EPBCS departs from on-prem Planning. **EPBCS has out-of-the-box frameworks that allow very little custom modification inside plan types.** These are the four frameworks found within EPBCS:

- Financial Statement Planning
- Workforce Planning
- Capital Asset Planning
- Project Financial Planning

Financial Statement Planning

This framework includes four sub-processes that can be enabled one at a time: Revenue, Expense, Balance Sheet, and Cash Flow.

The Financial Statement Planning framework allows users to integrate balance sheets with income statements and cash flow. If you make changes on an income statement, it automatically updates the balance sheet and cash flow. You can also access the framework for revenue/sales and gross margin planning to add dimensions for unique business drivers.

This framework supports direct and indirect cash flow methods. You're also able to leverage the framework for trend-based planning using best practice expense drivers.

Workforce Planning

This framework attempts to address the needs of HR and Finance, allowing the department to plan by employee, or job code, for compensation-related expenses. Workforce planning can be used enterprise-wide and has the capability to support large organizations spanning the globe. With this module, you're able to align your HR strategy with corporate priorities. It's also a tool for business users to easily keep up with their expenses and benefits.

Capital Asset Planning

This framework allows you to track new and existing assets, as well as intangibles. Capital Asset Planning supports depreciation and amortization calculations, cash flow planning and funding for investment and leased assets, as well as "buy versus lease" comparison. You can use this framework for planning asset-related expenses with automated processes for retirements, transfers, and improvements.

Project Financial Planning

For organizations with many internal projects — such as IT, marketing, R&D, and training — this framework allows for driver-based planning for both short- and long-term projects. This framework lets individual employees drive their project-related planning, while tracking asset-related expenses and project revenues. You also get out-of-the-box analysis to review project performance, project revenue, expenses, and cash flows.

Pricing

The prebuilt frameworks are the biggest difference between PBCS and EPBCS, but there's also a major difference in the price tag. PBCS is $120 per user per month, while EPBCS is $250 per user per month. For organizations looking for out-of-the-box capabilities, EPBCS is a good fit, but you'll have to pay a little more. PBCS allows for customization around your specific organization and though your monthly investment is cheaper, you'll have to invest time and energy in customizing your environment.

HOW CAN I PREPARE FOR A SUCCESSFUL MIGRATION?

The time it takes to migrate and implement PBCS or EPBCS really depends on your organization and how well you've documented your processes. Knowing your processes and having them well-documented will help you identify pain points and articulate mechanisms that dictate future driver-based modeling with your new technology.

It is important to accurately document your on-prem planning environment describing your flows and formulas, detailing what they calculate and why they were set up. On migration and implementation projects, our consultants regularly encounter disorderly documentation in massive Excel files with multiple tabs. They often see a lack of standardized naming conventions, a hodgepodge of accounts without unique identifiers, and more. It takes a lot of time and money to sort through.

It might be tedious and time-consuming, but it's invaluable to your organization's migration to get organized with color coding, table structures, and naming conventions.
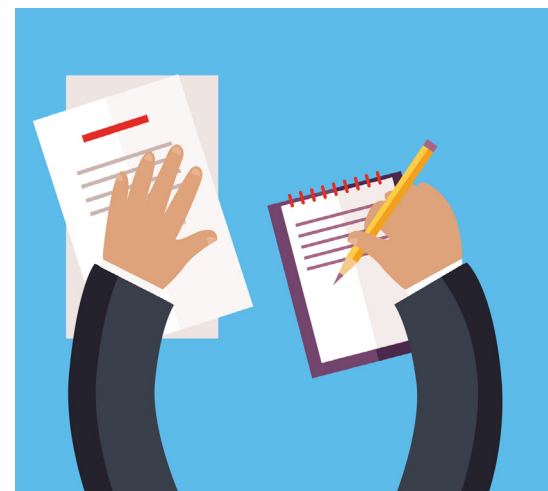
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Migrating On-Premises Planning to the Cloud

Spreadsheet without documentation

	A	B	C	D	E	F	G
1	(S in Millions, Exept per Share Figures)						
2							
3							
4				Actual			Projected
5	January 31, 2015		2013	2014		2015	2016
6	**Revenue:**		$ 426,549	$ 479,081		####### $	527,097
7	Revenue Growth		2.90%	12.3%		8.2%	1.7%
8							
9	COGS		5,766	6,023		7,228	8,673
10	Operating Expenses		294,073	391,212		391,799	392,387
11							
12	Operating Income:		126,710	81,846		119,247	126,037
13	Operating Margin		29.71%	17.08%		23.01%	23.91%

Well-documented spreadsheet

	J	K	L	M	N	O	P
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WHAT ARE THE STEPS OF A CLOUD PLANNING MIGRATION?

After choosing the cloud planning tool that best fits your organization and documenting your processes, the actual migration process is probably not as complicated as you think. The following steps, documented by our planning practice lead, will give you an idea of what your migration will look like.

Your Hyperion Planning version

Fortunately, using Oracle Life Cycle Management (LCM) to migrate your applications should make the process fairly simple — if your on-prem environment is 11.1.2.1 or newer. For previous versions, the migration won't be supported by Oracle, but you still have options:

- The recommended path is upgrading to a newer version of Planning and then migrating to the cloud.
- If you don't have it in your budget to pay for an upgrade, the other option is to rebuild in the cloud using artifacts from your previous environment. For the most part, you can extract all your dimensionality and send it to cloud with relative ease. However, migrating your forms will take quite a bit more work.

Migrating plan types

When you start looking at migrating your plan types, you have the opportunity to cleanse your environment and processes. There's a series of questions you'll need to ask yourself before migrating your plan types:

- If you have multiple Planning applications, can you combine them into one PBCS pod?
- How many total BSO and ASO plan types do you have?
- PBCS has three BSO plan types and three ASO plan types. If you currently have too many, do you need to convert or consolidate your BSO to ASO, or vice versa?

You also need to look at the dimensionality of your plan types. If they have an overlap in members, you can consolidate those plan types. If not, you need to consider how you can fit your plan types into PBCS.

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Calculations

If you use calculation manager, LCM can take all your calculations and migrate them. The calculation manager is available in the cloud and you can make modifications to your calculations once they are in the cloud.

If you use the Business Rules Server, things become a little more complex. In this situation, you'll need to take all your existing rules and convert them, which may require a lot of manual efforts.

Calculation scripts don't exist in PBCS, so you must do a manual conversion to business rules since the scripts will not import via LCM. This can be as simple as copying and pasting your calculation scripts to business rules. This presents another opportunity to cleanse your environment. Since administrators have the ability to make calculation scripts quickly, they typically have a lot of calculation scripts that were only used for a specific instant and never revisited.

Load rules

Load rules also don't exist in PBCS. This leaves you with three options to choose from:

- You can use data management in PBCS, which is the cloud version of FDMEE. However, you'll only be able to work with flat files in data management.
- You can also use FDMEE on-prem, which has the ability to load data directly to the cloud.
- Your last option is the native Essbase format, which is not necessarily the best way, but it is the fastest.

Report scripts

Report scripts aren't all necessary and allow you to once again streamline your processes since they do not exist in the cloud. Usually, report scripts are used for things like getting data off an ASO cube with no export command. So how can you do that now that report scripts no longer exist? You have several options:

- The first way is to use native PBCS utilities, which don't automate your process but will extract your data quickly.
- You can also use business rules where you have a data export command. This isn't a process documented by Oracle, but it does allow you to export data. Doing it this way puts your data into the data management outbox.
- Your last option is to use cloud-based data management or on-prem FDMEE, which will produce a flash file or go into a table with your ODI scripts.

Automation

About 70-80 percent of your migration to the cloud will be spent on automation. Unless you have a lot of consolidating to do, very little of your time will be spent on plan types or forms since LCM expedites the process.

Automating your metadata requires the use of a new tool — EPM Automate. This tool mimics the ability of the outload load utility that on-prem users are familiar with but adds some additional functionality, like the ability to upload files. There are several other features separate from typical planning functions, since the EPM Automate tool was created to span the entire EPM cloud stack.

To automate your data processes, there's a little more work involved than the typical load rule. In the cloud, you must go into data management, define what your flat file looks like in an input format, and then apply your rules. Though it's a longer process, you end up with more flexibility, automation, and visibility. Load rules typically get buried, which can create an issue with admin turnover. In the cloud, you gain visibility and have a single avenue to importing data.

NEXT STEPS

Want help getting started? Our planning migration experts can answer any questions you have, share best practices, or provide recommendations — consider us your cloud concierge. Request a free 30-minute consultation or send your questions, and we'll answer ASAP!

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About US-Analytics

US-Analytics is a full-service consulting firm specialized in Oracle Enterprise Performance Management and Business Analytics solutions. Applying decades of experience along with advanced degrees and certifications, our team of functional and technical experts have helped hundreds of the nation's largest and brightest companies bridge the gap between business goals and IT deliverables.

To ensure end-to-end coverage of your technology, we provide a complete range of services: process and advisory, infrastructure, implementations, upgrades and migrations, training, and managed services.

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