

ORACLE

# Oracle Playbook

## AI Excellence

Automating Operations and Unlocking  
New Possibilities with Oracle Cloud



Our strategy for  
relentlessly focusing  
on our people, processes,  
and systems so we can  
achieve more with less

The stakes have never been higher. Uncertainty is all around us, and it's becoming increasingly challenging for organizations to stay competitive and ahead of change. In addition, the powerful and practical advances we're seeing in AI technology are making it essential that organizations have a strong framework for embracing new opportunities enabled by AI.

Just like you, Oracle faces these challenges. And while it might seem difficult to know where to begin or how to prioritize, we've been down this path and have succeeded in growing revenue while also focusing on operational excellence. Even as we've transformed from a product-oriented to a services-oriented company, developed the most complete cloud technology stack, opened dozens of data centers, and made many strategic acquisitions, we've achieved an industry-leading non-GAAP operating margin of more than 40%.

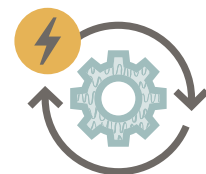


And specifically, over the last several years, as we've applied Oracle's comprehensive AI services embedded throughout Oracle Cloud Applications and Infrastructure, to help improve employee productivity and decision-making, automate end-to-end processes, reduce the cost of doing business, and enhance the experience we deliver to customers. For example, our teams spend less time on administrative tasks—such as sifting through data, scrutinizing spreadsheets, generating copy, and classifying text—and more time on high value activities, such as product development and customer success.

## Benefits of Oracle AI Services



Improved productivity



Automated end-to-end processes



Reduced business costs



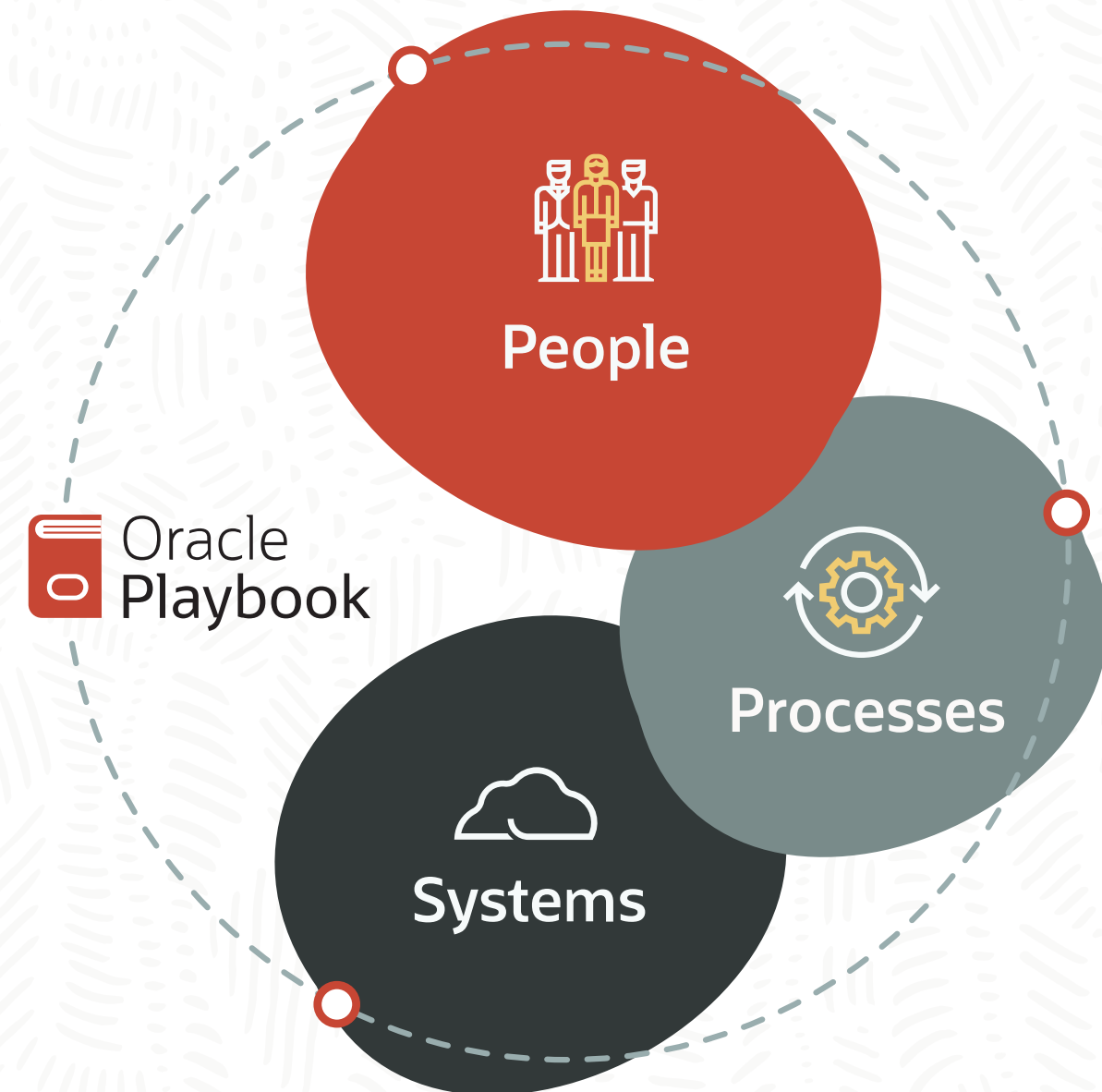
Enhanced customer experience

How have we accomplished this? We call it the Oracle Playbook for AI Excellence. Our playbook goes way beyond technology and is our strategy for relentlessly focusing on people, processes, and systems so we can achieve more with less. We felt that sharing our experiences and the lessons we've learned might help organizations facing similar challenges. So, here's how we did it and how we strive to keep leveraging Oracle's AI portfolio to continue to create new value.



# Our framework for driving business success

We mentioned that we focus on three major vectors: people, processes, and systems. Before we get into how we're using Oracle AI internally, we want to explain why each of these elements is so important.



# People

Our people power our success, so we start by aligning each employee with our strategy and common goals. We then organize for success and instill a culture of continuous innovation.

## Goals

This begins with getting clarity on what's most important and aligning the work of every function and employee with our corporate goals. Oracle Chairman Larry Ellison and CEO Safra Catz clearly communicate, at every possible opportunity, that customer success is our true north. As a result, all our teams' goals, even for those who aren't in product development or customer-facing roles, are centered on helping customers achieve their objectives while driving Oracle's continued financial success.

## Organization

We've established global process and solution owners within each functional area, which provides clear accountability and focus. Global process owners (GPOs) are responsible for determining the most efficient process for their area of focus and the best user experiences. For example, our GPO for recruiting pays close attention not only to the recruiting experience but also to the way that process impacts the broader employee and manager experiences.

The GPO is closely connected with the global solution owner (GSO), who is focused in the same area and responsible for increasing automation using Oracle

technologies. This partnership helps align our business and IT functions, and, in working together, these two individuals continually simplify, standardize, and improve our operations, leveraging innovations delivered by Oracle Cloud Applications and Infrastructure.

When it comes to AI, GPOs and GSOs play a key role in determining what AI features we'll adopt, how we'll leverage the new functionality, and when we go live with new automated processes. **Each quarter, as Oracle releases dozens of new AI features across process areas, our GSOs explain how the new functionality might be used to help the GPOs achieve their goals for driving further efficiencies, automation, and improvements within their process areas of focus.** Then, with the understanding of all the opportunities, Oracle's GPOs prioritize new features adoption, starting with those that will have an outsized impact, followed by those that will deliver smaller, but still impactful, improvements. As an example, in the case of the recruiting GPO, the GSO explained the benefits of the new Suggested Candidate feature and how it could be used to help recruiters more quickly identify talent that matches hiring manager needs. This GPO-GSO coordination helps ensure that our AI adoption is part of our broader operational strategy.

# Culture

The final element of the people side of the equation is culture and the psychology that goes along with change.

At Oracle, we're always learning and looking for ways to improve, better serve our customers, and become more efficient. We relentlessly question assumptions and are always willing to disrupt ourselves. And beyond that, our culture of innovation doesn't just point to opportunities to improve—each one of us is a problem solver, innovator, and part of the solution.

For instance, all the teams that impact a new hire's recruit-to-onboard experience—including HR, Legal, IT, and Real Estate and Facilities—meet on a regular basis to review feedback and metrics. With CEO Safra Catz as the executive sponsor, there's no question about the urgency around continuously making it easier to recruit the talent we need and accelerating the path for new hires to become productive employees. Week after week, month after month, the teams review applicant, employee, and manager feedback. In addition, they analyze relevant data and consider the new innovations coming out of Oracle Cloud Applications and Infrastructure to determine the next steps we can take to

improve and, potentially, completely transform the way we bring people into the organization. As you can see, we never view our work as done. Rather, we view each day as an opportunity to rethink the way we operate.

Here's a specific example: In reviewing the recruit-to-onboard experience, we uncovered a lengthy approval process that was delaying hiring by weeks, and sometimes even months. And while approvers play a critical role, we realized that we weren't seeing additional value from layer upon layer of approval tiers. In fact, it was just the opposite—we simply needed the few individuals who had to weigh in on the investment. Plus, with AI, we realized we could leverage automation to monitor and further accelerate the process. So, to improve and streamline the experience, we reduced the number of approvers involved by 70% and use Oracle Fusion Cloud HCM's quarterly updates to provide new guidance for approvers, accelerate the process, and track the approvals from end to end.

**70%** reduction in approvers has accelerated the hiring process 





# Processes

We continuously review our end-to-end business operations, which underlie the experiences we deliver to stakeholders. We use a three-step approach to help us in our ongoing evaluation of internal processes.

## Streamline

Our first step is to streamline the journey for our customers, employees, and partners. We start here because processes can become very complex when organizations look to solve every possible edge condition or include every possible team. So we begin with the person we serve in mind and the outcomes they're trying to achieve, and then we back into the simplest possible process for that individual to achieve those outcomes.

## Empower

Once we've looked at how we can streamline processes, the second step is to empower customers, employees, and partners to complete tasks even faster, ideally without manual intervention. To maximize efficiency and deliver the best possible experience, we look to automate internal processes to speed things up, reduce errors, and drive consistency and effectiveness.

## Delight

Finally, we look for ways to delight those we serve so they can successfully and quickly complete their activities and also enjoy the process. People want to do more than just move quickly. They also want to achieve exceptional outcomes and make the best decisions.

# Systems



Our use of Oracle Cloud Applications and Infrastructure is critical to our success, and we focus on three guiding principles.

## Centralize applications

One key to our success has been the centralization of corporate applications. This has made a huge difference, as it has helped us reduce complexity, costs, time, and other obstacles that would impede our agility and ability to deliver exceptional experiences to those we serve. In addition, this centralization on Oracle's end-to-end Fusion Cloud Applications provides a single source of truth when it comes to data and a holistic view of our operations. Moreover, with all of Oracle's key transactional data centralized in Fusion Cloud Applications, we can leverage our company-specific data to inform the AI and the insights Oracle AI provides our teams.

## Continuously innovate

Having centralized, cloud-based applications enables us to improve on an ongoing basis versus waiting years and years to upgrade to new systems and take advantage of new functionality, including AI, across our front- and back-office operations. With this approach, we can continuously enhance productivity, decision-making, automation, and efficiency.

## Deploy out of the box

As a rule, we've eliminated customizations and deployed the Oracle Fusion Cloud Applications Suite out of the box, which has enabled us to simplify how we operate, reduce overhead, eliminate reliance on IT support, and quickly adopt the new features released every 90 days.

Finally, every time we test a new feature or process improvement, we not only test the flows from end to end with our users but we watch them as they go through the new experience. Often, we find that what we thought might provide a better experience may actually introduce a new challenge or may not be as intuitive as assumed. As such, we use "watch parties" to ensure those we serve find the new experiences just as streamlined, empowering, and delightful as we intended. And when it comes to AI in particular, we pay close attention to how the technology automates our processes and guides our employees.



# Examples of how we're using Oracle AI

Now, let's get into some of the specific ways we're leveraging Oracle AI and the resulting benefits.

**In HR, we're using AI features in Oracle Fusion Cloud HCM to make the recruiting and hiring process more efficient and a better experience for all those involved.**

For candidates, we implemented Recommended Jobs. This feature provides personalized job suggestions based on a candidate's skills, qualifications, experiences, and career preferences. The AI model continuously learns and improves based on our candidate interactions, further enhance the accuracy and relevance of the tailored recommendations. As a result, the process is more efficient and effective for candidates, and it's helped us reduce recruitment time while more than doubling the number of qualified applicants for each open requisition.



**Oracle Fusion Cloud HCM**

**Recommended Jobs provides personalized suggestions to candidates**

**The result:** The process is more efficient and effective for candidates, and it's helped us reduce recruitment time while more than doubling the number of qualified applicants for each open requisition.

We've also shortened recruitment time by using the AI-based Suggested Candidate and Similar Candidate features, which help our recruiters and hiring managers more quickly identify suitable candidates for job openings. We spend less time manually screening resumes, and it helps us find the best-fitting candidates to hire onto the Oracle team.

A fourth way we've reduced the time it takes to fill job vacancies is by using Oracle Cloud HCM's AI-based Time to Hire feature. This helps recruiters and hiring managers understand bottlenecks in the process and enables us to recognize problematic areas more quickly, adapt or rectify issues, and continuously optimize the experience.

### Oracle Fusion Cloud HCM

## Time to Hire helps fill vacancies faster



In addition, this feature provides a prediction of the time it will take to fill a new requisition based on previous similar job requisitions and the location for which we're recruiting, which helps our teams plan and prepare.

Additionally, we recently introduced generative AI into Oracle's intranet to help improve the employee search experience. Not only can employees now search the intranet using natural language queries, but they also receive natural language responses that include links to helpful resources. The result? A better employee experience and 30% fewer support tickets per week.

# 30%

fewer support tickets with AI-assisted intranet search



Turning to finance, we've long used intelligent automation built into our Fusion Cloud ERP and EPM applications to help drive greater efficiencies, such as automatically reconciling 97% of our hundreds of thousands of banking transactions per quarter. This has been one of the keys to enabling us to close our books and release earnings in less than 10 workdays, faster than any other company on the S&P 500.

More recently in finance, we've implemented new AI-based features released in Oracle Fusion Cloud Applications to help us save money, increase efficiency, and further automate processes.

For example, we use Dynamic Discounting to help optimize working capital by offering recommended suppliers early payment options in exchange for invoice discounts. In addition, we leverage Intelligent Account Combination Defaulting to automate and accelerate data entry related to invoices. And we use Smart Expense Audit to automatically identify noncompliant expense reports for review by internal auditors.

**Oracle Fusion Cloud ERP**

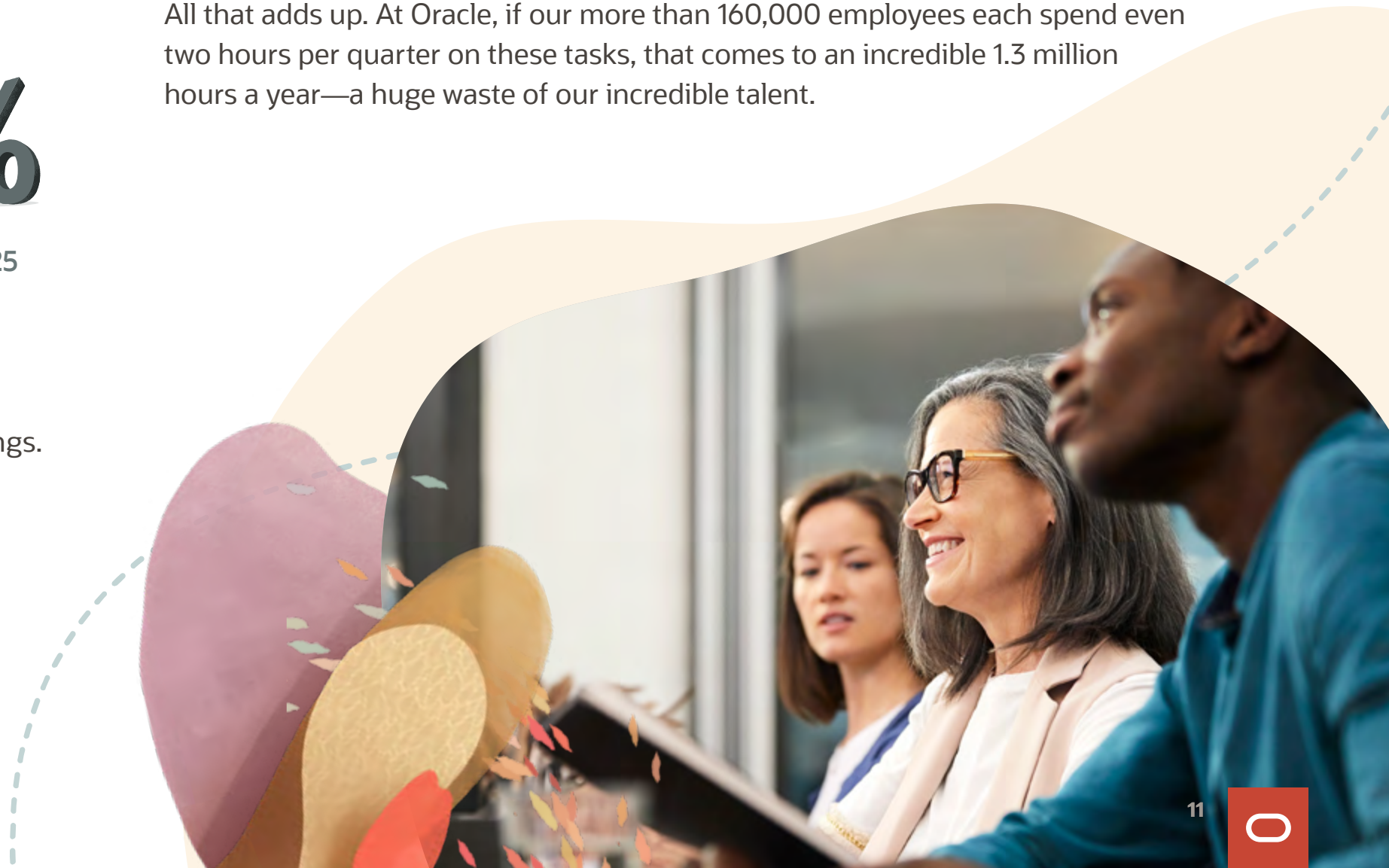
**Dynamic Discounting offers more options for paying suppliers**



By harnessing the power of Oracle AI embedded in our applications, we've helped reduce the time our finance team spends on manual and lower-value tasks while also increasing consistency, accuracy, effectiveness, and cost savings.

But the benefits go even further, helping us increase productivity for our entire employee base. For example, in the past, employees often spent hours on expense reporting—collecting receipts, making copies, uploading receipts, and submitting the reports. Managers then spent valuable time reviewing the reports, asking for additional information, consulting policy documents, and approving the requests. And then to top it all off, our back-office teams spent hours reviewing the submissions.

All that adds up. At Oracle, if our more than 160,000 employees each spend even two hours per quarter on these tasks, that comes to an incredible 1.3 million hours a year—a huge waste of our incredible talent.





So how have we saved millions of employee and manager hours processing expense reports? We leverage chatbot and AI functionality that enables and helps our employees have a conversational experience, simply take a photo of a receipt, text or email it in, and let the system automatically handle the rest.

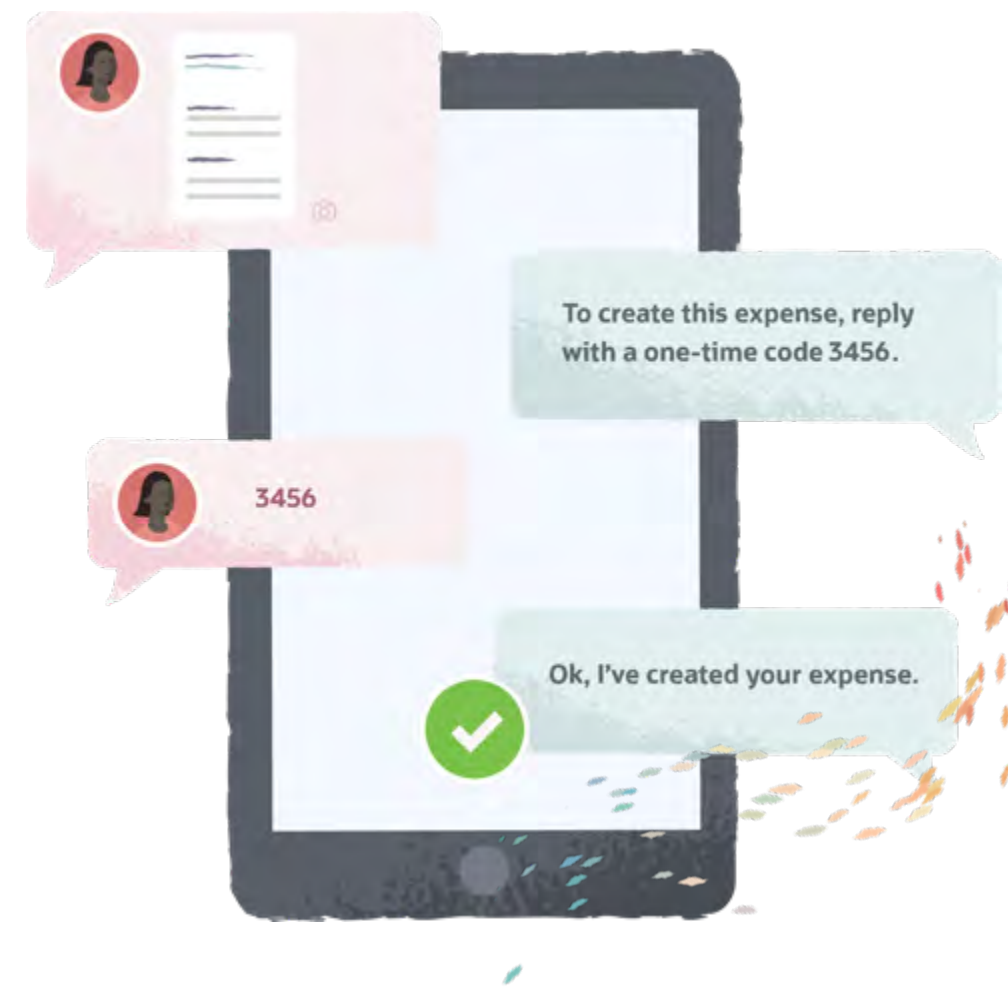
And next, we're planning to automate the process even further so our employees won't even need to submit expensed items. Rather, when they use their credit cards, the expenses will be submitted directly through Oracle Fusion Cloud ERP for approval and payment.

**Beyond HR and finance, we leverage Oracle AI in the front office**—for example, in creating more accurate sales forecasts. With the AI-based Opportunity Win Probability feature in Oracle Cloud CX, AI tells sales management the likelihood that each deal will close, and the AI helps with providing the opportunity to compare that data against estimates from sales representatives and, thereby, helping drive increased sales forecast accuracy.

In addition, we recently introduced generative AI to help with the RFP process. **Leveraging Oracle Cloud Infrastructure's AI and translation services**, our sales reps use Oracle generative AI to help draft RFP responses in 23 languages. These drafts are based on responses to winning RFPs, and they help drive greater sales productivity and increased sales performance.

## Oracle Fusion Cloud ERP

# Saving millions of employee hours processing expense reports



Another area where Oracle AI is playing a key role is in customer support. Our support teams handle millions of service requests (SRs) annually, and they cover thousands of products. We've implemented Oracle AI to both improve the customer experience and increase the productivity of our support teams. For instance, AI in Oracle Cloud CX automatically transfers SRs to the right support team, to help classify and prioritize SRs for fast issue resolution and assist with translating support activities into the customer's language.

**Oracle Cloud CX**

# Service requests automatically transferred to the right support team



And as a final example, we leverage AI features in Oracle Fusion Cloud SCM, including Demand Management, which helps us accurately predict demand even as our business and the market around us are constantly changing. By helping improve capturing internal and external signals, identifying demand patterns and changes via real-time updates, and performing simulations to project business impact and prioritize needs, the AI-based Demand Management feature helps us enable high customer satisfaction levels while also reducing costs.

And we're not done yet. **We continuously innovate and take full advantage of the cloud application updates released every quarter.** That includes leveraging new AI features rolled out every 90 days, among other new and relevant functionality delivered through Oracle Fusion Cloud Applications.

New AI features rolled out every **90** days 



# The benefits we've achieved with Oracle Cloud

The best AI starts with the best data, and for us as a customer of Oracle AI, that means it's all about our data. All our key transactional data and workloads are already in Oracle technology. And it's that Oracle-specific data that informs the best insights.

In addition, as a consumer of Oracle's complete technology stack and end-to-end automation, we've enjoyed the benefit of our leading technologies—from holistic front- and back-office applications to the most powerful database to the fastest-growing cloud infrastructure.

By moving to Oracle Cloud, we've connected our business from end to end, increased employee productivity, and gained a real-time view of our business through integrated analytics and interactive dashboards. This has enabled us to plan and respond much faster to changes all around us while delivering better experiences to our customers, employees, and partners.





For example, with Oracle Autonomous Database, our IT team has been able to reduce the time it spends on administrative tasks such as database management by 80%. In addition, as we moved Oracle Fusion Cloud Applications to Oracle Cloud Infrastructure, we improved the performance of Fusion Applications by 30%—which has meant even faster access to data, insights, and recommendations.

But the benefits didn't stop there. The system performance improvements translated into benefits for our customers and employees as we went from 99.7% service level availability to an industry-leading 99.9%. That means less downtime a year, which, for an organization of more than 160,000, means we've gained almost 1.5 million hours of employee productivity.

Oracle Cloud ERP and EPM have helped us accelerate financial planning cycles by nearly 30%, automate nearly 35% of the procure-to-pay process, manage cash resources more efficiently, and optimize working capital.

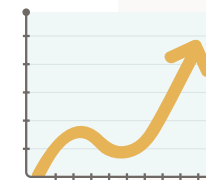
## Benefits from moving to Oracle Fusion Cloud Applications



### Oracle Autonomous Database

**80%**

reduction in the time IT spends on administrative activities, such as database management



### Oracle Cloud Infrastructure

**30%**

performance improvement for Fusion Applications, with industry-leading 99.9% availability



### Oracle Fusion Cloud ERP

**35%**

of the procure-to-pay process is automated

As a result of moving to Oracle Cloud HCM and making other changes in HR, we've saved 20,000 manager hours annually in hiring and are onboarding new employees—more than 20,000 new faces each year—within 24 hours of their start dates. To put that in context, before we used Oracle Cloud HCM, it could take weeks or even months.

With Oracle Cloud SCM, we've reduced supply chain planning cycles by 70%, which not only has accelerated full planning cycles but also enabled us to make incremental changes in a matter of hours.

And by leveraging Oracle Cloud CX, we've automated the transactions we complete with our customers so they can get started and begin realizing value right away. So far, more than 75% of customer transactions are fully automated.

We're incredibly proud of these results, especially when you consider the size and complexity of our business. We employ more than 160,000 employees and serve more than 400,000 customers across 175 countries. And yet, because of our focus on people, processes, and systems and our use of Oracle Cloud Applications and Infrastructure, including the AI embedded across our stack, we're achieving what some might say is impossible. Plus, with each passing day, we continue to see more and more benefits as a result of the new innovations coming out of Oracle Cloud Applications and Infrastructure.



#### Oracle Fusion Cloud HCM

**20,000**

manager hours saved  
in hiring process



#### Oracle Fusion Cloud SCM

**70%**

faster supply chain  
planning cycles

## Tips for getting started on your AI journey

While we've shared a lot of our AI experience in this Oracle Playbook, we know there are many organizations that aren't yet using AI and that decisions about where to start and how to proceed can seem overwhelming given all the opportunity. We know because we've been there too.

But the good news? With the AI embedded throughout Oracle's technology stack, you don't need to change your processes or become an AI expert. Rather, just as our GPOs do, you can simply think of AI like any other feature. And just as you do with the rest of your processes and systems, consider your goals and overall strategy, and then look at the ways you can leverage Oracle AI to drive productivity, decision-making, automation, and efficiency. It's really as simple as choosing the AI features that can be most impactful to help your business and starting there.

In addition, you can start small and test the AI capabilities to see what results and guidance they provide. As an example, if you aren't yet ready to have Oracle AI help your employees draft their career and business goals, perhaps you might consider leveraging it to nudge your employees and remind them to complete their goals.


Oracle AI is not only turnkey and easy to use, but it's also not gimmicky or one size fits all. It's seamless, contextual, and intentional—a part of the experience that makes all our applications feel intelligent and embedded right within the flow of work people do every day.

What's most important is that you get started. AI technology is moving fast, and you don't want to fall behind your competition. As you've heard from our experience, AI can deliver tremendous benefits in helping you achieve more with less





# With each passing day, we continue to see more and more benefits as a result of the new innovations coming out of our technology



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We've also learned quite a bit on our journey, and, of course, we made mistakes along the way. If you'd like to learn more about the obstacles we faced and how we overcame them, or about the benefits we achieved and the choices we made every step of the way, please let us know. We love to share the secrets to our story so others can achieve the same outcomes we've achieved, and hopefully avoid some of the pitfalls we experienced.

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