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OPTIMIZE YOUR ORACLE CLOUD MIGRATION AND INCREASE ROI

Leverage Knoa User Experience Management to Accelerate Your Business Transformation and Mitigate Risk

WHITE PAPER

INTRODUCTION

Many companies are implementing Oracle Cloud in support of their digital transformation goals. However, transformation isn't just about implementing Cloud technology; it's about fundamentally changing the ways the organization and its employees leverage that technology to produce business outcomes. These fundamental changes do not just happen – organizations must put purposeful and effective solutions in place to enable them.

This white paper outlines several key ways your company can leverage Knoa User Experience Management (UEM) to enable successful migration to Oracle Cloud in support of your transformation goals. We focus on increased efficiency of business operations (processes, transactions, workflows, etc.), reducing user and system errors as well as improved turnaround in help desk response and overall User Experience (both Employees and Customers).

Organizations that accrue the most benefit from Cloud migration initiatives are able to answer the following questions with hard core data, and thereby quantify the Return on Investment. These organizations ensure that the business is optimized with the new version of Oracle Cloud.

KEY QUESTIONS

1. Are my processes executing more efficiently? With fewer steps, reduced errors and overall simplified processes?

2. Is my use support team (help desk) able to proactively identify where errors (system and user errors) are having the greatest impact on productivity? Are my help desk agents able to quickly identify and diagnose errors and resolve issues expeditiously?

3. Are my employees more productive and engaged, and have they adopted the new enterprise software?

INTRODUCTION

Change management for Oracle Cloud is about more than communicating change – it is about achieving commitment to the fundamental business and process changes that Oracle Cloud enables. Even if your organization has executed organizational change management (OCM) successfully in the past, for true success with Oracle Cloud, you must reexamine your approach.

Here are the business value highlights that a third-party analyst firm has identified through a comprehensive analysis of actual results from companies who have migrated to a cloud environment.

Business Value Highlights:

- 671% three-year ROI
- 5 months to payback
- 15% average higher gross user productivity
- 30% more efficient business processes teams
- 31% more efficient incident response
- 16% more efficient help desk teams
- 21% more efficient security

This white paper references an IDC research study* that included interviews of organizations using Knoa UEM to understand, validate, and quantify its value in optimizing their use of enterprise software platforms and business applications.

The report quantified the annual business value of Knoa UEM at $2.18 million per year on a per organization basis, resulting in an average three-year ROI of 671% through:

- Optimizing business processes by increasing employee productivity related to enterprise applications.
- Supporting more effective employee utilization of enterprise applications by encouraging use of new features, monitoring, understanding use patterns, and proactively addressing employee errors.
- Offering more tailored and relevant training to employees based on actual usage patterns of enterprise applications.
- Improving the efficiency of teams responsible for deploying and supporting enterprise applications, including incident response, help desk, and security teams.

ADDRESSING BUSINESS REQUIREMENTS

The goal of most enterprise system deployments is to improve organizational consistency and efficiency and, ultimately, improve client success. Implementing enterprise software is complex, and there are a wide range of issues and barriers that can drain the benefits from a project.

According to Carnegie Mellon University up to 80% of problems related to new systems are related to enterprise-introduced configuration errors, capacity or throughput problems, or user-related mistakes. The cost of these errors can be measured in money, time, and frustration for both employees and clients. To overcome these problems and maximize the value of enterprise systems during and after deployment, enterprises must monitor the use and ongoing performance of enterprise systems to confidently identify issues, apply remediation, and monitor for improvement in performance.

Monitoring system and user performance requires timely, granular information that can inform actionable insights and rapid, accurate responses. Typically, understanding the end-user experience and prioritizing targeted improvement to processes or transactions has been time-consuming, difficult, and error-prone. It has often involved surveys, direct observations, or categorizing and interpreting help desk tickets.

Because the process is time-consuming, these approaches are nearly always incomplete and almost always include anecdotal evidence or are based on opinion or interpretations. And in the end, these approaches are best at identifying overarching issues, but are not successful at identifying issues that are unique to one population, location, system module, or process.

KNOA UEM OVERVIEW

Knoa User Experience Management provides visibility to drive adoption and optimize use by enterprise application users. Knoa UEM offers insight into how employees interact with Oracle Cloud applications and helps measure impact on day-to-day operations. It also can help increase adoption of enterprise applications and maximize the value and benefit of the enterprise application investment.

Knoa UEM provides:

- Comprehensive workflow showing users' actual work patterns
- Contextual information for user-specific insights
- User segmentation to pinpoint top and bottom performers within a group
- Automatic communications to users affected by a change
- Real-time alerts to uncover issues before they impact the business

Knoa User Experience Management gives enterprise leaders insight into how employees interact with their enterprise solutions. By more thoroughly understanding key business functions, UEM can enable users to be more productive.

Knoa UEM capabilities:

- Monitor user/application interactions to identify usability issues
- Measure software response time to identify system performance problems and user impact
- Pinpoint training needs to maximize return on training investment
- Provide insights into application usage, adoption, and policy compliance
- Decrease end-user support costs by reducing help desk calls

KNOA UEM OVERVIEW

Organizations uniformly stressed the need to optimize their use of enterprise applications as driving their decision to deploy Knoa UEM. They concluded that inefficient and suboptimal use of enterprise applications carried significant costs to their organizations, magnified because of the business-critical nature of their environments. Specifically, by deploying Knoa UEM, respondents sought to better understand user behavior and application performance.

With this information, they could properly assess how to better leverage their investment in enterprise applications, including how to maximize the value of migrations to new environments. They knew that, without the ability to isolate and measure user activities at a more granular level, they would be unable to take the steps necessary to enable employees using enterprise software. Moreover, they lacked the visibility and details that teams supporting their environments require to operate more efficiently.

Customers spoke of these needs when deciding to invest in Knoa UEM:

- Improving user performance
- Measuring the impact of migration
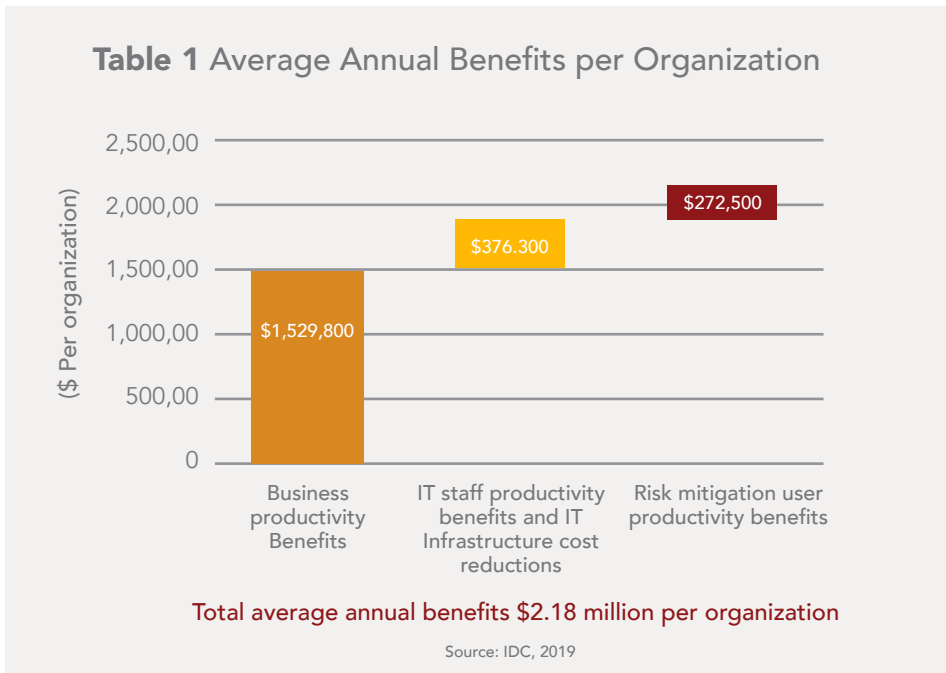- Understanding what users are actually experiencing

BUSINESS VALUE AND QUANTIFIED BENEFITS

Interviewed organizations reported that they are achieving strong value through their use of Knoa UEM by making their enterprise environments more transparent, measurable, robust and, ultimately, effective. These organizations noted that they have substantially improved visibility into the overall performance of their enterprise applications, which allows them to ensure optimized use of those applications and maximize the value of their investment in enterprise solutions.

Study participants elaborated on these benefits:

- Visibility into the impact of performance on business
- Ensuring the functionality of new business units
- Employee efficiencies and the ability to measure the impact of migration

The analysis shows that these benefits translate into significant business value for study participants. They are quantified as worth an annual average of $2.18 million per organization ($444,800 per 1,000 users) over five years as follows (see Table 1):

Table 1 Average Annual Benefits per Organization

($ Per organization)	Business productivity Benefits	IT staff productivity benefits and IT Infrastructure cost reductions	Risk mitigation user productivity benefits
	$1,529,800	$376.300	$272,500

Total average annual benefits $2.18 million per organization

Source: IDC, 2019

BUSINESS VALUE AND QUANTIFIED BENEFITS

Business Productivity Benefits:

Knoa UEM has ensured more robust, active, and targeted employee use of enterprise applications. As a result, employees work more effectively and generate more value for their organizations. Impacted users benefit from a gross productivity gain of 15% on average, which translates into higher productivity worth $1.53 million per year per organization ($309,500 per 1,000 users), thus constituting the lion's share of the value that study participants are realizing through their use of the software.

IT Staff Productivity Benefits and IT Infrastructure Cost Reductions:

Knoa UEM has made IT teams responsible for their organizations' environments more efficient through improved visibility and performance while enabling retirement of certain other software solutions. IDC quantifies the value of these IT staff efficiencies and cost savings at an annual average of $376,300 per organization ($76,100 per 1,000 users or the equivalent of nearly $1,000 per IT employee per year. $376,300 divided by 386 IT staff per organization [average] = $975 per IT employee per year).

Risk Mitigation & User Productivity Benefits:

Knoa UEM has enabled incident response teams to work more effectively as they can pinpoint and resolve issues more readily, thus limiting the risks related to enterprise environments. IDC puts the value of higher productivity for these teams at an average of $272,500 per year per organization ($55,100 per 1,000 users).

OPTIMIZING BUSINESS PROCESSES AND TRANSACTIONS

Companies have complex businesses characterized by a variety of transactions and processes tied to their enterprise environments. Their business operations require that these transactions and processes be robust and seamless because process friction can inhibit business activities and dampen employee productivity.

Customers uniformly reported that Knoa UEM has enabled them to streamline these processes and make them more robust. With enhanced visibility into how applications perform and interact with each other, study participants can fine-tune business processes and more easily make ongoing adjustments. The result has been the delivery of more effective data in support of business activities and more valuable applications and services for their line-of-business users.

Customers have cited various examples of business teams and processes that have benefited from Knoa UEM, with the common theme emerging that the software has enabled them to deliver more tailored, higher-performing applications and services to users. Organizations specifically highlighted significant time savings for procurement teams and better visibility into compliance to support HR teams.

OPTIMIZING BUSINESS PROCESSES AND TRANSACTIONS

Knoa UEM customers identified the benefits for staff across their operations responsible for handling various business processes, noting that visibility and a better understanding of those processes enabled them to support their operations more efficiently and effectively — 30% on average. Study participants have identified a substantial number of processes — 34 on average — with the potential for review and process improvements driven by Knoa UEM (see Table 2).

With enterprise software, business process owners require less time to carry out these activities, helping their organizations justify the investment of staff time needed to make process-related improvements that end up having a broader positive impact on business activities.

Table 2 IT Troubleshooting Team Impact

	Before Knoa UEM	With Knoa UEM	Difference	Efficiency with Knoa UEM (%)
Number of business processes improved per year with Knoa UEM.	34			
FTE's required to manage equivalent business processes per organization	8.3	5.8	2.5	30
Staff time per year in house per 1,000 users	3,152	2,223	929	30
Value of staff time required per organization per year	$828,700	$584,400	$244,300	30

Source: IDC, 2019

HIGHER USER PRODUCTIVITY THROUGH IMPROVED USE OF ENTERPRISE APPLICATIONS

As noted previously, organizations use enterprise software for systems and activities that are central to their business activities, including ERP, finance, and Big Data systems. The centrality of enterprise software to their business activities makes it vital to ensure that employees are using the full functionality of these applications correctly and effectively.

However, evaluating the efficacy of employee use of business applications has historically not been a straightforward task. Study participants say they lacked the visibility into use patterns and ability to assess performance and understand pain points required to develop a well-founded understanding of how employees could better use their applications. Knoa UEM provides companies the visibility and understanding of use patterns and performance needed to help employees better use their applications and systems.

They identified key benefits of Knoa UEM such as the abilities to identify users that needed to upgrade to new features, measure the effectiveness of new functionality, recognize user errors, and remedy struggles that employees have when using particular applications or features.

Study Summary:

- Interviewed organizations have 4,943 employees on average who use enterprise applications supported by Knoa UEM.
- Study participants reported specific productivity gains for 1,764 of these employees using enterprise applications on average (35.7% of all users).
- Study participants attributed an average gross productivity gain of 15% to the 1,764 employees impacted, which translates to a 3.1% gross productivity gain across users of all enterprise applications.
- Based on a $70,000 assumed salary and use of a 15% margin assumption, IDC calculates that this equates to value per organization in terms of higher user productivity of $1.60 million per year ($323,600 per 1,000 users).

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HIGHER USER PRODUCTIVITY THROUGH IMPROVED USE OF ENTERPRISE APPLICATIONS

Knoa UEM allows organizations to adjust business processes and train employees to better leverage enterprise applications. Users are making much better use of enterprise applications from such process optimization and fine-tuning of use patterns.

This translates directly into operational efficiencies in the form of higher user productivity, which means that large groups of employees at these organizations deliver more value to their organizations because of Knoa UEM.

Table 3 presents findings with regard to this higher productivity stemming from interviewed organizations' ability to help employees better use business applications.

Table 3 User Productivity Gains

	Per Organization	Per 1,000 Users
Number of impacted users	1,764	357
Average gross productivity gain - impacted users	15%	15%
Average gross productivity gain - all users	3.1%	3.1%
Total value of higher net productivity for enterprise users	$1.60 million	$323,600

Source: IDC, 2019

HIGHER USER PRODUCTIVITY THROUGH IMPROVED USE OF ENTERPRISE APPLICATIONS

Ensuring Effective and Relevant Training

Interviewed organizations reported that better visibility and understanding of use patterns helps them provide more effective training to employees for enterprise environments. They cited the benefits of reducing the need for retraining by better designing training programs, identifying training gaps when they exist, and having the ability to measure the overall effectiveness of training by the gathering and reporting of post-training performance metrics. Study participants elaborated on these benefits:

Table 4 shows the user productivity gains that study participants are achieving by leveraging Knoa UEM to provide their employees with more effective and efficient training. Study participants identified an average of 63 employees who received better training as a result of Knoa UEM (see Table 4). By improving the quality and relevance of training, interviewed organizations reported that these employees are 10% more productive as they make better use of enterprise applications and systems.

Table 4 DevOps Staff Impact

Productivity Gains	Per Organization	Per 1,000 Users
Number of impacted users	63	12.7
Average gross productivity gain from improved training	10%	10%
Gross productivity gain in FTE's	6.3	1.3
Total value of higher net productivity for enterprise users	$65,000	$13,300

Source: IDC, 2019

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MORE EFFICIENT SUPPORT FOR ORACLE ENVIRONMENTS

The teams responsible for supporting complex enterprise environments also benefit from the visibility and actionable information available from Knoa UEM to work more efficiently. These teams included incident response, help desk, security, monitoring, and those responsible for other major IT operations. In particular, study participants reported that Knoa UEM provided operational visibility that proactively helped them avoid significant performance issues and outages. They also cited an increase in service desk efficiencies and the ability to generate and leverage detailed user workflow reports.

Key highlights include the ability to:

- Leverage detailed reporting to resolve user issues
- Increase service desk efficiencies as user information is available to resolve issues.
- Avoid user complaints and resolve problems faster

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MORE EFFICIENT SUPPORT FOR ORACLE ENVIRONMENTS

The Business Value of Higher-Performing and more efficient environments with Knoa UEM faster (37% faster on average), which allows them to work more efficiently overall (31% on average) (see Table 5). As noted previously, improved visibility and understanding of performance also helps other IT teams support enterprise environments more efficiently.

Table 5 Impact on Incident Response Team

	Before Knoa UEM	With Knoa UEM	Difference	Efficiency with Knoa UEM (%)
Reduction in time required to respond to issue	37%			
FTE's required to support equivalent workloads per organization	9.5	6.6	3	31
Value of staff time required per organization per year	$960,000	$600,000	$300,000	31

Source: IDC, 2019

Table 6 shows efficiencies achieved by help desk (16%), monitoring (16%), and security teams (21%) responsible for delivering and supporting their organizations' applications, thereby helping ensure more robust and cost-effective operations.

Table 6 Impact on Other IT Teams

FTE's Required to Support Equivalent Workloads per Organization	Before Knoa UEM	With Knoa UEM	Difference	Efficiency with Knoa UEM (%)
Help Desk	2.5	2.1	0.4	16
Monitoring	2.7	2.3	0.4	16
Security	3.1	2.5	0.6	21

Source: IDC, 2019

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MORE EFFICIENT SUPPORT FOR ORACLE ENVIRONMENTS

ROI Summary Table 7 presents IDC's analysis of the benefits and costs related to study participants' use of Knoa UEM. IDC calculates that, on a per organization basis, interviewed organizations will achieve total discounted three-year benefits of $5.17 million ($1.05 million per 1,000 users). These benefits compare with projected total discounted investment costs over three years of $670,000 on a per organization basis ($135,800 per 1,000 users). At these levels of benefits and investment costs, IDC projects an average three-year ROI of 671% and break-even on investment in five months.

Table 7 Three-Year ROI Analysis

	Per Organization	Per 1,000 Users
Benefit (discounted)	$5.17 million	$1046,400
Investment (discounted)	$0.67 million	$135,800
Net present value (NPV)	$4.50 million	$910,600
ROI (NPV/investment)	671%	671%
Payback (months)	5	5
Discount factor	12%	12%

Source: IDC, 2019

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CHALLENGES/OPPORTUNITIES

While the benefits can be great, deploying enterprise applications is hard: Systems and processes are complex, users don't like change, and change can introduce risk. Each of these factors, and many others, conspire to undermine the business benefit of a new technology. But change is essential to growth — and thousands of organizations per year introduce significant changes to their enterprise applications.

The most successful organizations increase the benefits they receive and reduce the inherent risk of system changes by closely monitoring their deployment progress and quickly making changes to system configuration, processes, and employee training to maximize the business benefit of the new system.

IDC research has found that training can improve business return on enterprise application deployment when combined with these straightforward practices:

- Consistently describing the business value of the technology: Training on systems can easily become a feature and function parade. However, end users (and IT staff) can more easily adopt new technologies and change in general if they understand the business benefit the change is expected to deliver.
- Focusing on high-priority processes: While all areas of the business play a role in success, some functions or geographies are in a position to have greater impact. Focus training efforts on success in those areas and then leverage that knowledge and goodwill to provide training to other areas as necessary.
- Describing and celebrating the performance standards expected of users: Leaders of deployment initiatives must strongly advocate that user performance will impact the success of the technology initiative. This should include a strong statement of the target performance standard users should attain in order for the initiative to be successful.
- Leveraging utilization tools to monitor adoption: This insight can be developed into indicators of adoption and can be a trigger for additional interventions.

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CONCLUSION

By leveraging timely, trusted, high-quality, complete, and granular information, Knoa UEM can help determine where to allocate budget to support enterprise application rollout and changes — all based on data-driven intelligence on how enterprise applications are actually performing and being used. IDC calculates that organizations that leverage Knoa UEM will realize an average of more than $5 million in benefits over three years by being able to analyze relevant data and deliver actionable information to improve user and IT staff productivity.

This productivity gain comes from efficiently making better decisions and improving existing processes. Nowhere is actionable information and process improvement more critical than in the area of enterprise application roll outs and user experience.

Operational Benefits:

- Prioritize which processes and user groups to focus on first when planning a migration by assessing the use of their current system.
- Define success criteria at the beginning of the project that focus on user adoption and performance metrics to ensure that user experience and adoption targets are met at the end of the implementation.
- Validate the workflow and configuration specifications of new solution components by identifying potential issues during the user testing and before deployment.
- Monitor adoption after go live to ensure that users are successfully leveraging the new processes.

Business Benefits:

- Optimize business processes by increasing employee productivity related to Oracle applications
- Support more effective employee utilization of Oracle applications by encouraging use of new functionalities and proactively addressing employee errors
- Offer more tailored and relevant training to employees based on actual usage patterns of Oracle applications
- Improve the efficiency of teams responsible for deploying and supporting Oracle applications, including incident response, help desk, and security teams.

GET STARTED TODAY

Learn how Knoa User Experience Management (UEM) can help you ensure the success of your Oracle Cloud migration project.

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*IDC research study