



An Oracle White Paper  
February 2012

# Oracle Human Capital Management: Leadership that Drives Business Value

## Technology Trends and the Business of HR

## Introduction

Gretchen Alarcon, Oracle's vice president of Product Strategy, provides insight into how changes in the marketplace influenced the development of Oracle Fusion Human Capital Management (Oracle Fusion HCM).

Oracle Fusion HCM was built with the user in mind. It provides the answers to questions including

- What do you need to do?
- What do you need to know?
- How do you get it done?
- Who do you need to work with?

Oracle Fusion HCM provides extremely powerful embedded intelligence and social network tools so workers can get their job done easier and faster.

## The Driving Force: New Inflection Points

A number of years ago Oracle recognized that there was an inflection point coming in the marketplace similar to the rise in prominence of the internet in the early 2000s. The inflection point Oracle anticipated would entail a new approach to building business applications—using next-generation technology to focus on innovation, the user experience, and the deployment of applications.

### Innovation

Oracle saw that deep innovation was needed in applications platforms. The platform itself must be based on open standards—unlike the applications being created with proprietary tools. Alarcon explains, “We saw that the market was asking for a focus on innovation, and on making sure that organizations have an easy way to extend a product, so it was clear to us that it had to be built on open standards.” Organizations also needed applications to be built so that processes could be easily configured and tailored to their organizational needs. She goes on, “When companies add a field and configure processes, all those customizations need to be preserved when companies upgrade.” In the past when organizations customized an application, upgrades could be very cumbersome. Alarcon states, “Applications need to be upgrade-friendly regardless of the deployment choice and any configuration changes to ensure that the business can continue without disruption.”

### Customer User Experience

Oracle also saw that the user experience needed to be improved. It should reflect the pervasiveness of the internet and social networking, and enable mobile access to ensure high usability. “The user experience changed over the years,” Alarcon states. “Internet use and adoption continued to significantly increase, so users were much more familiar with Amazon, Facebook, and Twitter. Users demanded a modern, contemporary, Web 2.0 interface in the context of business applications.”

Customers were also moving from transaction-based systems to process automation, which requires that everything be much more business-intelligence-driven to enhance the user experience for both HR and the manager. Alarcon says, “We had to make sure that we were giving HR and managers the information they needed at the right time in order for them to make a decision. Especially for managers, who are not always completely versed in HR processes, having the right information presented in a way they can easily understand is important.”

Today, social collaboration and mobile access is critical. Alarcon says, “We saw that we needed to build social networking all the way through the product areas to accommodate the new way of collaboration among users.” Applications also had to be available on mobile platforms so users could access the application from any device, anywhere, at any time. Alarcon explains, “We know that everyone runs off whatever the preferred platform is. I use my iPad and need to access colleagues, applications, and business intelligence from there.”

## Deployment

Customers have a variety of deployment choices. Many organizations have already embraced or are looking at deploying some of their applications in the cloud. Alarcon says, “Customers want to be in the driver’s seat, with the power to deploy their applications in a software-as-a-service (SaaS), hosted, or on-premise model.” Modern applications also must be designed to allow customers to have incremental deployment options. Alarcon says, “Some organizations may not be ready to move completely to the cloud for a while, so they request a modular approach.”

## The New Standard for Business

With these key market inflection points in mind, Oracle Fusion Applications were designed to be the new standard for business. Alarcon says, “Oracle Fusion Applications reflect that new, modern architecture, and have a new platform for the future.” They were written from the ground up using all industry-standard, nonproprietary tools. Alarcon says, “We believed that Oracle Fusion Applications had to be built on a standard platform and offer a standard set of tools, such as Java, XML, HTML, BPEL. This provides organizations the necessary flexibility to extend the application whenever their business model requires it.” Alarcon says, “More than 6,000 hours of customer involvement went into the product to better understand customers’ business processes—not only to ensure that the solutions were best in class, but also to understand how business processes have changed.”

Oracle also spent thousands of hours in the Oracle Usability Labs tracking users’ eye movements and mouse clicks to ensure the most efficient and friendly user experience. The user interface has been completely reinvented to reflect a role-based model that provides embedded decision support. Alarcon says, “Every screen in Oracle Fusion Applications provides information relevant to the user and the business process being performed. This transforms your system from transactional to intelligence-driven.”

Oracle offers customers the choice of deploying in the public cloud, a private cloud, via a SaaS model, or on-premises. Many organizations may not want to move entirely to the cloud, or they may want to take advantage of some of the modern applications and a cloud deployment while still preserving their significant investment in their current applications. Oracle Fusion Applications can coexist with Oracle E-Business Suite, Oracle’s PeopleSoft, and Oracle’s J.D. Edwards solutions. Alarcon says, “Customers may find one module of Oracle Fusion Applications that is really important to them. They may want to adopt a compensation solution, change their performance process, or update their talent review process. Being able to integrate a single module seamlessly with existing products, without having to go through a full upgrade is important.”

## Oracle Fusion Human Capital Management

Oracle Fusion HCM redefines the business of HR to provide value to every person in the organization—from HR professionals to employees and managers. It is built from the ground up to help you do things your way, know your people better, and work as a team. Alarcon says, “We have a very comprehensive suite of products. Oracle Fusion Applications is more than HCM. There are more

than 100 modules in the first release alone.” Oracle Fusion Applications is a complete suite of products that offers both the breadth and the depth of functionality and allows customers to drive business value. Alarcon says, “Human Capital Management can’t be viewed in a vacuum. HR and people-based processes span Sales, Finance, Projects and more. Fusion Applications are modular, so you can adopt what you need—but expand into other areas over time.” She further explains, “There is a great amount of flexibility built into the product. We’ve adopted a lot of capabilities from Oracle E-Business Suite and PeopleSoft applications for all products. The HCM suite consists of Fusion Human Resources, Fusion Directory Management, Fusion Global Payroll, Fusion Payroll Interface, Fusion benefits, Fusion Lifecycle Manager, Fusion Workforce predictions, Fusion Compensation, Fusion Total Compensation Statement, Fusion Talent Review, Fusion performance Management, Fusion Goal Management, Fusion Network at Work, Fusion International Human Resources and Payroll Kit, and Fusion Transaction Business for Human Capital Management.”

## Leadership that Drives Business Value

Today Oracle Fusion HCM has already been adopted by many organizations. The feedback is incredible—organizations are benefitting from the modern functionality that is built on Oracle’s leading technology. Built from the ground up to help you do things your way, know your people better, and work as a team, Oracle Fusion HCM redefines the business of HR to provide value to every person in the organization—from HR professionals to employees and managers. Whether organizations choose one module or the entire suite, Oracle Fusion HCM is designed to coexist with customers’ current applications portfolio to deliver innovation without disruption. With Oracle Fusion HCM, you’re in the driver’s seat, with the power to deploy your solutions in a SaaS, hosted, or on-premise model—all backed by industry-leading Oracle innovation.

## About Gretchen Alarcon Vice President, HCM Strategy

Gretchen Alarcon is vice president of Product Strategy at Oracle. Ms. Alarcon leads the strategy team responsible for applications that enable companies to align their workforce goals and business objectives. Prior to her current role, Ms. Alarcon was responsible for the strategy of Oracle's talent management applications.

Ms. Alarcon brings more than 13 years of industry experience to Oracle's strategy organization. She spent more than four years at PeopleSoft working closely with customers and contributing to the direction of the company's talent management and recruiting applications.

Prior to Oracle, Ms. Alarcon was director of Product Management at Icarian, Inc., where she designed new product roadmaps and drove strategic decisions for the company's workforce management suites. Before joining Icarian, Ms. Alarcon was with National Semiconductor, where she helped redesign the company's worldwide human resource functions.

Ms. Alarcon holds a MBA from the University of Michigan and a BA in American Studies from Stanford University.



Technology Trends and the Business of HR  
February 2012]

Oracle Corporation  
World Headquarters  
500 Oracle Parkway  
Redwood Shores, CA 94065  
U.S.A.

Worldwide Inquiries:  
Phone: +1.650.506.7000  
Fax: +1.650.506.7200

oracle.com



Oracle is committed to developing practices and products that help protect the environment

Copyright © 2012, Oracle and/or its affiliates. All rights reserved. This document is provided for information purposes only and the contents hereof are subject to change without notice. This document is not warranted to be error-free, nor subject to any other warranties or conditions, whether expressed orally or implied in law, including implied warranties and conditions of merchantability or fitness for a particular purpose. We specifically disclaim any liability with respect to this document and no contractual obligations are formed either directly or indirectly by this document. This document may not be reproduced or transmitted in any form or by any means, electronic or mechanical, for any purpose, without our prior written permission.

Oracle and Java are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners.

Intel and Intel Xeon are trademarks or registered trademarks of Intel Corporation. All SPARC trademarks are used under license and are trademarks or registered trademarks of SPARC International, Inc. AMD, Opteron, the AMD logo, and the AMD Opteron logo are trademarks or registered trademarks of Advanced Micro Devices. UNIX is a registered trademark licensed through X/Open Company, Ltd. 0112

**Hardware and Software, Engineered to Work Together**