Oracle Fusion ERP Drives Scalable Engagement with Intelligent AI

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Currently, most of the enterprise users do not have their ERP systems infused with Artificial Intelligence. And this lack of AI-based apps is costing them big when it comes to making the right decisions. Making timely and the right decisions are vital when building a business, there is no room for mistakes. And, that is why Oracle has introduced Oracle Fusion ERP with Intelligent AI. Oracle Fusion ERP now infused with Artificial Intelligence will act smarter where users will not just be provided with plain BI reports, but with more intelligent and precise reports that is achieved with both machine learning and decision science. This is exactly what enterprise users are in search of, to make timely and precise decisions.

Oracle had announced the new Artificial Intelligence-based Apps for Finance, Human Resources, Supply Chain, Manufacturing, Commerce, Customer Service, Marketing, and Sales Professionals in October, 2017. This new Oracle Adaptive Intelligent App is built into the existing Oracle Cloud application. Business users can now experience the industry's most powerful AI-based application which will come with

- Purpose-built domain knowledge
- Secure & trusted data
- Bundled & pre-tuned decision science
- Insights delivered within milliseconds
- Connected Intelligent outcomes

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Steve Miranda, executive vice president of applications development, Oracle said, "The new Adaptive Intelligent Apps enable business users from across the organizations to quickly and easily take advantage of the latest advancements in artificial intelligence. To make this possible we have eliminated the need for more integration and embedded AI capabilities across Oracle Cloud Applications. The new AI capabilities combine first- and third-party data with advanced machine learning and sophisticated decision science to deliver the industry's most powerful AI-based modern business applications."

Oracle Fusion ERP with Intelligent AI serves within Oracle Enterprise Resource Planning Cloud, Oracle Human Capital Management Cloud, Oracle Supply Chain Management Cloud, and the Oracle Customer Experience Cloud to provide smart and timely insights to end users.

DECISION-MAKING MADE SIMPLER ACROSS THE ORGANIZATION

Finance and procurement:

The AI powered App paves way for a streamlined financial process, reduced costs, modernized operations, and enhanced collaboration. It analyzes historical trends and business risk data which helps professionals to derive suggested discount rates on invoices, optimize cash flow, and create the optimal balance between buyers and suppliers. Enriched supplier profiles and optimized payment terms in real time are achieved. AI also paves way for better engagement with suppliers which helps in building trusted relationships.

Supply chain:

The time has come to say goodbye to traditional supply chain systems and say hello to dynamic, efficient, intelligent, and autonomous systems. Oracle's Supply Chain IoT applications allow users to manage and leverage insights from big data sources, such as connected equipment. With predictive analytics and machine learning techniques, the application will detect and analyze key signals in device data, and then act on insights with their associated business functions and connected processes. It offers predicting and preventing machine failure before it happens, auto-discovering optimal ways to segment planning data or auto-tuning planning engines. AI-powered capabilities can transform the way supply chain professionals lead and manage the supply chain.

Manufacturing:

Manufacturing: The AI-powered App enables organizations to meet production goals by enhancing the management of discrete and process manufacturing operations. The new capabilities drive factory and shop floor improvements by demonstrating how incident detection, root cause analysis, and smart resolution are performed within minutes in a connected factory.

Commerce:

The AI-based App helps users improve productivity and business results by operating across multiple sites and channels that blend commerce, marketing, and Chatbot capabilities. Natural language and deep learning capabilities provide unique features, such as dynamic tags and category pages that personalize search suggestions and blend search results with real-time offers to enable friction-free search. In addition, machine-learning capabilities deliver the best product, promotion, and content recommendations.
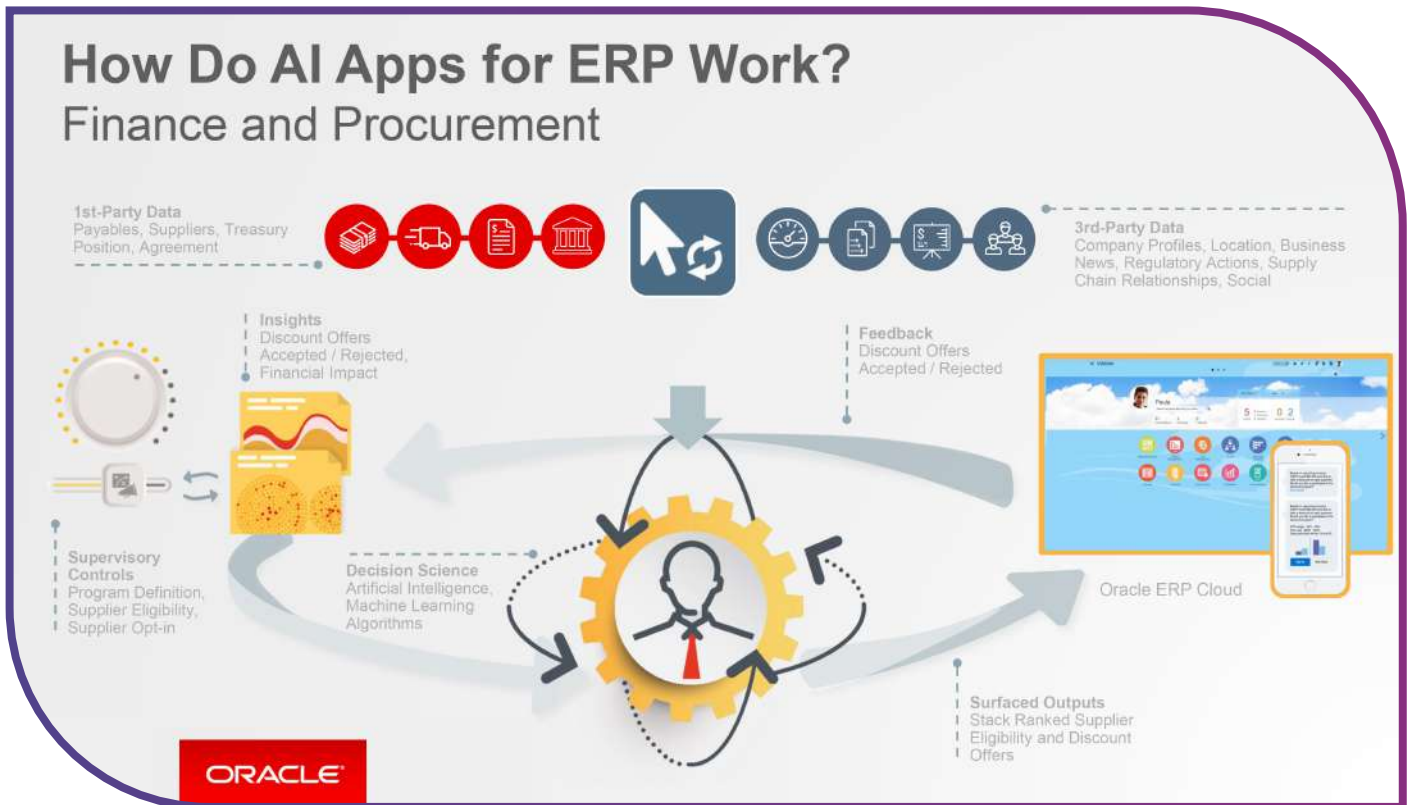
Sales

New AI-powered capabilities utilize business data to empower sales professionals with accurate next-step recommendations to close deals and optimize sales offers. The new capabilities also prompt them with smart call points by pulling data from live news and event feeds to surface and prioritize key insights. These powerful insights empower sales teams with up-to-the-minute information about accounts so they are always prepared before making contact.

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Below is an info graph that shows the working of the AI app for Finance and procurement. Also, the income statements of a fortune 1000 company before using Oracle AI app and after they used Oracle AI app are depicted.

How Do AI Apps for ERP Work?
Finance and Procurement

1st-Party Data
Payables, Suppliers, Treasury Position, Agreement

3rd-Party Data
Company Profiles, Location, Business News, Regulatory Actions, Supply Chain Relationships, Social

Insights
Discount Offers
Accepted / Rejected,
Financial Impact

Feedback
Discount Offers
Accepted / Rejected

Supervisory Controls
Program Definition,
Supplier Eligibility,
Supplier Opt-in

Decision Science
Artificial Intelligence,
Machine Learning
Algorithms

Oracle ERP Cloud

Surfaced Outputs
Stack Ranked Supplier
Eligibility and Discount
Offers

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What Does This All Mean?

	Before Oracle AI Apps for ERP	After Oracle AI Apps for ERP (Projected)
	Income Statement	**Income Statement**
Sales/Revenue	425.33M	436.81M
Cost of Goods Sold	106.00M	103.60M
Gross Income	**319.33M**	**333.21M**
SG&A Expense	152.89M	148.19M
Unusual Expense	3.26M	3.26M
EBIT after Unusual Expense	163.22M	184.96M
Non Operating Income/Expense	(2.63M)	(2.63M)
Non-Operating Interest Income	2.92M	2.92M
Interest Expense	10.16M	10.16M
Pretax Income	153.33M	153.33M
Income Tax	30.56M	30.56M
Consolidated Net Income	122.78M	122.78M
Minority Interest Expense	1.09M	1.09M
Net Income	**121.78M**	**140.36M**
Net Income Available to Common	121.78M	140.36M
EPS (Basic)	**2.42**	**2.78**
Basic Shares Outstanding	50.33M	50.33M
EPS (Diluted)	**2.38**	**2.75**
Diluted Shares Outstanding	51.11M	51.11M

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Note: Results are for illustrative purposes only. Oracle makes no claim or guarantee of similar results.

What Does This All Mean?

Before Oracle AI Apps for ERP

Income Statement

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After Oracle AI Apps for ERP (Projected)

Income Statement

Sales/Revenue	436.81M
Cost of Goods Sold	103.60M
Gross Income	336.41M
Unusual Expense	3.26M
EBIT after Unusual Expense	184.96M
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Basic Shares Outstanding	50.33M
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Intelligent Payments

Optimize Working Capital

Reduce COGS by **2.2%**[1]

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1. https://www.jpmorgan.com/tss/General/New_Strategies_for_Financial_Supply_Chain_Optimization/1159299816177
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What Does This All Mean?

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Workflow Automation

Intelligently Automate Routine Tasks

Reduce SG&A Expense by **3%**[1]

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1. https://www.forbes.com/sites/waldleventhal/2017/08/03/how-automation-could-save-your-business-4-million-annually/#6053ebe73807
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The Bottom Line

After Oracle AI Apps for ERP (Projected)

Income Statement

Sales/Revenue	436.81M
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	-
SG&A Expense	148.19M
Unusual Expense	3.26M
EBIT after Unusual Expense	184.96M
Non Operating Income/Expense	(2.63M)
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Gross Income of $13.88M

SG&A of $4.7M

EPS of 0.36 cents/share

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A good example is how MidSouth Wholesale was able to predict the recommended APR range to meet high margin revenue targets from their supplier base. The screenshot given below depicts this outcome with the help of Oracle Fusion AI-based app:
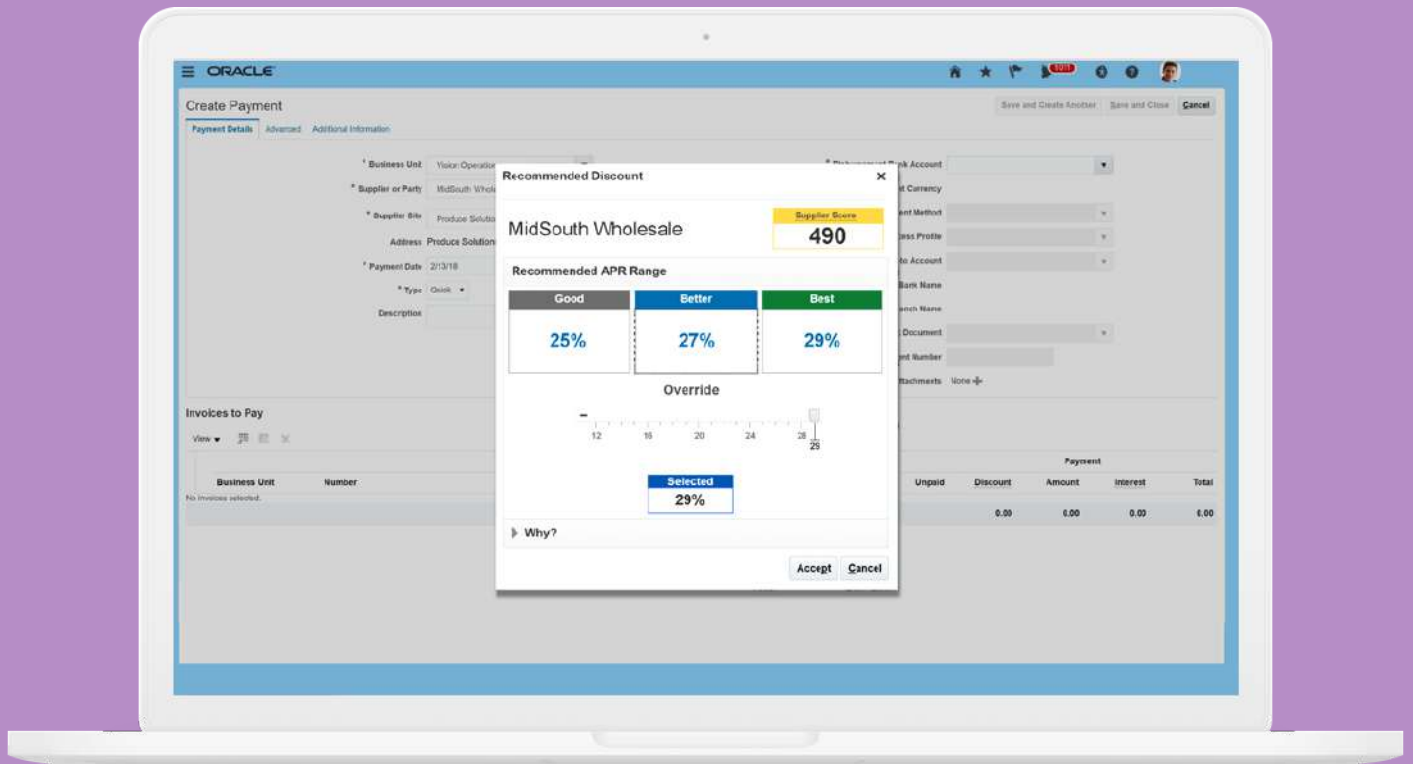
Users will be able to encounter a huge difference while having an AI-based app. AI-powered apps do bring a lot to the table, right from procuring better insights, achieving greater efficiency to providing a connected intelligence leading to a major increase in gross income.

ABOUT ASPIRE

Aspire Systems is a global technology services firm serving as a trusted technology partner for our customers. We work with some of the world's most innovative enterprises and independent software vendors, helping them leverage technology and outsourcing in our specific areas of expertise. Our core philosophy of "Attention. Always." communicates our belief in lavishing care and attention on our customer and employees.