

REACHING NEW HEIGHTS:

# EXPANDING ORACLE CLOUD AT WASTE MANAGEMENT

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## INTRODUCTION - WASTE MANAGEMENT

Waste Management is a leading provider of comprehensive environmental solutions in North America. Since its incorporation in 1968, the company has been dedicated to serving more than 20 million customers across the United States and Canada with services including collection, recycling, disposal, and renewable energy.

With a strong commitment to sustainability and innovation, Waste Management continuously strives to enhance its operations and adhere to evolving environmental regulations. This drive for excellence led Waste Management to embark on a transformative Oracle Cloud Expansion journey, ensuring their systems remain dependable and adaptable.



## CLOUD EXPANSION - WHAT IT IS & WHY IT MATTERS

Cloud expansion involves extending the capabilities of an existing cloud implementation. Some examples include incorporating additional functional areas such as cash management, lease accounting, expenses, and projects. Additionally, cloud expansion encompasses bringing additional lines of business into an Oracle Cloud application. Whether “testing out” Oracle Cloud with an initial application, or bringing in newly acquired lines of business into your cloud solution, cloud expansion offers organizations the opportunity to aggregate business processes all under one platform.

Cloud expansion is critical for organizations aiming to optimize operations, reduce costs, and improve data integration across various departments. Cloud expansion elevates businesses processes through four key benefits:

- 1. Efficiency:** Utilizing a single cloud application to perform multiple functionalities is often more efficient and cost-effective than using separate applications.
- 2. Cost Savings:** Retiring third-party applications and integrating functionalities into an enterprise license can reduce overall costs and simplify maintenance.
- 3. Natural Integration:** Built-in integrations reduce the need for complex, error-prone external integrations, ensuring smoother data flow and easier management.
- 4. Positive Investment:** Shifting functionalities to a cloud platform can offer better control, auditability, and compliance, while also leveraging existing investments in enterprise licenses.

Ultimately, incorporating additional functionalities into your Oracle Cloud application streamlines processes, enhances efficiency, and centralizes operations under one cohesive platform. This strategic expansion not only optimizes performance but also ensures better control and compliance across the organization.

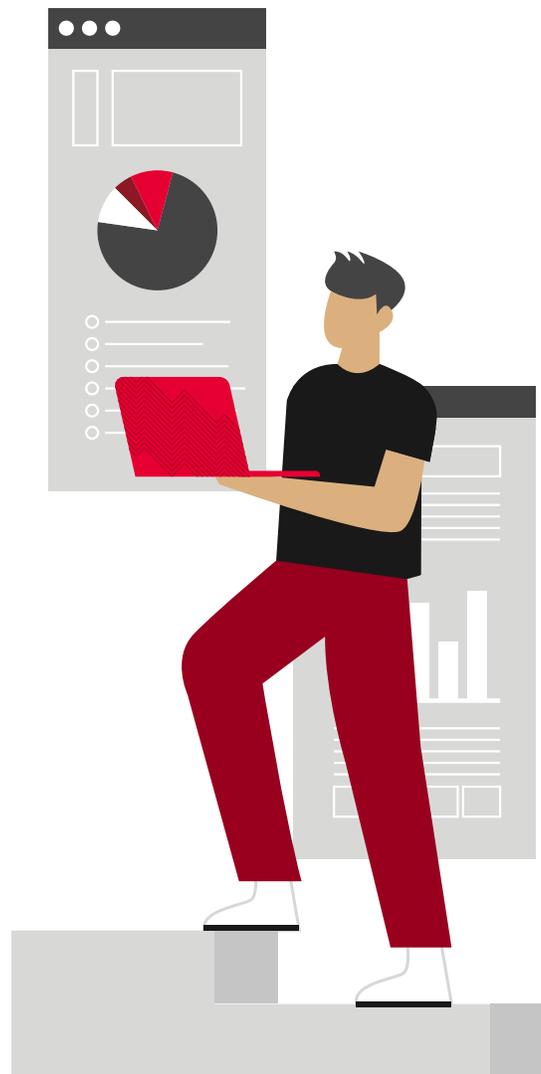


## PROJECT OVERVIEW

In early 2023, Waste Management initiated a project to implement Oracle Cloud Lease Accounting as part of their compliance with new Financial Accounting Standards Board (FASB) regulations. This project aimed to streamline lease management processes and integrate key modules within Oracle Cloud Financials and General Ledger. This comprehensive integration was designed to enhance the overall efficiency and accuracy of Waste Management's financial operations. Partnering with Waste Management to implement their Lease Accounting Module, Elire completed the following project elements:

- System overview training to facilitate informed decisions
- Oracle Cloud Lease Accounting module configuration for Operating Leases
- Required reports identification and specification documents development
- Current Lease Balance Parallel conversion
- End user training
- System support and stabilization

Additionally, Elire created system training materials, provided robust support for User Acceptance Testing (UAT), and offered post-project support to ensure a smooth transition. Due to the timing of the project, Elire's team extended the timeline to avoid blackout dates – which presented an opportunity to complete parallel testing of the Lease Balances conversion at quarter end. This allowed for validation of accuracy in Elire's conversion process and approach.



## PROJECT CHALLENGES

The project faced several challenges, particularly in managing Right-of-Use (ROU) balances. As a publicly traded company, Waste Management needed precise validation of expenses during the midyear conversion, complicated by methodological differences between Oracle and Waste Management's previous system. During the project, Waste Management discovered there was a difference in Lease Liability calculations between their previous third-party app and Oracle Cloud. In turn, deciding which Lease Accounting calculation process to use became pivotal for both teams' success.

Another challenge Elire faced was integrating Accounts Payable (AP) processes. Initially, the existing software version (23C) did not support the processing of lease-related invoices, but a future update (23D) was expected to resolve this issue. Elire and Waste Management had to navigate these limitations and assess solutions for the future.

Despite these challenges, the project was a success. The Oracle Cloud Lease Management implementation for Operating Leases went live on October 17th, 2023, allowing Waste Management to streamline reporting and transactional processes within Oracle Cloud ERP. This milestone enhanced the visibility and management of leases, optimizing business processes and reporting for greater efficiency and accuracy.

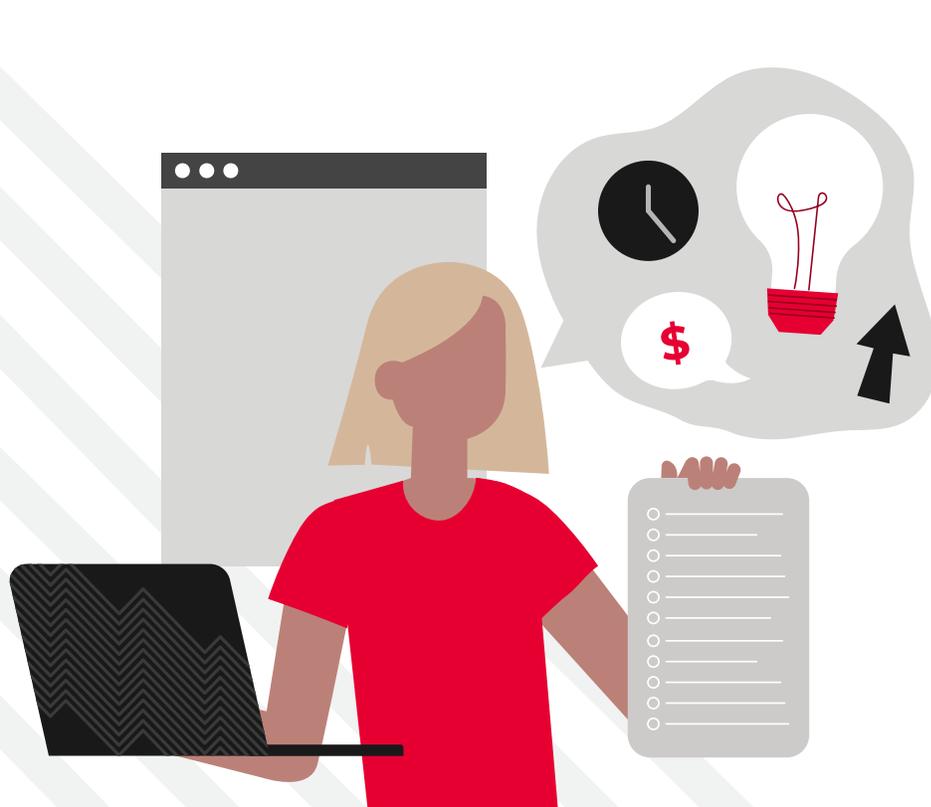


## KEY CONSIDERATIONS - LEASE ACCOUNTING CLOUD EXPANSION

For organizations considering cloud expansion, several key considerations should guide the process. First, consider the type of project - whether transitioning from an existing Lease Application or setting up a new Lease system - identifying the type of project will dictate project requirements and strategies. For those transitioning from an existing system, pay careful attention to managing Right-of-Use (ROU) balances and data conversions. Evaluating whether to migrate original balances with amendments or current ROU balances is critical, as this decision impacts how conversion data is compiled and validated.

Data conversion strategy is another essential aspect. It is important to define and adhere to a robust conversion strategy, planning multiple iterations to ensure the accuracy of the conversion. Addressing limitations, such as manual input requirements for long accounting strings, is also crucial.

Calculating Lease Liability, and how to go about it, is another element organizations should consider when looking to expand their Oracle Cloud application with Lease Accounting. There are multiple ways to calculate Lease Liability, understanding the differences between legacy and Oracle approaches to liability calculations will help ensure methodologies align with project needs.



## LESSONS LEARNED - LEASE ACCOUNTING IMPLEMENTATION

The implementation of Waste Management's Oracle Cloud Lease Accounting Module offered several valuable lessons. Shared functionality, lease payments, security, and reporting were key areas that required careful management. For instance, ensuring access to necessary functionalities and managing permissions effectively was vital to mitigate risks.

During the project, Waste Management required access to inventory product management to utilize item functionality for lease classification. However, this functionality was part of the Supply Chain Plan Execution License in Oracle Cloud, which Waste Management did not own. As Waste Management shared functionality across the Enterprise Application, they leveraged the field functionality without incurring a license cost.

Lease AP payments presented another lesson learned. It was crucial to evaluate existing payment processes and configurations to ensure correct sales tax calculations. Centralized versus decentralized processing, fixed versus variable charges, and recurring versus monthly invoices were all factors that needed careful consideration. Ensuring that the supplier site ship-to location had the correct sales tax configuration was particularly important, a process expected to be improved in future updates.

In terms of reporting, the delivered Lease Inquirer role allowed for the generation of amortization, which Waste Management viewed as a potential risk. To mitigate this, a custom role was created to remove the permission to generate amortization, allowing users to view leases at an individual level without running reports.



## LESSONS LEARNED - LEASE ACCOUNTING IMPLEMENTATION

Waste Management's successful implementation of Oracle Cloud Lease Management, in collaboration with Elire, underscores the significance of strategic cloud expansion initiatives in modern businesses. By navigating challenges and leveraging key lessons learned, Waste Management has streamlined lease management processes, optimized reporting capabilities, and enhanced overall operational efficiency.

This Cloud Expansion case study exemplifies the importance of thorough planning, meticulous execution, and agile adaptation in realizing the full potential of cloud expansion projects. As organizations continue to embrace cloud technologies to drive innovation and agility, partnerships with trusted advisors like Elire become invaluable in achieving seamless transitions, maximizing benefits, and staying ahead in an ever-evolving digital landscape.



## GET TO KNOW ELIRE

**Elire** is a trusted partner for implementing Oracle Cloud solutions, bringing extensive expertise in Lease Administration and the full suite of Oracle Cloud and PeopleSoft applications. Elire's offered expertise includes project coordination, deep knowledge and practical solutions for Oracle Cloud applications, and comprehensive training & change management for organizations undertaking cloud expansion initiatives.

Elire's Success Delivery Model emphasizes clear communication, thorough training, and ongoing support - ensuring clients not only adopt new systems effectively but also optimize the application's use over time. With a proven track record of delivering successful implementations, Elire is dedicated to helping organizations achieve their cloud expansion goals efficiently and effectively. Learn more about Elire's Cloud Services and commitment to excellence by viewing Elire's [Cloud Services Webpage](#).

Is your organization looking to expand cloud capabilities? Please contact [Cloud@Elire.com](mailto:Cloud@Elire.com) with any questions! Stay up to date on all things Oracle Cloud with Elire's [Monthly Cloud Newsletter](#) or follow us on [LinkedIn](#) and [Twitter](#) to receive cloud updates directly to your phone.



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**MICHELLE SCARPACE**

Innovation Financial Systems Director II



Mrs. Scarpace leads the finance innovation team for WM, responsible for evaluating initiatives across the finance applications to streamline processes, gain efficiency, improve controls, increase accuracy and drive the strategic footprint for the finance organization. She held various roles within the accounting organization at her prior employers, including the most recent, Corporate Controller. Over her 20+ years of experience, she has participated and/or led several implementations, including larger ERP deployments, lockbox, account reconciliations, payment applications, and initiatives around effectiveness and controls.

**JASON MCCABE**

Oracle Cloud ERP Practice Lead



Jason McCabe is the Oracle Cloud ERP Practice lead for Elire and is responsible for managing all clients using Oracle Cloud ERP Applications. Jason and his team deliver ERP solutions for clients looking to strategically align business strategy and organizational objectives through cloud-based application implementations.

**JORDAN HUTCHCRAFT**

Marketing Associate



Ms. Hutchcraft serves as Elire's Marketing Associate, working to develop and optimize marketing brand assets. Jordan collaborates with the Elire Marketing Team to produce blog and social media content, strategize for social media expansion, and maintain Elire's internal and external branding.

