



TOP 2 TIPS FOR SUCCESSFULLY NAVIGATING THROUGH AN ORACLE AUDIT

If you have ever been nominated for an audit you'll agree it is a moment in time when you feel your stomach flip. In today's tough economic climate there seems to be an increase in audit activities from Oracle. This is because over the past 8 or 9 quarters, Oracle has missed their numbers. Therefore, a good way to get revenue is to audit customers and find areas where they might be out of compliance, which is easy revenue for Oracle. That's a way to build up their pipeline. They're hurting financially so they're trying to spread it around. So when that fateful day finally arrives and you are nominated for an audit here are the top 2 tips for successfully navigating through an Oracle audit.

TIP #1:

The first thing you got to understand is, what are your contractual rights within your Oracle contract? The most important thing is Oracle's going to come to you and demand within 3 to 5 days you provide all this information to them. The first tip is do not provide anything. Get to know your contract's audit clauses. That's very important. In the audit clause, it says that it will give you 45 days' notice. Oracle must give you a 45-day notice. Therefore, you have 45 days to plan your strategy. Again, learn your contract inside out. What is Oracle entitled to and not entitled to.

TIP #2:

Make sure you do not provide any information to Oracle that you are not contractually obligated to provide. Oracle will act as if there's carte blanche and they have access to anything. They'll want to interview executives and their timelines are their timelines, not yours. You have to make sure that you provide only what is contractually obligated.

What Triggers An Oracle Audit?

There is no random auditing process at Oracle as they would like to have you think. The way an audit works in Oracle and the nomination process is your Oracle sales rep nominate you for an audit. What happens is your Oracle sales people are not getting the numbers that they need, they're not hitting the revenue targets that they need to hit. Therefore, they're going to nominate you or whoever's within their territory for an audit. It's a way to shake the tree, find out what falls and see if there's any easy revenue. Oracle doesn't have a random way of picking audits.

Also, a lot of customers are under the misconception that, "Oh, I canceled support last year so now, I'm getting audited." Oracle doesn't really have a penalty system to go back and go after customers. It's 100% based on sales and the sales team driven activities.

If you continue to buy Oracle software, you're not going to get audited. You're not going to have a risk of audit. If you're on a holding pattern and you're not really buying a lot of Oracle software, then basically what's going to happen there is you're probably a candidate to get audited because you're not buying Oracle software.