For a NUMBER datatype precision and scale are two optional parameters. The precision parameters specifies the total number of digits that a number can use and the scale specifies the number of digits after the decimal point. Oracle gurantees the precision of less than 38 digits. Some examples of use of precision and scale are as follows.

E.g

1234567.891 would be stored as 1234567.89 if we stored it using NUMBER(9,2).
12345678.23 would be stored as 12345600 if we stored it using NUMBER(8, -2). In this case last two digits before the decimal point are changed to 0.