

# FY17 Focal

Discussion Document

Oracle Human Resources

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August 2016



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## Discussion Topics

- Compensation Philosophy
- Current Market Positioning
- Actual Base Salary Spend vs. Market Movement
- Voluntary Attrition
- Compa Ratios
- Proposed Focal Budgets

## Compensation Philosophy

- Total Compensation Focus
  - Base Salary
  - Variable Pay (Bonus/Incentive/Commission)
  - Equity
- Pay for Performance/Potential
  - Employees with highest performance/potential along with those in critical roles should be rewarded at greater levels
- Market Competitive
  - Ensures Oracle can attract and retain high performing/potential employees.
- Pay Within Our Means
  - Being fiscally responsible by managing our compensation spend.

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## Current Market Positioning

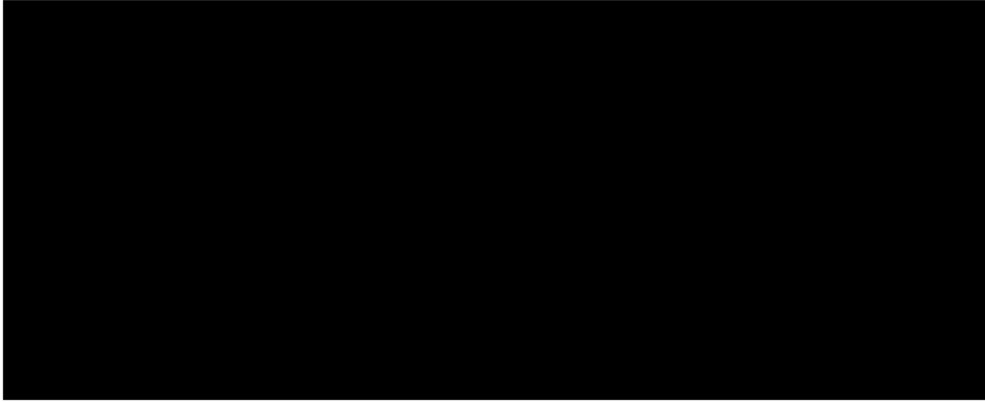
- **Sales** (Sales and Pre-Sales Job Functions)
  - Base Salary range midpoints targeted slightly below 50<sup>th</sup> percentile of market
  - OTE targeted at the 60<sup>th</sup> percentile of market
- **Non-Sales** (All Other Job Functions)
  - Base Salary range midpoints targeted at 50<sup>th</sup> percentile of market
- **Market Peer List**
  - Accenture, Adobe, AMD, Apple, BMC, CA, Cisco, EMC, Facebook, Google, HPE, IBM, Informatica, Intel, Juniper, Microsoft, NetApp, Open Text, Qualcomm, Red Hat, Salesforce, SAP, Symantec, Teradata, VMWare, Workday and Yahoo.
  - Supplemented with local market competitors where applicable.

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# Actual Base Salary Spend vs. Market Movement

Top 5 Countries



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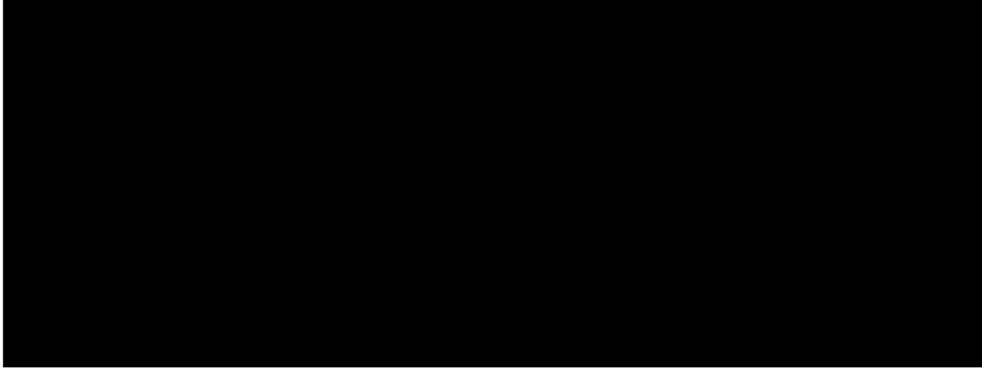
Top 5 Countries make up [redacted] of overall employee population. [redacted] of PD; [redacted] of Sales; [redacted] of Support; [redacted] of Consulting; [redacted] of G&A; [redacted] of Mktg and [redacted] of Support

[redacted] was in [redacted] with a budget of [redacted]

# Sales

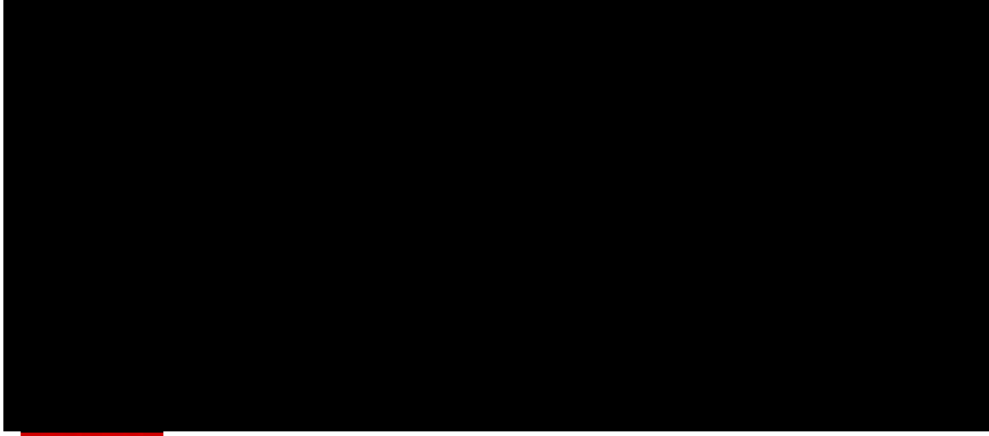


# Product Development





## Voluntary Attrition



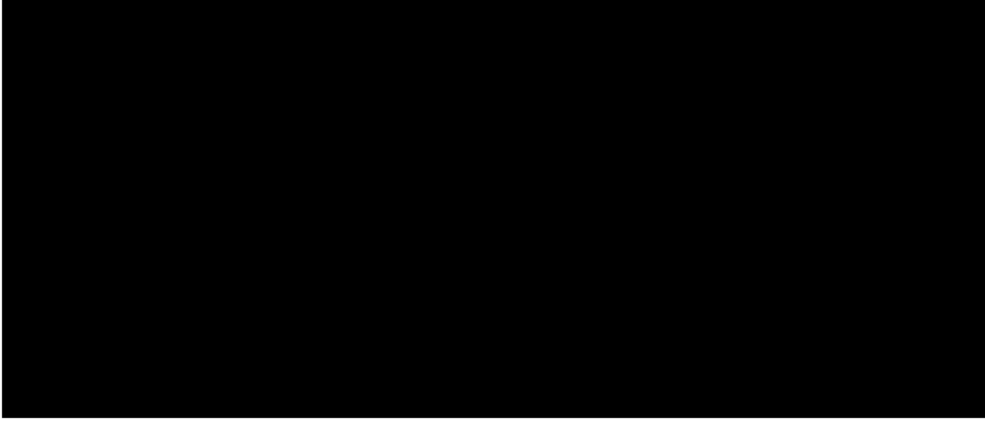
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Market Rates: Sales – [REDACTED]; PreSales – [REDACTED]; Prodev – [REDACTED]; Cons – [REDACTED]; Supp – [REDACTED]; Finance – [REDACTED]; Inftech – [REDACTED]; Train – [REDACTED]; Manudist – [REDACTED]; HR – [REDACTED]; Admin – [REDACTED]

## Compa Ratios



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Compa Ratios are generally [REDACTED]  
[REDACTED] – ranges from [REDACTED] within  
our [REDACTED] largest countries

- Sales [REDACTED]
- Development [REDACTED]
- G&A [REDACTED] higher

## Proposed Focal

- Run separate processes for Sales (Sales & Pre-Sales job functions) and Non-Sales (all other job functions)
  - Separate budgets for each as well
- Effective Date – October 1, 2016
  - HCM Public Cloud Go-Live scheduled for October 24, 2016
- Eligibility Cutoff Date – 60 days prior to effective date
- Budgets by Country
  - excludes Argentina, Brazil and Venezuela
- Focus spend most tenured top talent/critical role employees
- OFSS process aligned to Oracle timeline and budget

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# Total Proposed Budget - Oracle

Region	Non-Sales		Sales	
	%	USD	%	USD
[Redacted Data]				



# Total Proposed Budget - OFSS

Region	Non-Sales		Sales	
	%	USD	%	USD
[Redacted Data]				



# Appendix

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This slide can also be used as a Q and A slide

# FG&A

Ctry	FY16 - FG&A							FY15 - FG&A								
	Focal	Out of Cycle	Overall	Oracle		Market			Focal	Out of Cycle	Overall	Oracle		Market		
				Focal %	Overall %	Merit %	Overall %	CPI				Focal %	Overall %	Merit %	Overall %	CPI
[Redacted Data]																



## Prior Focal Budgets vs. Market Movement

Focal Budgets – 5 Year History

Fiscal Year	Non-Sales Focal			Sales Focal	
	%	USD	Included	%	USD

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Kate – we need to know what was the budget percentage by the US, India, China, GB and Romania.



# Sales Voluntary Attrition

by Country

Country	HC	FY15	FY16	YoY	Country	HC	FY15	FY16	YoY	Country	HC	FY15	FY16	YoY
[Redacted Content]														



# Non-Sales Voluntary Attrition

by Country

Country	HC	FY15	FY16	YoY	Country	HC	FY15	FY16	YoY	Country	HC	FY15	FY16	YoY	Country	HC	FY15	FY16	YoY
[Redacted Content]																			

