

Out of Cycle Salary Adjustment Proposal
6/15/2015

██████████

I am proposing an out-of-cycle raise for ██████████. His current salary is \$ ██████████ USD, which is below the range for ██████████.

Minimum ██████████ USD
Mid-range ██████████ USD
Maximum ██████████ USD

I am proposing a raise to ██████████, based on the recommendation of HR compensation. HR noted that it would take an ██████████ raise to merely get ██████████ into ██████████, and (originally) that they would support 15-20% increase due to ██████████ having been in the ██████████ role for about 2 years. As of 6/23 and upon additional discussion, HR noted that they would now support up to ██████████ raise, which is what I am proposing. I also note that if, for some reason, this request is delayed post-salary compensation round I would still propose a 25% total (██████████) increase).

Justification

██████████ was promoted ██████████ to ██████████. At the time, compensation proposed a “wet” promotion to \$ ██████████ for ██████████, which would have represented a 72% compa-ratio (that is, ██████████ would have been making 72% of the current market rate). Due to the timing of the promotion, an out-of-cycle raise was not approved and the promotion was “dry.” Since then, ██████████ has received ██████████, as well as ██████████ (detailed history of each is below), with the exception of ██████████.

In making this request, I note that I have tried to pull ██████████ salary up to within band, but this is difficult to do with such significant salary compression. I face a “rob Peter to reward Paul for a promotion” situation (and I note that I have additional employees who also face significant salary compression).

Like ██████████, ██████████ has asked me several times for a salary increase – in fact, of the ██████████ reporting to me asking for raises, he has been more persistent in asking. I am aware that he received inquiries from other companies regarding security positions. ██████████ would be difficult to replace, due to a combination of skills:

- High leverage – ██████████ team, more than ██████████, has fewer people and broader scope. ██████████ must therefore use – and does use – scarce resources in a highly leveraged way. That is, he first thinks about “what are we doing, why, and can we do it more efficiently” before asking for more resource and also considers the leveragability of tasks *within* development. For example, ██████████ initiated a 360 review of his team’s activities to elicit feedback on our assurance program from development (to ensure we were focused on “high positive impact” activities rather than “expensive drain on development” activities). Most recently, he is refocusing our assurance program on the high money makers/strategic products – again, to ensure we make best use of

scarce resources. He is also pushing a lot of our compliance into release tracking tools development already uses, which is a) better resource usage b) easier for development and c) will enable product-level compliance tracking.

- Strong focus in execution. [REDACTED] team is not, perhaps, as visible as the areas under [REDACTED] ([REDACTED]), but his team adds tremendous value as a “cost avoidance change agent” within Oracle. For example, under [REDACTED] leadership, tools usage has increased dramatically to the point where the majority of development is using static analysis tools successfully. [REDACTED] ability to focus and execute in critical areas is key to his success and to needed change across development.
- High visibility internally and externally. [REDACTED] represents [REDACTED] (and Oracle) in multiple external groups, such as the [REDACTED] and, most recently, at the [REDACTED] [REDACTED]. He is also our go-to person on security with key classified customers (and [REDACTED] for Oracle in the past). He is very articulate, and an excellent presenter in addition to being a strong manager. [REDACTED] is also the [REDACTED] lead on several internal groups (for example, [REDACTED]).

In short, [REDACTED] would be very hard to replace in kind. Certainly, we would not be able to replace in kind at the salary he is currently making.

Compensation History

As noted, [REDACTED] current salary is \$ [REDACTED], which is below range.

Minimum [REDACTED] USD
 Mid-range [REDACTED] USD
 Maximum [REDACTED] USD

| Compensation Increase | Amount/Date | Amount/Date | Amount/Date | Amount/Date |
|-----------------------|-----------------------|---------------|-----------------------|-----------------------|
| Raise | \$ [REDACTED] 3.9% | \$ [REDACTED] | \$ [REDACTED] 6.5% | \$ [REDACTED] 8.0% |
| Stock Options* | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| Bonus | \$ [REDACTED] | \$ [REDACTED] | \$ [REDACTED] | \$ [REDACTED] |

* [REDACTED] proposed for 2015.