





# Performance Appraisals FY15

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Organization & Talent Development  
September 2015



# Performance appraisals are HR's **most popular** process

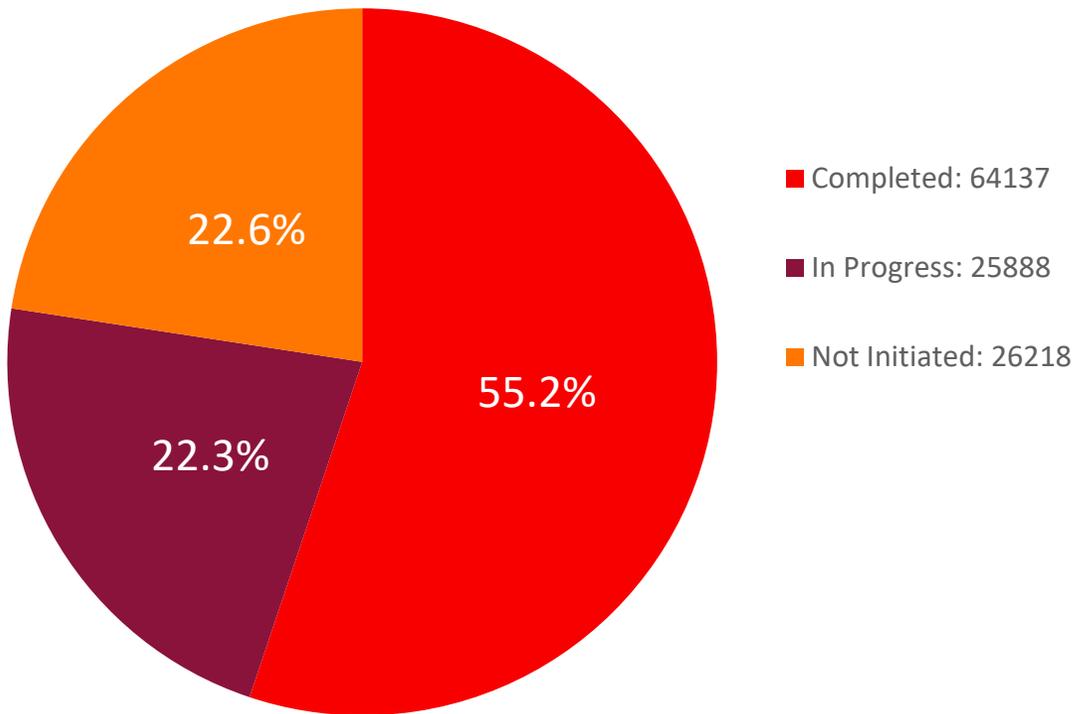
**90025**

appraisals were created for FY15

**78%**

of eligible employees created a performance appraisal for FY15

FY15 Appraisal Status

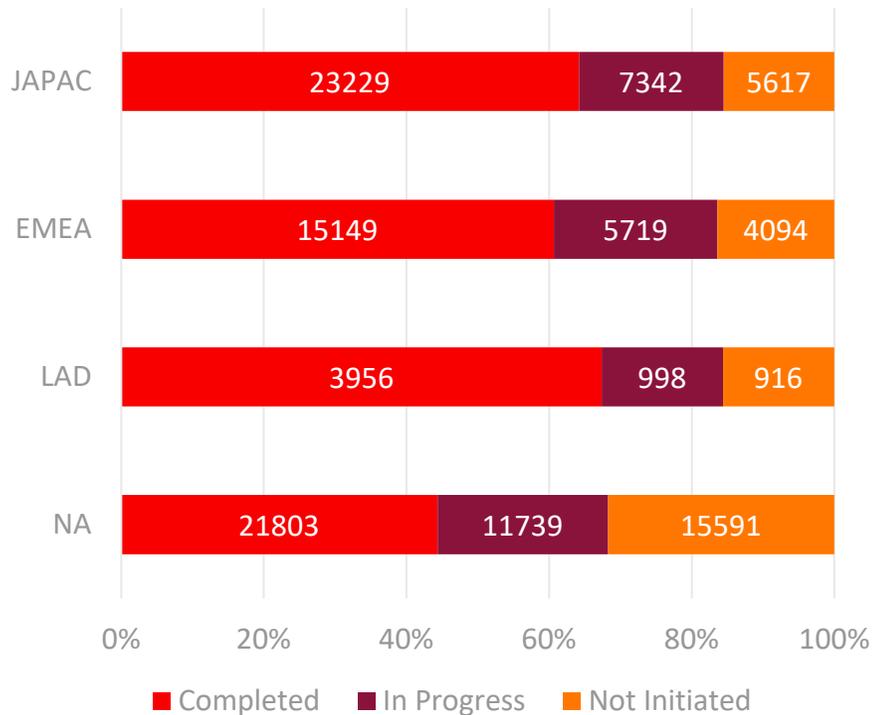


# Appraisals are adopted across regions and lines of business

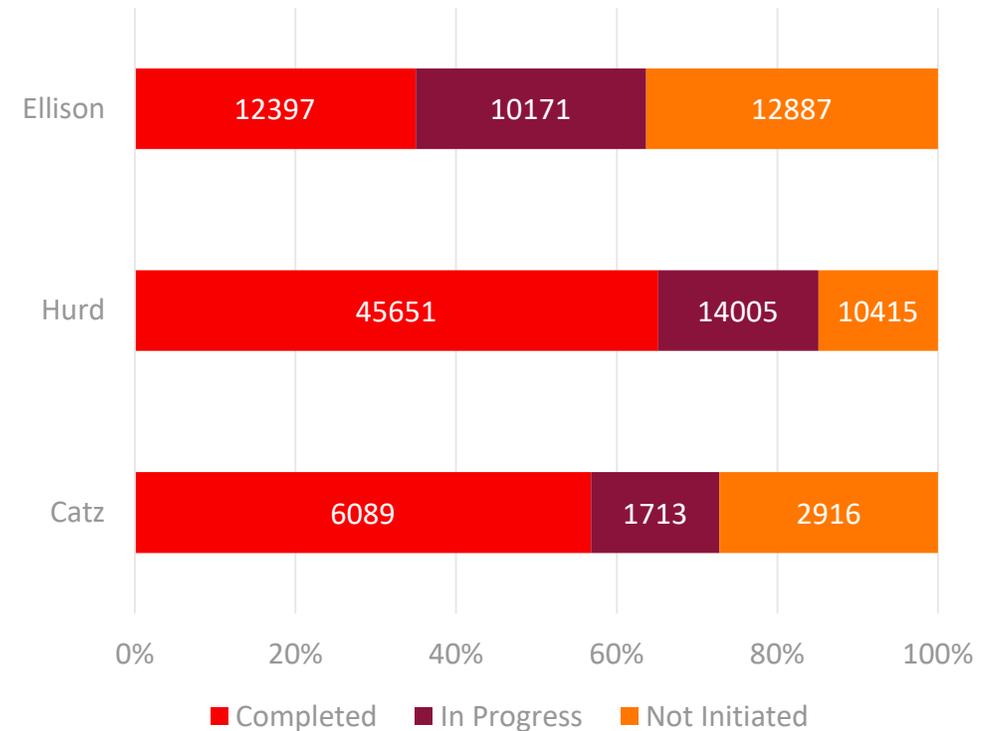
Highest completion in LAD with **67% completed** from 84% starting. North America has the largest population with 44% completed from 68% starting.

Hurd leads the way with **65% completed** from 85% starting. Catz shows 57% completed from 73% starting while Ellison has only 35% completed from 64% starting.

### Regional Comparison



### LOB Comparison

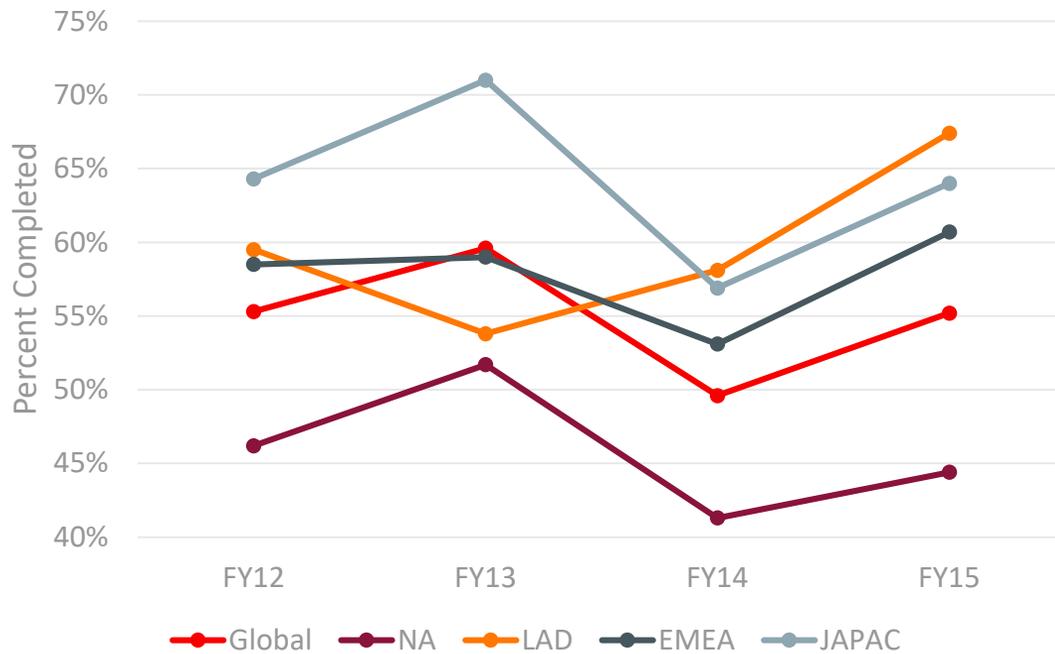


# Completion rates are trending up this year

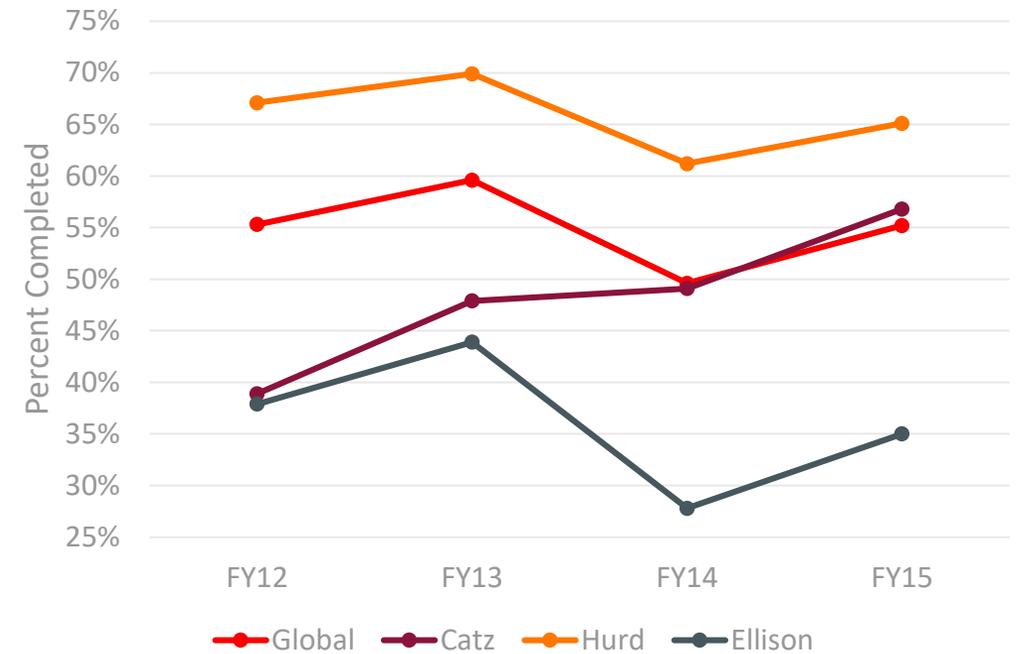
Regional completion was lower in FY14 but every region shows **an increase for FY15**.

Catz shows **four years of increasing completion**, while Hurd and Ellison were down in FY14 but up in FY15.

### Regional Comparison



### LOB Comparison



# Employees and managers devote time to their appraisals

Employee self-evaluation

**1 hour**

Manager evaluation

**1 hour**

Performance conversation

**1 hour**

Minimum investment

**3 hours**

per appraisal

Total person hours

**270,075**

Total person work days

**33,759**

Total person work weeks

**843**

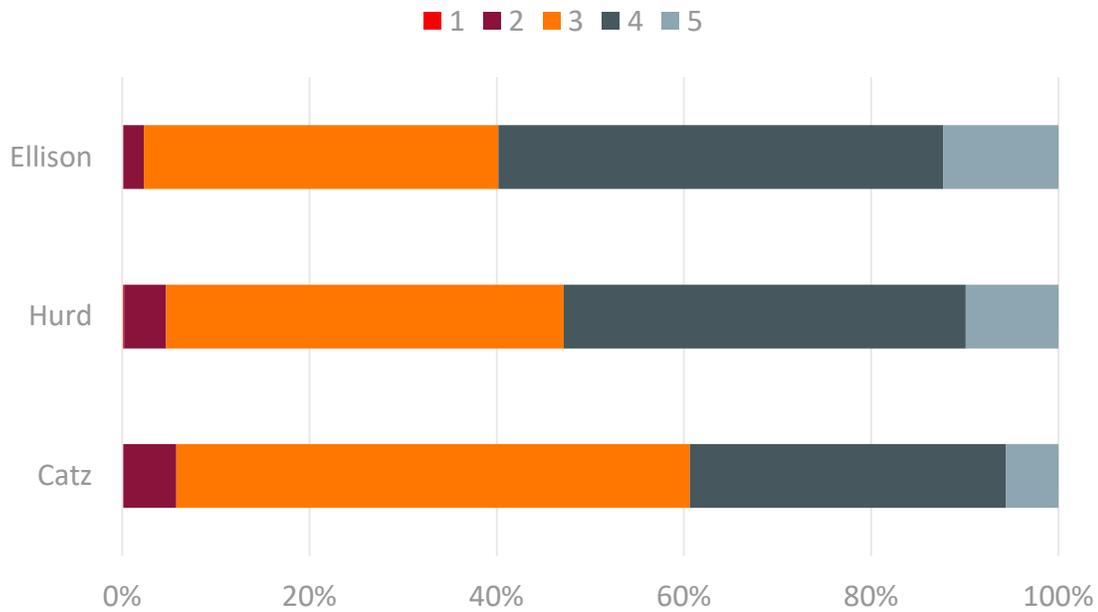
\* Minimum time estimated

Calculated using 90,025 appraisals world-wide

# Final ratings favor 3 and 4 and are stable year on year

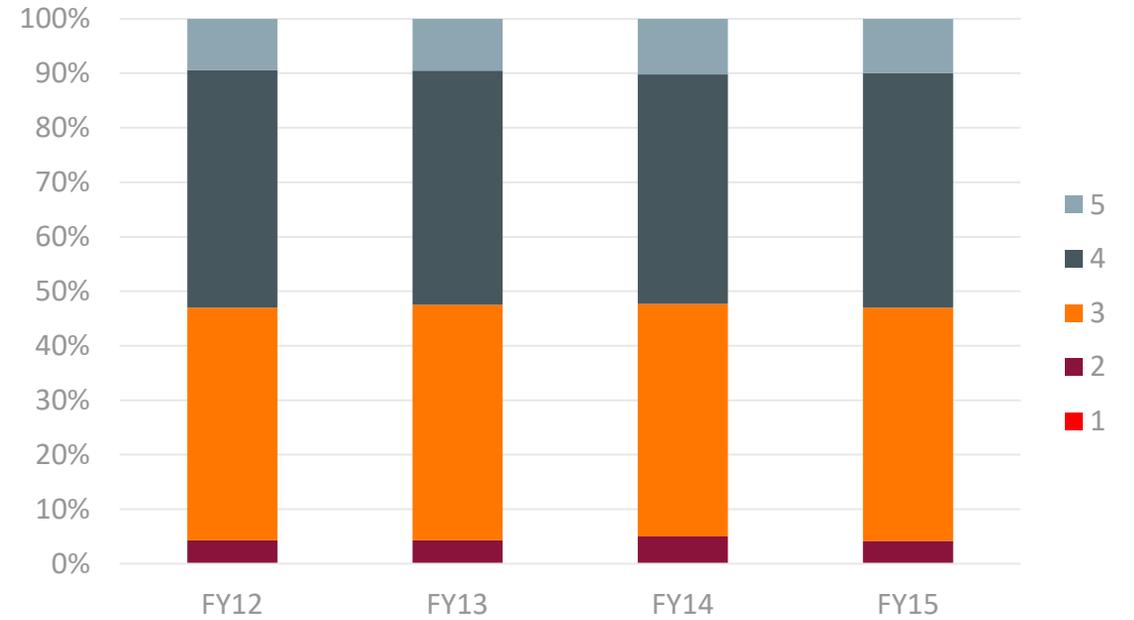
Catz has the **majority** (55%) with **final rating 3**. Hurd has roughly equal numbers of 3s and 4s. Ellison has more 4s (48%) than 3s (38%) and the highest proportion of 5s.

LOB Comparison - Final Ratings Distribution



Changes in rating distribution are barely detectable meaning that the rating distribution is **remarkably stable** for the past four years.

Distribution of Final Ratings



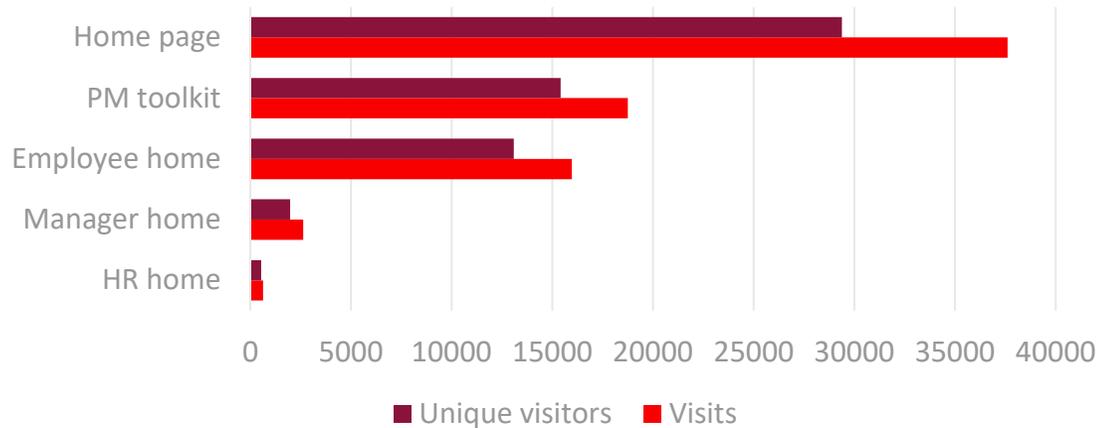


# We invested in on-demand learning solutions in FY15

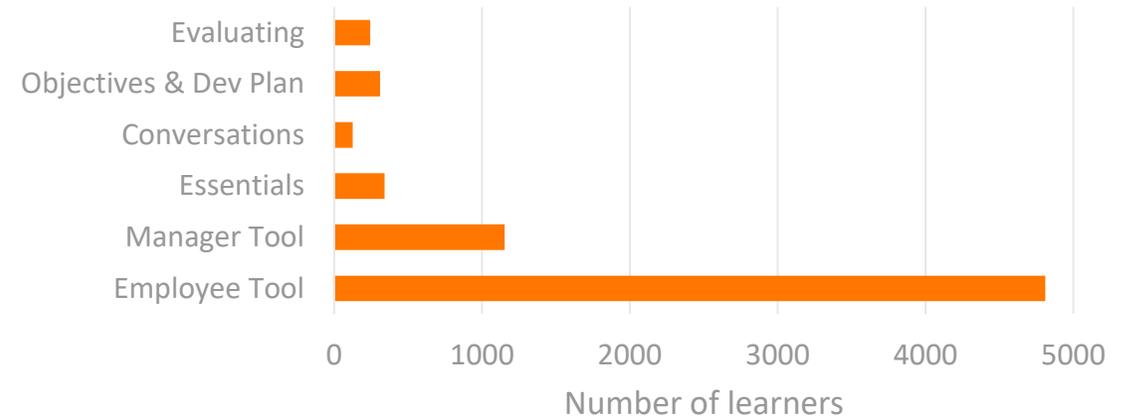
Performance Appraisal Training Center (PATC) is our **most popular learning asset** with 37,605 visits from March to August. Even though HR had apparently low usage, 542 unique visitors represents **57% of the HR workforce** (excl. Nolitt and Shott orgs).

On-demand e-learning is accessed from the PATC and directly from the widely circulated training schedule. **Employee tool training is most popular** (4810 learners) followed by manager tool training (1153).

Perf Appraisal Training Center Consumption  
Mar-Aug 2015



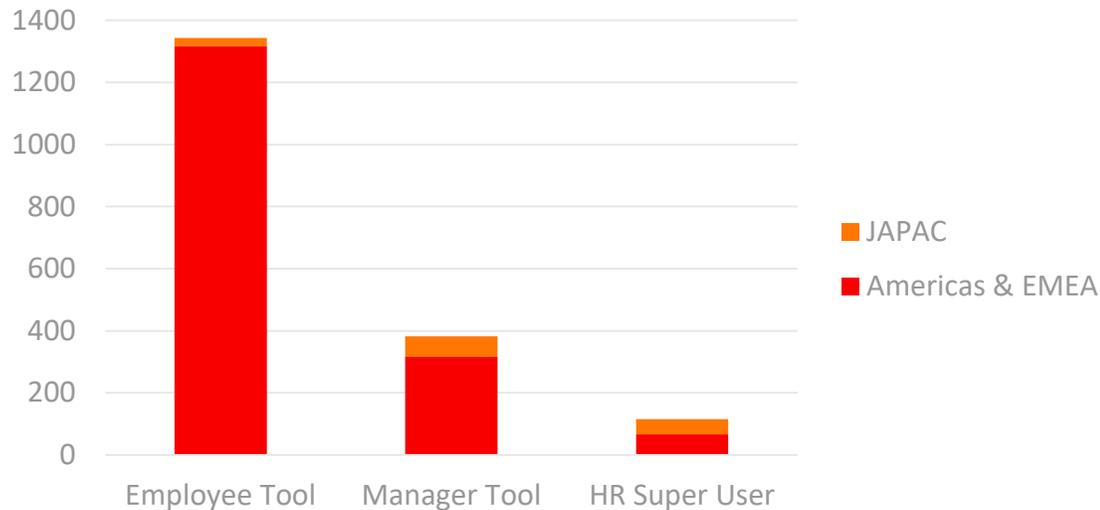
On-demand E-learning Consumption  
Jan-Sep 2015



# We invested in live virtual learning solutions in FY15

Live webcasts have lower attendance than e-learning, but remain a significant learning channel. New & acquired employees want to learn about the appraisal system; these sessions are heavily marketed by HR. Super user sessions reached 12% of HR community (excl. Nolitt and Shott orgs), indicating strong demand.

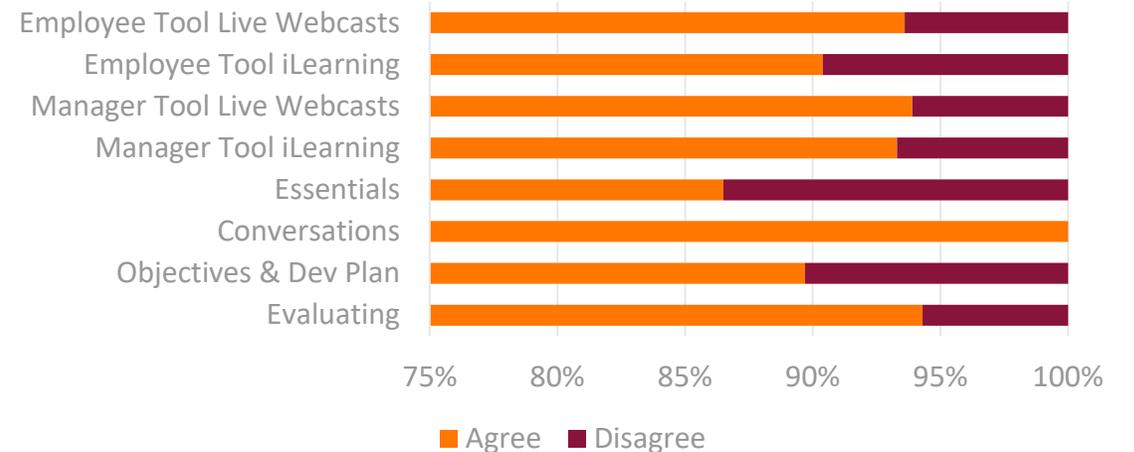
### Live Webcast Attendance Apr-Aug 2015



All course evaluations exceeded our internal minimum, 86%. Our popular courses exceeded our internal preferred satisfaction threshold, 90%. Strikingly, **live webcasts score higher satisfaction** than on-demand e-learning, especially prominent for Employee Tool training (93.6% vs 90.4%).

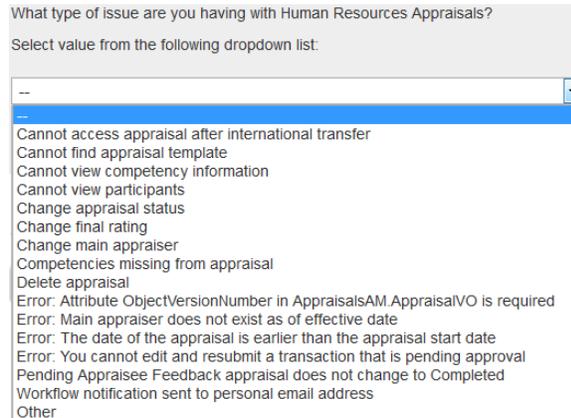
### Appraisal Course Evaluations Mar-Aug 2015

"Overall I am satisfied with this learning experience"

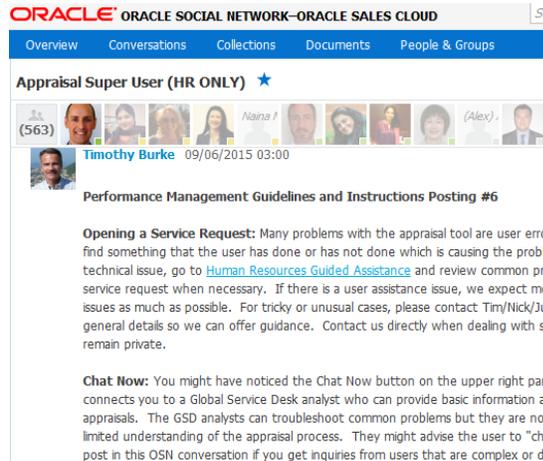


# We invested in self help resources in FY15

Created **guided assistance for appraisals in MyHelp** (the first HR module to do this).

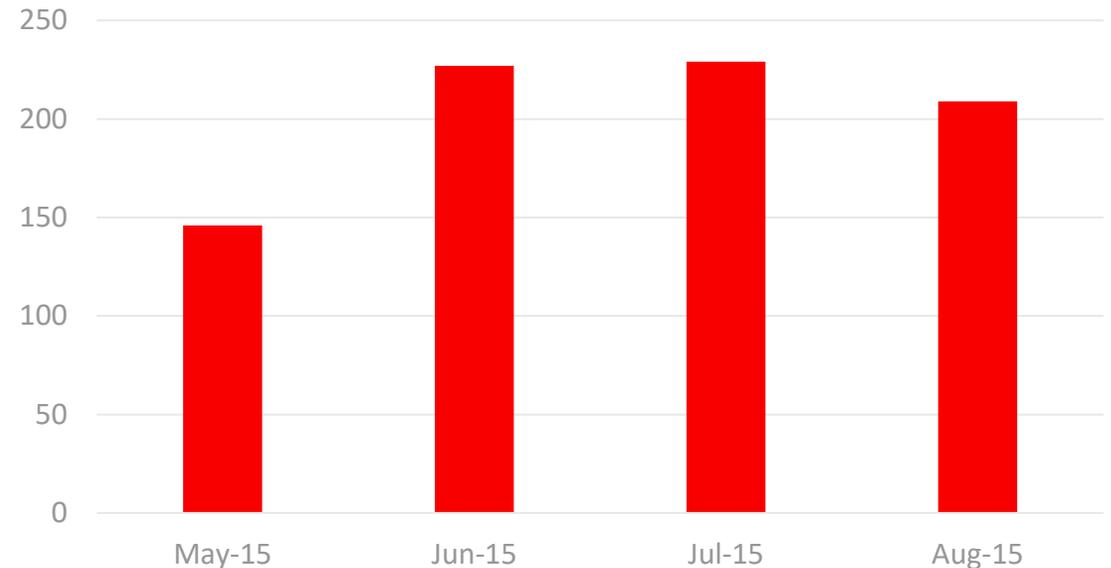


Created members-only **Oracle Social Network conversation for HR and OTD staff worldwide** who support appraisals, to facilitate global and consistent approach to performance appraisals.



Created **15 iKnow documents** for common appraisal issues, to support self help and speedier resolution of user problems. iKnow usage is **very small** compared to PATC visits and learning consumption.

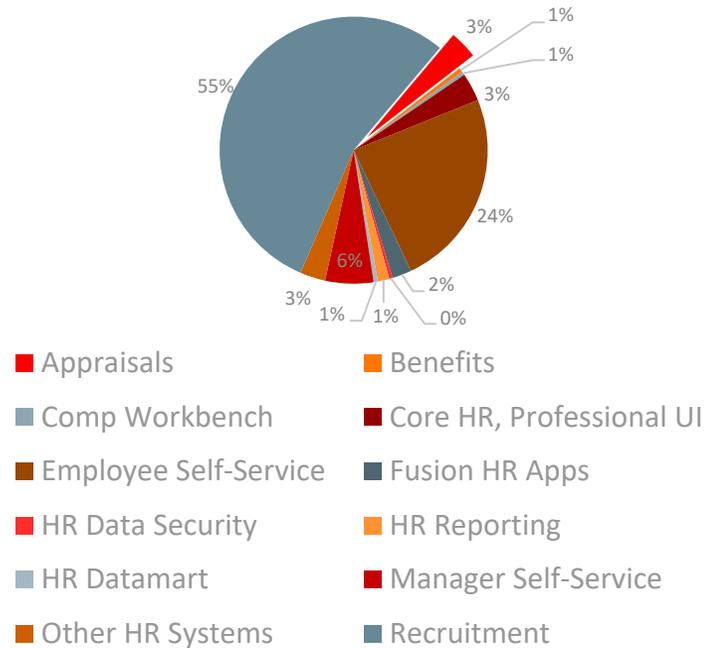
iKnow Appraisal Documents Viewed



# We have an effective production support ecosystem

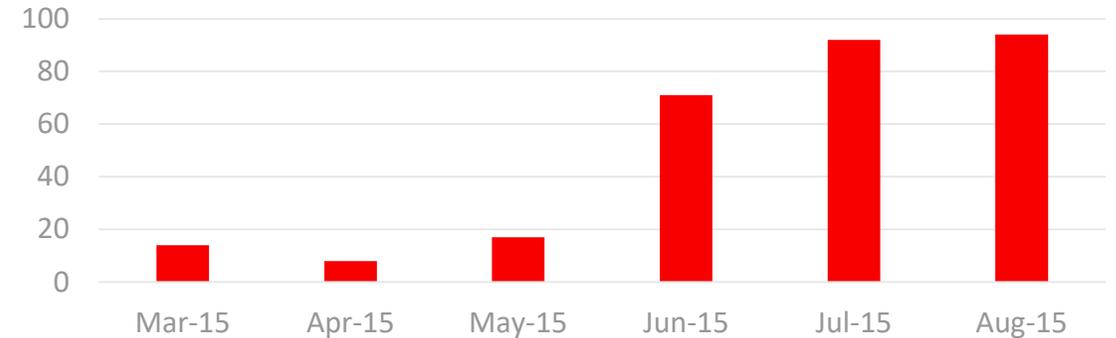
Support to appraisals is **only 3%** of all HR support.

HR Service Requests, Mar-Aug 2015  
(n=8725)



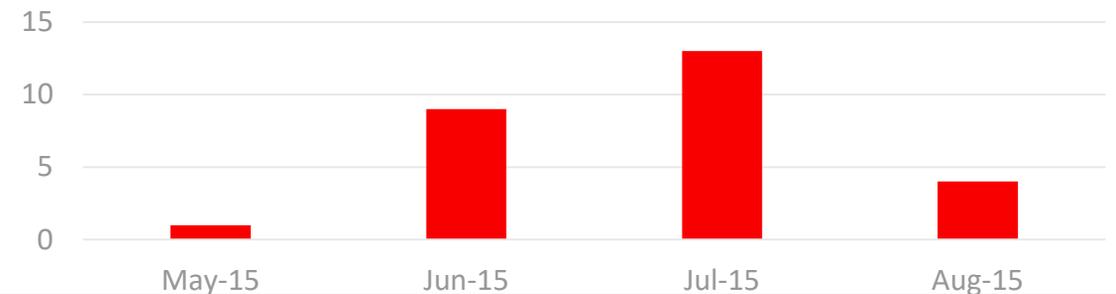
Service request activity is **low in Q4** and **peaks during Q1**.

Appraisal Service Requests Created

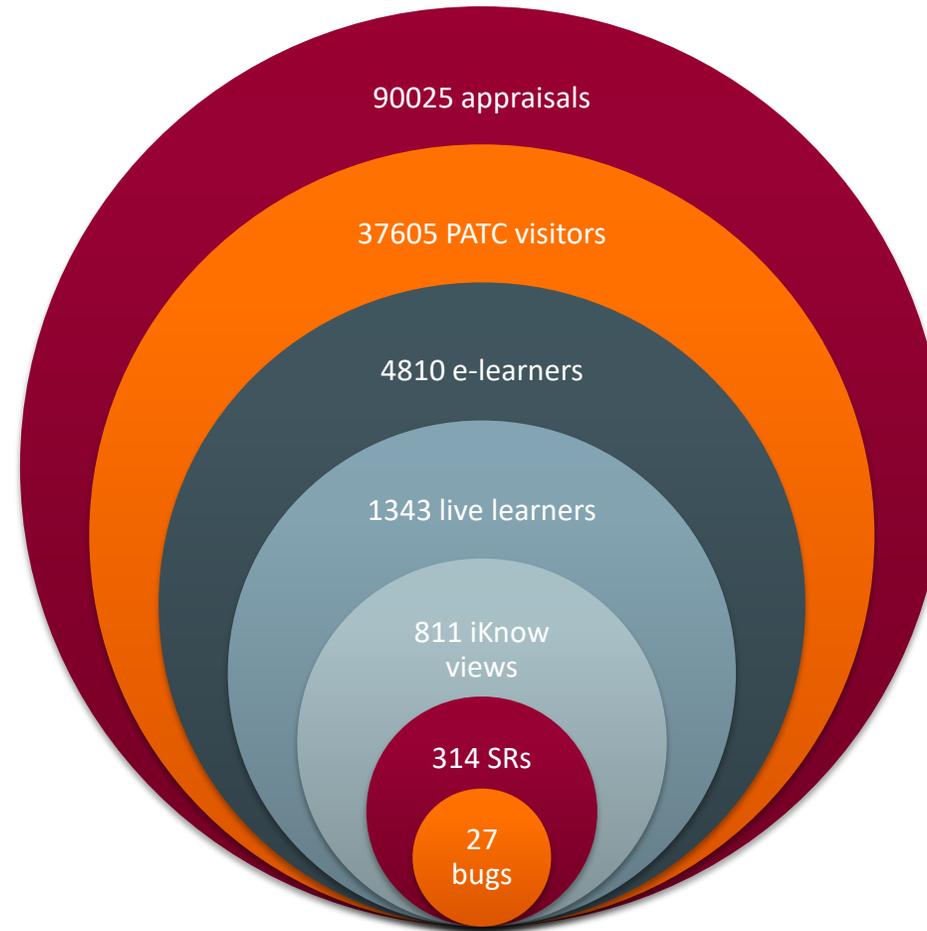


Bug activity matches SR activity at a **ratio of roughly 1:10**.

Appraisal Bugs Created



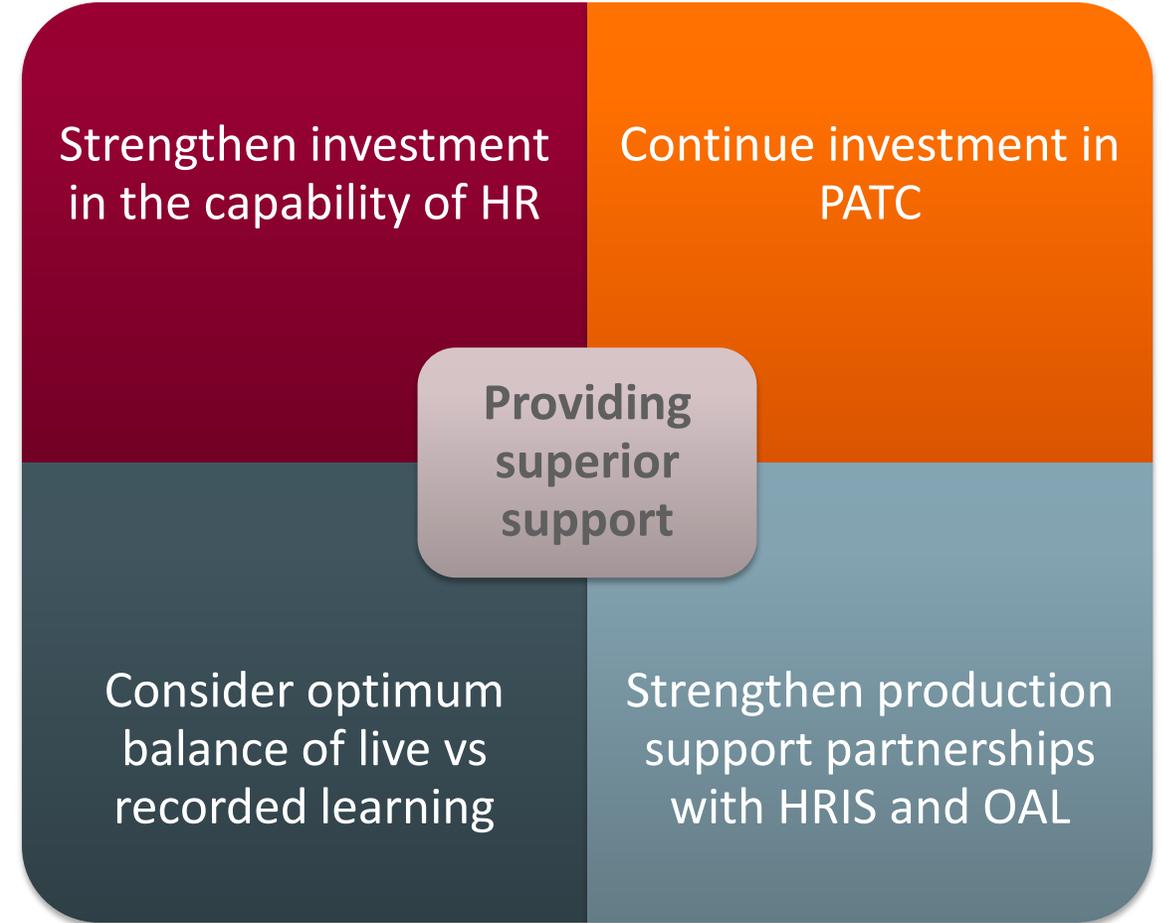
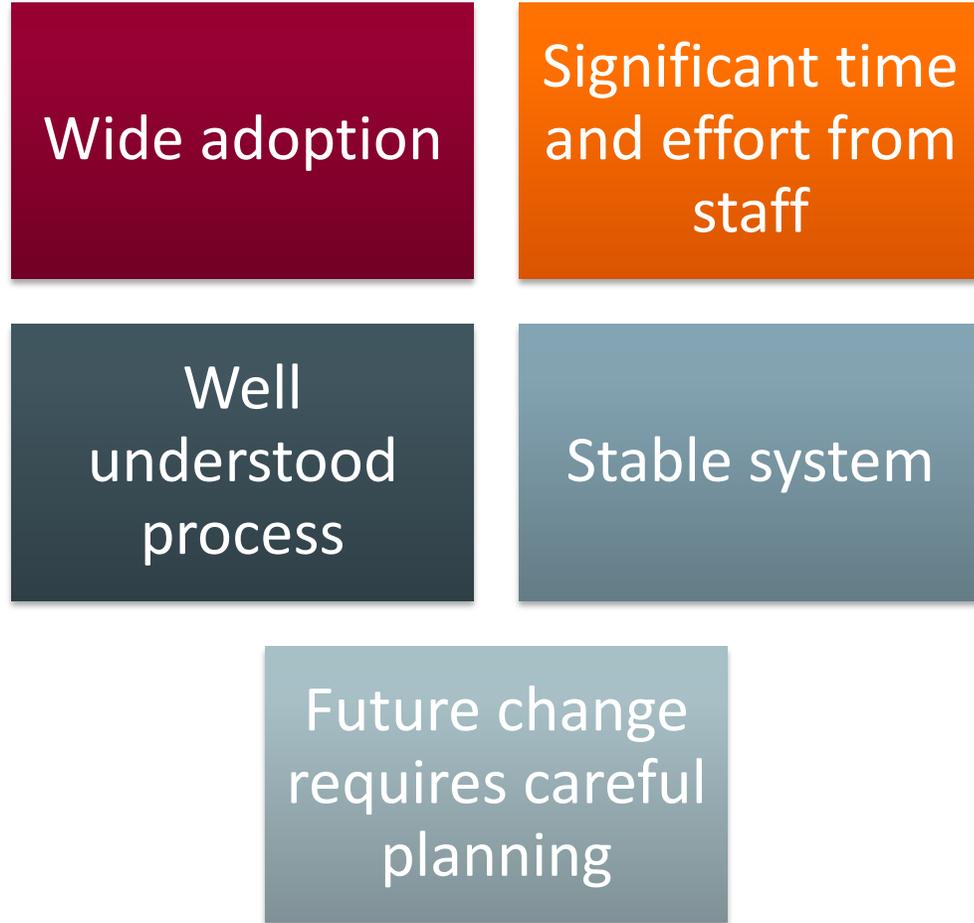
# Here's the 2015 season by the numbers



# Change is coming



# Where to from here?



# We have identified opportunities for strategic change

Early market trend to abandoning ratings

- Is this right for Oracle?

Manager capability in performance conversations

- How do we improve this at Oracle?

Shift from compliance mindset to engagement mindset

- Support employee career development

# Comments and Feedback



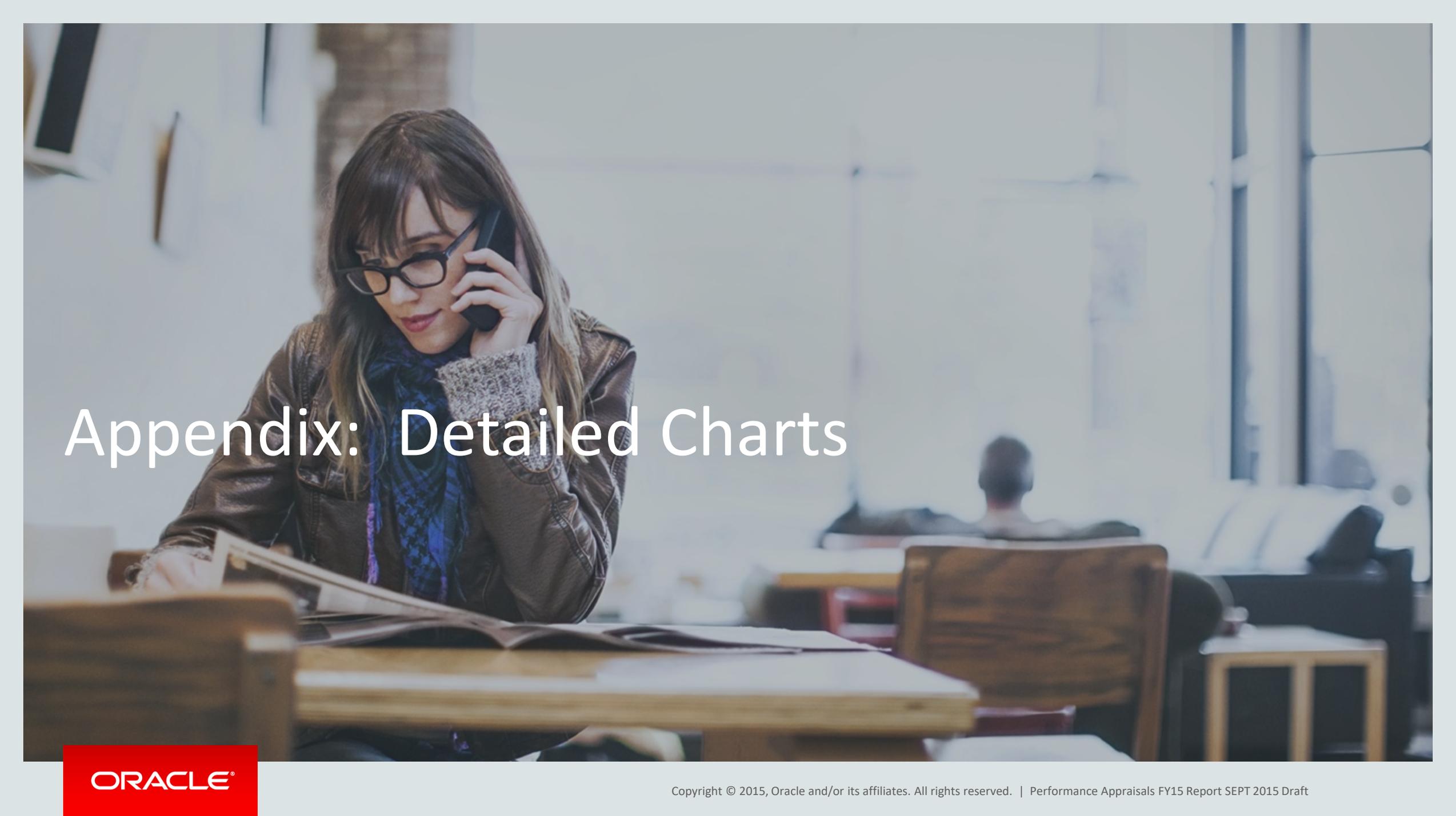
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A woman with long brown hair and glasses, wearing a brown leather jacket and a blue patterned scarf, is sitting at a wooden table in a cafe. She is holding a black smartphone to her ear with her left hand and looking down at a document on the table with her right hand. The background is a blurred cafe interior with other people and tables.

# Appendix: Detailed Charts

# Executive Summary

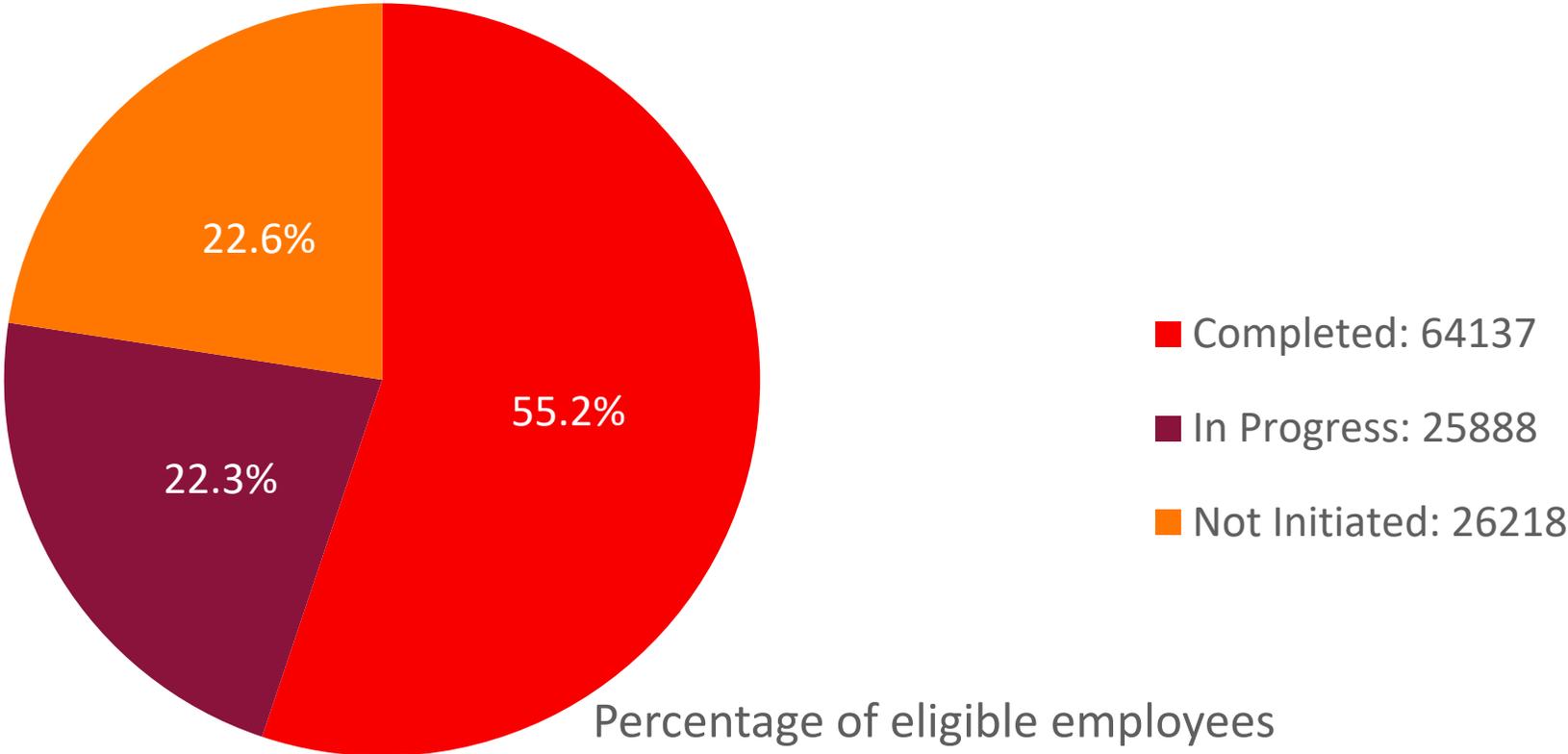
- Major portion of Oracle workforce is engaged in performance appraisal process in FY15
  - 78% of eligible employees completed or initiated appraisals, down from 83% in FY14
  - 90025 appraisals are completed (64137) or in-progress (25888), which is 0.1% decrease over FY14
- Trend continues toward higher final ratings
- Higher appraisal completion rates can be assisted by
  - Partnering with business to support performance management
  - Project management, communication, and training by HR/OTD

# Data Components

- Discoverer Appraisal Status Report for Oracle Global Hierarchy compiled on 08-Sept-2015
- Parameters used to determine eligible employees
  - All IC and M Level Employees
  - Active Employees (plus Inactive if appraisal in Completed status)
  - Appraisal Rank 1 (plus higher rank if appraisal given Final Rating)
  - Hire Date before 01-June-2015
  - Appraisals in Pending Appraisee Feedback Status added to Completed status (since they will convert within 30 days)

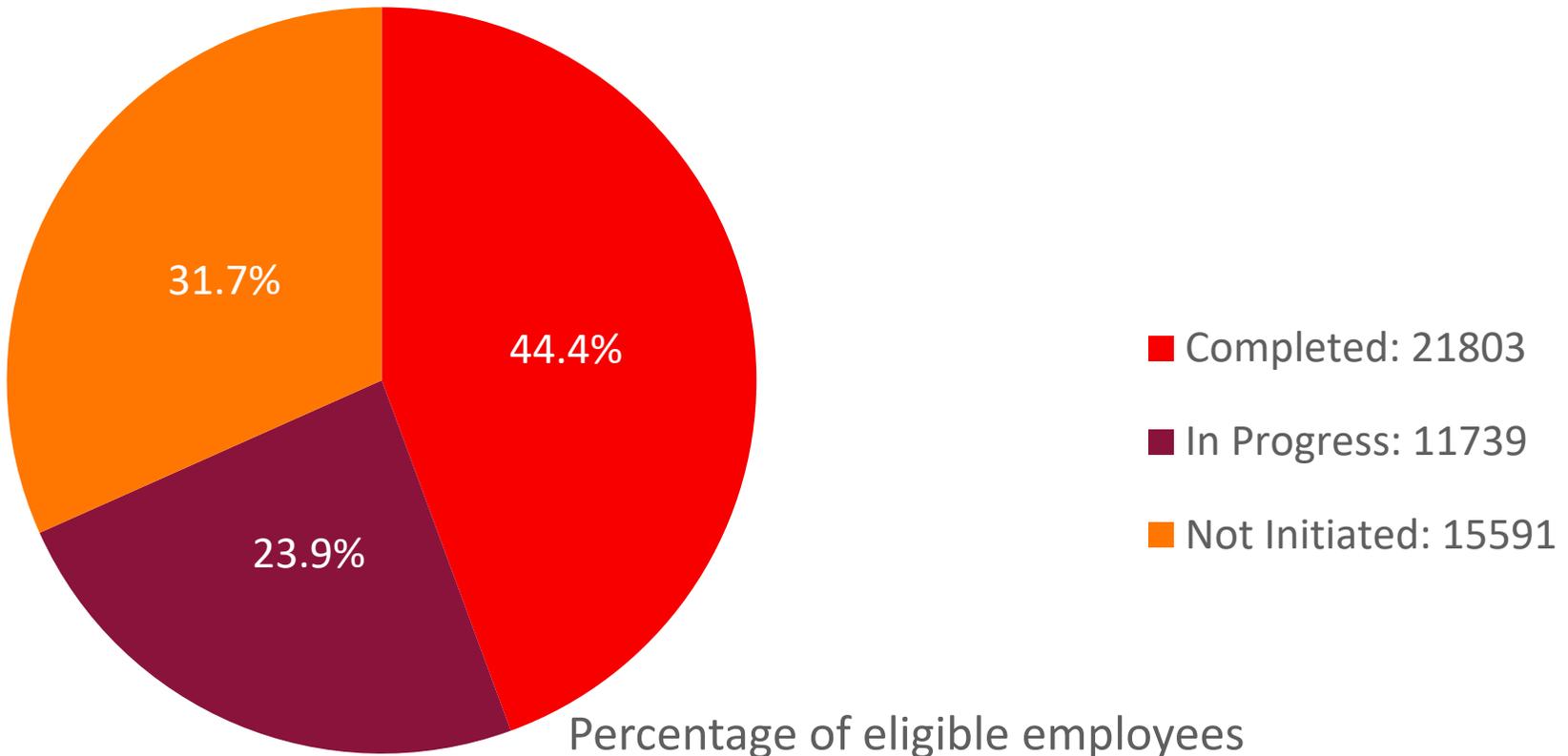
# Performance Appraisals FY15 – Global

## Appraisal Status



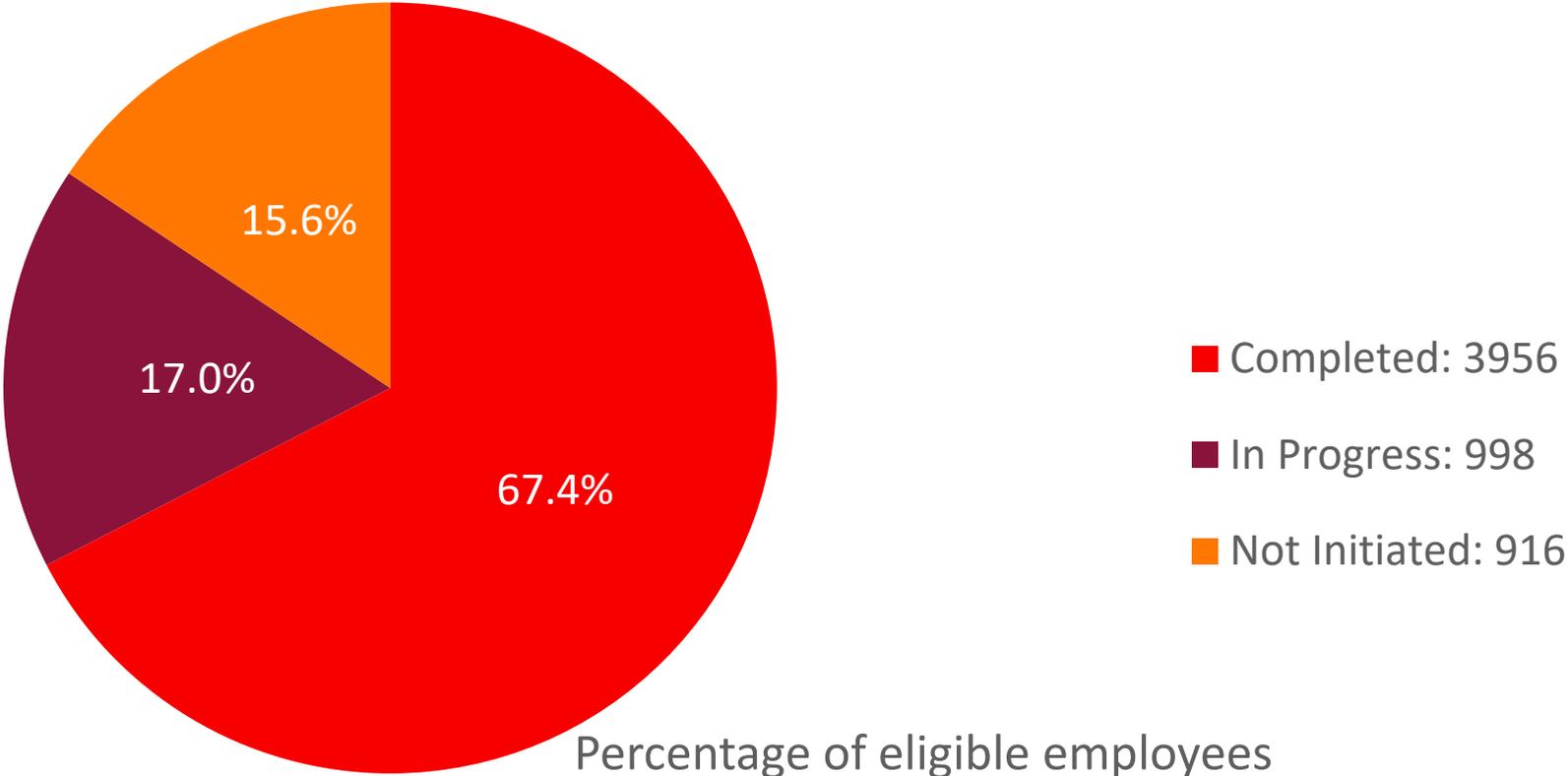
# Performance Appraisals FY15 – NA Region

## Appraisal Status



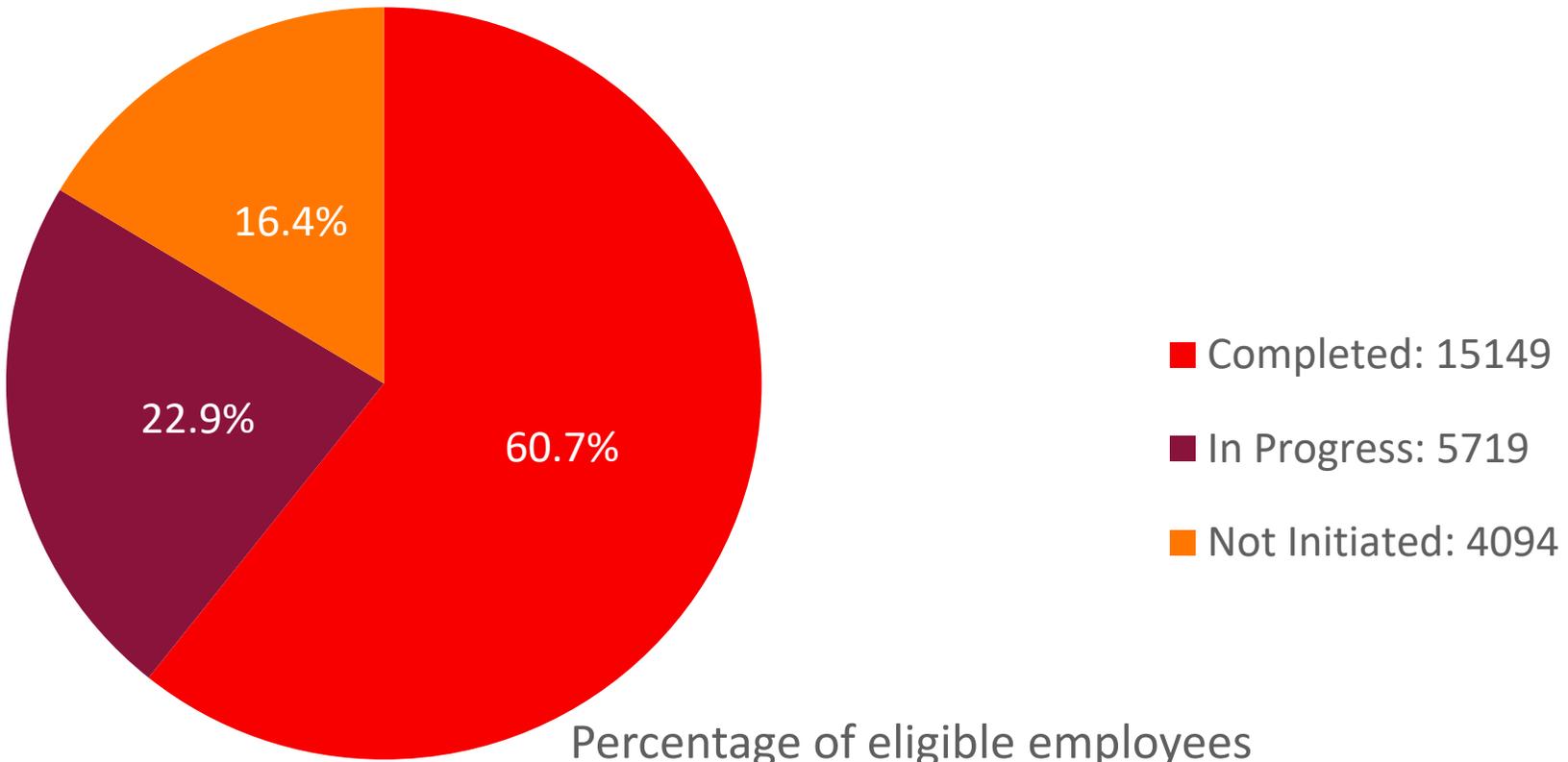
# Performance Appraisals FY15 – LAD Region

## Appraisal Status



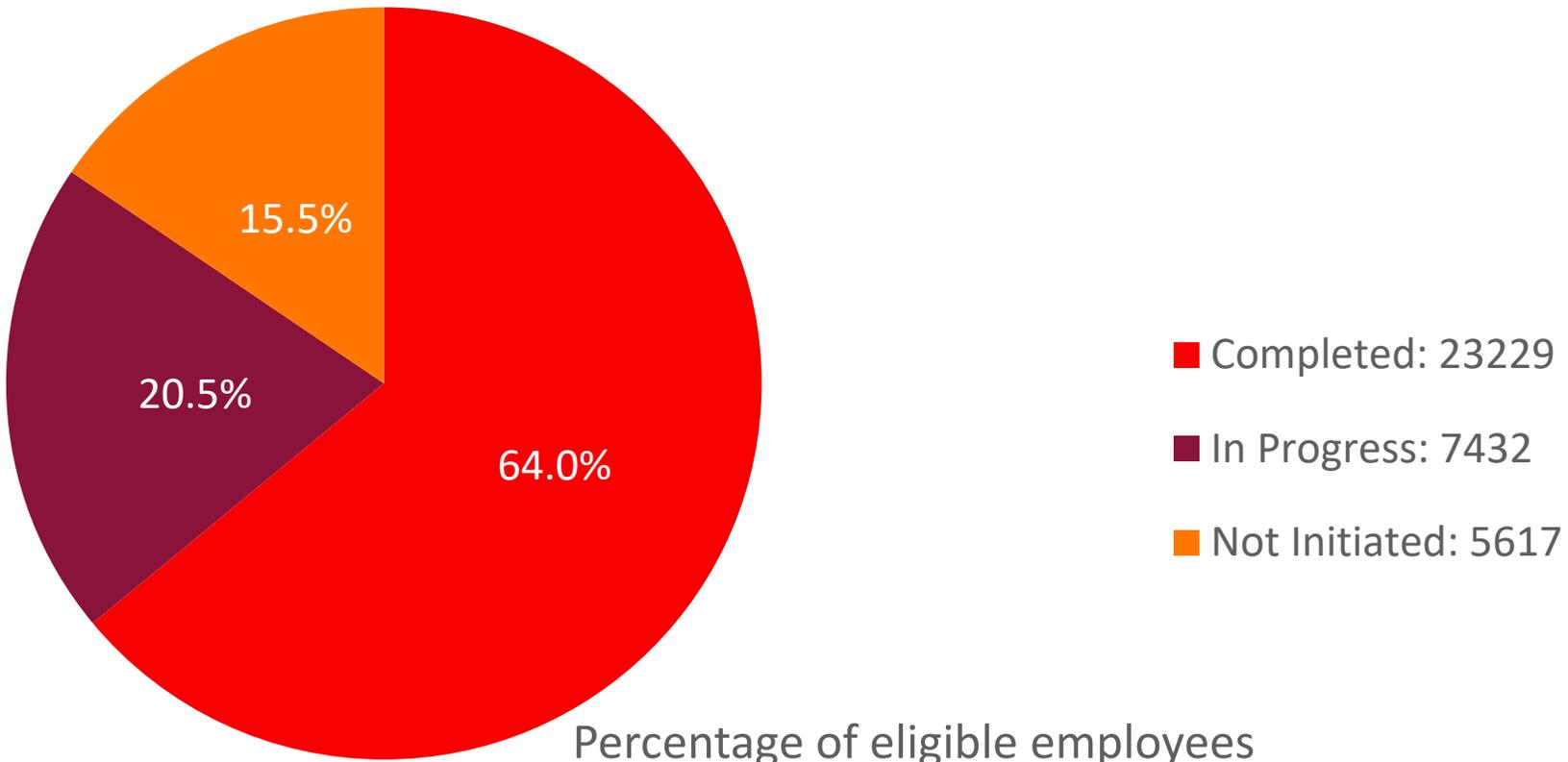
# Performance Appraisals FY15 – EMEA Region

## Appraisal Status



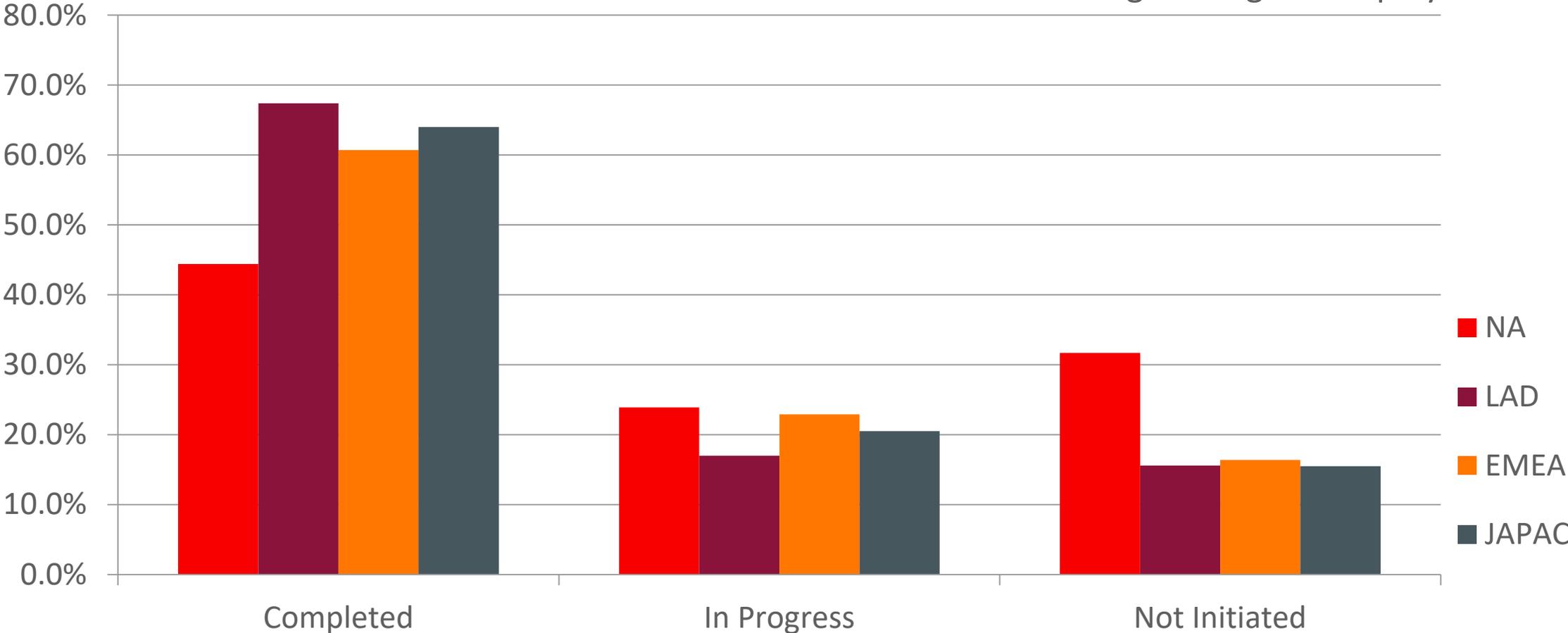
# Performance Appraisals FY15 – JAPAC Region

## Appraisal Status



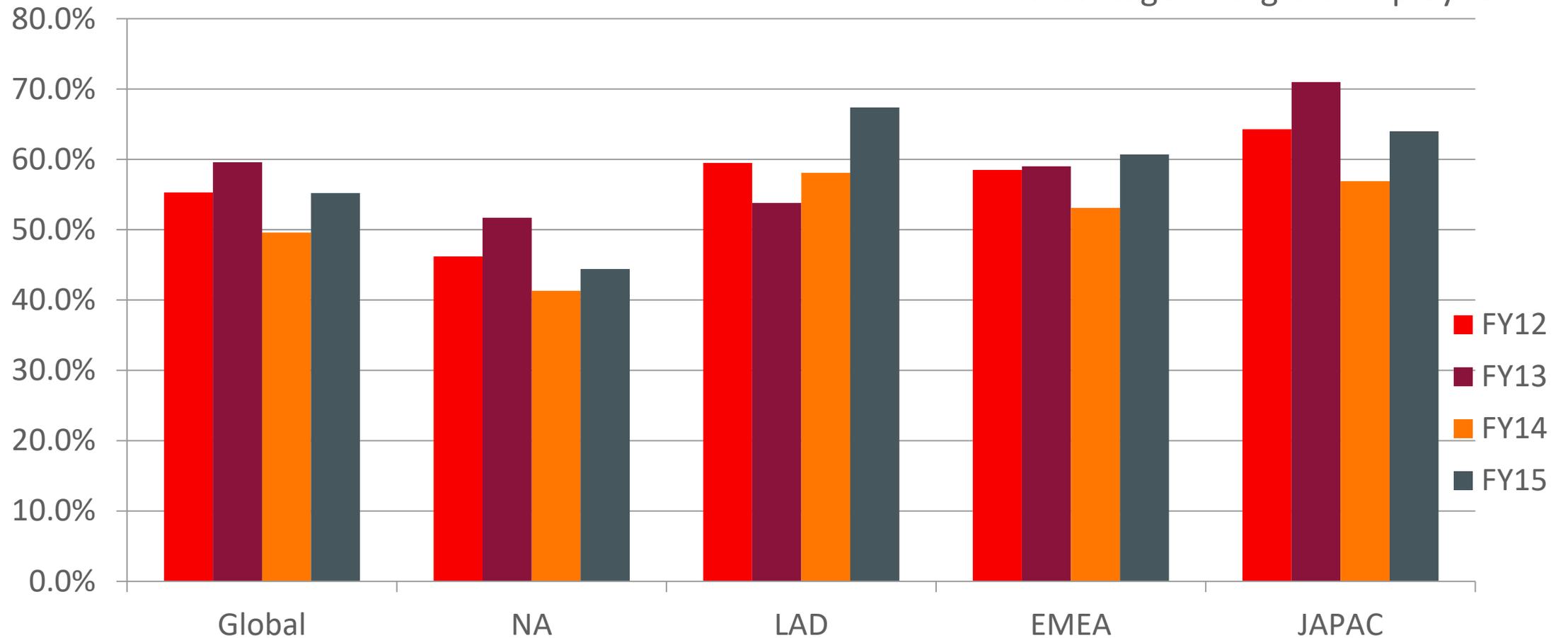
# Completion Status by Region FY15

Percentage of eligible employees



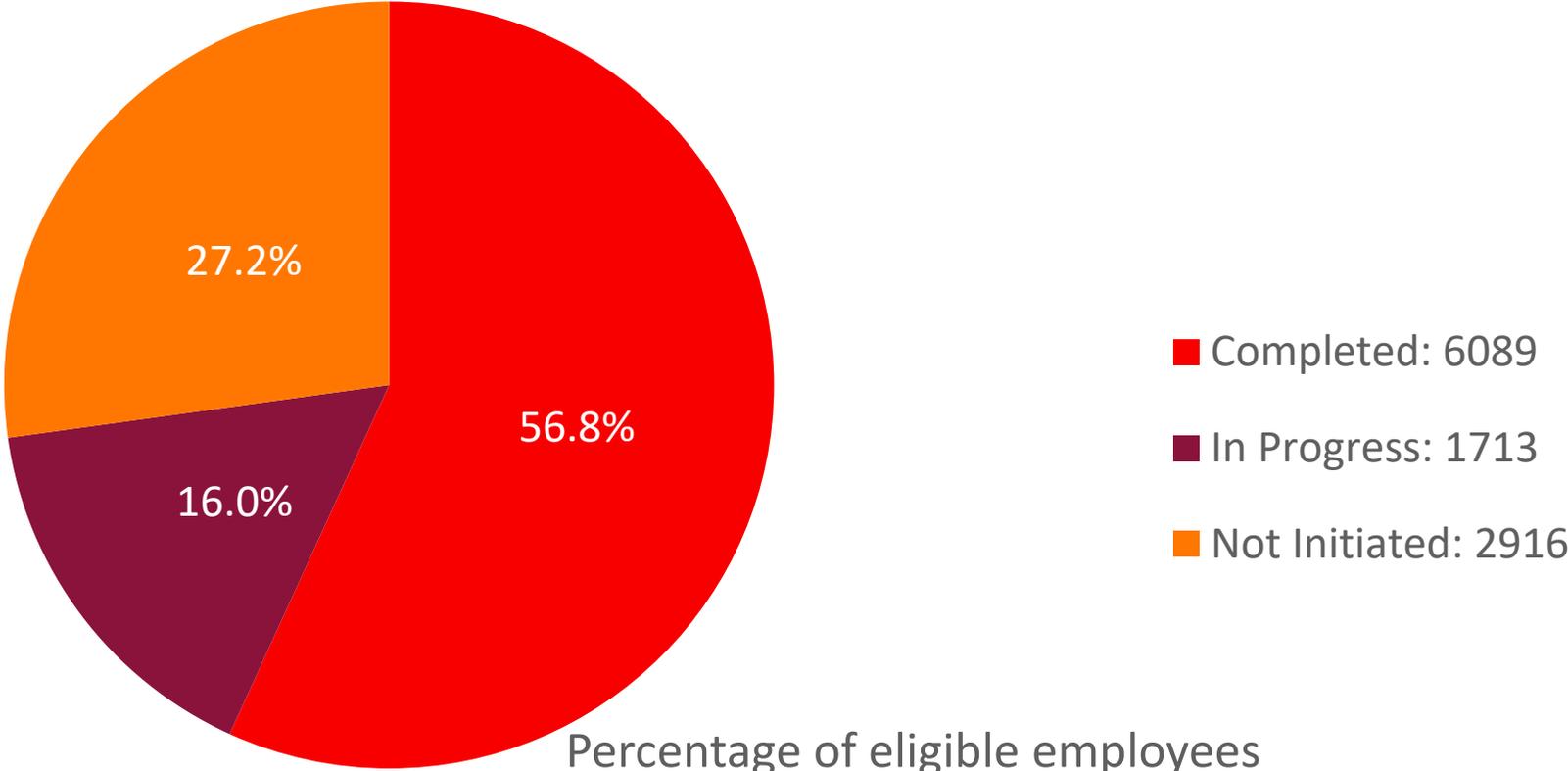
# Completed Appraisals by Region Trend

Percentage of eligible employees



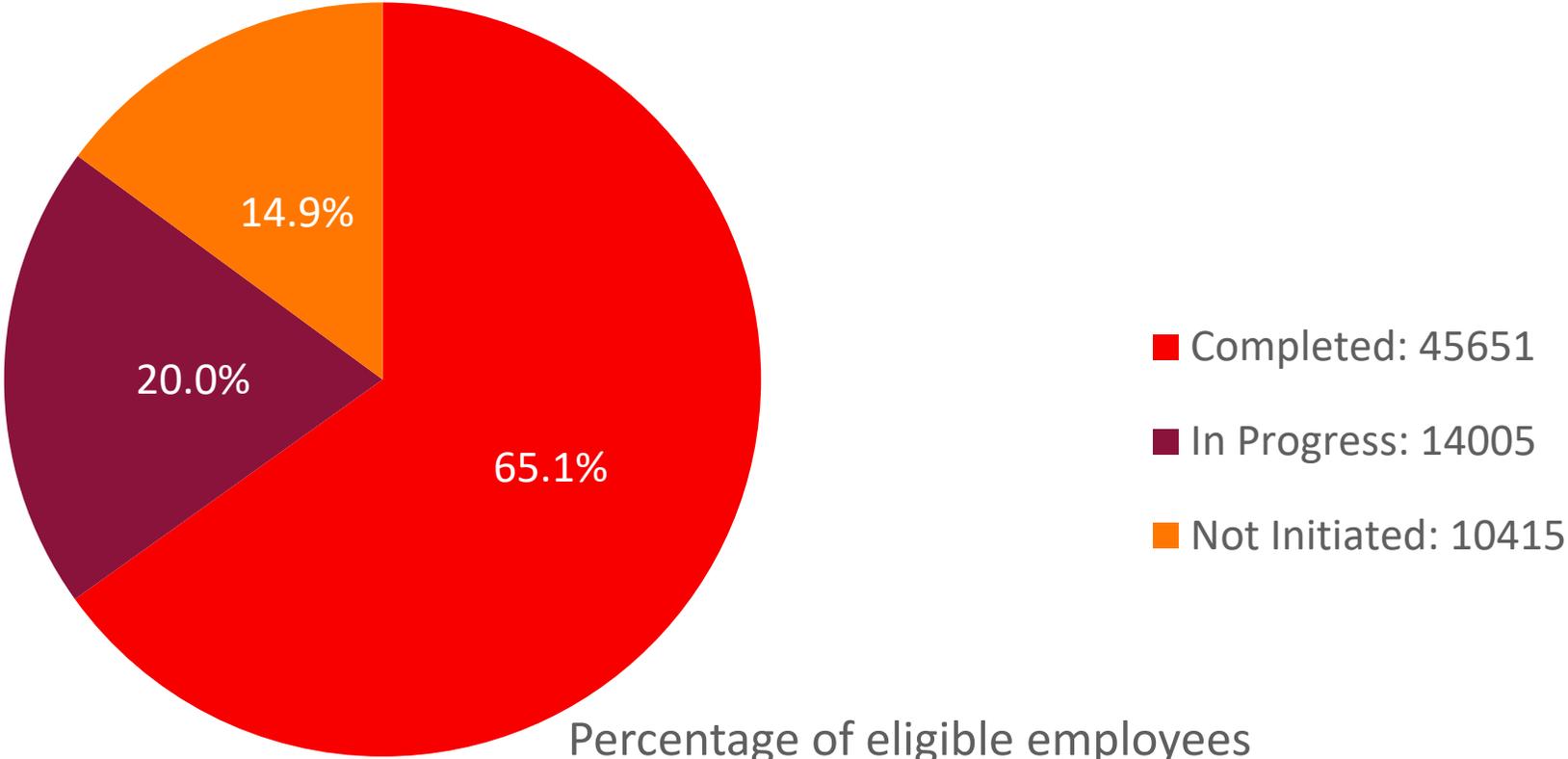
# Performance Appraisals FY15 – Catz

## Appraisal Status



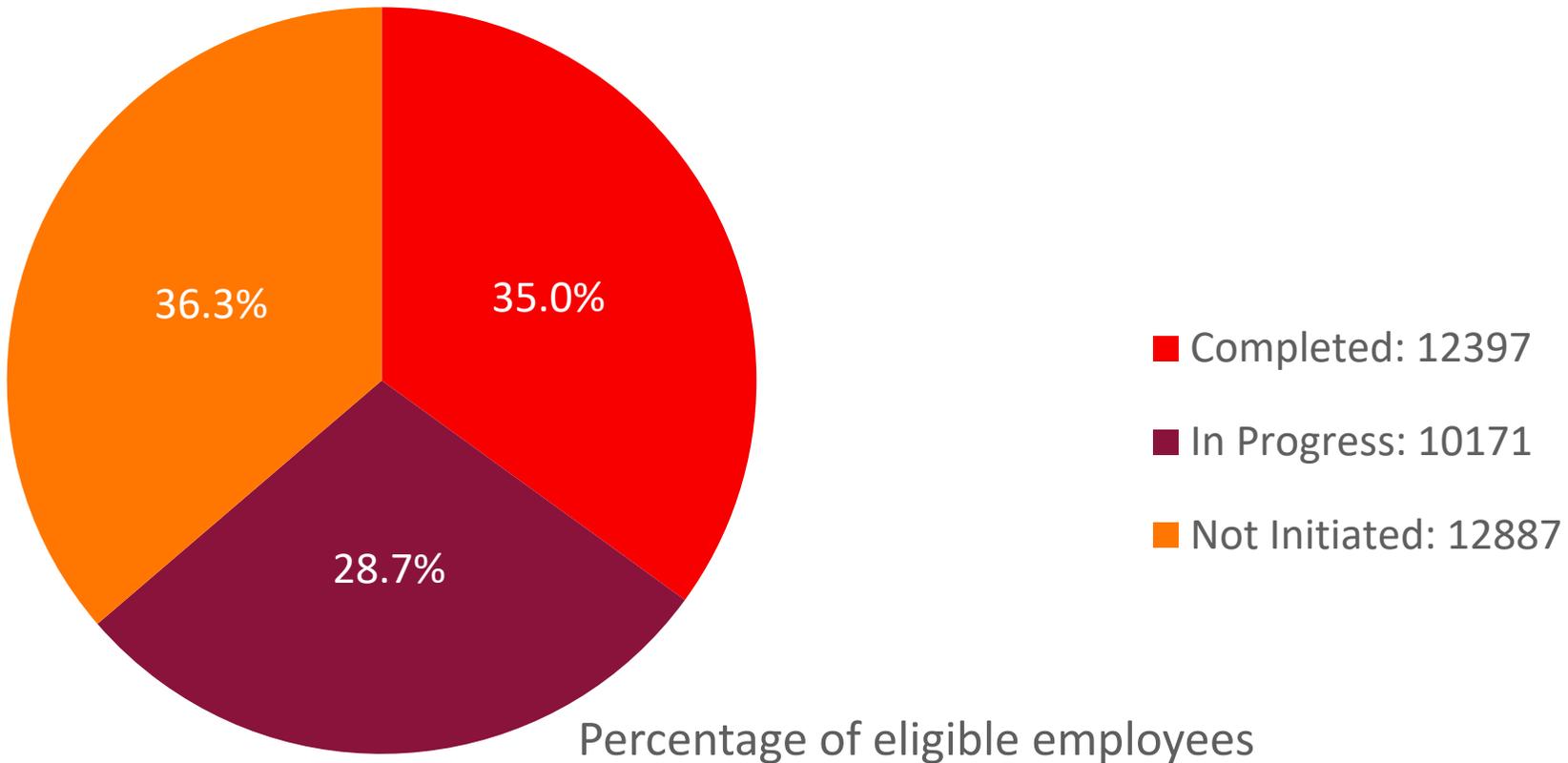
# Performance Appraisals FY15 – Hurd

## Appraisal Status



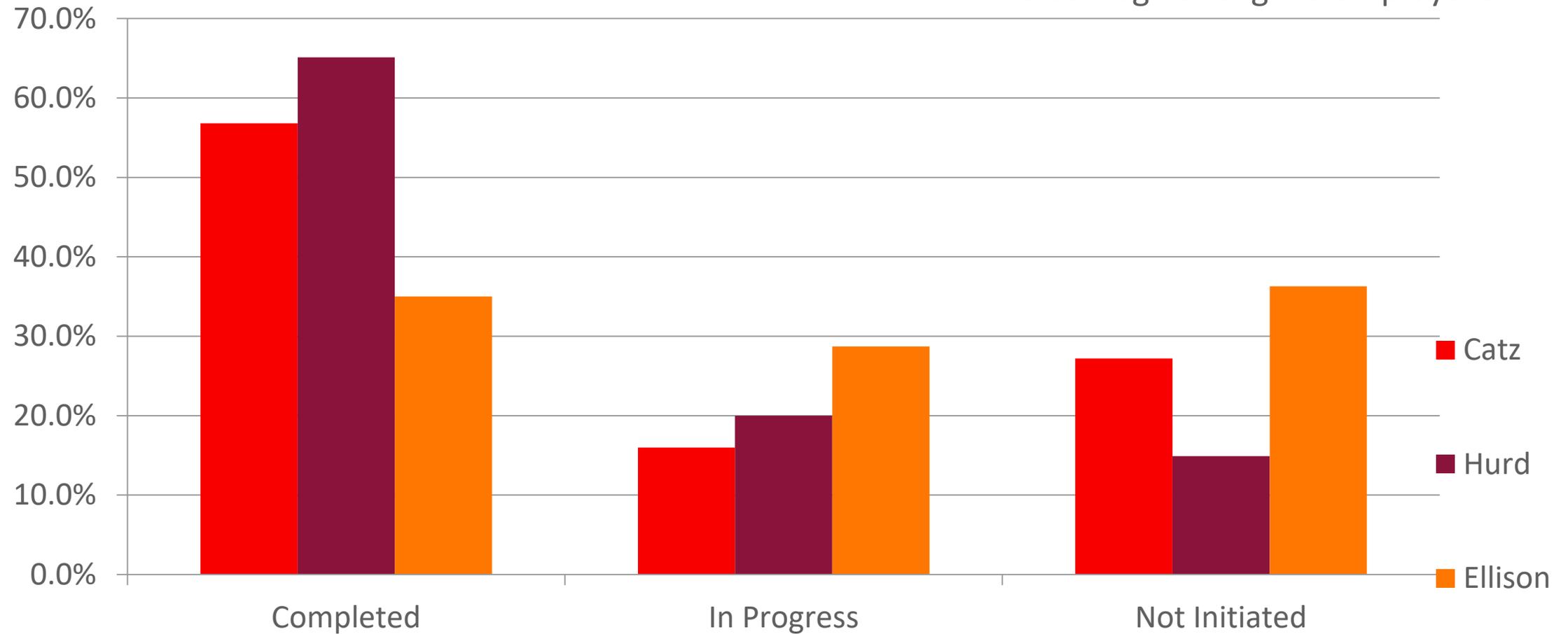
# Performance Appraisals FY15 – Ellison

## Appraisal Status



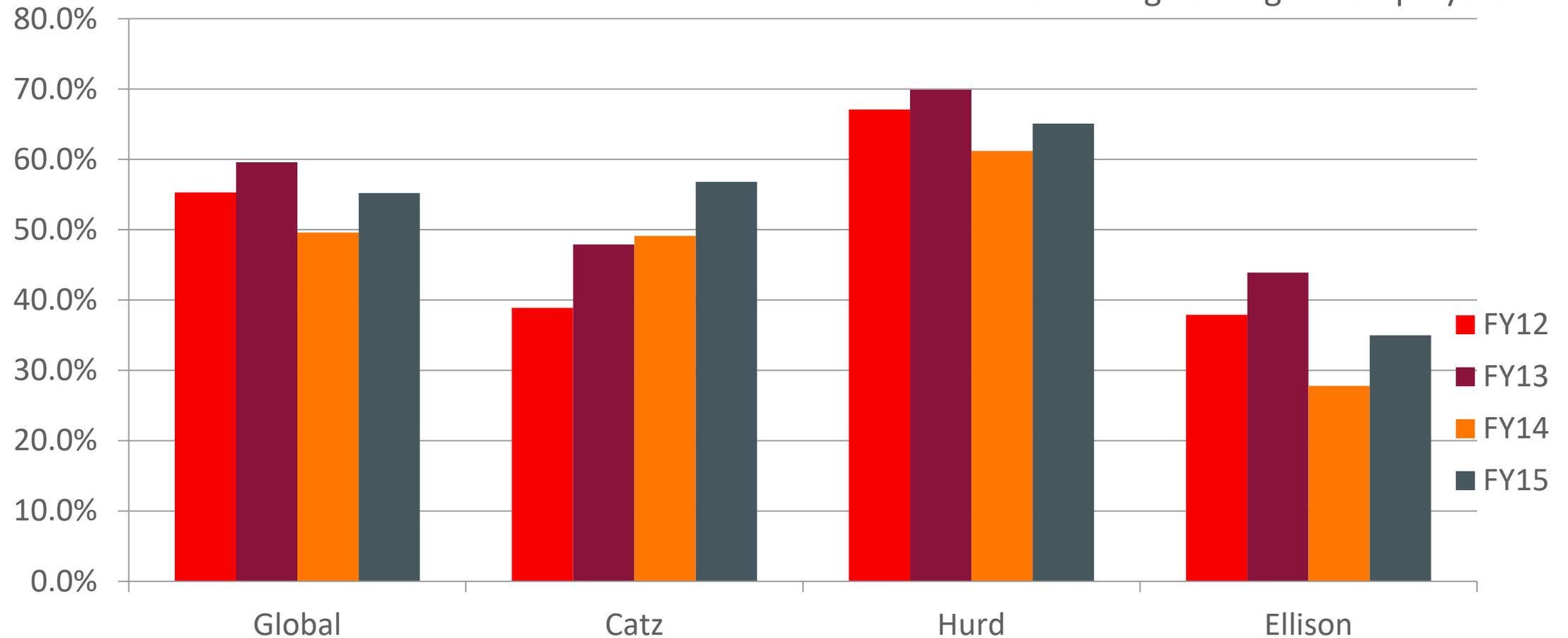
# Completion Status by Line of Business FY15

Percentage of eligible employees



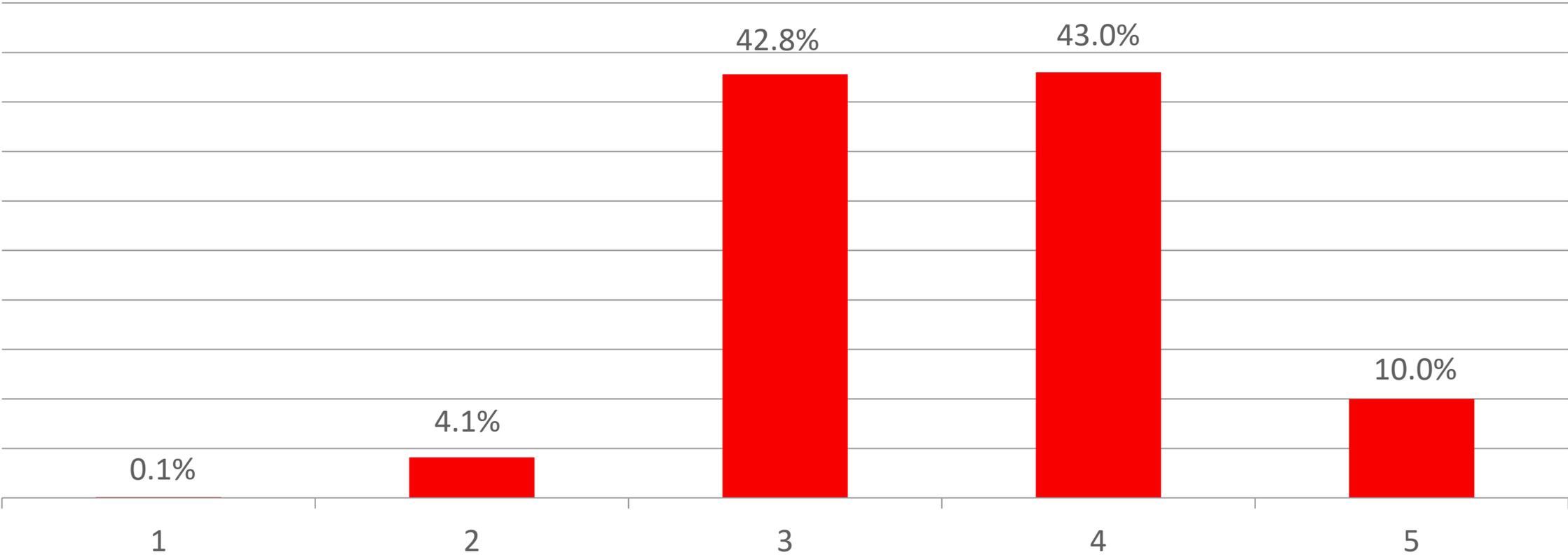
# Completed Appraisals by LOB Trend

Percentage of eligible employees



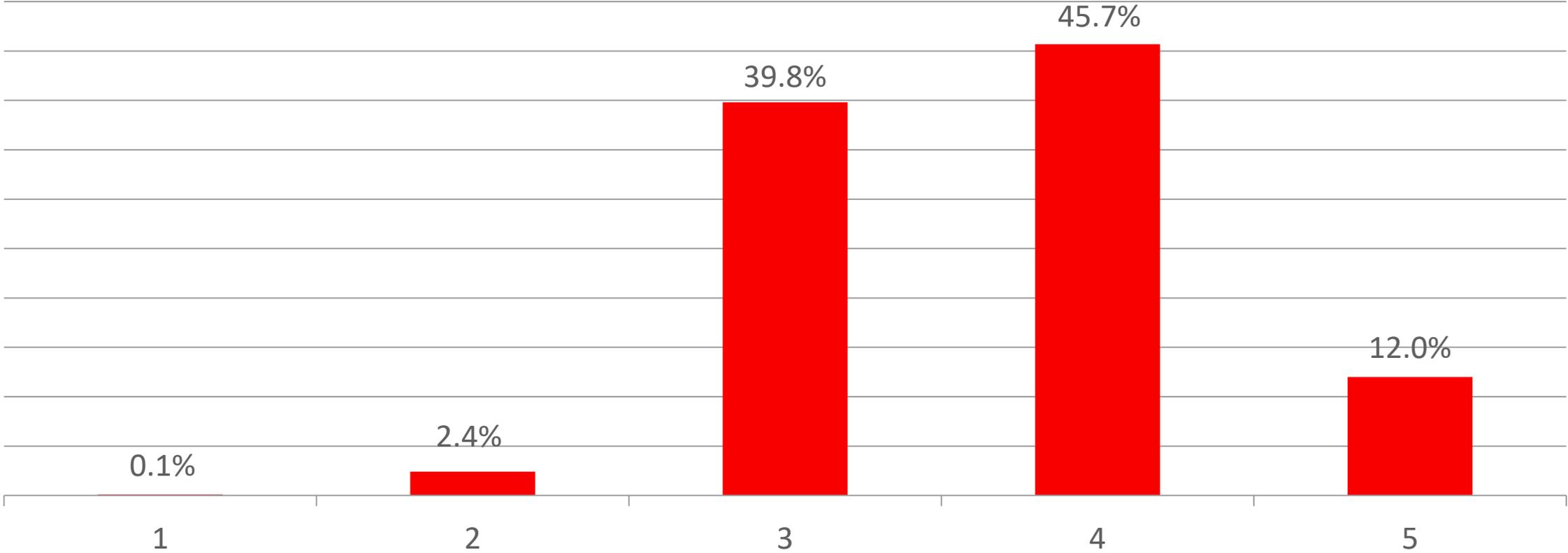
# Performance Appraisals FY15 – Global

## Final Ratings



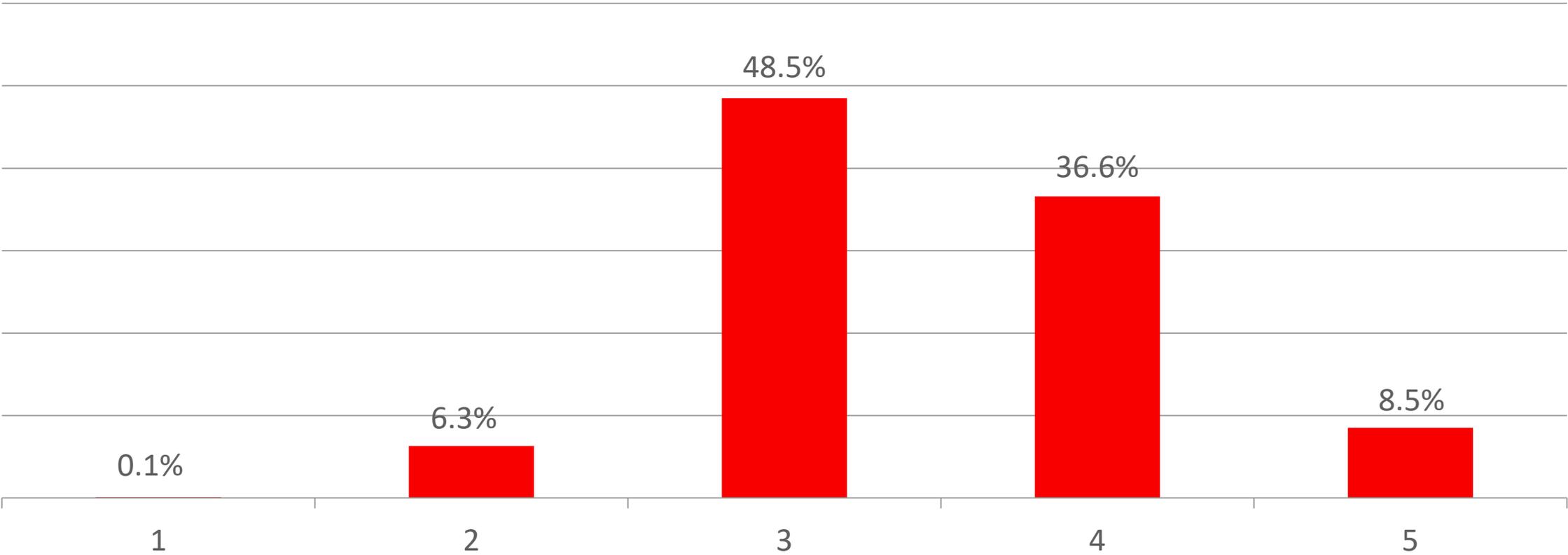
# Performance Appraisals FY15 – NA Region

## Final Ratings



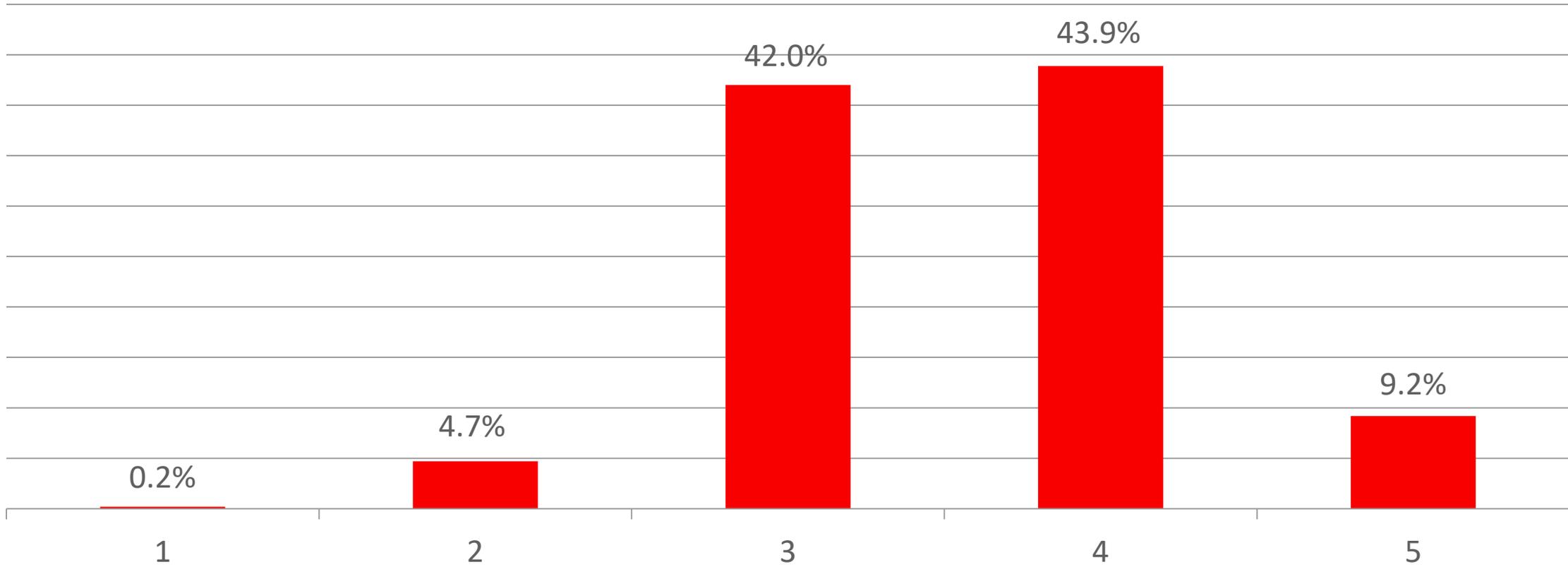
# Performance Appraisals FY15 – LAD Region

## Final Ratings



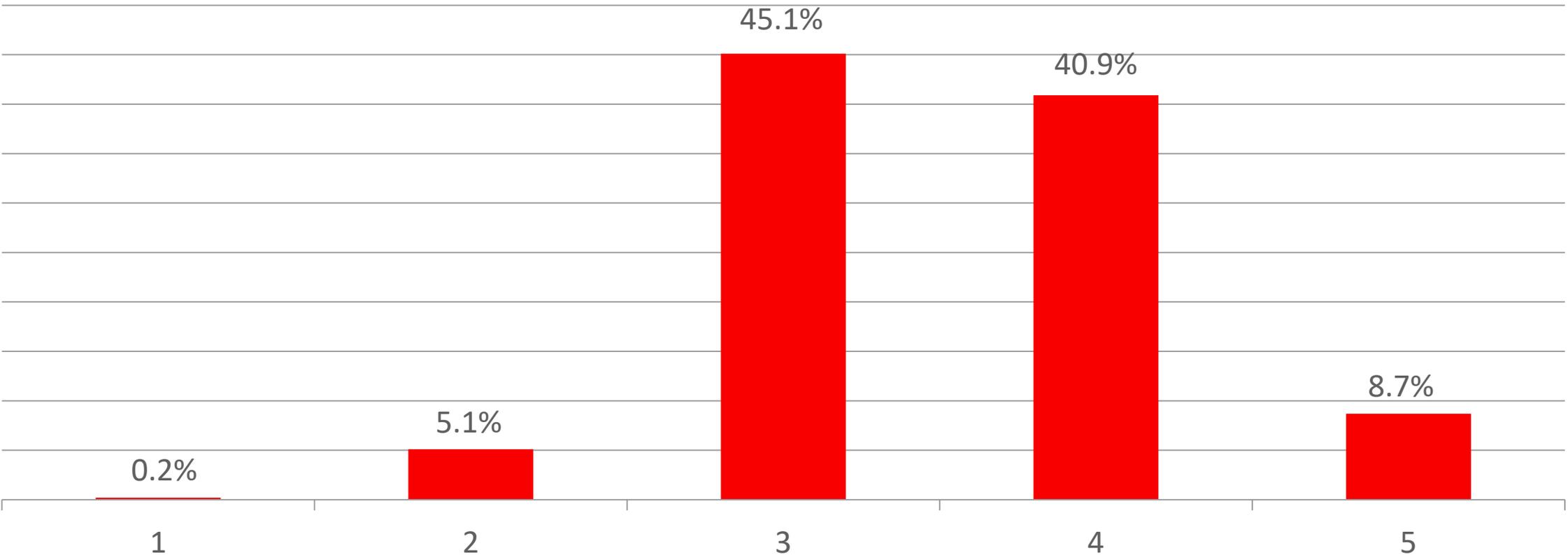
# Performance Appraisals FY15 – EMEA Region

## Final Ratings

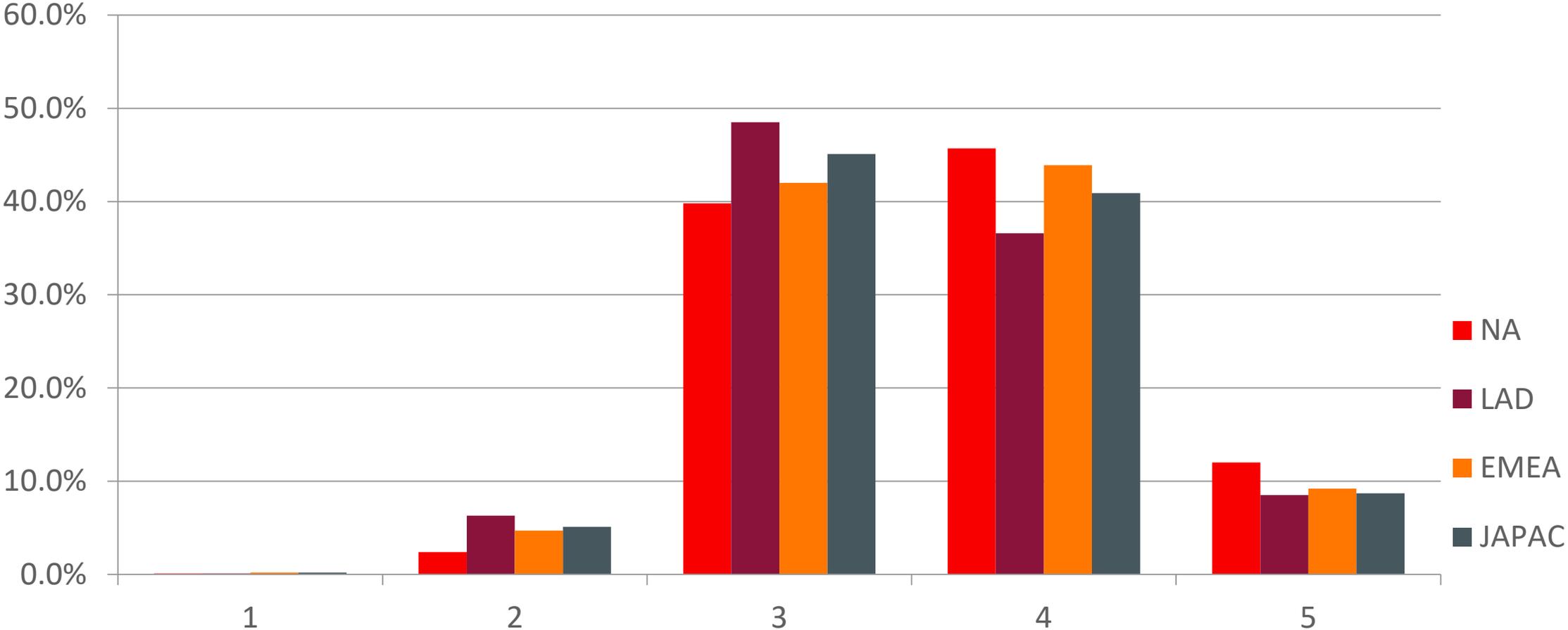


# Performance Appraisals FY15 – JAPAC Region

## Final Ratings

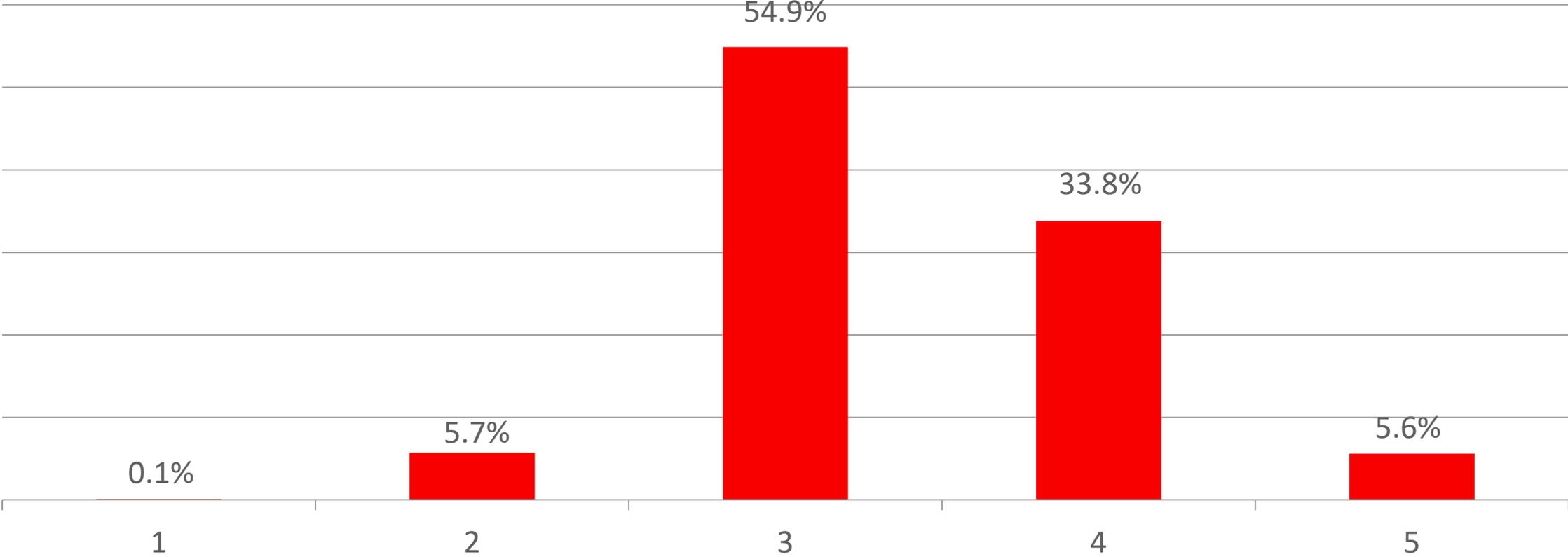


# Final Ratings by Region FY15



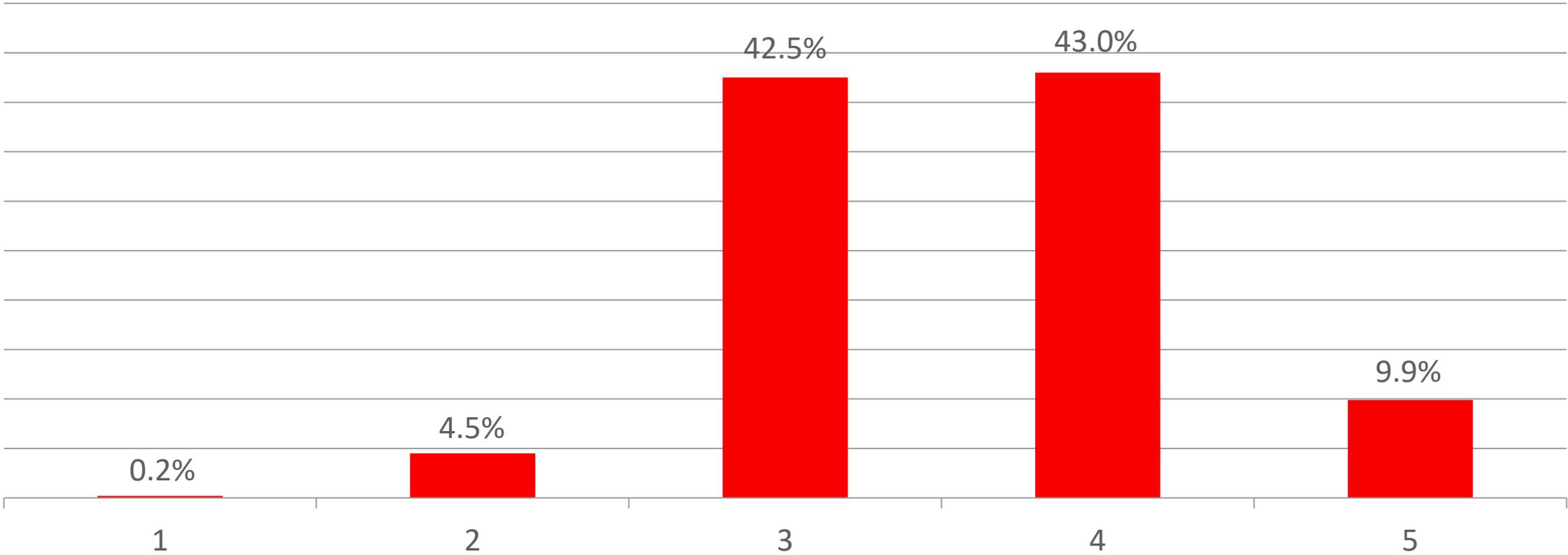
# Performance Appraisals FY15 – Catz

## Final Ratings



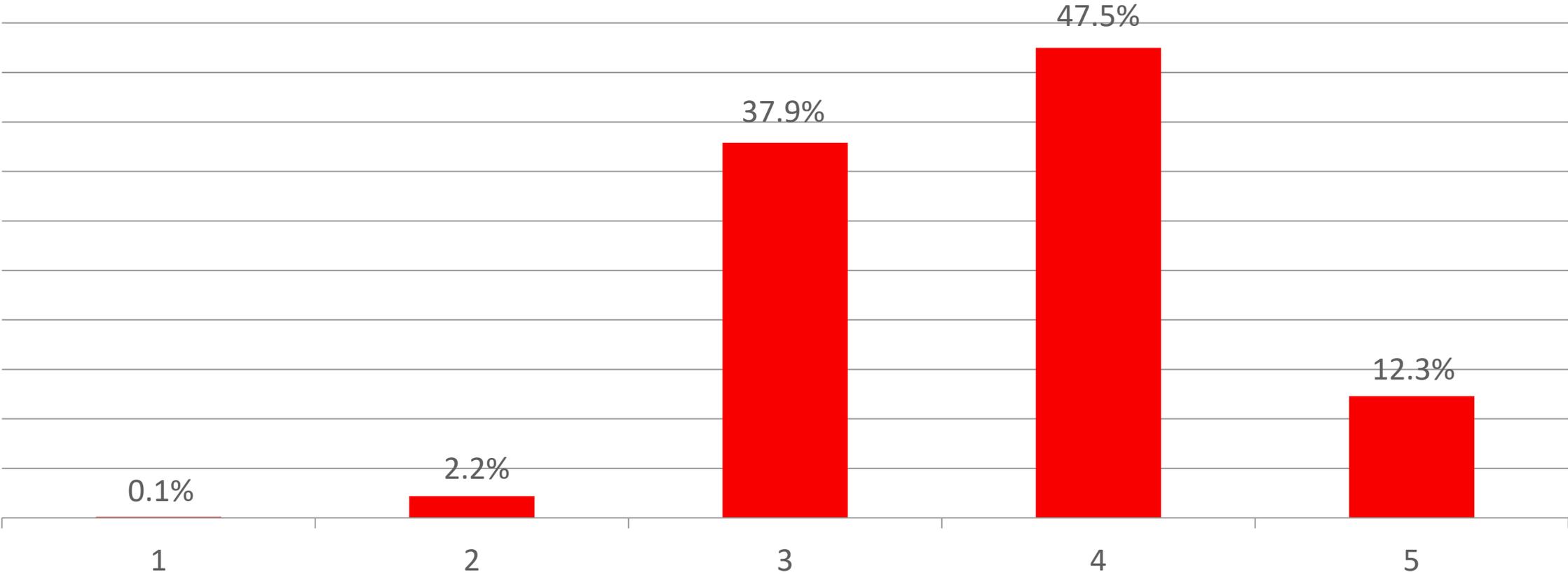
# Performance Appraisals FY15 – Hurd

## Final Ratings

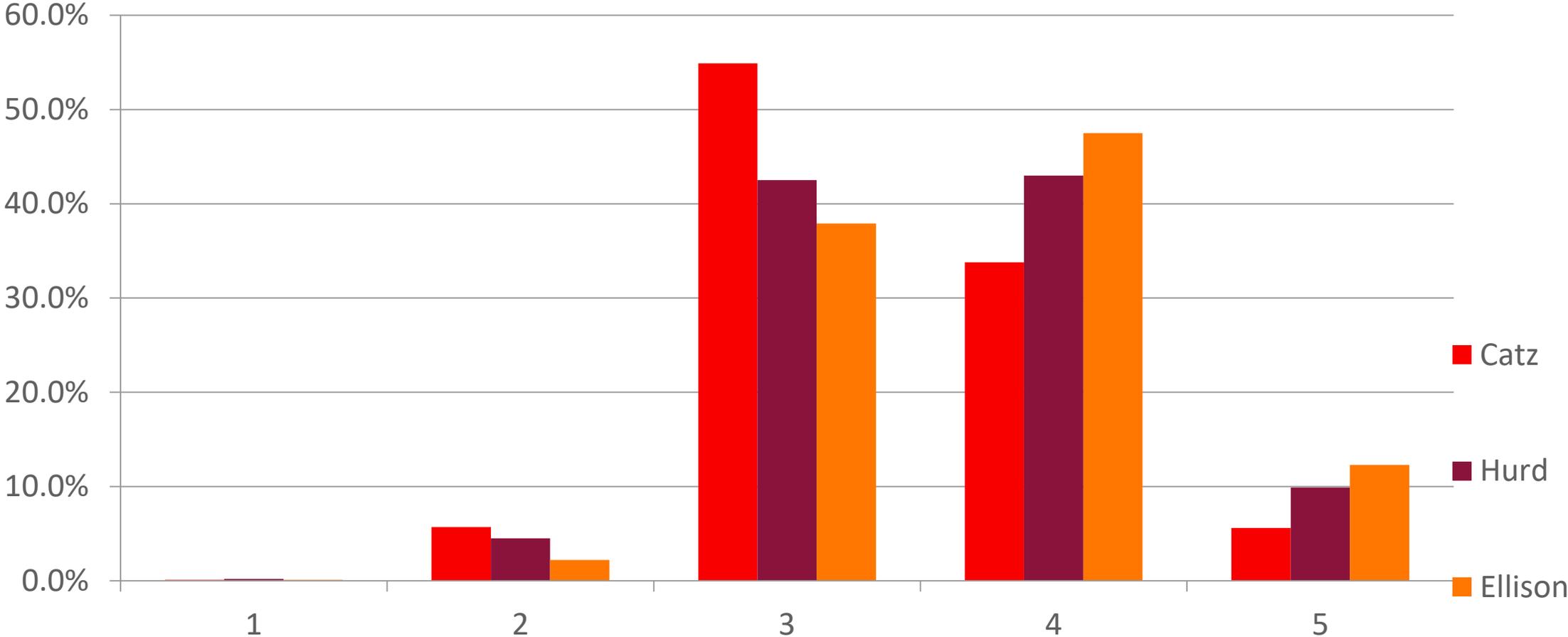


# Performance Appraisals FY15 – Ellison

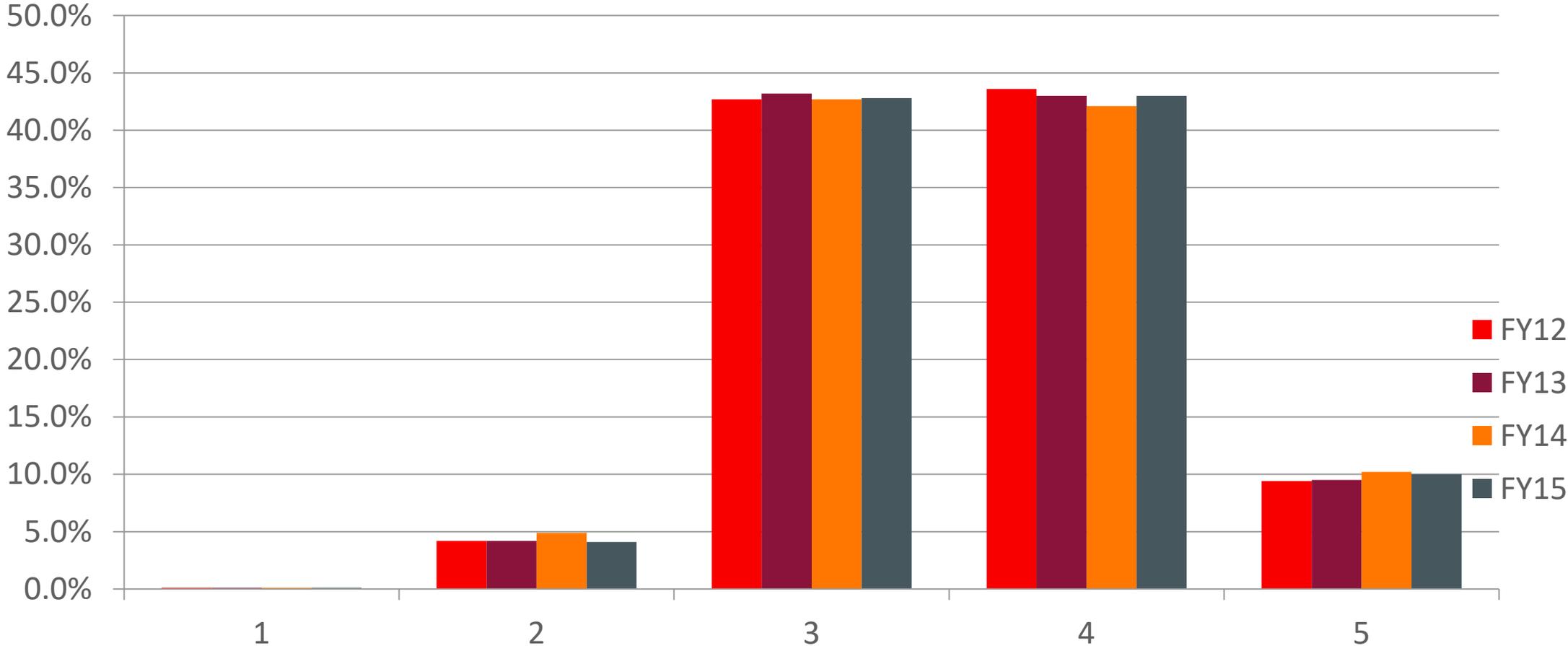
## Final Ratings



# Final Ratings by Line of Business FY15



# Final Ratings Global Trend



# Notes on Completion Status

- Appraisal is given Completed status when
  - Main appraiser submits final rating and clicks on Complete button
  - Appraisee enters final comments or 30 days later
  - Appraisal might be in Completed status without final rating or in other status with final rating (which are user errors and should be corrected)
- Contents of Completed appraisal with all elements include
  - Ratings and comments on competencies and/or objectives from appraisee and main appraiser
  - Questionnaires for appraisee and main appraiser
  - Third party participant feedback
  - Final rating and comments from main appraiser, appraisee feedback

# Observations on Completion Status

- LAD continues to be leader in appraisal completion rate
  - Strong push from HR and regional leaders
  - More involvement of HR managers in appraisal process
- JAPAC continues with high completion rate
  - Relationship between OTD/HR/Business Groups
  - Turmoil in leadership has diverted attention this year
- EMEA also has high completion rate
  - Culture encourages performance appraisals
  - Supports transparency of process and participant feedback

# Observations on Final Ratings

- Final ratings of 3 (42.8%) and 4 (43.0%) continue to be close in frequency distribution
- Final rating of 5 decreased slightly to 10.0% in FY15 from 10.2% in FY14

# Recommendations for HR/OTD

- Reduce number of In Progress appraisals
  - Many appraisals in progress may never proceed to completion
  - Encourage HR managers to push business groups to complete appraisals by end of August each year
- Consider ways to address trend toward higher final ratings

# Appendix

		Appraisal Status				Final Rating					
		Completed	In Progress	Not Initiated	Total	1	2	3	4	5	Total
Global	Amount	64137	25888	26218	116243	94	2691	27827	27979	6485	65076
	%	55.2	22.3	22.6	100.0	0.1	4.1	42.8	43.0	10.0	100.0
NA	Amount	21803	11739	15591	49133	18	540	8886	10195	2683	22322
	%	44.4	23.9	31.7	100.0	0.1	2.4	39.8	45.7	12.0	100.0
LAD	Amount	3956	998	916	5870	6	248	1925	1455	337	3327
	%	67.4	17.0	15.6	100.0	0.1	6.3	48.5	36.6	8.5	100.0
EMEA	Amount	15149	5719	4094	24962	23	715	6404	6695	1407	15244
	%	60.7	22.9	16.4	100.0	0.2	4.7	42.0	43.9	9.2	100.0
JAPAC	Amount	23229	7432	5617	36278	47	1188	10612	9634	2058	23539
	%	64.0	20.5	15.5	100.0	0.2	5.1	45.1	40.9	8.7	100.0
Catz	Amount	6089	1713	2916	10718	6	349	3370	2075	341	6141
	%	56.8	16.0	27.2	100.0	0.1	5.7	54.9	33.8	5.6	100.0
Hurd	Amount	45651	14005	10415	70071	82	2056	19595	19824	4567	46124
	%	65.1	20.0	14.9	100.0	0.2	4.5	42.5	43.0	9.9	100.0
Ellison	Amount	12397	10171	12887	35455	7	286	4862	6080	1577	12812
	%	35.0	28.7	36.3	100.0	0.1	2.2	37.9	47.5	12.3	100.0