Analysis of Pay at Oracle

When analyzing pay information, evaluating pay based on supervisor is the most accurate method of analysis at Oracle. Supervisor typically denotes the different line of business and/or product the employee is working on. Different products and different lines of business typically require employees in those respective areas to have different skill sets. Even in the same job and line of business, employees may not only have different skill sets but different levels of expertise and responsibilities. As a result, even for employees working in the same department, for the same supervisor, and with the same job title, they may not be doing the same level or type of work. Oracle is organized into many small entrepreneurial groups and each group works on different products or may support different types of industries, business sectors and/or different lines of business. Frequently, the product worked on, or the business sector for whom the work is being done, can itself be an important indicator of pay.

It is also important to keep in mind the type of company Oracle is, and the industry in which it competes. Oracle is a high-technology company, with many parts of its business involving the research, development and delivery of cutting edge software and hardware. As a result, we frequently compete for employees and for work that is on the cutting edge of technology. An individual that possesses “hot” or cutting-edge skills can demand more money than someone that doesn’t possess these skills. This is a primary rationale for why looking at the product, as represented by the supervisor code, is in most instances, the most effective and accurate way to analyze compensation at Oracle. AAP job group is not a factor and salary range, in most cases, has little relationship to the analysis of the compensation system at Oracle. These categories are far too broad and do not take into consideration the skills, expertise, and responsibility required to work on different products and technologies. As a result of how we are organized and the range and varied complexity of our product offerings, we have very few employees, or jobs, at any Oracle location where there are significant numbers of employees doing the same or similar work with the same skill/experience.

We realize that when employees are sorted by supervisor code there are often a small number of incumbents. Because of the small groups, employee pay and skill level are analyzed each time pay is changed as a result of a focal review. A focal review is held when a decision is made that pay increases are going to be given out, but there is no set time frame. Employees could be given increases each year or, as has happened in the past, several years could elapse between increases. The decision to give any increases is based on the profitability of the business. During the focal review process, Oracle management reviews all eligible employees’ salaries and assignment changes at one point in time. Supervisors/Managers that represent different products are a part of this process. During this process, employee salaries are evaluated and adjustments are made if necessary based on performance and comparators to insure pay equity. In addition to the focal review, compensation is reviewed as directed by in-house counsel to ensure that the process is fair, unbiased and that there are no unlawful disparities.
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