

ORACLE

Oracle Playbook

HR
Excellence

Maximizing Talent Investments
Using Oracle Cloud



Our strategy for
relentlessly focusing
on our people, processes,
and systems so we can
achieve more with less

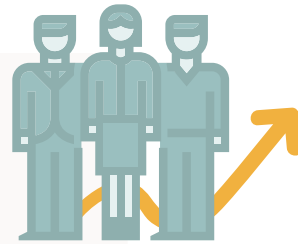
Sticky inflation and increased cost-cutting pressures. Fast-shifting business models and evolving customer and employee needs. Changes in where and how work gets done. These are some of the forces in today's business environment driving the need for speed and a greater focus on efficiency and agility. Organizations that recognize this imperative, prepare to reimagine their operations, and develop a culture of continuous innovation will achieve a competitive advantage and ongoing business success.

Against this backdrop, the role of human resources (HR) is more critical now than ever before—particularly partnering with business leaders to align evolving talent and business strategies, optimize the investments made in talent, and help drive employee productivity and performance.

Over the past 20 years, Oracle's HR team has been instrumental to our company's success in navigating change and growing revenue while achieving an industry-leading non-GAAP operating margin of more than 40%. During this time, we've increased our workforce by more than 300%, with about a third of our current employees having come from the more than 150 acquisitions we've integrated. We've also transformed from a product-oriented to a service-oriented company, developed the most complete cloud technology stack, and opened dozens of data centers—more than any other cloud provider.

300%

increase in our workforce
over the past 20 years

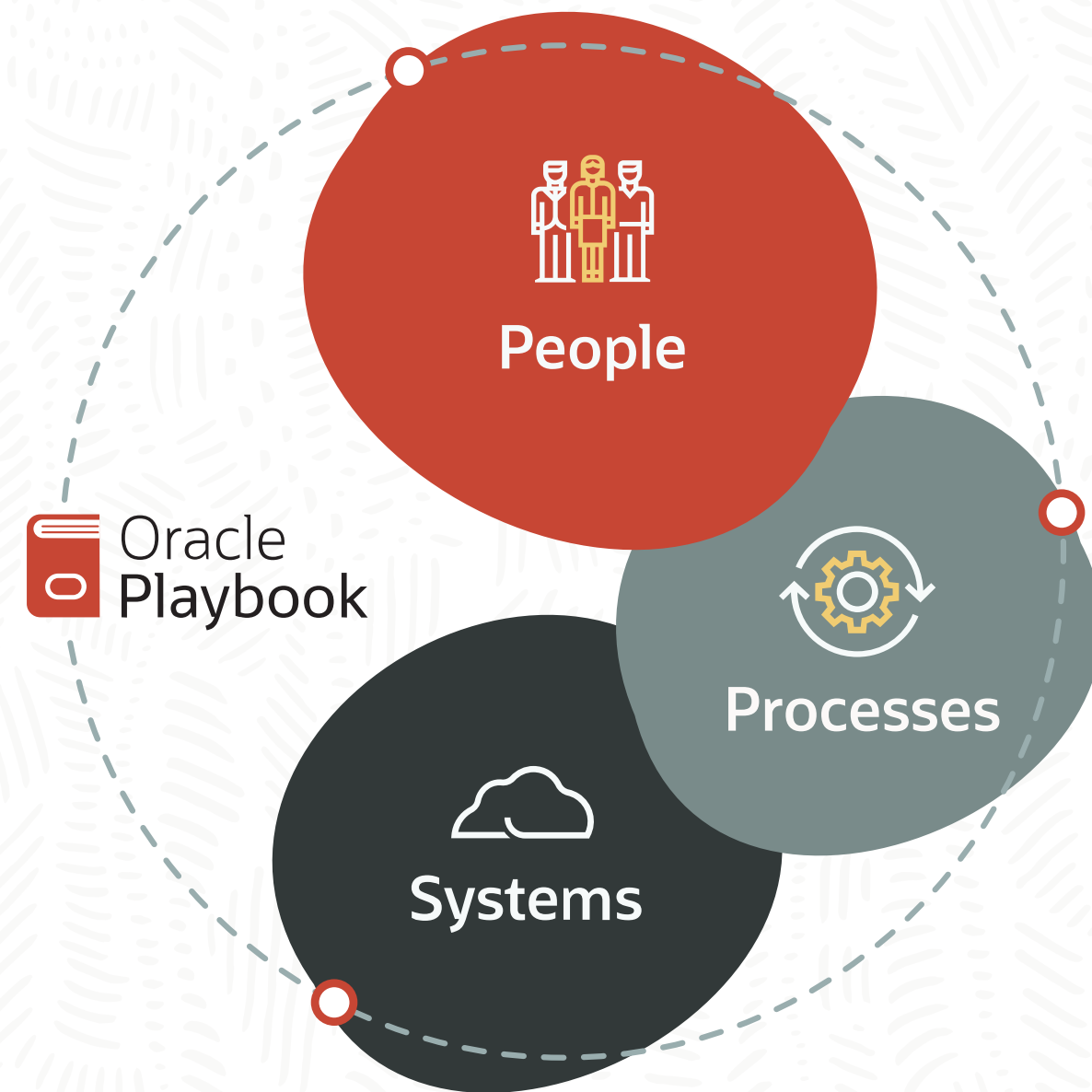


The Oracle Playbook for HR Excellence shares the secrets to how we have ensured that we make the right investments in talent to achieve our business goals and maximize efficiency and effectiveness in hiring, retaining, and optimizing our talent. And it's specifically designed to help you achieve similar outcomes.



Our framework for driving HR excellence

The playbook goes way beyond technology, explaining how we're achieving more with less through a relentless focus on people, processes, and systems. Before we go into specific examples of HR excellence, we want to take you through this framework.



People

Our people power our success, so we start by aligning each employee with our strategy and common goals. We then organize for success and instill a culture of continuous innovation.

Goals

This begins with getting clarity on what is most important and aligning the work of every function and employee to our corporate goals. Oracle Chairman Larry Ellison and CEO Safra Catz clearly communicate, at every possible opportunity, that customer success is our true north. With that focus, every team then determines how they can best support our customers while driving Oracle's continued financial success. And we not only track functional key performance indicators (KPIs); our teams also take a broader view, tracking their impact on our customer experience and our overall financial health.

To support this critical goal alignment, our HR team—in collaboration with business leaders—reimagined how we manage our talent so each Oracle leader can holistically understand their people, optimally engage their teams, and focus their work on what matters most. With Oracle Fusion Cloud Human Capital Management (HCM), our HR team and business leaders have a comprehensive view of our employees, and they leverage this information to ensure continued alignment and drive strategic decisions, such as the skills we need to develop to maintain our business growth.

Organization

We have established global process and solution owners within each functional business area, which drives clear accountability and focus. Global process owners (GPOs) are responsible for determining the most efficient process for their area of focus as well as identifying ongoing improvements. For example, in HR the GPO for recruiting has helped us standardize on best practices for the recruiting experience. In addition, they continuously monitor and improve the process, paying close attention to the way it impacts the broader employee and manager experiences for everyone, including applicants and customers, both inside and outside of Oracle.

Each GPO is closely connected with a global solution owner (GSO), who is focused on the same area and responsible for the automation of Oracle processes. The GSO is an expert in Oracle technology and helps the GPO understand how they can optimally leverage Oracle Cloud Applications and Oracle Cloud Infrastructure (OCI), including the new features delivered every 90 days, to continuously improve and innovate. This partnership helps align our business and IT functions, and, in working together, these two individuals continually simplify and improve Oracle operations.

Culture

Finally, when it comes to people, successfully driving and adapting to ongoing change and improvement means building a culture of innovation.

At Oracle, we are always learning and looking for ways to better serve our customers and become more efficient. We relentlessly question assumptions and are always willing to disrupt ourselves. Beyond that, our culture of innovation means that we don't just point to opportunities to improve—each one of us is a problem solver and a part of the solution.

For example, each of the teams that impact a new hire's recruit-to-onboard experience—including HR, legal, IT, and corporate systems—meets on a regular basis to review feedback and metrics. With CEO Safra Catz as the executive sponsor, there is no question about the urgency around continuously making it easier to recruit the talent we need and accelerating the path for new hires to become productive employees. Week after week, month after month, the teams review applicant, employee, and manager feedback. In addition, they analyze relevant data and consider the new innovations coming out of Oracle Cloud Applications and OCI to determine the next steps we can take to improve and, potentially, completely transform the way we bring people into the organization. As a result, we never view our work as done. Rather, we view each day as an opportunity to rethink the way we operate.

Here's an example: In reviewing the recruit-to-onboard experience, we uncovered a lengthy approval process that was delaying hiring by weeks and sometimes even months. While approvers play a critical role, we realized that we were not seeing additional value from layer upon layer of approval tiers. In fact, it was just the opposite, and we simply needed the few individuals who had to weigh in on the investment. So, to accelerate the experience, we reduced the number of approvers involved by 70%.

70%

**reduction in approvers has
accelerated the hiring process**



Processes

We continuously review the end-to-end business processes that underlie the experiences we deliver to our customers, employees, and partners.

We use a three-step approach to help us in our ongoing evaluation of our internal processes.

Streamline

Our first step is to streamline the journey for the customers, employees, and partners we serve. We start here because processes can become very complex when organizations look to solve every possible corner case or include every possible team. So we start with the person we serve in mind and the outcomes they are trying to achieve, and then we design the simplest possible process for that individual to achieve those outcomes.

Empower

Once we have determined how we can streamline processes, the second step is to empower customers, employees, and partners for even faster task completion, ideally without manual intervention. To maximize efficiency and deliver the best possible experience, we look to automate internal processes to speed things up, reduce errors, and drive consistency and effectiveness.

Delight

Finally, we look for ways to delight those we serve so they can not only successfully and quickly complete their activities but also understand what's coming next, get prepared, and enjoy the process. People want to do more than just move quickly. They also want to achieve exceptional outcomes and make the best decisions.

Systems



Our use of Oracle Cloud Applications and Oracle Cloud Infrastructure is critical to our success. This involves three principles.

Centralize applications

One key to our success has been centralizing on corporate applications. This has helped us eliminate complexity, costs, and other obstacles that would otherwise have limited our agility and ability to deliver exceptional customer, employee, and partner experiences.

Continuously innovate

In addition, this centralization provides a single source of truth when it comes to data and a holistic view of our operations, which helps us make better decisions, faster. For these reasons, whenever we acquire a new company, we aim to quickly integrate those acquired businesses into our centralized systems.

We also leverage the end-to-end automation and embedded AI provided by Oracle Cloud Applications and OCI to create exceptional experiences. In addition, we use the innovation that's continuously released from Oracle Cloud to improve on an ongoing basis—instead of waiting years and years to upgrade to new systems and take advantage of new functionality.

Deploy out of the box

As a rule, we eliminated customization of applications, which has reduced overhead and IT support. Plus, without customizations, we're able to quickly adopt the new features released every 90 days through Oracle Cloud Applications. This has helped us future-proof our processes and operations.

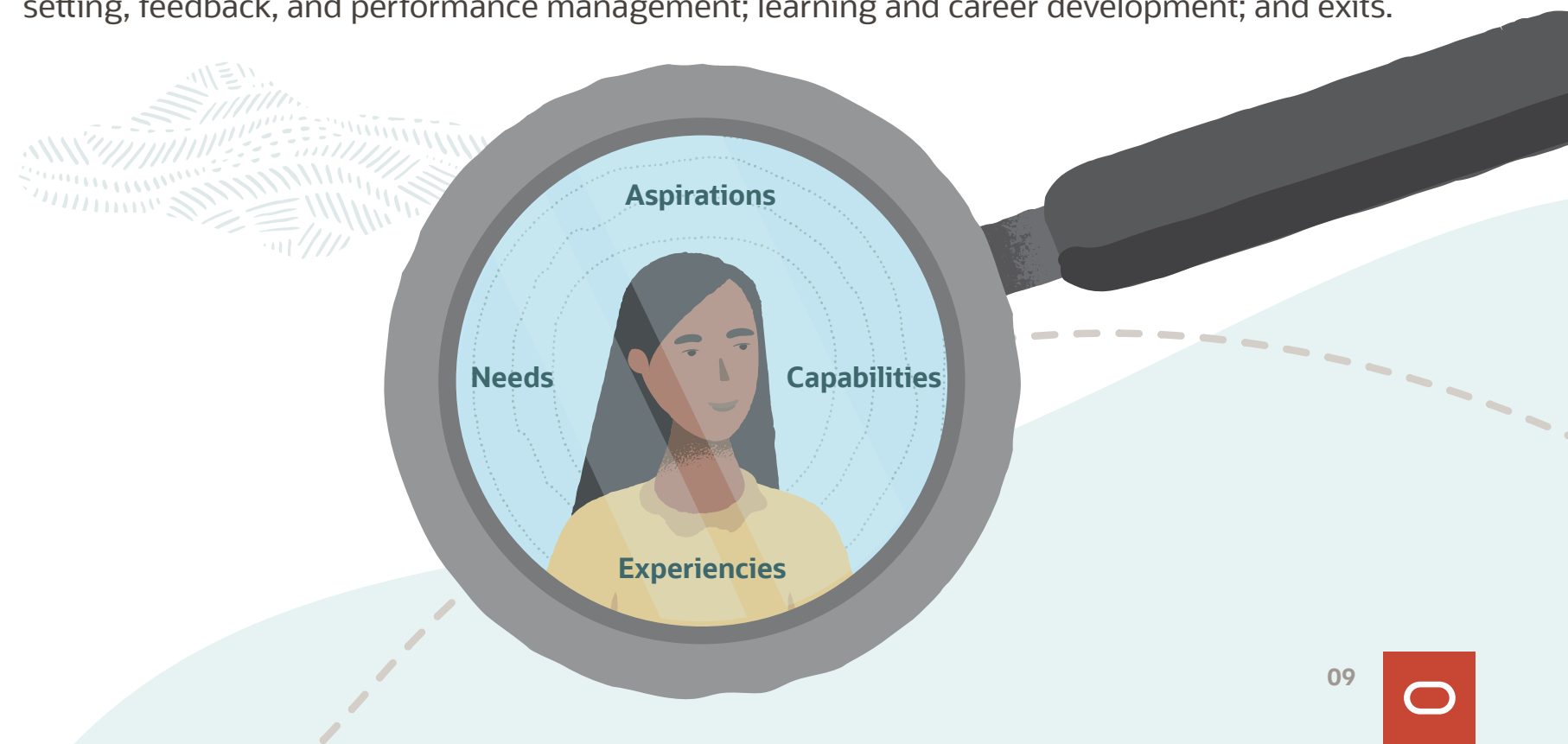
Finally, every time we test a new feature or process improvement, we not only test the flows from end to end with our users but also watch those users as they go through the new experience. Often, we find that what we thought might provide a better experience actually introduces a new challenge or may not actually be as intuitive as we had assumed. For this reason, we use “watch parties” to ensure those we serve find the new experiences just as streamlined, empowering, and delightful as we intended them to be.

How we continuously align our talent and business strategies

Oracle's talent strategy is designed to attract, hire, and develop a diverse workforce. It's also focused on aligning our employees' efforts with our business goals and empowering each individual so everyone can achieve their full potential at Oracle.

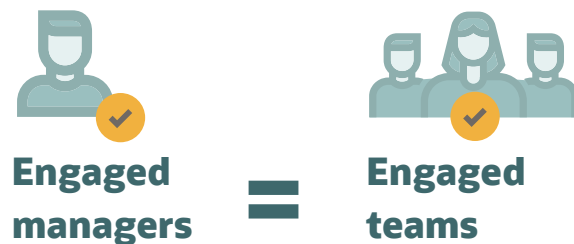
Before we focus on hiring, our strategy starts with understanding our current talent investment in the context of our business strategy. Using Oracle Cloud HCM, we leverage our holistic view of Oracle employees to not only know them but also gain the critical insights needed to engage, align, and grow the people on our team.

Early in our HR transformation journey we implemented Oracle's talent review solution so our leaders and their HR partners could understand—at scale—the capabilities, experiences, needs, and aspirations of our employees. In addition, we automated our HR processes from end to end. This has not only helped us increase efficiency and speed but also enabled us to collect data throughout key touchpoints in the employee lifecycle, including hiring and onboarding; goal setting, feedback, and performance management; learning and career development; and exits.



We also take advantage of the full Oracle Cloud Applications suite and Oracle Analytics Cloud to blend finance, sales, and other business data in with information from our talent management processes to generate advanced insights that help us make better talent and business decisions.

For example, we've seen that highly engaged managers are almost 40% more likely to have an engaged team than managers who are not engaged. Similarly, we found a direct correlation between manager engagement and employee attrition. All this data helps drive our manager enablement strategy and helps us empower managers, who can then help motivate and equip their own teams for success.



More broadly, by using the holistic view of our employees provided through Oracle Cloud Applications, we're able to develop and continuously evolve our talent strategy in line with our business goals. This helps us ensure we're deploying our top talent on strategic initiatives, getting in front of talent-related risks, creating the best development and succession plans, leveraging internal talent versus hiring externally whenever possible, and so much more.



How we onboard more than 20,000 new employees annually within 24 hours of their start dates

On average, Oracle hires more than 20,000 people each year. Because hiring is such a large investment, and we know the recruit-to-onboard experience is our employees' first impression of Oracle, we've continuously focused on improving and innovating this experience. Our goal is to get the best talent into open roles and ready to contribute as fast and seamlessly as possible.

As mentioned above, our strategy for continuous transformation focuses on people, processes, and systems, with our GPOs continually streamlining our operations, eliminating manual intervention and handoffs, and automating the experiences with Oracle Cloud HCM.

Here's an example of how our GPO for recruiting has helped us simplify the recruiting experience and leverage the power of Oracle technology. As we prepared to implement Oracle Fusion Cloud Recruiting, part of Oracle Cloud HCM, we eliminated the requirement for applicants to create an account prior to applying. We also began to use the AI embedded in the application to recommend jobs to candidates so they could more easily find roles that match their profiles.

The result: These changes helped us reduce recruitment time and more than double the number of applicants for each open requisition.



Beyond improving the candidate experience, we've also improved the manager experience by reducing the amount of time managers need to spend on the recruit-to-onboard experience. For example, we simplified the job requisition process and eliminated almost 75% of the steps previously required of hiring managers, saving them 20,000 hours each year, collectively. Managers can now create a new hire requisition in four simple steps and create and submit an offer for approval in under 10 minutes. The AI capabilities in Oracle Cloud HCM further streamline the process by using predictive modeling to help identify bottlenecks and predict the time it will take to fill a new requisition. This empowers managers and recruiters to plan and set expectations over the hiring period.

20,000

**manager hours saved
in hiring process**



Once employees are hired, we deliver an automated experience with Oracle Journeys in Oracle Cloud HCM to introduce new employees to Oracle and guide them through their onboarding tasks—including completing paperwork, ordering a badge, and selecting a laptop. This experience has been key to enabling our new hires to begin contributing within 24 hours of joining the Oracle team. It has not only shaved weeks off the onboarding experience but also reduced the time required of managers and HR to help new employees after they join the team. Practically, this means that new hires, managers, and HR team members are all more productive.

But we haven't stopped there. Oracle's HR team is using the AI embedded in Oracle Cloud HCM to work more efficiently and effectively. For example, Oracle recruiters use the Suggested Candidate feature to find, rank, and recommend candidates and the Similar Candidate feature to identify candidates who share similar experience, skills, and education for a role. Going forward, we're looking to incorporate generative AI capabilities that will further save recruiters, hiring managers, and candidates time and deliver even better experiences.



How we increase employee performance by as much as 20% and reduce attrition by as much as 40%

Once we've hired and onboarded employees, our goal is to maximize productivity and performance. To achieve that goal, we leverage the Oracle Fusion Cloud Applications suite and the holistic view of our employees that it provides to identify opportunities where improvements can drive an outsized impact.



Setting and tracking performance goals in Oracle Cloud HCM

We know that when managers use Oracle Cloud HCM for annual reviews and goal tracking, employees show 10% higher satisfaction with career discussions and are more than twice as likely to believe their career goals can be met at Oracle. This increase is significant because employees who believe their career goals can be met are 60% less likely to leave Oracle.

We also know that sales team members who set and track performance goals in Oracle Cloud HCM have a 20% higher attainment rate than those who don't. And when employees have performance goals that they track and manage regularly in Oracle Cloud HCM, they not only have a 40% lower attrition rate but also rate higher on recommending Oracle as a great place to work.

As another example, when looking at sales teams that outperform at Oracle, we found that their managers were doing a few things that were contributing to their teams' success. That includes meeting one-on-one with employees weekly, helping sales reps prepare for their upcoming sales calls, and sitting in on sales calls and then providing feedback afterwards. These activities might sound basic, but often basic manager-to-employee connections can erode in the face of other priorities. So, we use these insights to help remind our managers of tools in Oracle Cloud HCM, such as Check-Ins and Anytime Feedback, to help drive their success, along with the success of their broader teams.

Another key area where we leverage Oracle Cloud to generate insights and drive recommendations is in diversity and inclusion. With diversity data at our fingertips, Oracle HR and business leaders can easily see where and how they can do more to drive diversity in our teams and initiatives.



When looking at the various levers for optimizing our talent, Oracle's HR team also considers how we might cultivate our talent through learning, career development, and compensation.

✓ Learning

As mentioned previously, we prepare our employees for continuous innovation and change, and part of that preparation includes learning. Our GPO has leveraged Oracle Fusion Cloud Learning features to deliver personalized experiences to Oracle employees and managers. We use automated learning assignments based on organizational and employee criteria to simplify learning compliance and the execution of learning initiatives. We also proactively provide individuals with learning recommendations that adjust as their role, interests, and aspirations expand and evolve.

While each line of business within Oracle requires specific skills and training, we now have a single place—versus the more than half dozen we had in the past—to explore and complete internal and external courses. Having that one central place makes it easier for our people to develop the competencies they need to succeed. Even in remote and hybrid work situations, employees can stay connected and help each other by sharing the courses they've taken and engaging in learning communities.

In short: This guided learning approach helps us ensure that everyone at Oracle—whether a new employee or manager, or a more experienced employee or manager—has the training they need to maximize their contributions and success at Oracle.

Oracle Learning has also reduced IT support requirements. For example, we've seen more than 40% year-over-year reduction in support tickets for sales training since moving to the platform. Our next step will be to leverage embedded AI to deliver the most relevant, personalized learning to each employee at the right time, further improving our ability to upskill and reskill employees and support their career development.

>40%

fewer sales training support tickets with Oracle Learning



✓ Career development

In addition to equipping our employees and managers with the training they need to succeed, we also encourage and empower our people to increase their impact and achieve their career aspirations. With Oracle's career development solution, employees can understand how their competencies align with their desired career path, and they can take proactive steps to fill gaps by building a development plan with actionable goals.

A recent internal study has shown that Oracle employees with written career statements and career preferences in Oracle Cloud HCM have a 30% higher rate of promotion and almost a 60% higher rate of lateral moves. In addition, more than 30% of open roles at Oracle are filled by employees looking for positions that will enable them to increase their impact and hone new skills.

>30%

of open roles at Oracle are filled by employees looking for positions



We are also exploring how the AI-powered Dynamic Skills solution in Oracle Cloud HCM can help employees discover the skills that will help them develop and grow their careers. And we're exploring using Opportunity Marketplace in Oracle Talent Management as a new approach to supporting career mobility that's different from the traditional promotion ladder. Opportunity Marketplace enables managers and others to share job postings and short-term "gigs" in one centralized place. Employees can then learn about a variety of teams, roles, and projects throughout the organization. They can also expand their network, learn new skills, and gain experience working with different teams, all while helping managers and others fill short-term talent needs.

✓ Compensation

Finally, with Oracle Cloud HCM's compensation functionality, our HR team can help managers make informed decisions more efficiently. As they make recommendations for merit, promotion, bonus, and equity awards, managers have access to extensive data, including total compensation history and projections, talent ratings, equity walk away values, and other relevant information. Customized alerts can be set up to call attention to specific situations that managers may wish to address, so in the moment and within the application they can make the best decisions for each individual employee as well as their broader team.



The other benefits we've achieved with Oracle Cloud

As you can see, Oracle Cloud Applications provide tremendous benefits to our HR team. However, the benefits of moving to Oracle Cloud go way beyond just HR.

We've connected our business from end to end, automated many operational processes, increased employee productivity, and gained a real-time view of our business through integrated analytics and interactive dashboards. This has enabled us to plan and respond much faster to changes around us while delivering better experiences to our customers, employees, and partners.

For example, with Oracle Autonomous Database, our IT team has been able to reduce the time it spends on administrative tasks, such as database management, by 80%. In addition, as we moved Oracle Fusion Cloud Applications to Oracle Cloud Infrastructure, we improved the performance of Fusion Applications by 30%—which has meant even faster access to data, insights, and recommendations.

Oracle Autonomous Database

80%

reduction in the time IT spends on administrative activities, such as database management



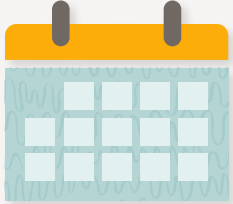
But the benefits didn't stop there. The system performance improvements translated into benefits for those we serve, as we went from 99.7% service level availability to an industry-leading 99.9%. That means less downtime a year, which for an organization of more than 160,000 means we've gained back almost 1.5 million hours of employee productivity.

Another example of productivity and performance improvements is that we're now closing our books and releasing our earnings in less than 10 workdays—nearly 60% faster than average and faster than any other company in the S&P 500.

Oracle Fusion Cloud ERP and EPM

< 10
workdays

to close our books and release earnings, faster than any other company on the S&P 500



In supply chain operations, we are reducing supply chain planning cycles—so far by 70%. That improvement not only accelerates full planning cycles; it also enables us to make incremental changes in a matter of hours. As an example, when COVID-19 struck, we were able to quickly and frequently adjust demand plans in response to global lockdowns, demand fluctuations, and budget changes so we could stay ahead of change even in the face of uncertainty.

Oracle Fusion Cloud SCM

70% faster supply chain planning cycles




In sales and customer experience, we are automating the transactions we complete with our customers so they can get started and begin realizing value right away. So far, more than 75% of customer transactions are fully automated.

We are incredibly proud of these results, especially when you consider the size and complexity of our business. We employ more than 160,000 employees and serve more than 400,000 customers across 175 countries.

Because of our focus on people, processes, and systems and our use of Oracle Cloud Applications and OCI, we are achieving what some might say is impossible.



With each passing day, we continue to see more and more benefits as a result of the new innovations coming out of our technology



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We have also learned quite a bit on our journey, and, of course, we made mistakes along the way. If you'd like to learn more about the obstacles we faced and how we overcame them, or about the benefits we achieved and the choices we made every step of the way, please let us know. We love to share the secrets to our story so others can achieve the same outcomes we have achieved, and hopefully avoid some of the pitfalls we experienced.

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