

Competitive Update - HRMS

Lee Pasackow - Market Intelligence

Robert Moerbeck - HR National Team

February 21, 2002

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
Case Number: C 04-00807 VRW
DEFT EXHIBIT NO. D5890
Date Admitted: _____

By: _____

Agenda

- Market Intelligence Overview
- HRMS Market Overview
 - Market Share and Live Customers
- Competitor Update
 - Oracle
 - SAP
 - Lawson
- Q&A

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Who's Who

- **Market Intelligence Team**

- Brian Gates - Director
- Steve Jannicelli - Financials, ESA and Portals
- Robert Lozano - CRM
- Alina Nguyen - CRM and ASP
- Jennifer Stevens - SCM and Mid-Market
- Tom Michel - SCM and Consulting
- Lee Pasackow - HRMS, Customer Service and Learning Solutions

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Win/Loss Database

The screenshot shows a web-based application interface for a Win/Loss Database. On the left is a navigation menu with options like 'Home', 'Global Navigation', 'Dashboard', and 'Win/Loss Database'. The main content area is titled 'Win Loss - By Product Line' and contains a table with the following data:

Customer Name	Competitor	Industry	Region	Quarter
Region Children's Hospital	Dash	Healthcare	Northwest	2009 Q3
Elm Street	Dash	High Technology	Central	2009 Q3
Elm Street	Dash	High Technology	Central	2009 Q4
International Securities	Dash	Other	Southeast	2009 Q4

At the bottom of the interface, there is a footer with the text: 'All data is provided in accordance with the terms of the PeopleSoft License Agreement. © 2009 PeopleSoft Corporation. All rights reserved. PeopleSoft'.

A new addition to the Market Intelligence pages is the Win/Loss section. Each market intelligence manager does selective win loss analyses by product line. These win loss case studies can now be viewed by Industry, Product Line, Quarter and Region.

Market Overview

- **Competitive Landscape**
 - **Midwest:** Oracle, SAP & Lawson
 - **Northeast:** SAP, Lawson & wildcard
 - **South:** Lawson, Oracle & SAP
 - **West:** Oracle, SAP & Lawson
 - **Canada:** Oracle, SAP & Lawson
 - **Europe:** SAP, HR Access & Oracle
 - **Asia:** SAP, Oracle & JDE
 - **Latin America:** SAP, Meta4 & Oracle

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• We mainly see the same competitors, but it varies slightly by region. Sometimes it depends on how strong the competitors' sales team may be in a certain region.

• **Northeast New Business:** they seldom see Oracle. The third competitor can be ADP, an Ultimate upgrade and recently JDE.

• **West:** Toss up between SAP and Oracle. Depends on how well Oracle or SAP could be staffed in a particular area. The West sees Lawson exclusively in healthcare and they are the #1 competitor in mid-market deals.

• **Canada:** Lawson has only recently introduced Canadian Payroll, but they are showing up in some deals. We think the mid-market players will be disappearing soon.





• **Asia Pac:** the order varies by country. Singapore will probably have Oracle as #1, whereas Malaysia will have SAP as the #1 competitor. The #3 competitor will definitely be different by country- it's normally a local competitor. JDE just recently got their first payroll customer live in Australia so we may see them more.

• **Latin America:** The competitors vary by country, for Payroll it is usually a local firm. Mexico, Brazil and Argentina all see SAP the most.

WW Market Share

WW HR/Payroll Revenue by Top Vendor

source: IDC, 2001

(\$M)	2000 Revenue	2000 Share (%)	'99-'00 Growth Rate (%)
	511	18	13
	400	14	16
	313	11	9
ORACLE	143	5	44
	67	2	51





Based on revenue, IDC shows us that SAP is the largest HRMS vendor WW. As we know, SAP throws in HR in a lot of ERP deals and the solution may be shelfware.

Lawson ranked #8 in to WW vendor list. Kronos is # 5, Cyborg #6 and Sage #7.

US Market Share

US HR/Payroll Revenue by Top Vendor

source: IDC, 2001

(\$M)	2000 Revenue	2000 Share (%)	'99-'00 Growth Rate (%)
	280	16	0
	263	15	9
	212	12	13
ORACLE	86	5	31
	62	4	51

PS is the #1 vendor in the US.

Lawson ranked #6 in to US vendor list. Kronos is # 5.

% of Live Customers

HRMS Client Base Comparison

Vendor	North America	Total	% Live
PeopleSoft	2,400	3,200	80%
SAP	800	5,300	60%
Oracle	1,000	2,000	40%

Source: Giga Information Group

This chart is from a report published 11/26/01.

This research from the Giga group is more significant than the IDC numbers. Here you see we have the largest % of live customers.

We have 16% Live on 8, 60% Live on 7.5x, 18% Live on 7.0x and 6% Live on <7.0.

As of 2001 we had 600 customers live on 8, 375 were in the HRMS pillar.

In SAP and Oracle's marketing materials, their customer success stories are not just HRMS, but ERP. Further proof that they have few live HRMS customers.

Agenda

- **Market Intelligence Function**
- **HRMS Market Overview**
 - **Market Share and Live Customers**
- **Competitor Update**
 - **Oracle**
 - **SAP**
 - **Lawson**
- **Q&A**

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Let's start with an update on Oracle because every region seems to see them. I have compiled quite a bit of information, but I won't be going into detail on each bullet point. You will have access to this presentation with the Notes, so you can review the information at your convenience.

ORACLE

- Oracle Strengths
 - Complete e-Business Suite
 - Owns the technology stack
 - Global Footprint
 - Marketing Strength

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Complete eBusiness Suite: The breadth of Oracle's product offering is substantial - they play in all areas of ERP. Their message is that it is more efficient and less costly to have an integrated suite from one vendor. Oracle has not been successful with their "one stop shop" message because some of their products are less developed (more bugs) than others. Recently they have backed away from this approach and are offering the modules on a stand alone basis. And they have published their APIs to make integration easier to other applications. Giga and Meta analysts are advocating integrated systems - with the exception of HR. If you need the strategic functionality - go BOB. Integration is not rocket science.

PS Position: we match the breadth of their product offering. Our products are more configurable and can be sold as a BOB as well as an integrated suite.

Technology Stack: their large installed base of database accounts gets them into many deals, almost automatically and affords them the opportunity to cross sell. They try to leverage their existence in the account and their relationship with the CIO - often a key decision maker. Our experience has been that if the Oracle database is installed and IT is a major decision maker, Oracle has a good chance of winning the deal. They don't want to invest time in learning new skills. They claim its easier to administer one system.

PS Position: We are platform independent and offer our customers a choice of databases. We offer a true value proposition to our customers; it's not simply an issue of price.

Global: Oracle supports 29 languages. (PeopleSoft supports 11 languages.) They have localized payroll in 9 countries - we are in 10, with 6 more country extensions being added by late 2002. We both have HR country extensions in 15 countries. International applications revenues for 2001 were 41% of total (28% EMEA and 13% Asia/Pac.) In Asia, they have a large and aggressive salesforce. Their management in Asia is local and are IT industry veterans with a lot of connections - this is helpful because often it is a relationship sell in Asia. Oracle Asia/Pacific is the largest software company in the region. They have the strongest presence in Singapore, due to the fact that their regional headquarters is located there. Oracle has based 2 of its 3 international development centers in India. They just launched Australian payroll in 2001. They won McDonald's because they promised to build the functionality in any country that was needed. Just this year, they are compliant with French HR regulations and they introduced French payroll. France is a payroll driven market, so now with product we will see them more. We have been compliant in France for 9 yrs. We won Kerr McGee because they lacked German functionality. We won at Logitech - they lacked Hong Kong functionality. They cannot show in a single panel, a multiple country view. If a Japanese company wanted to look at their German subsidiary, they would need to log out and log in again. They demo that they can do this, but the functionality is not there. International is our largest growth area. International revenues were 31% of total license revenues.

Marketing Strength: they actually have posted on their site - 1080 Referenceable and 4000 implementing 11i. No analyst will verify this and as you know, no Oracle sales person can NAME these references. Oracle deploys a lot of negative tactics. PS Position: we focus on our technology and product strengths - and position ourselves as a trusted business partner. A recent Giga report stated that we are poised to become the #2 applications vendor in 2002.

ORACLE

- Solution Strengths
 - Reporting environment - Discoverer 4i
 - Compensation Workbench
 - iLearning Solution
 - Fast Formulas
 - FlexFields

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These Solutions strengths were identified by some of our PCs and Sales Managers. The prospect perceives these points as strengths.

•**Reporting Tool:** This ad-hoc query tool appears simple to use in the demo, but Giga rates Discoverer as a basic tool. They position it as a Report Wizard, which is GUI-based and targeted to the Power User. It is integrated into the Oracle suite, but the downside is, it does not work well outside of an Oracle environment. Frequently Oracle users find this tool insufficient and then need to go with a Best of Breed such as Cognos or Business Objects – tools that are better engineered and work with all databases. We deliver over 250 standard reports for HRMS that can be run from the browser and can be viewed and managed through the browser. With Ptools 8.17 our query tool allows you to define and run ad-hoc queries through the browser. People want the ability to design nVision reports on the Web. nVision is Excel-based and so this requires a re-write which will be done in Release 9. Right now you can only schedule, view and drill from a browser.

•**Compensation Workbench:** This was due out in April, it has been delayed. They are demoing a prototype. A manager will be able to manage, on a single page, all elements of compensation such as stock, salary increases & bonuses and do what if analysis. There is a way to get the data out of PS to do compensation analysis, but it is not available on a single page today. This will be addressed in Rel 9.

•**iLearning:** is a Learning Management System that is available as in-house or as a hosted solution. Integrated with Training Admin and HRMS. The product offers integration of external sources (such as a training catalog), a Chat forum and advanced testing functionality. This is their third attempt (the first two failed badly). PS will announce our e-Learning strategy this quarter.

•**Fast Formulas:** a tool that allows power users to do calculations on the fly. Fast Formulas are the engine of the payroll system, you can't run payroll without them. It takes a Power User to add, modify and upgrade the formulas. These are not stored and you cannot report off them. The benefit is you can make a change without dropping into the toolset. With PS, this requires a customization in Payroll for N. America. With Global Payroll, because it is rules-based, we can do these calculations.

•**FlexFields:** they provide ability to create fields on the fly. This is the way Oracle presents configuration. Flex Fields can be added on just about any form in any application. Flexfields could also be positioned as a weakness- they need flexfields to make up for the lack of functionality in the product. The user cannot title the flexfield. Also in the report, the flexfield has no title. Jean-Claude will discuss how Oracle positioned flexfields at Club Med.

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Oracle Weaknesses

- Quality of products
- Problematic implementations
- Cumbersome upgrade process
- Not 100% Internet

PeopleSoft Opportunities

- Release 8 quality
- Compass Methodology improves implementation
- Solid upgrade roadmap
- No code on the client

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Quality: Customers are not achieving ROI, yet, with 11i because they are spending so much time applying and maintaining patches, which are coming out on a monthly basis. A recent AMR report stated that companies had to use 3rd party management tools to get control of the patch process. 11i was released in May 2000, yet it has only been over the past few months that customer success stories have been getting any press. There were 5000 patches in 11.5.2. We released our product 6 months later and we have more customers live.

Implementations: We have gotten into deals where the Oracle Financials implementation has gone over budget and schedule and the customer does not want to repeat the experience with HRMS. At Carlson companies, the Financials implementation was 2 yrs behind schedule and 3x over budget. Oracle recommends that a customer be in the same release for all apps. There are problems when patches come out – if things aren't coordinated, the whole system can crash. Our Compass Methodology with 8 has made it easier to adhere to implementation schedules and budgets. Our templates and documents define to the customer a roadmap to follow. All 3 N. American Consulting Upgrade Labs recently achieved ISO 9001:2000 certification which demonstrates superior quality management.

Cumbersome Upgrade Cycle: Only 10% of their customers have upgraded to 11i, that translates into about 1100 upgrades. Approx 379 customers live on HR. Support for 10.7 will end June, 2003; so upgrades should be increasing. For PS, approximately 20-25% of our 2600 HR customers have upgraded or are working on the upgrade, from a prior release. (Erinn Johnson- HRMS Product Customer Services). We offer our customers a clear roadmap that makes moving to our enhanced functionality smooth and easy.

Not 100% Internet: ESS look and feel and Power User look and feel is different because Core HR is in some Java. In many Oracle deals, we lead with a technology demo. They are not XML compliant and this makes their applications more difficult to integrate with other applications. XML and Java do not mix. But, XML and HTML are synergistic and allows PS to go wireless.

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Solution Weaknesses

- HR not a strategic focus
- Lack of references
- No built-in integration with 3rd party providers
- No Employee Portal

PeopleSoft Opportunities

- Thought leader
- Customer testimonials
- We offer *Collaborative* applications
- Roles-base Portal with pre-built templates

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•**HR is not a strategic focus:** There has been attrition in their Product Strategy team. They are not focusing on developing strategic applications such as SS or Analytics, but rather they are just concerned with dealing with daily issues – such as supporting 3 versions of their product. In June, 60% of HRMS sales mgr. and PCs were laid off- many have come to PS. They are very selective in the HRMS deals that they choose to play in; they want to make sure they have a good chance of winning before they devote sales resources to the opportunity. Their recruitment product has been delayed and supposedly is due out in March. They claim they had to wait for changes on the platform side. The market considers us a Thought leader. We are actively involved in HR trade associations and events. We have an extensive array of user groups. We spend a significant amount of dollars on R&D so we can anticipate our customer's needs and remain on the cutting edge.

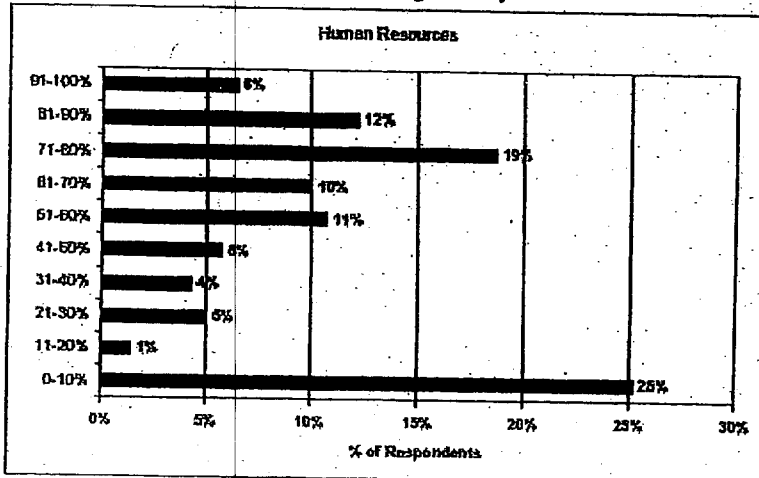
•**References:** Only 2 live Canadian Payroll customers- Estee Lauder & Liberty Mutual. They cite only 3 references on their web page- one being Staff Leasing (now Gevity HR) who heavily customized the product. Oracle has a hard time delivering to an organization with >25K employees. Lithonia Lighting is used as a reference, but they could not get payroll to work and Oracle Consulting had to build a customized solution. The British Health Service will be their largest implementation of HR and Payroll with 1.2M employees and 20K concurrent users accessing the system. This contract should be a real challenge for Oracle and it will be interesting to watch their progress. (PS did not bid on this deal, we have no healthcare focus in the UK.) We continue to add to our customer references by industry and size of company. As of January, we had 10 customers running Global Payroll. France won 12 Global Payroll deals in 2001 & they can serve as good references. Important to have prospect ask if the reference is on the current technology stack- 9/ Application Server- otherwise it is not an apples to apples comparison.

•**No built in integration** with 3rd party providers such as Authoria and HireRight. They use APIs to link to 3rd parties, no imbedded integration. 40% of IT resources could be spent on maintaining interfaces. Our collaborative apps have the benefit of single sign-on, security and one toolset. Our solution is table driven so it is easier to add suppliers. We are also focusing more on EIP development, to support the customer's ability to streamline business processes with partners of their choice.

•**No Portal:** Claims they have easy navigation so they don't need a portal. Oracle has a confusing message regarding portal, they have had numerous versions. Employees were told to use myOracle.com and this would then be sold as product. We demo Planet PS and show how we "drink our own champagne." Our portal is a strong stand-alone product. John MacNeill will talk how the Portal was key in his win at Borgata.

Oracle HRMS Meets Small Percentage of Company Needs

Source: Morgan Stanley



This graph is from a Morgan Stanley report, published 01/17/02. They conducted a joint survey with the independent Oracle Applications User Group. They received 210 responses, of which 139 completed the entire survey. The survey was conducted 12/5/01-01/01/02.

This graph shows that 41% of the respondents think that the Oracle HRMS solution meets 50% or less of their company's needs.

The above graph was the respondents' answer to the question:

What % of the functionality does Oracle have in each of the following areas relative to your company's needs in the following areas?

This graph illustrates that Oracle HRMS satisfies basic needs, but it is not a strategic solution.

16% of the respondents had PS HRMS installed. This was the highest percentage of any competitor product. Next was Siebel CRM at 12%

34% of the respondents have HR live, the highest % were live on Financials-92%.

65% stated that the database was an important factor in selecting Oracle applications.

47% said the applications were just average.

52% said Oracle was not a customer centric company.

58% favored the suite, if it didn't sacrifice functionality.

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- Oracle Selling Strategies Against PeopleSoft
 - Discounts
 - Focuses on executives & ignores evaluation team
 - Demos at high level; doesn't compete on functionality
 - Focuses on "Drag and Drop" functionality
 - Creates FUD around integration

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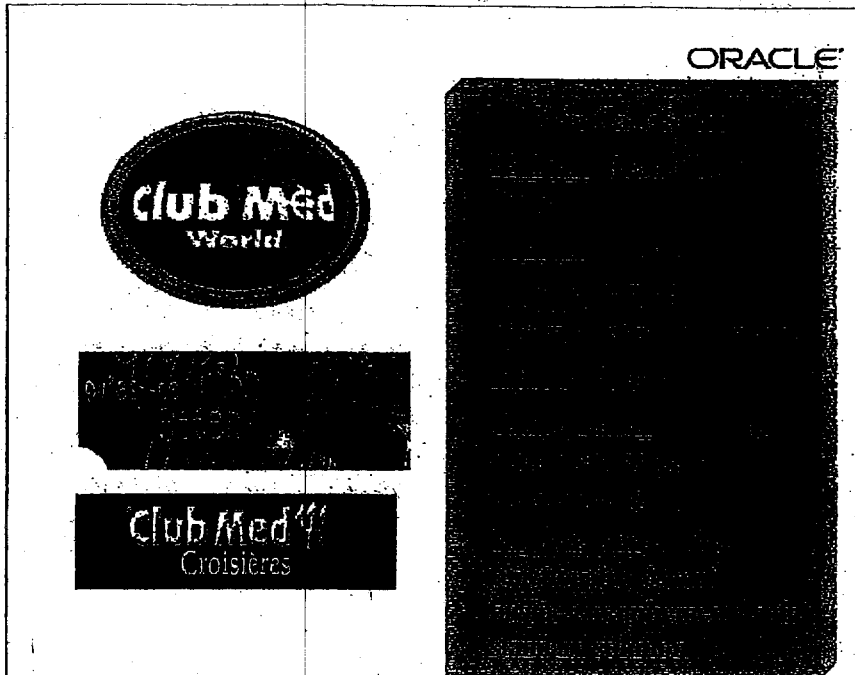
Discounts: They offer heavy discounting, but this could be a short term strategy to grab market share and get references. There is a culture of closing revenue, not losing on price. They can discount the apps and make the customer pay more with the database. Oracle does not price the HRMS modules separately, they price by type of user. They don't charge extra for the self-service applications or international functionality. When they discount, they are not pulling out functionality in order to lower the price. We need to focus on the breadth of our product. For instance, with Benefits Administration, our system knows who you are so when you choose benefits, you only see in the form benefits that you are eligible for. Only Oracle Advanced Benefits provides this validation. We package our solutions differently than Oracle, so it is a challenge to do a real comparison. It's important to focus on the customer's needs and bundle, as appropriate. (Jan. 17th announced price cuts. Pricing is \$4000 for a power user and \$400 for a casual user. This pricing does not apply to payroll and some other applications. Oracle set a minimum list licensing requirement of \$250K with the minimum # of professional & SS users at 10% each of the employee organization. The analysts noted that they need to do this because their application sales are down.)

Executives: Contact with Executives is key to winning the account. Oracle may already have a relationship with the CIO due to the installed database or knows the CFO because Financials is installed. They try to leverage these relationships to get access to other C-level executives. Sometimes this works effectively for them. The key for them is to have executive buy-in for the integrated solution. They try to sell their total cost of ownership to the CIO by saying that upgrades by each vendor will cost them money to re-establish the integration. So, with a BOB, you are paying year after year. They invest time in leveraging their existing customers in selling the vision to prospects. Their partner community is strong and Oracle provides them with a lot of leads to make them dependent on Oracle. They pay a finder's fee of up to 10%. In a well managed company, the executive team will respect the evaluation team that was set up. Oracle's tactics of ignoring the evaluation team often backfires. You'll learn more about this issue in the win case studies that will be presented shortly.

Demos at High level: Need to educate the prospect to ask to see deeper functionality. In the Morgan Stanley report, only 11% of the respondents said their Oracle sales rep was knowledgeable about the product and helpful. They highlight their Drag & Drop functionality. They do this because they are not 100% HTML. Only Java supports Drag and Drop. They also mention that PS being 100% Internet, is too slow for heads down data entry. Need Java for field by field editing.

Customer Base: Integrating with Oracle Financials is not rocket science and a sophisticated IT dept knows this. There are 3 major integration areas: Payroll>GL, Garnishments>AP and Time to Projects. (Sometimes there is Benefits to Billing.) The VP of IT at Kerr McGee, an Oil and Gas company, said that integrating PS HRMS to Oracle Financials would be similar to integrating the two Oracle products. He understood the issues and did not see integration as an obstacle. DMC Stratex also considered integration a non-issue.

At last month's European user conference, Ellison announced Oracle would replace existing applications with 11i for free, including all software, hardware upgrades, migration, and consulting services, in return for a five-year commitment. The cost of this deal is the customer's existing IT budget. Give Oracle what you're already paying for your HR system & they will replace these, guarantee all upgrades, and you pay 5% less for each of the five years.



Win at Carlson Companies - \$4M, 40,000 employees

PeopleSoft received an RFP in July, 2000 for the Restaurant Division of Carlson Companies. This division is Carlson's largest with 75% of the employees. Early on it was decided to expand the scope of the project and include all six Carlson companies. This was a challenging endeavor because this was the first time that the companies worked on a joint project. The software purchase was to be charged back to the divisions. The restaurant division took the lead on the evaluation because they were the largest division and would be paying for the majority of the costs. They are based in Dallas: Demos were done in Dallas and later at headquarters in Minneapolis

Pain Points: Losing support from legacy systems; Expensive interfaces to maintain; Multiple disparate systems
Business Requirements: Single HR database; Internet access; Leverage ROI for self-service
Decision Makers: CIO and Senior VP of HR. Final decision required Board approval.

Lawson Tactics: Tried to exploit their home town advantage and Richard Lawson's relationship with the CEO of Carlson, Marilyn Carlson Nelson. Carlson's corporate office is located in Minneapolis. Offered the lowest price, as well as the first year of maintenance for free. Told Carlson they would be Lawson's premier customer. Knocked out in 08/01 because Carlson realized their Workflow was limited, Self-Service functionality was not sufficient and their Payroll functionality did not meet Carlson's requirements. The project team realized that Lawson was behind in technology

PS positioned technology up-front. A technology demo was done early and the IT group was sold on the advantages of PS 8. GKN Automotive was used as a reference. PS 8 was introduced 09/00 and by 11/00 we had a live reference. Carlson thus considered PS a lower risk than the competition. Carlson did a site visit at Dave & Busters and at Hilton. They were aware that Darden and Brinker were customers. These references proved PS was strong in the hotel and restaurant industries. Developed strong relationship with IT Director of the Restaurant Division, who was also in charge of the Project Team. The IT Director was well informed and exerted his influence on the project team to select the best technology.

Good relationships were also cultivated at the project team level and with the VP of HR in MN. Following Lawson's offer to treat Carlson as their premier customer, PS upgraded Carlson to Premium support, at no extra charge

Originally Carlson's Shared Services group was to host the project. Shared Services inflated their fee because they were burned badly with the Oracle Financials implementation. Sales Manager stated that eCenter could host for less. Carlson then opened the bid to ASP providers. eCenter did not get the business because they could not offer a turnkey model with a fixed price for implementation and hosting services.

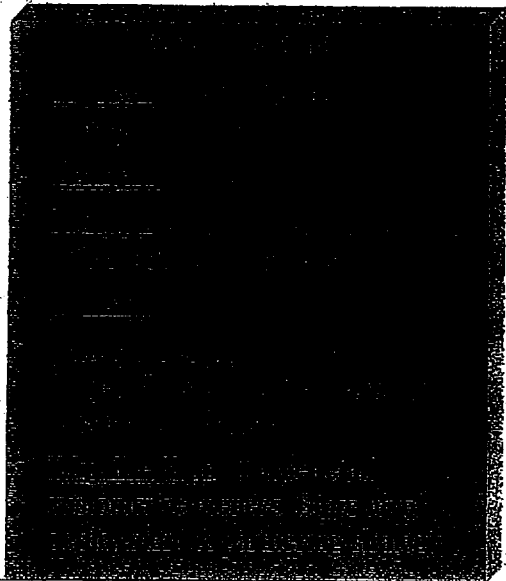
WHY WE WON

- 1 Breadth and depth of HRMS 8. Carlson wanted the Cadillac of HRMS and thought that only PS fit the bill.
2. Live reference in November, 2000 - proof that our technology and functionality worked
3. PeopleSoft Internet Technology
4. Largest amount of self-service transactions - Carlson was focused on ROI for self-service applications.
5. Carlson's Project Team was sophisticated and technology savvy. They dismissed offers of discounted software and free customizations, realizing the technology of the competitors' was not sound.
6. Sales Manager had a solid and credible relationship with the project team and key executives. He stayed on top of the account and countered the competitors' offers without giving the deal away for free.

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The Limited Brands:

- The Limited
- Express
- Lane Bryant
- Lerner New York
- Structure.
- NY and Co.
- Henri Bendel
- Victoria's Secret
- White Barn Candle
- Bath and Body Works



Win at The Limited

Opportunity: 3.6M 120,000 Employees

An evaluation was conducted in early 2000. PS 7.3 was not selected and The Limited did not want to wait for 8.0 to be released. Oracle was selected. In December, 2000 they were about to sign the contract, but they had issues with implementation costs, database costs and no referencable customers that were their size. The new Director of HR Technology (with PS experience) decided to re-evaluate the purchase decision.

Provide a brief background to this opportunity:
What were the prospect's pain points? What were they trying to accomplish with a new HRMS system? Who were the key decision-makers?

Pain Points: Employee turnover is the retail industry's biggest concern. The Limited's numerous brands (divisions) ran different systems. They needed to consolidate systems to achieve cost savings and streamline the process for employee management (hire to fire.)

Business Requirements: Central HR Service Center to drive efficiencies and implement HR best practices across the organization. Hosted solution Outsource Payroll Reduce costs by eliminating redundant systems

Decision-makers: COO, VP of HR Technology. The CFO and CIO made the final decision.

Oracle's Sales Tactics: Attempted to circumvent the Project Team by directly contacting the Brand Executives and CIO; Did not compete on technology and scalability; Knew they could not win on functionality so the sales process was not a true bake-off. They tried a variety of ways to change the rules and eliminate PS

PeopleSoft Strategy: Emphasized that Oracle had no live customers with over 25,000 employees. The Limited is a risk-adverse organization and they did not want to be Oracle's largest customer.

Focused on customers in the Retail Industry- Kmart, JC Penny, Sears and Walmart.

Positioned Stock Administration as a differentiator Strong Partnering Strategy

Partnered with Microstrategy for the datawarehousing toolset. They offered retail templates. Partnered with ADP to outsource Payroll. The Limited already decided to outsource their payroll and ADP was the vendor that was used the most for payroll. In 2-3 years payroll will be brought back in-house using PS.

Executives participated in User Conference and Executive Symposium and were very impressed with PeopleSoft. PS Executives were involved in the Sales process. eCenter is being considered along with other ASPs to host the solution.

Why We Won: Large scale retail customer base, HRMS Best of Breed; PIA and the ability to deploy at the store level; Ability to reference and deliver HR Shared Services Center capabilities - including CRM HR Helpdesk; Strong partnering strategy & ability to meet the needs of the Retail industry

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- Why We Win Against Oracle
 - PIA – no code on client for entire suite
 - Single Global code line and database
 - Large customers live on Payroll
 - Position collaborative apps & portal
 - PeopleSoft executive involvement

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• **PIA:** Position PSFT as pure Internet, for our entire suite of applications, including self service and typical 'power user' pages. Oracle's 'power users' still utilize a Windows client (look and feel) user interface. Oracle requires Java code on the client (attached or detached devices) which is a higher cost of ownership.

• **Global Product:** For Global deals, stress our single global code line and database. Oracle has multiple code lines, depending upon the Global region.

• **Large Customers Live on Payroll:** Oracle currently supports Payroll for US, Canada, UK, Australia, New Zealand, Singapore and Japan. Several other countries (Italy, Korea, Malaysia) are built/maintained by 3rd parties. No presence yet in Continental Europe, but have announced French Payroll for later in 2002. Societe General with 33K ee is live on global payroll. Customers live on N. American payroll include: First Union/Wachovia with 74K employees, Raytheon with 83K employees and US Bancorp with 55K.

• **Position collaborative apps & portal:** Stress PSFT single sign-on, security, toolset and ease of use; true supplier integration built by PSFT, versus simple web links; PSFT same 'look & feel' for SS and core HRMS; and demo PSFT portal with the prospect's web content; and do a 'proof of PIA concept' demo on the prospect's PC outside the firewall whenever possible.

• **HRMS Market Share:** Many of the largest companies in numerous industries such as Financial Svcs, Utilities, Retail and Telecomm have PS installed. We are a less risky solution.

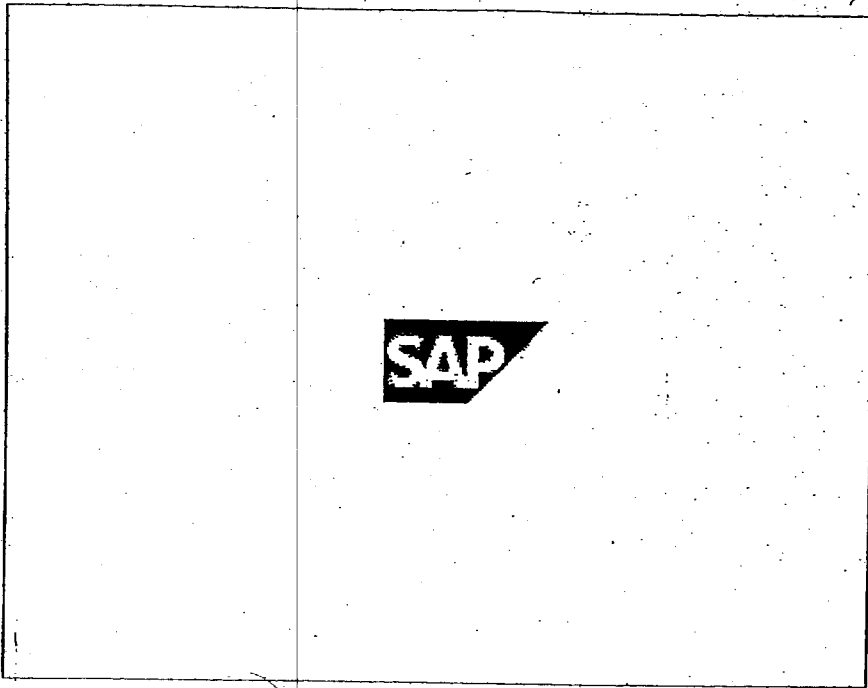
• **PS Execs Involved:** Understand the political landscape within the account and Oracle's relationships at Executive levels, including the Board of Directors. A number of deals have been won by PSFT, even at the Executive Sponsor Level, only to be overturned due to Board level relationships.

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We're pleased to have 4 sales managers from Paris, Sydney, Teaneck and Chicago present their recent wins. They'll discuss the competitor's tactics and what they did to successfully close the deal.





- SAP Strengths
 - Installed base
 - Integrated ERP suite
 - Global footprint
 - Manufacturing vertical focus

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Not surprisingly, some of these points are similar to Oracle's strengths.

• **Installed Base:** Clearly a key strength of SAP is their 17,000 customers. HRMS tends to be sold into their customer base. Sales Managers are encouraged not to sell mySAP HR as a standalone to new accounts, but to expand the enterprise. For many who have purchased HRMS, as part of an enterprise deal, it remains shelfware (as the previous Giga slide indicates.) Mainly their European customers install HRMS. A recent Forrester report on implementation said that 80% of SAP installs have PS.

• **Integrated ERP Suite:** similar to Oracle they offer a complete suite. SAP is good at marketing business processes, they do not sell product.

• **Strong Global Footprint** – SAP has support for 35 countries and delivers 31 languages. Their new initiatives include country versions for China, Finland, India and S. Korea and enhancements to expatriate management. We just announced that in 8.3 we support Traditional Chinese. Lehman Bros project 20% growth in Americas and Asia. In November they announced a new research center in Brisbane, which is a joint project with Queensland U. Efforts will focus on mobile technology, e-learning and workflow. They have R&D facilities in India with plans to have a staff of up to 1000 by 2003. SAP India is one of their fastest growing subsidiaries. They have a long history in Asia and offer a lot of localized products They have a 43% market share in S. Asia. They do offer more support services in Asia than PS. This makes the customer feel more comfortable when there are people on the ground that can quickly handle their problems. Only about 60% of the HRMS customers are live in Asia. We will have a stronger presence as we add more local functionality and have more Global Payroll references.

• **Manufacturing:** They started out in MFG and this remains their focus. They provide a strong solution for a mfg company.



- **Solution Strengths**
 - Portal technology
 - Time and Labor
 - On-line graphical organization charts
 - Announced Learning Management solution

PeopleSoft
Market Intelligence

•**Portals:** They have received a lot of good press following their TopTier acquisition. Their demos focus on Portals. mySAP Workplace Portal gets high marks for a good GUI, transactional capabilities and integration with non-HR transactions. It is roles-based and supports ESS and MSS. PS Enterprise Portal stacks up well against their story. What is important to keep in mind is that their Portal technology and SAP Applications are not the same technology – they have different toolsets and therefore require 2 different skillsets.

•**Time and Labor:** They handle workforce scheduling well and it is integrated with their MFG product. They can handle collisions. If an employee plans to take vacation, the system will update their time sheet. So if their manager goes in and tries to schedule the employee for a training class, a collision will pop up. They handle Absence Management. We will only do this in release 9.

•**Org Charts:** SAP has a on-line org chart feature. They can drag and drop on their graphical organization structure and it moves people automatically and updates their record. We offer our customers org chart capability via our partner HR Soft.

•**Learning Mgmt Solution:** They announced they are developing their own learning management system which will be delivered next quarter. SAP has only 3 beta customers (one of them is the U of TN.) The solution will provide educational content for a company's employees, partners and customers. Analysts have said this is a forward-looking strategy because customer-based e-learning will be a huge market in the future. I already mentioned, we will announce our strategy this quarter.



SAP Weaknesses

- Complex architecture
- TCO
- Lengthy & costly implementation
- Need HR installed for workflow to work

PeopleSoft Opportunities

- Lead with PIA
- Less hardware required
- Compass Methodology
- PeopleTools enables user to set up workflow for each product

PeopleSoft
Market Intelligence

•**Complex architecture:** They lead with an open architecture message, but SAP uses proprietary middleware; while we use BEA Tuxedo. SAP has their own proprietary system management and scheduling tools. We leverage industry standard tools such as HP OpenView and CA's Unicenter. SAP is working to re-architect their technology. Their focus is on componentization, but this transition may take several years.

•**TCO:** SAP architecture requires a much heavier investment in database servers and application servers per number of concurrent users which leads to a higher TCT. We won state of Oklahoma because of TCO. We partnered with IBM and could prove to the client that long-term- even 5 years, we had lower cost of ownership. Just visit their web site where all their benchmarks are published. Do a comparison on the number of application servers SAP requires for a high volume HR solution vs PeopleSoft.

•**Implementation:** We've all heard that their implementations are costly and lengthy. Home Depot had an enterprise SAP license and they were told by SAP that it would take 2 yrs and \$10M to implement their HR system. Our average time for a HRMS implementation is 4.8 months.

•**Need HR installed:** A weakness for SAP is that they require that the HR module be installed in order for workflow to work properly. Workflow is based on the employees being set up in core HR. This can be cumbersome and costly for non-HR customers. With PS, we take a different approach by providing workflow capabilities within our toolset. We can set up workflow- pre-defined or customized for any app, not dependent on HR or any other module.



Solution Weaknesses

- Not strategic HR solution
- Evolving HR Analytics
- Manager SS is limited
- Multi-local Payroll

PeopleSoft Opportunities

- Thought leadership & Best Practices
- Workforce Analytics
- Integration to suppliers
- One code line for GP

PeopleSoft
Market Intelligence

Adequate: HR is not top priority for SAP. Doug Reed, GM of HRMS and Mike Campbell- SVP and Head of Solution Mgmt at SAP America left in Dec. They reorganized their development organization in the last three months. HR and Financials now roll up to one person. There is no advocate for HRMS in the development organization. As I stated previously, SAP is focusing on re-architecting their technology, so we will see few improvements in HRMS functionality. They are not pumping a lot of dollars into HR; they think their current functionality will carry them through, in the short term. They lack HR references. In a recent deal in France, they could not produce 2 references. SAP also lacks references in Asia. They have no premier HRMS customer.

PS continues to invest R&D \$ in our HRMS solution. We have a large Product Strategy team to insure that we identify future trends in HCM. Our functionality in eRecruit 8.3, ESA and Service Procurement (covering contract workers), Compensation (and plans for Enterprise Incentive Mgmt), Analytics and HR HelpDesk testify to our strategic leadership. We are thought leaders, focused on developing more and more Best Practices.

No significant R&D dedicated to HR Analytics: Giga says their capabilities in analytics are evolving. They deliver predefined HR information cubes and reports using Bus Info Warehouse. A recent Meta report stated that PeopleSoft's Workforce Analytics products are likely to claim early leadership. SAP and Oracle have similar offerings, but they do not support operational or planning applications.

Manager SS is Limited: Support viewing and changing information about direct reports. Supports access to one internal HR system and database. There is no collaboration nor personalization. We have 3 Manager Desktops with broad functionality.

Global Payroll: Difficult and expensive to implement. They do not have a global architecture, but rather a multi-local solution. They have one codeline per country so this is higher maintenance for the customer. They recommend running separate databases when multiple regions are required (EMEA, Asia, etc.). They have few references and some of the rules are written in ABAP. We can build a rule in a demo and run the results, they cannot. For instance, someone is promoted in the middle of the month and you need to run 2 paychecks. We can show this modification. They have no payroll self-service (no online payslip.) Daimler Chrysler has SAP HR in Germany. They were giving the US the solution for free. We won the business because of payroll functionality. (Christine Ferguson). Same is true for General Motors. We also won over SAP because of GP at French Telecom and OECD in France. We are a rules-based product. All customizations are updated with new releases.



- SAP Sales Strategies Against PeopleSoft
 - Plants confusion about definition of 100% Internet
 - Tries to expand deal to ERP/ Solution sell
 - Promotes integration
 - Makes every deal global
 - “Walk up and Use Functionality”

PeopleSoft
Market Intelligence

• **100% Internet:** SAP tells the prospect that sometimes a Window client is beneficial. PS only offers you one client. We need to educate the prospect as to why one UI is preferable- less training, one look and feel, etc.

• **Expands to ERP deal:** They discount heavily the HR solution in order to get the ERP business. They are known to throw in HR for free. Have SAP early on price out their HRMS solutions – so you know if you have a level playing field and they are serious about the HRMS opportunity. They bundle their applications, so a customer needs to be aware that even if they do not install HRMS, they are paying maintenance.

• **Integration:** Like Oracle, they claim there are a thousand integration points between Financials and HR. If CFO is the final decision maker, Financials may have more clout and then it may be difficult to win.

• **Global:** They know they have a larger global footprint and they try to point out our weak spot. It is important to point out that PS offers one global instance, with country extensions. Home Depot, Compaq and many others could not produce a global headcount report. PS enables them to do this quickly and easily.

• **Walk up and Use:** This is the phrase they use during demos. We need to force the customer to look under the covers. Don't let SAP just focus on the menus- the prospect needs to see the functionality that they would be using daily. We recently were recommended in a deal in the NE. We did 2 days proof of concept in our PS offices. We went through the “Day in the Life” exercise of HR professional using our applications. They clearly saw the benefits and ease of use of PS.

The advertisement is enclosed in a rectangular border. In the top right corner, the SAP logo is displayed. On the left side, the text "Chubb.com.au" is prominently featured. Below the text, there is an illustration of a computer workstation with a monitor and keyboard. At the bottom left, there is a small, dark, square image that appears to be a close-up of a textured surface. A large, solid black rectangular area occupies the right half of the advertisement.



- **Why We Win Against SAP**

- **Ease of use**
- **Pure Internet Architecture**
- **Quicker Implementations vs. "live in our lifetime"**
- **Single global database**

PeopleSoft
Market Intelligence

-Ease of Use: Regardless of their attempt to hide complexity with a Portal interface, it's core architecture has not changed. We have been successful selling PSFT HRMS into an existing SAP Financials customer, conducting a 2 day scripted test drive by the customer. Once SAP was forced to go beyond simple navigation of menus, the customer realized just how complex the implementation and day to day operations would be using SAP.

-Pure Internet Architecture: SAP has two client interfaces, one for self service (java) and one for 'power users' (windows based). In addition, SAP Top Tier Portal requires use of a different tool set than SAP ERP applications, so training, implementation and on-going support costs are higher with SAP. Use the ROI Calculator to help position lower total cost of ownership.

-Implementations: Consider utilizing PGS' Accelerated Lab implementation solution over our traditional on-site implementation services, to speed up implementation and reduce costs.

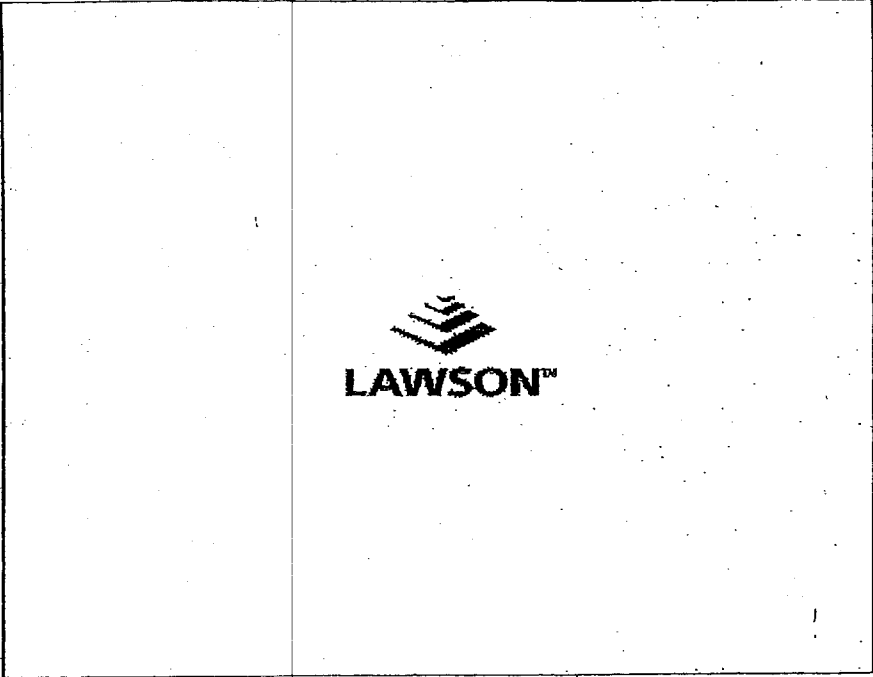
-Single global database: SAP is not a single global database, but multi-locals. Some code is shared, but each country code line is built separately.

Agenda

- **Market Intelligence Function**
- **HRMS Market Overview**
 - **Market Share and Live Customers**
- **Competitor Update**
 - **Oracle**
 - **SAP**
 - **Lawson**
- **Q&A**

PeopleSoft
Market Intelligence

We're pleased to have 4 sales managers from Paris, Sydney, Teaneck and Chicago present their recent wins. They'll discuss the competitor's tactics and what they did to successfully close the deal.





- Lawson Strengths
 - Low implementation costs
 - Vertical expertise
- Solution Strengths
 - Drill Around
 - Self-Service is an intuitive paradigm for Life Events
 - Recruiting Solution

PeopleSoft
Market Intelligence

•**Low Implementation Costs:** They strive for 1:1 service ratio to license fee. Standard maintenance is 16% of list price and includes 6 months free. They'll throw out a number for implementation right at the start of the deal. Lawson is able to offer low fees because we have heard they tend to bring consultants to a customer site for a few weeks. Then they leave the customer with a "to do" list and let the customer do the work. They then proceed to another customer site. So the same consulting resources are billing two clients. Lawson states that they are less configurable, but this allows for easier implementation. Our response to this low implementation claim is that with PS, you are getting a more comprehensive solution with deeper functionality. We need to remember to keep it simple when we are competing against Lawson, but we can present Stock Admin and Pension- showing the prospect that we can grow with them. At Keystone Services and other accounts, Lawson has misrepresented their technology capabilities. When the customer understands what they receive with PIA and our application suite, they see the value and are willing to pay the price. At Sarasota hospital, the prospect repeatedly asked Lawson to show their benefits functionality and they could not. The bottom line is Lawson offers less, so they can charge less.

•**Vertical Market focus:** They are focusing on 5 industries - healthcare, retail, professional services, financial services and public sector. Lehman Brothers states that healthcare and professional services are their strongest verticals. They strengthened their position in Prof Svcs with the acquisition of Account4, a PSA vendor. The reality is that their products are horizontal and they just market a good vertical story. We have beat them numerous times in their strongest vertical- healthcare. We closed Sarasota Memorial in Q2, before we even had healthcare references on 8. We also have the the top 10 largest companies in numerous services industries as referenceable customers.

•**Drill Around:** offers easy navigation with the ability to point and click at every level of the application, including reports for every data element in the database. On one page, with one click you can get to job code table and then one click get to job salary. This is View only. It is hard coded/ pre-defined and pre-delivered. It is important for us to conduct a thorough survey so we understand the prospect's business processes. Then we can build a demo environment that highlights easy navigation.

•**Self-Service:** the navigation is user friendly- based on game of life. We need to point out that they only provide links to the partners' sites. Our self-service offers much more than nice navigation, we offer built-in integration to our suppliers.

•**Recruiting:** They've developed a reputation in the recruiting market after acquiring iJobs in 1999. They rebundled the solution back into their suite in 2001. They offer a stand alone or hosted solution. Some



Lawson Weaknesses

- Global functionality
- Insight 8 references
- Targets up market with mid-market functionality
- Web-deployable
- Poor SI alliances
- Negative selling

PeopleSoft Opportunities

- Make every deal global
- Provide PS 8 references
- Focus on HR Nirvana, not transactional data
- Showcase PIA
- Big 5 partnerships
- Focus on PS strengths



Global: One of their strategic initiatives is to improve their global functionality. They cannot handle one global instance. Kanji support is 2 yrs away. Gartner states that they need Product, Presence and Partnerships to be successful globally. Schamberger - a multi-national company- was a big win, but they promised that they would do whatever it takes to get them up and running. We have localized product in 20 countries and support 11 languages. We have an aggressive plan to continue to roll out Global payroll in more countries. This year we are introducing product in China and India.

No references- Analysts and ex-employees could not cite a live, referenceable Insight 8 customer. They have 1800 customers in total, about 1000 on HR/Payroll. Not much new functionality in 8, so customers do not feel an urgency to upgrade. The majority of their customers are mid-market- they are risk adverse, have limited budgets, and are not looking for new functionality such as ESS or recruiting. We need to highlight our success stories with 8. We have 375 customers live on PS8 HRMS.

Focusing on the up-market- that is where they want their 150 sales reps to concentrate. Yet, they don't have the functionality to compete. They play best in the mid-market, but they are more expensive than Ultimate. They are confusing their customers - are they a mid-mkt player or in the Big Leagues? They have an anti-Partner attitude- this makes it harder for them to get into the big accounts. We are the #2 ERP player. 8 of the top 10 Global 500 companies are PS customers. We are a Tier 1 vendor and also offer a strong competitive offering to the Mid-Market with our Accelerated Solutions.

Web Deployable: Lawson has Java on the client, similar to Oracle. Only their SS is 100% Internet. They define themselves as web deployable and web centric. In January they appointed Brad Benson, formerly at PS, SVP of Product Development. Lawson has conceded that their applications are difficult to configure and they must use industry standard tools. They are re-architecting their technology. The main question is can they afford to support 2 code lines during the technology transition? Scheduling a hands-on workshop where prospects can come and test drive our software works well to expose Lawson's technology deficiencies.

SI Alliances: Because of Lawson's low implementation costs, the Big 5 don't work with them a lot because it is not profitable for them. This hinders them from getting into big accounts. They have had an anti-partner attitude, but they are changing their strategy. We have strong relationships with the Big 5. Most importantly for Healthcare, we have a successful and profitable partnership with CGE&Y. They were instrumental in our win at Sarasota Memorial.

Negative Selling: Sales managers have said that Lawson bashes PS to the prospect early on and throughout the sales cycle. They'll talk about our high implementation costs and tell the prospect to "count the clicks" (which I'll talk more about shortly.) We need to educate the prospect about the robustness of our solution and if they are mid-market, we can grow with them. Prospects tell us that they don't like to hear one vendor bad-mouthing another.



Solution Weaknesses

- Basic HRMS suite
- Limited Analytics
- Unproven workflow
- No Upgrade assistance
- Less configurable

PeopleSoft Opportunities

- Collaborate Applications
- Position WFA
- Integrated workflow
- Stress Upgrade Manager
- PeopleTools



•**Basic HR functionality:** 3 modules only (HR, Ben Admin & Payroll). Manager Self-Service is mostly View only. Only offer US and Canadian Payroll. Lawson has no thought leaders or innovators in their HRMS Product Development organization. They recently merged HR and Financials together and the group is led by a Financials person. They treat HR as a step child. They have no Payroll Interface- claim they can build one for \$75K. Need to tell prospect that if they have more than one site, they pay for each interface. We need to position the breadth and depth of our comprehensive suite.

•**Analytics:** Lawson has a set of metrics that look only at HRMS data that is resident in the Lawson system. They have nothing that competes with Workforce Rewards or Workforce Planning. PeopleSoft WFA delivers over twice the number of metrics that Lawson delivers and can include information coming from virtually any system. We couple our compensation planning functionality with retention planning functionality in Workforce Rewards. Lawson has no retention planning engines. With the newest release of WFA (EPM 8.3 - GA Dec, 2001), Workforce Planning lets customers establish links between their strategic business objectives and their workforce development plans.

•**Workflow:** Remember when we beat them up because they used a 3rd Party workforce tool? They recently built their own workflow tool, which is embedded into the product. But, they only have about 50 pre-built business processes. The customer will have to build a lot more during their implementation. We offer our customers 200 pre-built applications – which are best practice/ business processes maps. This lowers the cost of ownership. We help our customers get a bigger head start during their implementation.

•**Upgrade:** As part of our PeopleTools, we offer Upgrade Manager that automatically points out customizations that have been made. This tool makes the upgrade process run quicker and smoother. Lawson has nothing similar which makes their upgrade process more cumbersome.

•**Less Configurable:** Lawson's tool set is not as robust as PeopleTools. We offer a higher level of configuration and personalization, due to our componentization and Object-Oriented architecture. Our value proposition to the customer is greater due to the fact that our software is more configurable.



- Lawson's Sales Strategies Against PeopleSoft
 - Plays the role of the deal spoiler
 - Count the clicks
 - You're buying a toolset with PeopleSoft
 - Only demos Self-Service
 - PS is more than you need and expensive

PeopleSoft
Market Intelligence

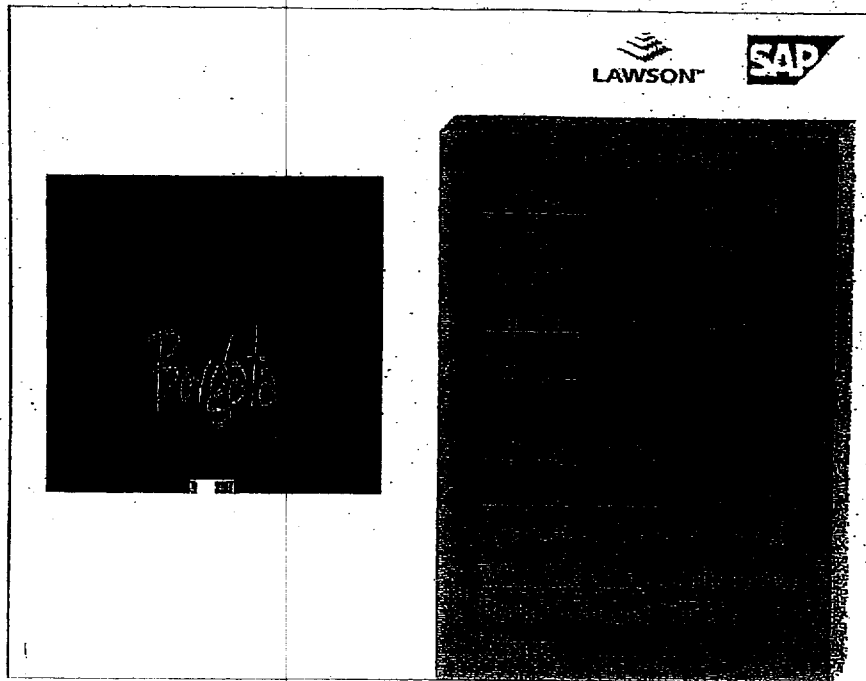
• **Deal Spoiler:** They have the tendency to not tell the truth about their technology and product functionality. Sales Managers need to spend time countering their claims. They can get the deal off track. They heavily discount, sometimes early on, and prospects can use them to lower the PS price.

• **Count the Clicks:** Lawson tells prospect to "count the clicks" in a PS demo. They say we need to go through many screens to get to the area where we want to be. PS needs to know beforehand the prospect's business processes so we can customize the demo and present a smooth and easy process. They try to demo first to create an impression of ease of use. If we go last, it is important to educate the evaluation team to make sure they dig under the covers and ask the right questions. Their technology deficiencies will be apparent after our demo.

• **Toolset:** Lawson claims they offer all the functionality out of the box. They pitch "configured-based" rather than tools-based. With PS, you need to use Ptools to get the functionality you need. In all Lawson demos, we need to be careful how many times we answer a question with Ptools. Stress that our software is configurable.

• **Self-Service during Demo:** Stays at a high level. Doesn't get down to functionality details. It's important to have the prospect ask questions about what is behind the self-service menus. In numerous deals, Lawson has said their technology is equal to ours. When we prove to the prospect that this is a false statement, that is usually the turning point for us in the sales process.

• **PS is more than you need:** Lawson bashes PS in the demo by saying we are complex - look how many people they need to demo their product. They repeatedly say they have the required functionality at half the price. And they claim they are cheaper to maintain. A company would need less than a full time IT person. With large customers, they promise premiere customer service. They say, with PS the customer will be a small fish in a big sea. For an unsophisticated user, Lawson can appear attractive. Their product is adequate and they discount heavily. Prospect needs to realize they are getting more from PS. Very important to educate the user, at the level of where they are today. Lawson has lower TCO because they have a smaller architecture imprint on the organization. Customers choosing Lawson are looking for a tactical, functional solution. With PS, the customer is investing in a strategic, enterprise business solution.



•Provide a brief background to this opportunity:

•What were the prospect's pain points? What were they trying to accomplish with a new HRMS system? Who were the key decision-makers?



- **Why We Win Against Lawson**

- **Qualify the deal**
- **Consider a hands-on workshop at customer site**
- **Focus on technology & PIA**
- **Global solution**
- **Focus on HCM Nirvana – not just transactional data**



•**Deal Qualification:** if it is a mid-market opportunity and the organization is not looking for a strategic HCM solution, but only to 'get the job done' with an HR transaction based solution, you will want to qualify it heavily, especially in Healthcare or Retail. In healthcare deals, where **First Consulting Group (FCG)** is running the evaluation, keep in mind that we have yet to win a deal versus Lawson when FCG runs the evaluation.

•**Hands-On Workshop:** Quickly proves to prospect Lawson just has a slick demo, no deep functionality in the product. Show that we offer easy navigation, easy to configure the software, robust functionality.

•**Technology:** Lawson self service is HTML, but core HRMS modules are Java based. Lawson's solutions are not easily configurable; need IT resources to make changes.

•**Global solution** – Position the bigger picture advantage of PSFT's Global reach. Lawson offers US and Canadian Payroll only.

•**Human Capital Nirvana:** We are the thought leaders. We don't just focus on back-office transactions. Helpful with deals against Lawson to show some functionality that the prospect is not asking for- such as EPM or Stock Admin- in order to prove that we can grow with the company. You may not need this now, but in 3-4 years we will have the functionality that you need to run your business. Stress robustness of solution.

Recap

- Lessons Learned from Successful Deals
 - Map prospect's business requirements to PSFT solution
 - Customize the demo to the audience
 - Lead with technology
 - Position Pension, Stock & WFA to show thought leadership
 - Engage partners early
 - Use ROI Calculators to show the value
 - Create relationships at every level
 - Make it look simple
 - Use references and replacements

PeopleSoft
Market Intelligence

• This slide captures the essence of what we need to do as Sales Professionals when we build our Account Plans for each account we engage:

• **Map prospect's business requirements to PSFT:** Do a thorough survey, and include the ROI calculator questions as part of the survey, with the high level results delivered during our initial presentation with Executives present. Identify the business requirements and map them to the demo. Know your prospect's industry's concerns.

• **Customize** the demo- don't over demo

• **Technology:** if you get IT to understand the benefits of PIA early, your path is smoother- could be a single source deal.

• **Position Pension, Stock:** Even if the organization does not need it or it will be a stage 3 implementation, briefly demoing these solutions shows our thought leadership and the completeness of our offering. We win because we understand HCM and we can show how the prospect can achieve their goals. We know they won't buy everything today, but we show they can grow with our solutions. Talk about how PS is involved in HRMS Professional organizations. We have local and global user groups, we are always anticipating our customers' needs. Highlight SS and stress supplier integration.

• **Partners:** Partners can serve as valuable coaches and influence accounts. Example: IBM can have many relationships within an account based on hardware, database, consulting. We can pick the area of IBM we want help with when we sell a deal eg., DB2 Sales Reps.

• **ROI:** Use the ROI calculators for self-service, portal and WFA. Our integration with suppliers – like no need to have hard copy of Providers' Directory is a clear savings.

• **Relationship:** Important to engage the right people at the correct time. Use people in prospect's organization that possess PS experience from a prior job. Use creative tactics to get to executive management, and bring in PS executive management early rather than late in a deal – it should be part of your Account Plan. Responsiveness and staying on top of the deal goes a long way. Prospects remember our professionalism and product knowledge.

• **Make It Simple:** Especially against Lawson and in mid-market deals, we need to show

QUIZ

QUIZ - #1

How many Oracle customers have upgraded to 11i?

- a) 10%
- b) None
- c) 50%
- d) All Canadian customers
- e) All Financial Services customers

Answer: A

QUIZ - #2

One reason that contributed to Oracle's win at McDonald's was:

- a) Oracle promised local functionality in Burkina Faso and neighboring countries
- b) Mac thought it was a pleasure to do business with Oracle and Larry
- c) Oracle had more SS transactions than PS
- d) Mac was wowed by the number of live 11i Payroll references

Answer: A

QUIZ - #3

We Close Deals because:

- a) PS has the largest expense accounts to wine and dine the prospect
- b) We always let the prospect's executives win at golf
- c) We build relationships at every level of the organization and are responsive throughout the process
- d) We bypass the evaluation team and focus on Executive Management

Answer: C

QUIZ - #4

Oracle Sales Tactics against PeopleSoft
include:

- a) Having their executives take an active role early in the sales process
- b) Creating FUD (fear, uncertainty and doubt) about integration issues
- c) Following the script and doing detailed demos
- d) Developing strong relationships with the evaluation teams

Answer: B

QUIZ - #5

One reason we win against Oracle is:

- a) We support more languages
- b) We are always cheaper
- c) Craig Conway offers free customization to our prospect's CEO
- d) We have larger organizations running our Payroll

Answer: D

QUIZ - #6

SAP's HRMS suite lacks:

- a) Single global architecture for Payroll solution
- b) Recruiting Solution
- c) Self-Service Benefits
- d) Analytics

Answer: A

QUIZ - #7

SAP sales tactics against PeopleSoft include:

- a) Planting confusion about the Internet
- b) Expanding the deal to an ERP sell
- c) A and B
- d) Offering ski trips to Walldorf in February

Answer: C

QUIZ - #8

A perceived strength of Lawson to be aware is:

- a) Global functionality
- b) Canadian Payroll installed base
- c) Technical architecture
- d) Drill around capability

Answer: D

QUIZ - # 9

A reason we win against Lawson is:

- a) We schedule hands-on workshops at customer's site
- b) We answer every question with "PeopleTools"
- c) We offer a 1:1 service ratio to license fee
- d) Our demos focus on Self-Service

Answer: A

QUIZ - #10

Unique Differentiators of PeopleSoft® HRMS
are:

- a) Stock Administration, Workforce Rewards
& Pension
- b) Canadian Payroll
- c) HR country extension for France
- d) Compensation solution

Answer: A

Answer Key

- 1 A
- 2 A
- 3 C
- 4 B
- 5 D
- 6 A
- 7 C
- 8 D
- 9 A
- 10 A