

GOALS FOR 1991 EXECUTIVE RETREAT DISCUSSIONS

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1. Consistently be financially successful.

Measures:

- Profit margin
- EPS
- Continued sales growth

2. Deliver ever-increasing shareholder value.

Measures:

- Value of stock in the financial markets, P/E ratio relative to industry
- Number of negatives reports in the financial press

3. Stay at the edge of leading technology and keep offering new products and services to new and existing target markets.

Measures:

- Investment in R&D as a percent of sales commensurate or greater % than rest of industry
- Percentage of employees devoted to R&D
- New products/releases per year

Example:

Have a commanding presence in the emerging market for palm-top or pocket computers, including Personal Information Managers (PIMs) and suitable data bases.

4. Understand the customer's needs in our target markets (including price range) better than anyone in the industry.

Measures:

- Customer opinion surveys
- Customer reasons for purchase - registration card
- Customer complaints and our response

Examples:

Make the Windows environment as ubiquitous as DOS.

Continue to extend our international business, particularly in Asia, and the developing Eastern European economies.

Maintain current strength in Japan and Western Europe.

MIN. YEE GOALS FOR 1991 EXECUTIVE RETREAT DISCUSSION / 18 FEBRUARY 1991 / PAGE 1

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5. Deliver value to customers relative to competition in every target application area. (cost/benefit analysis)

Measures:

- Price/features analysis with competition
- Industry press product review and reports

Examples:

Build leadership market positions in Word Processing and Spreadsheets. Enter PC database business and establish leadership position in GUI-based databases.

6. Continually attract and retain the best personnel.

Measures:

- Applications received
- Turnover
- College distribution, Class rank, GPA new hires

Example:

Expand the company's ethnic diversity, gender diversity, and support for family needs (e.g. better daycare provisions).

7. Maintain our work ethic and positive, exciting corporate culture and ability to make fast, informed decisions.

Measures:

- Employee satisfaction surveys
- Exit interviews
- Productivity (sales per employee, products brought to market)

Example:

Improve internal training and skills-development capabilities, with a particular emphasis on people management skills.

8. Maintain a strong understanding of competitive activities and invest in alternative growth technologies.

Measures:

- Investment in competing technologies
- Expenditures on competitive intelligence
- Number of new key hires away from competitors

Example:

Target top three technical employees of Novell, Lotus, and Borland, and hire them.

9. Continually identify, form and maintain successful strategic alliances.

Measures:

- Numbers of Joint Development Agreements
- Merger and acquisition activity
- Proportion of income related to joint venture activities

Example:

Build a successful first-generation electronic publishing business based upon the DK acquisition and the Bookshelf name.