From: Jeff Raikes
Sent: Wednesday, September 21, 1994 1:46 PM
To: Steve Ballmer
Cc: Debbie Hill
Subject: FY95 objectives

I incorporated your comments from our last discussion regarding my FY95 objectives, as well as some of the input from my staff.

Please review and comment. Thx.

FY95OBJ.DOC

Microsoft Memo

TO: Steve Ballmer
FROM: Jeff Raikes
DATE: September 21, 1994
RE: FY95 Performance Objectives

CC:

1.   Make our key business goals

1.1.   _MSUS gross revenue of $1.846B, net revenue of $1.774B

1.2.   MSUS controllable expenses <=$466M, 26.3% of net,
MSUS responsibility margin >=$938M, 52.9% of net

1.3.   MSUS shared resource margin >=$768M, 43.3% of net
(contribution margin $455M, 25.7% of net)

1.4.   MSUS MCS net revenue of $49.3M; 26,263 investment hours

1.5.   MSNA gross revenue of $2B, net revenue of $1.915B

1.6.   MSNA shared resource margin of $838M, 43.8% of net

1.7.   US Win Office share >80% (MikeAp/EUCU VP)

1.8.   US Win Word >60% (MikeAp/EUCU VP)

1.9.   US Chicago shipments of 2.75M units (13% penetration),
$189M in first four months of shipments (MikeAp/EUCU VP, Field)

1.10.   US Consumer division revenues of $353M (MikeAp/EUCU VP, Field)

1.11.   US Business Systems division revenues of $180M (JohnNi, Field)

1.12.   ??Protect the MS Mail business (JohnNi, Field)

1.13.   Business systems design wins – establish beach head in key industry verticals for
Windows NT (JohnNi)

1.14.   ??Customer satisfaction

1.15.   Efficiency — headcount reviews and follow-up for Sales Ops, EU and Org
marketing (JohnNi/MikeAp/Dwood)

Microsoft

- measurement: annual business review, industry marketing review, completion of headcount review action plans

2. Invest in our people and make the new org work

2.1. Develop coordinated training strategy and implement technical training plan (Dwood/CherylG)

2.2. Coach and develop my direct reports

2.3. Establish my leadership of field organization (PeteHa)

2.4. Fill key positions (Bbaum)

2.5. Redesign field management processes (PeteHa/Dwood)

2.6. Continue "district tours" and EBC briefings and do VTC briefings to help sell, and to identify key org action items; travel budget of 11 weeks (PeteHa)

2.7. Complete climate survey and action plans (Bbaum/PeteHa)

- measurement: climate survey (Q4), achievement of our business goals, days of training, completion of staffing; informal surveys on my people, field leadership, management processes (Q4)

3. Advance our WW customer unit strategies

3.1. Channel strategy (JeffSa)

3.2. Licensing strategy (CraigFi)

3.3. Business value strategy (JeffTe)

3.4. Solution provider strategy (DwayneW)

- measure effectiveness through management review of strategies, to be scheduled

4. Continue progress on SAME — increase selling capacity

4.1. Extend and operationalize our performance framework (DaveDa) (Include Federal, Reseller, FasTrack, identify other performance indicators and their "fit" into the framework, address resource deployment)

4.2. Identify success drivers and put in place best practices system (PeteHa/DaveDa)

4.3. Redesign the compensation and recognition systems (PeteHa)

4.4.   Effect a significant increase in customer time (Field, PeteHa)

- measurement: delivery of US Sales by 10/31, best practices system and resource deployment strategy by Q3; compensation/recognition systems in place by 1/95; time survey in Q4

5.   Personal development

5.1.   Develop technical and product knowledge, and awareness of enterprise computing issues

5.2.   Develop my knowledge of other sales organizations (eg. Lotus, Novell, HP, Compaq) (PeteHa/Bbaum/Field)

- measurement: attend product presentations/demos of key new releases, and key competitive software; review SE Forum slides, slides from big press events and DRG events, OEM and MGS sales meeting slides, reviewers guides, DevCast/BizCast keynotes; document/presentation on sales organizations by Q4

6.   SteveB will take the lead on:

6.1.   Use of "cash" as a weapon

6.2.   End user database strategy

6.3.   Internal information flow and customer information strategy

6.4.   Enterprise sales/support strategy and customer message

6.5.   SteveB will help in determining the applicability/scalability of performance framework and other SAME work to other parts of the world