



2008 & 2009: Ultimate Software Selected the #1 Medium-Sized Company to Work for in America by Great Place to Work Institute® and Society for Human Resource Management

A few reasons why...

Anyone who walks the halls of Ultimate Software can sense the camaraderie, teamwork, and often joy that come from working at a company where people know they play an important role in achieving a common goal. For instance, employees who have worked for the company for three and five years receive more than a congratulatory form letter and gift. They receive a personal, handwritten note from CEO Scott Scherr thanking them for the contributions they have made to the company and reflecting on the memories that they share. It's just one example of how Ultimate strives to let every employee know they're appreciated.

This sense of camaraderie comes from Ultimate's commitment to employees. Since the company's inception, Scherr has made sure that all employees, from mailroom clerks to software engineers and executives, own company stock options. He's also been adamant about Ultimate assuming 100% of the cost of healthcare and dental coverage for employees and their families. This is unusual considering that economic times have been extremely challenging, especially for a technology company trying to grow in a highly competitive industry. When Ultimate went public in June 1998, the stock market had just taken a dive. Not a promising start, but the company grew steadily and achieved profitability in 1999 and the first half of 2000. The success was short-lived as dot-coms began crashing in 2000, jarring investor confidence in technology companies. Then September 11 and an economic downturn came. CFOs were reluctant to make major software investments in an unpredictable environment. *Despite the unprofitable quarters that followed, Ultimate still paid 100% on benefits for employees and families.*

Ultimate employees were inspired to create an award-winning product, give great service, and sell enough solutions to keep the company moving forward. The Development team designed technology that enabled the company to shift from a license model to a recurring revenue model, and the employee-centered culture made this success possible in the face of overwhelming odds. The company reached profitability again in the fourth quarter of 2004 and has been profitable on an annual basis since 2005.

By putting its faith and resources into employees, Ultimate illustrates that respected employees can produce results, and have fun doing it. One way CEO Scherr motivates the team is by having frequent company/department get-togethers. There he shows a company video that highlights team successes in pictures with a soundtrack of songs that reflect periods in the company history. For example, "Staying Alive" represents the early years, when Scherr was worried about making payroll. The "Star Wars" theme is for the time when Scherr joined forces with the mastermind behind the company's product, Dr. Alan Goldstein. After that came "Step-by-Step," "Taking Care of Business," "Eye of the Tiger," and now "Right Here, Right Now." The video ends with a picture of an endless road that all employees are traveling together. As the company's history grows, the video grows. It has become a treasured company tradition, and reminds everyone of the triumphs they've had on the journey together. As Scherr likes to say, "We will have our championship season."

Scherr often uses sports imagery to underscore his belief in the power of a unified team. Besides distributing basketball coach Pat Riley's book *Winner Within: A Life Plan for Team Players* to employees and giving out many individualized sports awards like Muhammed Ali's warm-up robe to a salesman whose idol is Ali and a Notre Dame football helmet signed by Joe Montana to a Notre Dame fan, Scherr made Major League pitcher Al Leiter an official company spokesperson. Recipient of nearly every humanitarian award in baseball, Leiter is an inspiring speaker who regularly comes to employee meetings, shares his techniques on how to focus in high-pressure situations, and even throws the baseball around with delighted employees.

Ultimate Software has had many noteworthy accolades in its "Passion for Perfection" mission. In 2009, Ultimate's UltiPro delivered through Software-as-a-Service (SaaS) won first place in the People's Choice Stevie® competition for Favorite New SaaS Product, sponsored by the American Business AwardsSM. In 2008, Ultimate Software's development team was named the #1 "Best Product Development Team" in the nation by the American Business Awards. Also in 2008, Forrester Research named Ultimate the sole "Leader" in its Forrester Wave™ report on HR Management Systems in the U.S. Midmarket, with the top score for product strategy and vision, cost and value, and overall current offering. Forrester also named Ultimate a "Leader" and the top-rated vendor for strategy in its Multinational Enterprise evaluation of HR Management Systems. In 2007, Ultimate Software's IT Team won a first place award from the American Business Awards for its SaaS offering. In 2006, Ultimate Software's customer service team won two first-place awards for service excellence, one from the Service & Support Professionals Association and another from the American Business Awards.

Scherr makes sure that employees understand company goals and that success comes from making customers happy. Scherr personally welcomes all recent hires by taking the new group to dinner quarterly. They talk about everything from how they came to Ultimate Software to the length of their commutes. Everyone leaves the meal with a silver coin dated 1991. 1991 is the year Ultimate Software made its first revenue. Many employees have the \$1 piece Scherr gave out representing the company's goal to reach \$100 million in total revenues. In 2006, Ultimate Software's team reached and surpassed that goal, delivering \$114.8 million in total revenues. Some long-time employees still have the fifty-cent pieces Scherr used to give when the company's goal was \$50 million in revenue. Scherr has even given the symbolic coins to children of employees on "Take Your Child to Work" day, and he tells them they can be whatever they want to be in life if they focus on goals and "always do the right thing."

There are many other things that Ultimate Software does to show employees they're valued – free tickets to Florida Marlins games in a skybox stocked with food and beverages, monthly group birthday celebrations, periodic visits from an ice cream truck that dispenses free ice cream during the workday, subsidized Weight Watchers sessions, holiday potluck lunches and formal dinners, night cruises on Fort Lauderdale's inland waterways, and much more.

It's these personal touches – both small and big – that really help employees to enjoy working at Ultimate Software and give their best to the company and its customers. And the spirit shows. One analyst team that was visiting the Ultimate headquarters office commented that they'd been to many company headquarters and never seen one with such positive energy.