

ORACLE PURCHASE HUMAN RESOURCES SOFTWARE COMPANY



The Oracle Corporation has recently made an announcement, stating that the corporation will be buying the Taleo Corporation for nearly \$1.9 billion. The Taleo Corp. is a human resources software company. The Oracle Corp. has decided to purchase the human resources Software Company as a means of expanding, especially when it comes to cloud computing. Those who are holders of the Taleo Corp. will be receiving \$46 per share. The Oracle Corporation is one of the largest software companies in the United States, and is located in Redwood City, California. Taleo helps Oracle by providing the tools that enable different companies to manage the human resources department of their company. These tools help human resources directors find new employees for positions and set wages. Taleo offers the human resources software via the web, without needing to have the software installed on a computer. It is, overall, far more convenient than other types of software. In fact, a senior software analyst, Anurag Rana, says that the vast majority of companies will depending upon this type of software, which is web based, within the next few years. It is a trend that many companies seem to be following. With this new deal intact, Oracle will be able to build its cloud computing and expand during a time when software sales have definitely slowed down. With cloud software, customers can access what they need through the web, which also helps the customers save money. And, that is something that the customers, especially those who need the software, can appreciate. The Chief Executive Officer, Larry Ellison, seems to be on much of a buying spree, after buying over 70 different companies, worth \$40 billion. Ellison's plan is to add programs that will help the larger corporation manage their human resources department in an efficient manner. Oracle has bought many other companies, including the RightNow Technologies Incorporation, which cost Oracle \$1.5 billion. It is believed that the deal between Oracle and Taleo will help Oracle with its sales, especially as it competes against a few other companies that are offering similar services, including the Salesforce.com Incorporation. During the month of December, Oracle had lower than expected second-quarter earnings, partly due to the trouble it had with closing certain deals. In the meantime, an analyst, Mark Moerdler, believes that the deal between Taleo and Oracle will work out perfectly, believing that it was the right strategic move for Oracle to make. Moerdler believes Taleo will help Oracle take off within the cloud computing market, which is something Oracle is hoping for as well. There are just about 5,000 different organizations currently using technology from the Taleo Incorporation. And, it is expected the Ellison made the right move, paying the right amount of money for Taleo. Rana says that Oracle, as a whole, did not overpay for the deal between Taleo, as some suggested. It is not in Ellison's blood to overpay for any deals.