



Getting the Basics Right Across the Employee Journey

Priming you for greater value and higher performance,
from plan-to-hire through to retire



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Tomorrow starts today

As the future of work becomes far more dynamic – driven by the accelerating pace of technology and business change, as well as shifting worker expectations – HR’s remit is swiftly expanding from trusted partner to strategic leader. Among HR leaders, 7 in 10 say they have more opportunities for impact compared to 3 years ago, and 6 in 10 say they have more authority to determine strategic priorities.¹ Yet brittle, disjointed technology ecosystems are holding HR back.

It’s a pervasive problem for enterprises of all sizes: legacy systems designed in decades past – when org charts were static and in-demand skills largely stable – simply can’t keep pace with modern HR needs. So clunky systems are augmented with standalone point solutions, niche applications and manual workarounds. That patchwork approach might seem to solve the deficit at first blush, but in reality it creates a long list of knock-on effects: fragmented, siloed data; the extra costs and complexity of maintaining a sprawling tech stack; and a frustrating, friction-filled experience for HR teams and workers alike.

HR teams might be able to muscle through the muck well enough if tasked only with maintaining the status quo. But HR is increasingly expected to train its eye on the horizon: collaborating closely with business partners to build an adaptable, future-ready workforce; anticipating and solving for skills gaps; and providing data-driven insights to drive outcomes and fuel innovation. Those lofty ambitions are simply out of reach for HR teams trying to wring insights from their current systems.

In many ways, accelerating into the future first requires HR to rethink its foundation. That doesn’t mean swapping one technology for another. Rather, it means ensuring that the right building blocks are in place – from unified, democratised data and analytics to a holistic view of the employee journey – to nimbly meet today’s workforce challenges while also being poised to flex and adapt as the future unfolds.

What does that look like, exactly? This guide explores the essential building blocks of a future-ready HR foundation, and how that foundation enables HR teams to elevate and streamline the employee journey, from planning to hire and through to retire. Let’s get started.



56% of HR leaders say their HR technology solutions and strategy do not match their current and future business needs²

75% of HR technology leaders expect their technology landscape in 2025 to be consolidated around a core cloud HCM suite³

9 to 11 HR tech systems and 30 HR system integrations are the norm at the large organisation, according to research by Sapient Insights

¹Gartner, “[Gartner Survey Finds 83% of HR Leaders Are Expected to Do More Now Compared to Three Years Ago](#)”; 23 October 2023.

²Gartner, “[Top 5 Priorities for HR Leaders in 2024](#)”; 2023.

³Gartner, “[HR Technology Planning Imperatives for 2023 and Beyond](#)”; 2022.

The right foundation moves the business forward

Data alone doesn't solve many problems. Rather, organisations need a way to transform their data into decision-ready insights and strategic workforce plans. To do that requires moving beyond a disparate set of generic tools to a cohesive HCM system that spans the entire employee journey.

What separates a so-so solution from a future-ready foundation? Consider these three pillars:

1. Single source of truth for data

When HR and workforce data – from payroll to performance, recruiting to rewards – are unified in a single true-cloud platform, organisations unlock dramatic gains in accuracy and efficiency.

Gone is the need to manage multiple datasets spread across separate systems and spreadsheets. And gone, too, is the heightened risk of error, security slips and delays that comes from manually aggregating and sharing data. Instead, with unified, real-time data, everyone has role-relevant access to the information they need – and peace of mind that it's data they can trust.

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Before Workday, we were having challenges getting information out of our systems. If a manager wanted to look up a staff member's salary, they couldn't do it without going through HR or payroll. And then if the manager reached out to payroll to get information, it was sometimes different than if they had contacted HR, because the data wasn't in one system.

– CFO, California College of the Arts

⁴ Sapient Insights Group, "25th Annual HR Systems Survey White Paper"; 2023.

⁵ Deloitte, "2023 Global Human Capital Trends Report"; 2023.

2. Total workforce visibility

HR is increasingly asked to assume a more strategic role, but it's difficult (if not impossible) to understand your people, uncover talent gaps and plan your future workforce if your talent visibility is deeply fragmented and sharply limited.

A future-ready HCM platform opens the aperture on your total talent landscape, enabling HR to shake free of the outdated notion that employment unfolds only as a prescribed sequence. With an expansive lens on the employee journey, you can see the interdependencies and uncover amplified insights that would be obscured by a patchwork of disparate systems.

The best HCM platforms even make it easy to extend your workforce visibility beyond the usual boundary of employment to contingent workers that companies are increasingly relying on for in-demand skills.

84% of HR leaders

report that inclusively leading an expanding workforce, including those inside and outside of the organisation, is important or very important to their organisation's success⁵

Over 90% of organisations


say they are still using spreadsheets at some level to clean, analyse and visualise their data⁴



3. Intelligent skills foundation

As more and more organisations look to reinvent the way they operate, redefine roles and reimagine work, they're shifting away from focusing on tightly constrained jobs to focusing on the skills required to do the work itself. But while organisations are awash in skills data – from recruiting applications and learning solutions to skills assessments and labour market data – they struggle to integrate that data and draw connections between related skills.

A true-cloud platform makes integration a non-issue. And embedded AI and machine learning (ML) can synthesise structured and unstructured data alike, breaking down components of what makes up a skill, connecting those components in relation to other skills, and relating those skills to other categories. The result: a rich, holistic understanding of your workforce that can help ensure every action HR takes helps move the organisation in the right direction.



84% of CHROs say they're increasing investments in skills-based talent approaches⁶

More than 2,000 Workday customers use Workday Skills Cloud

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Workday's machine learning is a fascinating technology that enables us to do things that, in the past, we could only have dreamed of. It's supporting the identification of talent and the identification of skills gaps within the organisation. Being able to use a system and a technology that can source and scout across the entire organisation to see the talent we have and help us in accelerating it makes the biggest difference for us.

– **Global Head of Talent, AstraZeneca**

How Workday can help

Unified data, skills and workforce visibility are just three ways Workday delivers a future-ready foundation.

- Workday Skills Cloud, built into the underlying framework of Workday Human Capital Management (HCM), brings structure to traditionally unstructured data and enables skills-based matching of people to jobs and work. With skills inference, Workday Skills Cloud leverages all of the rich data in Workday to glean skills that a worker may have, as well as provide skills suggestions.
- Skills dashboards provide insight into skills adoption, skills acquired and lost, and how a worker's skills compare to the skills required for their role.
- Workday People Analytics skills dashboard helps HR leaders gain insight into specific skills trends, address talent gaps and prioritise the best opportunities to upskill the workforce.
- Workday core reporting and analytics are part of a native suite of reporting, dashboarding and ad hoc self-service tools that help you understand what's happening in your business – without needing to export data into a separate solution.
- Stale, siloed, discrepant data? Not on our watch. Workday Prism Analytics is a high-performance platform for ingesting and transforming large volumes of external data with Workday people and financial data so you have data that is accurate, up-to-date and comprehensive, right at your fingertips.

⁶ PwC, "CHRO and human capital leaders: latest findings from PwC's Pulse Survey"; August 2023.

Plan to hire

Organisations know that staying competitive means investing more time and effort into engaging and retaining top talent. To do so, many organisations are setting up a data-driven plan-to-hire process that offers the insights necessary to plan for future needs, recruit the right individuals, and successfully onboard and engage employees.

The plan-to-hire process spans from workforce planning to recruiting and onboarding, with each phase often managed by different teams working from different frameworks, tools, reports and data. As a result, collaboration between teams can prove as challenging as streamlining processes themselves.

But a true-cloud HCM platform obliterates the silos that have historically made HR take a back seat to finance in the planning process. Instead, HR can also take the wheel – from modelling and optimising growth, flex and hiring plans, to using analytics to identify and address the root causes of recruitment issues, to supercharging engagement across hiring teams, and so much more.

With the right technology foundation, data and processes, your teams can continuously plan, execute and analyse. As a result, you can evolve your plan-to-hire processes while aligning with your company's growth strategies. As you finalise those plans, talent acquisition teams can proactively focus on recruiting and retaining top talent. All the while, your organisation can deliver an engaging onboarding experience that not only welcomes new hires, but that also identifies key connections, people to meet and recommended learning so they can hit the ground running on day one.

75% of recruiting professionals predict that skills-first hiring will be a priority for their company in the near future⁷



⁷ LinkedIn, "The Future of Recruiting 2023"; 2023.

Getting the basics right: five steps to mastering the plan-to-hire process

STEPS	HOW TO GET IT RIGHT	WORKDAY CUSTOMER SUCCESSES
1 Create and optimise holistic workforce plans	Hiring plans shouldn't happen in a vacuum. You need unified data that spans HR, finance and operations, as well as contingent talent pools, to understand and analyse the full upstream and downstream impacts of grow, flex and hire strategies.	<p>"We have fantastic visibility of the overall workforce planning process in the annual budget. Now we are seeing that next level of data insight, which is improving our data-driven decision-making capability."</p> <p>– Vice President, Professional Services, Macquarie University</p>
2 Deliver to candidates a consistent, engaging experience	Delivering a great experience to internal and external candidates helps keep people engaged and improves time to productivity for new hires. It's also essential to support internal candidates with visibility into open positions and contextual, personalised insights into the skills needed to make a move.	<p>"With the Workday talent profile and people finder, we're able to proactively search for candidates and invite them to apply for jobs."</p> <p>– Senior Vice President, HR, MGM</p>
3 Amplify collaboration and communication across hiring teams	Involve recruiters, hiring managers and other key stakeholders early in the process and replace time-consuming email exchanges with real-time, cloud-based collaboration. Empower everyone at your organisation to build the candidate pipeline by connecting with referrals and current and prospective applicants.	During the holiday season, retailer Belk increases head count by as much as 40%, which used to depend on hiring managers across 300 stores using spreadsheets to manage candidates. With Workday, the process is far more consistent, efficient and transparent.
4 Leverage automation to supercharge the process	Reduce your time to fill and improve time to productivity by eliminating gaps in your recruiting process while staying aligned with hiring regulations.	Fast-growing tech company NVIDIA has about 150,000 candidates in the review process at any given time, but many candidates were lost when recruiting resources were reassigned. With the mass operations management capability in Workday, NVIDIA can now assign up to 50,000 candidates to a recruiter at once, and what used to take more than 24 hours to perform is now handled overnight.
5 Empower workers to hit the ground running	Provide more than just tasks to new employees by leveraging welcome videos, training content and a superior onboarding experience. Reinforce your company values and mission as you provide new hires with the tools, resources and global connections to get started.	<p>"We have lots of seasonal contracts, and when you first start at a Club Med resort, it can be difficult to understand what your role is and what team you're on. Thanks to Workday, you can discover who your colleagues are and who you report to as soon as you join."</p> <p>– Sylvie Brisson, Chief Human Resources Officer, Club Med</p>

How Workday can help

With Workday, you can find, share, engage and select the best candidates – both internally and externally – from one unified platform.

- With Workday Adaptive Planning, workforce planning is easier and far more powerful. You can manage a single strategic workforce model, create endless driver-based and what-if scenarios, and standardise workforce plans across complex and diverse business units.
- Workday HCM core reporting comes as standard with powerful reporting and analytics features, including delivered dashboards and standard reports, discovery boards and benchmarking. With analytics and transactions in one place, you can see what's working and what's not, and take action.
- Workday Recruiting works seamlessly with Workday HCM job requisition creation, management and fulfilment. The referral leaderboard encourages employees to participate in the talent acquisition process. As candidates identify contacts within your organisation, automatic solicitations for endorsements help refine the candidate pool.
- Workday Candidate Engagement extends Workday Recruiting to give talent acquisition teams more ways to connect with prospective candidates, from email campaigns and personalised landing pages to real-time analytics, plus event management that can help continuously improve recruitment performance.
- Workday Talent Marketplace, within Workday Talent Optimisation, connects employees to opportunities based on the skills they have or want to develop. Flex team managers can view skills-match analysis for flex team applicants, and workers get an analysis of their skills and what's needed to take on a short-term assignment.
- Workday VNDLY streamlines and supports end-to-end contingent labour recruiting, statement of work negotiation, external worker onboarding, local compliance requirements, and billing and invoicing, through to eventual offboarding.



Hire to pay

When it comes to something as vital as the hire-to-pay process, legacy systems and behind-the-curve technology can really hold organisations back. Often, the road from getting hired to getting paid requires pages of checklists, a patchwork of paperwork, and painstaking patience and precision. Why? When payroll and HR use separate systems, it can be a challenge for payroll to keep up with employee changes and often requires additional data reconciliation to track down information to avoid costly errors.

In an attempt to get everything right the first time, business transactions are often put “on hold” for upwards of seven days while offline, manual interventions are undertaken. This slows everything down – from auditing to resolving employee HR queries. This status quo can put organisations at risk of reporting on incomplete data and acting on inaccurate financial and labour costs analyses.

Additionally, trying to maintain compliance while managing multiple systems opens the door to the potential of critical errors. Add in the complexity of global rules and regulations that govern human resources and employment laws, and you’ve got a real challenge on your hands. Whether it’s staying up-to-date on tax reforms, employment scheduling laws or statutory regulations, the costs associated with penalties and interest for non-compliance can significantly impact the financial health and reputation of your organisation.

You can increase your organisation’s health by providing employees with best-in-class technology with intuitive user experiences. Consolidating data from disparate sources into a single flexible, scalable system can revamp the traditional hire-to-pay process in ways that can help everyone in your workforce succeed while making HR a more strategic partner to the business.



According to an analysis by EY, the average company has **only an 80% payroll accuracy rate**, and makes 15 corrections per pay period⁸

\$78,700: the average annual cost, per 1,000 employees, that companies lose to missing or incorrect time punches⁹

^{8,9} EY, “Cost and risks due to payroll errors: results of the 2022 HR processing risk and cost survey”; December 2022.

Getting the basics right: five steps to mastering the hire-to-pay process

STEPS	HOW TO GET IT RIGHT	WORKDAY CUSTOMER SUCCESSES
1 Treat configurability as table stakes	Role-based permissions and high configurability make it easy to adapt your payroll model – from in-house to fully managed and everything in between – without redeployment. Configure accumulations, balance periods and balances to your needs and easily reconfigure as the organisation evolves.	Replacing its many disparate applications with a single, flexibly configured system allowed Meijer to retire 80 integrations and avoid \$1.5 million in upgrade costs. Just as notably, the move shifted partial ownership of the system from IT to HR, which helped speed up internal responses and fuel a culture of continuous innovation.
2 Manage globally even while processing locally	Decentralised processes limit corporate-level visibility and make reporting more onerous. To avoid such drawbacks, establish a unified view into global labour spend, and opt for a system that's able to seamlessly and securely share payroll data with local processors.	“We have staff all over the world, and prior to Workday it was very difficult to keep our teams connected. But with Workday, we now have consistent business processes, we're all in the same system, and we're much more connected.” – Vice President, Enterprise Solutions, University of Maryland Global Campus
3 Identify the metrics that matter	Tracking key payroll performance metrics, such as error rates, percentage of off-cycle payments and direct deposit utilisation, enables payroll teams to monitor the business impact of their efforts and support business initiatives, such as workforce optimisation.	“Year-end was once a nightmare. With Workday, we've turned it into a complete non-event,” says the payroll and compliance manager at Land O'Lakes. Payroll accuracy has boosted to more than 99.9%, off-cycle payments decreased by half, and real-time dashboards have enhanced collaboration with other business units.
4 Take the complexity out of compliance	Regulatory changes around the world are becoming more complex and demanding, making compliance difficult. Invest in a unified system that supports regulatory changes and legal updates across all relevant worker dimensions.	Panera Bread's former inflexible systems made it difficult to adopt changing compliance requirements. With Workday, Panera Bread created one core record for each employee, helping to tie benefits, payroll, absence and time tracking to HR. Compliance updates can be made once and reflected seamlessly across all dimensions.
5 Empower employees with flexible options and intuitive tools	An intuitive, mobile-first user experience increases employee self-sufficiency and nurtures trust. Meanwhile, unified data that spans the employee journey enables organisations to easily and efficiently satisfy workers' growing interest in early wage access and other flexible pay options.	Life Time Inc. once used 60 different software tools to manage its large and diverse workforce. Consolidating onto a unified platform saves the company 50,000 manager hours a year, with 95% of employees making use of the Workday mobile app for everything from accessing pay slips to swapping work shifts.

How Workday can help

A unified system helps you pay people accurately, on time and compliantly while meeting evolving workforce expectations.

- Workday Payroll works seamlessly with Workday HCM (including Workday Compensation and Workday Benefits), Workday Time Tracking, Workday Absence Management, Workday Scheduling and Workday Labour Optimisation, providing a complete end-to-end user experience.
- Pay on-demand supports the financial well-being of workers by giving them the flexibility to request access to accumulated wages earlier. Help workers during difficult times with flexible payments and deduction options, such as pay advances and loans.
- Built-in analytics enables you to run reports and audits on all payroll data. Worker-based audit rules and mass update audit exceptions help cut down on audit time.
- The continuous calculation engine streamlines payroll processing by automatically recalculating payroll results in real time as pay-impacting events occur.
- The flexible work arrangements feature helps you track and enable a hybrid workforce and supports whatever flex work means for your organisation – whether it is flex time, remote, hybrid or a compressed workweek.
- Workday Scheduling simultaneously gives your workers more control over their work lives while meeting the demands of your business.

“

Before Workday, the payroll process was manually intensive, with a lot of data entry and a lot of manual processing of paycheck and pay advances. Today, payroll is pretty much a non-event. We can calculate an individual's payroll on the fly in a matter of seconds and process full payroll in just over an hour.

– **Business Line Systems Manager, HR, Commerce Bank**



Develop to perform

Here's a sobering disconnect: 9 in 10 organisations expect to face a meaningful skills gap in the coming years, according to McKinsey.¹⁰ At the same time, 35% of employees say they have skills that aren't clear from their qualifications, job history or job titles, and 30% say they've missed out on opportunities because they don't know the right people.¹¹ And the top reason employees cite for leaving a job is lack of career development and advancement.

What if you had visibility into your workers' skills, talents and career interests and could leverage that information to engage them in their professional growth and development?

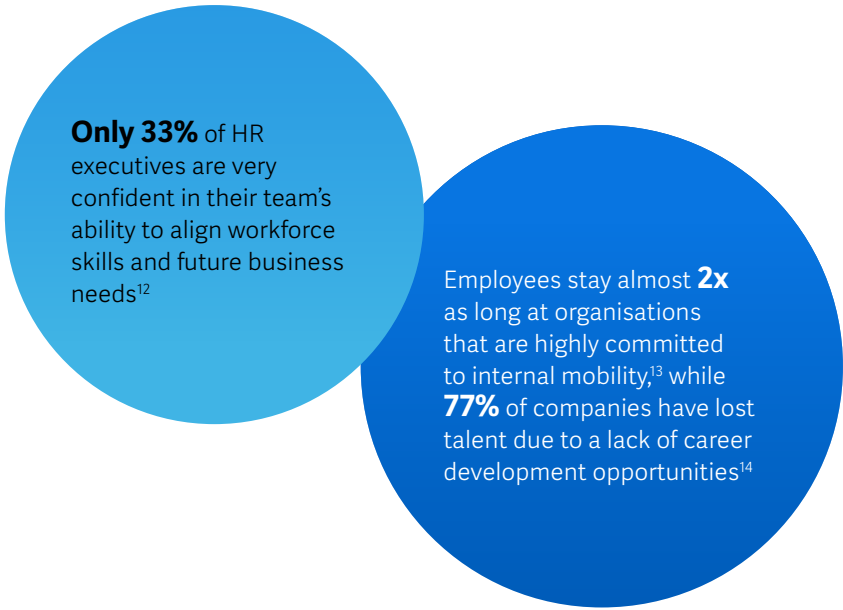
Employees who are more engaged can help the organisation achieve its goals and strategic business initiatives. This is why organisations are looking for innovative ways to compensate workers as well as better manage goals and performance, track and develop skills, promote learning, and better prepare future successors within the organisation. An engaging develop-to-perform process can provide insights and flexibility to prepare for the future and adapt to new strategic business initiatives.

By proactively developing your internal workforce, you will not only help build a succession pipeline, but you will also fulfil your workers' need to feel that their skills, capabilities and contributions are valued as part of the organisation. A develop-to-perform process that encourages feedback, fosters connections, enables continuous performance and development, and reflects your corporate culture can help meet the changing expectations of your workforce. This innovative approach can give your organisation an edge by optimising your talent while reducing attrition.

“

Workday allows our employees, with one or two clicks, to go into the system and identify which skills they have and which skills they aspire to build over time. The system then links into our learning system, allowing people to access courses – online, digital or classroom – that they can register for with the click of a button.

– **Chief Talent Officer, Bank of Montreal**



Only 33% of HR executives are very confident in their team's ability to align workforce skills and future business needs¹²

Employees stay almost **2x** as long at organisations that are highly committed to internal mobility,¹³ while **77%** of companies have lost talent due to a lack of career development opportunities¹⁴

¹⁰ McKinsey, "Reimagining people development to overcome talent challenges"; 3 March 2023.

¹¹ PwC, "Global Workforce Hopes and Fears Survey 2023"; 2023.

¹² Workday, "Closing the Acceleration Gap"; 2022.

¹³ LinkedIn, "The Future of Recruiting 2023"; 2023.

¹⁴ Aptitude Research and Workday, "The New Era of Internal Mobility"; 2023.

Getting the basics right: five steps to mastering the develop-to-perform process

STEPS	HOW TO GET IT RIGHT	WORKDAY CUSTOMER SUCCESSES
1 Get a comprehensive view of talent	Rely on accurate and complete talent data, including a universal skills ontology, to gain visibility into workforce skills gaps, career interests and ambitions so you can better understand where to recruit or develop talent.	<p>“At times we have spent money on external resources only to discover later that we have the skills internally. Clearly seeing everyone’s skills mapped to our 5,000 roles will deliver massive benefits across all our global HR workflows.”</p> <p>– Executive Director of HR Technology Solutions and Strategy, MSD (Merck & Co., Inc.)</p>
2 Define your performance and recognition strategy	Continuous performance conversations – whether through anytime feedback, regular check-in conversations or performance reviews – provide timely and meaningful feedback to employees while simultaneously fostering learning and career growth opportunities.	Life Time Fitness replaced its annual one-on-one performance meetings with a system that encourages continuous goal-setting and real-time feedback via online chat, email, video streaming, or one-on-one and in-team stand-up meetings. Employee utilisation jumped from 29% to 78%.
3 Develop a culture of connection and continuous learning	Personalised learning paths and programmes that deepen and expand a worker’s expertise can drive growth and engagement. When you promote opportunities for collaboration on cross-functional teams, internal projects, flex teams or stretch assignments, your workers feel more connected, experience a higher level of engagement, and gain valuable knowledge and skills.	<p>“We now have the kind of environment that enables line managers to think about and act independently to support the growth and careers of their teams. Employees themselves can update their information, adding training they’ve completed and new qualifications they’ve earned, showcasing their uplifted capabilities – and managers can see those updates immediately.”</p> <p>– Kazuto Yamada, Senior Expert, Human Resource Sec., General Administration & Legal Div., TOPCON CORPORATION</p>
4 Focus on skills depth and development	Encourage skills-based decisions about whether to develop internal talent or focus recruitment efforts externally. Organisations can highlight top skills and perform gap analysis and optimise their talent by leveraging ML to identify workers and recommend candidates whose skills are best suited to a strategic business objective.	At Ferring Pharmaceuticals, managers create flex teams in Workday Talent Marketplace, review the matched workers and invite employees to participate. By reaching out across the company instead of only contacting people and business groups they know, managers can tackle projects faster with talent they might not otherwise uncover.
5 Gain insights and innovation to help plan for the future	Augmented analytics and ML can provide leaders with a lens on the most critical trends in their workforce. By understanding the drivers of such trends, HR teams can craft stronger talent decisions and programmes.	<p>“We realised that only Workday offered us the technology capable of the transformational change and operational reform we needed. So we implemented Workday Human Capital Management as our new solution – and this has quickly given us the reorganisation and fluid adaptability we need to build and manage a fast-growing, multigenerational workforce.”</p> <p>– CHRO EMEA, Sumitomo Heavy Industries</p>

How Workday can help

A unified system with embedded AI and ML makes it easy to unlock people's potential at scale.

- Workday Skills Cloud, built right into Workday HCM, infers, validates and dynamically updates the skills an employee acquires across their talent journey – even securely integrating third-party skills data.
- Workday Talent Optimisation builds on Workday Skills Cloud to supercharge a skills-based people strategy. HR can tap into talent insights and analytics to improve performance; compare workers through configurable talent cards, N-box, matrix and search reports; and drive talent mobility across the enterprise.
- Flex teams, a capability within Workday Talent Optimisation, helps managers quickly identify talent from across the organisation, assemble a team and define roles.
- Workday Talent Marketplace, within Workday Talent Optimisation, connects employees to internal opportunities using machine learning to assess fit and lowers the usual barriers to mobility.
- Employees are empowered with the tools they need to grow, such as Career Hub, where they can solicit anytime feedback, gain visibility into potential moves using the opportunity graph, and connect with mentors. Career pathing enables workers to build and save career paths and see the information they need to advance to the next step in their careers.
- As part of our workforce strategy services, we developed a skills survey and a proprietary progression model that help to identify where organisations are starting from in their skills journey, as well as determine the logical next steps to ultimately achieve the art of the possible. We focus on what's most practical to address a customer's specific objective and solve their unique challenges.
- Workday Learning enables HR to base learning content on any employee attribute in Workday and embed learning experiences throughout the employee life cycle. You can use analytics on data from across Workday to identify urgent or looming skills gaps, then align learning experiences to satisfying that need.
- Workday Peakon Employee Voice works seamlessly with Workday HCM to give you an integrated understanding of the employee experience. Personalised dashboards and recommended actions linked to contextual learning resources make it easy for managers to continuously develop their teams.
- Workday Journeys enables organisations to build tailored, concierge-style experiences for employees to help guide them through the moments that matter most – including steering them through the organisation's skills strategy in an easy-to-consume flow. Content can help employees understand the value of skills, learn how to manage their personal skills profile and see growth opportunities.

Reward to retain

The current economic climate finds employees facing significant financial burdens. At the same time, profound shifts are underway in how, when and where people work, and modern workforces are increasingly comprised of not only on-staff employees but also contingent and freelance talent. This requires new ways of thinking about rewards and retention – evolving from a static, salary-centric philosophy to a more dynamic, personalised approach so that all workers can feel more engaged, motivated and fulfilled.

Rising urgency to modernise the reward-to-retain process is driven by a number of factors and challenges, including:

- Changing expectations of a global, multigenerational workforce that places a premium on transparency, flexibility and a personalised rewards experience
- Boundaryless ways of working that redefine how, where and by whom work gets done
- Changing legislative and regulatory requirements to drive pay equity and transparency
- A new urgency to maximise the impact of investments while managing costs

Developing a modern, personalised reward-to-retain experience demands a better understanding of individual worker preferences, a variety of choices to support diverse employee populations, and flexibility to adapt programmes to keep up with changing workforce needs.

Pay equity and pay-for-performance strategies have been debated for years, but changing employee expectations for transparency and flexibility around rewards are creating a different dialogue today. Less than one-third of employees believe their pay is fair, and just 34% believe their pay is equitable, a recent Gartner survey found.¹⁵ Whether those perceptions reflect reality does little to blunt their impact: the Gartner research also shows that employees who believe their pay is inequitable have a 15% lower intent to stay with their employer and are 13% less engaged at work.

For many organisations, the goal is to educate and empower workers with more visibility into the process so they feel valued and fairly rewarded for their contributions. The comprehensive reward-to-retain programme must go far beyond traditional compensation and benefits packages, encompassing a far richer array of potential rewards that include flexible work environments, personal growth opportunities, career development and well-being programmes to support the whole worker.



73% of organisations report that growing regulatory requirements are encouraging communication about increased levels of pay¹⁶

Only **2 in 5 organisations** report that they're effective at educating managers on pay and pay equity issues¹⁷

¹⁵ Gartner, "Gartner HR research finds only 32% of employees believe their pay is fair"; 28 November 2022.

^{16, 17} WTW, "2023 Pay Transparency Survey"; 2023.

Getting the basics right: five steps to mastering the reward-to-retain process

STEPS	HOW TO GET IT RIGHT	WORKDAY CUSTOMER SUCCESSES
1 Build a complete performance picture	Start with a single system that gives you a complete and accurate view of your workforce and total rewards programmes. You can easily manage concurrent business events such as job changes or promotions without resorting to manual intervention, shortening cycle time and minimising human error.	<p>“When all the information is completed in Workday, the appropriate amount of benefits elections and what comes out of your pay slip each week happens automatically. Payroll doesn’t have to worry about changes in benefits failing to roll through. That’s what you get with a unified platform.”</p> <p>– Senior Corporate HR Manager, McKee Foods</p>
2 Develop packages and plans	Look for a configurable system that allows you to build a flexible rewards programme. This enables you to capture individual value across broader demographics and career-stage segments, giving you greater insight into workers’ contributions and driving engagement.	<p>“Workday made it easier for team leaders to work out whether they had the right complement of skills and staff and whether their budget could accommodate the team’s total remuneration.”</p> <p>– Head of Transformation, Genesis Specialist Care Pty. Ltd.</p>
3 Reward top performers	Empower your team with the information it needs to invest in rewards to retain your high performers. With a unified data experience, you can blend your performance and compensation data in easily accessible reports, identify your top performers and reward appropriately.	<p>“We’ve been able to support compensation processes in Workday, bringing in other talent information such as performance, retention and succession planning, so that we have a broader talent strategy discussion when making compensation decisions.”</p> <p>– Illumina</p>
4 Audit proactively	Minimise risk by using analytics to identify workers who may be non-compliant with mandatory rewards. Choose a system that generates proactive alerts to help reduce the need for more manual and resource-intensive auditing processes.	<p>“Before, we reviewed ACA reports line by line for every employee to ensure accuracy. Now the process is automated in Workday based on prior history. It greatly reduced cycle time from a few weeks to about 2 hours.”</p> <p>– Capital Automotive Group</p>
5 Gain insight into diversity and pay equity	Choosing a system that offers customisable dashboards, reports and processes designed to identify and mitigate issues around diversity and inclusion helps ensure that all employees are assessed and rewarded fairly.	<p>“Our managers can get information on attrition – for example, why employees are leaving, what their profile is, what the trends are. That way, we can improve the way we think about talent management and employee retention.”</p> <p>– Vice President of Compensation and Benefits, Elekta</p>

How Workday can help

- Workday Compensation provides tools for making optimal decisions across the organisation. Compensation survey management makes it easy to stay informed of market dynamics and craft compensation packages that attract the best talent. With the pay equity discovery board, you can surface pay gaps across the employee lifecycle and take swift action.
- Develop custom compensation plans and ensure consistency with eligibility rules that span salary, hourly, allowance, merit, bonus, stock, commission, future payment and more. Combine plans, grades and grade profiles to develop comprehensive compensation packages, with worker movement automatically triggering plan adjustments.
- Drive pay-for-performance with a collaborative compensation review process. Administrators can create award budgets and distribute budget pools to managers so they can recognise their outstanding performers. Relevant, contextual information – such as market survey data, performance, skills, retention or virtually any other Workday data – can be provided to better inform compensation decisions.
- Empower employees to realise the full value of their total rewards. The benefits and pay hub conveniently centralises all compensation, benefits and reward information, and actions in one place. Promote greater transparency and retention with configurable compensation and total rewards statements.
- Workday Prism Analytics enables you to bring external third-party stock data into Workday and blend it with Workday data. This data can then be used to provide employees with greater visibility into their total rewards.
- Fuel greater engagement by helping employees reach their wellness goals. The well-being profile surfaces personalised programmes to support the mental, physical, financial and social needs of your workforce.
- Use Workday Peakon Employee Voice to capture employee sentiment on compensation process and fairness, and total take-home benefits and pay.



Right this way

HR leaders don't need convincing that their disparate set of traditional tools isn't serving them well – they feel the friction and frustration of the status quo every day. Swapping one standalone solution for another might feel like an upgrade, but it doesn't address the larger issue: HR needs unified data and expansive talent visibility to fulfil its modern remit of building an adaptable workforce and strategically guiding the business.

Workday is the future-ready platform that HR needs. Built as one system with a single source for data, a single user experience, and embedded AI and ML, it offers organisations a true-cloud system that spans the entire employee journey. Its adaptable structure is built to evolve at the pace of both rapid technology advancements and dynamic business needs.

Driving unprecedented value with a system that's radically easier to use? That's what we call a win-win, and so do the thousands of customers who have already made the move to Workday.

We'd love to help you on your journey to a modern HR function. To explore how Workday Human Capital Management can help your organisation, visit: workday.com or contact us at workday.com/contact





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