



Whitepaper

The Workday Approach

to Global Human Capital Management
and Payroll Compliance

As a leader in human capital management (HCM) and payroll technology, Workday supports businesses around the globe across a wide range of industries, sizes, and business models. We understand that each customer's compliance journey varies based on a wide array of legal, institutional, and business factors. Our promise and practice is to provide customers with tools and information to support them in managing their global compliance obligations.

That's why the Workday approach to global compliance focuses on three central practices:

- 1 Trust and Transparency:** We are focused on building a relationship of trust. We approach compliance as a partnership in which Workday plays a supporting role to enable our customers to meet their obligations.
- 2 Our Compliance Community:** We leverage both internal and external experts to ensure we stay informed and ahead of the changing regulatory landscape.
- 3 Flexible by Design:** We are focused on building robust solutions that give customers flexibility to meet shifting compliance needs. The global-at-the-core foundations and frameworks in Workday support over 44 million workers within Workday across the globe, with deployments in more than 170 countries.

The Workday Compliance Commitment

Every business approaches compliance differently. It's about having the right information and expertise to build the functionality that global businesses need.

When it comes to meeting compliance challenges, our customers know what's best for their business. Workday partners with customers throughout the development process and is committed to supporting their needs as they evolve and change. There are a variety of channels Workday uses to connect with customers on compliance. Some of which include:

- **Our Workday Community Portal:** Includes customer forums and customer-inspired product enhancement requests called Brainstorms, complimentary access to our Global Monitoring Service as well as the Global Matrix, an interactive map that provides an overview of our location-specific configurations
- **Design Partner Groups:** Customers work with our product team to help inform feature development
- **Customer User Groups:** Customers leverage the Power of One to share feedback and solutions

The Workday Global-at-the-Core Design

The Workday approach to supporting organizations worldwide begins with a global-at-the-core foundation and a number of frameworks. This global-at-the-core design enables us to support customers' global compliance initiatives with functionality that spans across data, processes, and reports. The four layers of the global-at-the-core functionality in Workday provide customers with critical flexibility and discretion to adapt their compliance and business strategies to meet changing global regulatory demands.

Layer 1: Foundations and Frameworks

Workday enables customers to deliver appropriately tailored experiences for employees around the globe. Foundations provide customers with Workday-delivered options relating to geographic or regional characteristics such as preferred display language, clock, and data and number formats, as well as currencies. Each user has a locality preference which, in conjunction with the security settings, determine data formats (name, addresses, date, currency, time zones, and so on) as well as privacy preferences. All Workday foundation and frameworks elements are protected by the robust encryption and rigorous data protection capabilities in Workday. We encourage you to watch this [video](#) for more information about our global security framework.

Workday delivers a number of frameworks that give customers the ability to configure capabilities for their specific global, regional, and local needs. One framework example is our business process framework (BPF) that allows customers to define workflows for business transactions, perhaps requiring certain steps (such as approval) depending on the nature of the transaction or the work location.

Layer 2: Language Translations

Workday currently supports 35 languages. The Workday user interface automatically displays in the language linked to the worker's location, but the user also has the ability to select any of the 35 supported languages.

Layer 3: Country and Local Configurations

Workday-delivered country configurations supply purpose-built data fields, business processes, and reports with country-specific preconfigured data to streamline and expedite global deployments. These configurations offer customers a starting point that they can adjust as necessary to meet the specific needs of their organization and local configuration requirements. The goal is to help customers ramp up quickly not only at deployment, but if and when they launch operations within a new country or expand their choice of Workday features. Workday prepackaged content helps to accelerate deployments, reduce implementation costs, and enable customer self-adoption.



As for GDPR, it's given us peace of mind, but we know there's more to compliance. There's a lot of manual work and process work needed as well. But we now have a foundation for being compliant with employee data, to manage information about our people, globally, in a professional way. And as we continue to grow globally, there's an increased need for sharing people data across borders—something that can be very hard to do without a foundation like this.

Jacob Kjeldgaard Olsen
Director of Strategy, Velux

Layer 4: Customer Configurations

The customer configuration layer gives customers the ability to build reports, integrations, and business processes to meet their specific needs and requirements. Customers can build these configurations from scratch or accelerate their deployment by using the flexible templates (business process, reporting, and more) that Workday provides in the first three layers of the framework. We enable customers to adapt Workday to their specific needs and practices in order to manage their global workforce.

Workday is built on a single codeline, which means all customers are running on the same version at the same time. This greatly improves the ability to extend global configurations to all customers and for customers to share applicable solutions.

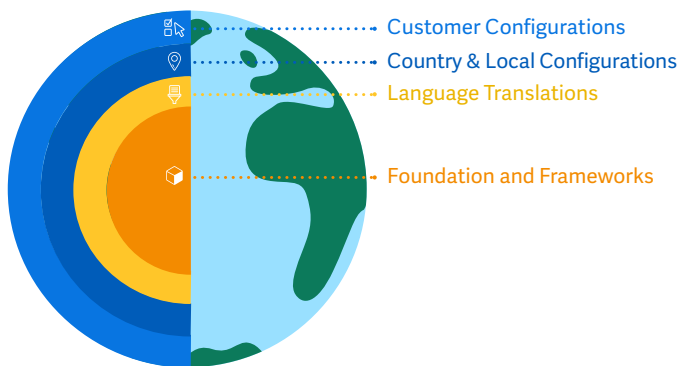


Figure 1. Workday global framework.

Built for Flexibility

Regulations and compliance obligations are rarely straightforward. We recognize that each of our customers have unique challenges, perspectives, and business requirements that add to the complexity of their compliance journey. Business and industry requirements can impact the way companies interpret and approach compliance challenges.

Given these differing perspectives and the need for flexibility, Workday aims to provide customers with a range of choices in features and configurability of business processes to support unique compliance objectives. We are able to release updates to all customers with no disruption of service if and when the regulatory requirements change.

Built for Control

Some processes demand precision—collective agreements are a perfect example. Because collective agreements have a direct impact on employee pay, there is no room for error and businesses must ensure that strict controls are in place. Workday gives customers the ability to set rigid guidelines when building collective agreements for different countries, as well as the ability to apply those agreements to various business processes. Protective guardrails prevent employees from receiving the wrong collective agreement. Strict security and real-time reporting provide organizations with the comfort and security of knowing that proper controls are in place where they need them most.

Employee	Location	Primary Position	Collective Agreement	Professional Category	Position	Coefficient	Step	Level	Group
Arnold Beaton	Paris	P-20403 Property Administrator	Synco (DCC 1486) (12/15/1987 -)	White Collar	3.3	300			
Carrie Gravel Pastalada	Barcelona	P-20443 Regional Sales Manager	State Collective Agre... Consulting and Manag... Student Companies (01/01/2000 -)						Group
Charles Arnold Desmorber	Paris	P-20604 Senior HR Representative	Synco (DCC 1486) (12/15/1987 -)	White Collar	3.2	210			
Constantin Kurtz	Stuttgart	P-20586 Staff HR Representative	El Metall- Metall- und... Elektronische (BAO) ()				Basic Step		ES 11
Delphine Dufrasse (On Leave)	Paris	P-20602 Consultant (On Leave)	Synco (DCC 1486) (12/15/1987 -)	White Collar	1.2	100			
Dider Remy	Mulhouse	P-20558 Senior Call Center Operator	Telecommunications (DCC... 2148) (04/26/2000 -)	Blue Collar			2		D
Faustine Facon	Paris	P-20592 Resource Manager	Synco (DCC 1486) (12/15/1987 -)	White Collar	3.3	150			
Franch Dupuis	Paris	P-20601 Office Manager	Synco (DCC 1486) (12/15/1987 -)	White Collar	3.1	170			
Frida Hornlund	Stockholm	P-20647 Call Center Operator	Nordica Collective Agreement... Example (01/01/2000 -)	Over time and travel time... replacement paid according... to agreement. entitled to... Reserve					25 wt

Figure 2. Collective agreement tracking.

Technology Frameworks for Practicing Globally and Managing Locally

The ideal global business strategy enables organizations to practice globally while managing locally. The ability to set controls at a global level, but with the flexibility to manage specific in-country needs, is paramount. This is why Workday built global frameworks into our global-at-the-core approach.

Below are three examples of these powerful, yet adaptable, native tools that allow customers to manage global compliance without complex coding or country-specific product knowledge.

Business Process Framework

Workday allows organizations to harmonize global processes with the business process framework. The BPF in Workday can accommodate multiple complex business tasks within a single workflow. Customers can create a global process for a global business need, such as “promotion,” while also having the discretion and flexibility to set up a wide range of unique business process steps based on the needs of specific locations, organizations, or groups. For improved auditing, Workday business processes are dated and tracked, so organizations have visibility into the steps in place for various business processes at specific points in time.

Additionally, Workday provides over 720 standard common configuration business processes to customers that can be configured to accommodate diverse and changing business needs. The BPF allows businesses to incorporate subprocesses, to-dos, approvals, integrations, reports, and actions as part of a single business process to ensure that no crucial steps are missed. For example, Germany requires works councils approval for any employee compensation change. These approvals can be handled by the same business process for all countries, but the works councils approval step can be configured so that it is only a mandatory step for German offices.

Step	Order	If	Type	Specify	Optional	Group	Additional Information	Routing Modifier	All	Run As	Due D
Q	1		Initiation		No						
Q	2	Business process was initiated by "Request Transfer" task? (Workday Owned)	Action	Review Current Manager	No	Manager		Current			2 Day
Q	3	Initiating User is not the same as the Processing User or Initiated by Request Transfer Task or Group Transition? (Workday Owned)	Action	Review Receiving Manager	No	Manager		Proposed			2 Day
Q	4	Assignment Change? Only initiate if there are no pending Assign Organization events or Completed Organization events (including	Action	Change Organization Assignments	No	HR Partner	Restriction: Subject Alternate: Alternate Approver	Proposed			2 Day

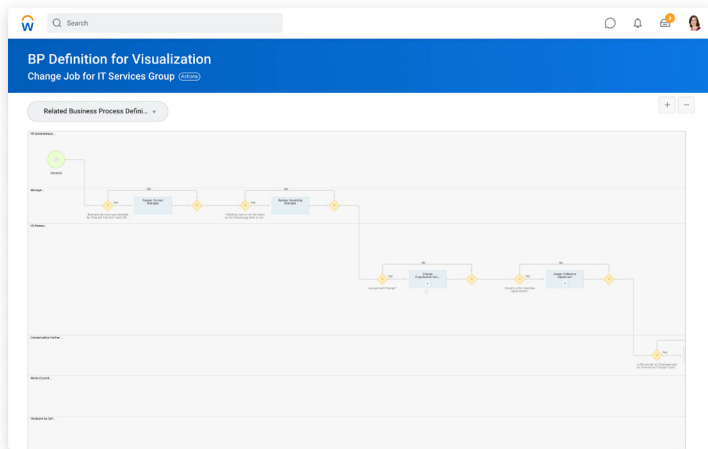


Figure 3. Configurable business processes.

Reporting Framework

The reporting framework in Workday is designed to report on information located in Workday. Reporting is natively built into the Workday application using an object-oriented data model that allows drill-down capabilities and reporting from multiple dimensions. Reports are available on any device, and can be quickly and easily shared.

Workday delivers over 1,700 standard reports for Workday Human Capital Management, Workday Payroll, and Workday Time Tracking. These reports (for example, hires and terminations by quarter, turnover summary, head count and FTE by month, part-time workers, gender equality) are designed as a baseline and can be leveraged to address common HCM reporting needs, and customers can build an unlimited number of reports from them.

The reporting framework uses our powerful security framework, enabling users to drill down into a report but only to the level of detail appropriate to their role. For example, to comply with internal privacy policies, it is possible to limit the display of detailed data and to only display aggregated values depending on the location and hierarchical level of the person using the report.

Another example is the payroll compliance dashboard that provides transparency into changes in regulations and the number of potential employees impacted, as well as a link to the actual rulings that impacted the change.

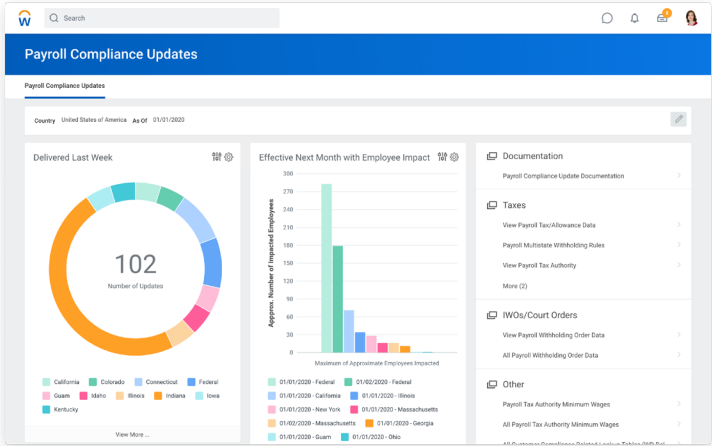


Figure 4. Payroll compliance dashboard.

Localization Framework

The localization framework allows customers to control which attributes are available and visible depending on the country and territory of the employee. For example, in some jurisdictions, customers may be legally prohibited from or required to collect certain information from workers. In such cases, the localization framework allows them to configure these attributes accordingly—to be hidden or required as necessary. Customers can also create or modify country-specific values (for example, drop-down values for ethnicity, contract types, and more).

Workday uses the employee's geographic location to determine what type of information should and should not be collected from them. In such cases, Workday provides the option to hide fields from or show fields to certain users, or require users to submit information for certain fields. Customers can set their hide, show, and require field settings at the functional area level, with granular rules for each localized field. For example, the "date of birth" field can be voluntarily tracked in a number of countries and required in others, with the ability to easily change the settings for the field or deactivate it.

Data Scrambler Framework

The data scrambler framework enables customers to irreversibly replace selected fields with randomly generated values in a Workday implementation tenant using a fast, supported, and repeatable method. This scrambled data can be used to test and train using production-quality data while hiding sensitive people data.

Purging Framework

In support of data protection laws, including the General Data Protection Regulation (GDPR) as well as data retention requirements, our purging framework enables customers to purge various data types for terminatees, active workers, former workers, candidates, and job applications. Customers can easily create purge plans that are tailored to their specific business needs to meet compliance requirements.

Customer Resources

Global Experts

Supporting compliance globally requires cultivating a network of legal subject matter experts with the right level of insight into the multifaceted aspects of compliance—from local rules to vertical industry regulations to nation-specific compliance schemes. At Workday, that expertise starts with our people. The product managers of our Product Development organization work around the globe, spanning North America, Europe, and Asia.

These product managers, supported by legal advisers embedded with the product teams, form an internal network of subject matter experts across a host of regulatory issues and prioritize staying informed by way of an overlapping web of practices and resources. They proactively track legal updates and partner with a community of global legal counsel for local subject matter expertise. This supports our efforts to develop and maintain product functionality that meets our customers' needs.



If we didn't have Workday, it would have taken us two to three times longer to make sure we are GDPR compliant. It would have also cost more for legal counsel.

Director
People Services Operations,
Collaborative Solutions

International Monitoring

Workday customers have access to critical information from monitoring services and direct engagement with consultants and legal experts for select countries. We conveniently route emerging information to our customers through Workday Community so customers can spend less time researching legislative changes.

Industry Resources

Our industry resources include access to international, professional, and industry organizations' publications and news alerts. We also receive input from industry analysts and design partner groups for the latest compliance intel.

Our Customer Community

Workday has a strong and growing presence across the globe. Over 550 of our customers are headquartered in Europe, and approximately 220 of the *Fortune* 500 have selected Workday to run their businesses.

Since all of our customers are on the same version of the software, Workday is able to roll out compliance updates to all customers at once, making it easier to keep pace with evolving regulatory requirements. Customers can participate in our annual user conference Workday Rising—a digital experience in 2020—to hear keynotes, participate in engaging sessions, and network with their peers. Knowing every customer is on the same version of Workday empowers our customers to collaborate with each other, share solutions and reports, and support one another no matter where they are located around the world.

Conclusion

Organizations face a range of compliance obligations, and we partner closely with our customers to provide features and functionality to support them in meeting those obligations. We consider many factors such as business impact, industry nuances, and legal implications to ensure we provide our customers with the right solutions, data, and capabilities to help maintain global compliance.

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Internationally, Workday has been a home run for us. People can write in their local language and it goes right into the system. We found as the deployment for Asia-Pacific and Europe was done, we were able to meet all the labor regulations and all compliance areas we had concern with.

Scott Spradley
Chief Information Officer
for Global Functions,
Hewlett Packard Enterprise

Appendix

Workday language localizations:

Arabic	German	Romanian
Bulgarian	Greek	Russian
Chinese (Simplified)	Hebrew	Serbian
Chinese (Traditional)	Hungarian	Slovak
Croatian	Indonesian	Slovenian
Czech	Italian	Spanish
Danish	Japanese	Swedish
Dutch	Korean	Thai
English	Malay	Turkish
Finnish	Norwegian	Ukrainian
French (Canadian)	Polish	Vietnamese
French (Continental)	Portuguese (Brazilian)	



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