THE INNOVATION SHOWCASE

FSN®
The Modern Finance Forum

workday®

FSN INNOVATION
SHOWCASE
2024

Gary Simon
FSN CEO & Modern Finance
Forum Leader

Dear finance leader,

This year has been extraordinary in many ways, marked by frenzied enthusiasm for generative AI as well as growing interest in the application of other AI and ML technologies within the finance function. However, against this exciting background, some finance professionals are struggling to keep up with the pace of change. At FSN, we see many turning to trusted software partners, such as Workday, for prescient leadership, robust product roadmaps, and innovation.

We have been impressed by Workday's culture of innovation and longstanding commitment to keeping its customers ahead of the curve, coupled with a demonstrable track record of progress. For example, Workday has been using large language models, like those that power generative AI, for years, and its unrivaled dataset, approach to data management, planning, and analytics provide a rich foundation for future developments.

So, I am delighted to bring you FSN's 2024 "Innovation Showcase for Workday," in which we highlight what we consider to be Workday's leading innovations in core finance processes. These fresh approaches could materially improve the way you work both now and in the future. As in past years, we have also reviewed and commented on two case studies to illustrate examples of Workday's innovation in practice.

In all, we have independently identified three novel innovations to bring to the attention of modern finance leaders striving to understand and leverage the latest capabilities. However, this document is not a product review—it simply represents what we consider, in our experience of the market, to be great examples of innovation in finance processes. We hope you find them thought-provoking and relevant to your needs.

Above all, we hope the contents inspire you to explore innovation in your own organization and discuss with colleagues and Workday how you can leverage these developments to take your finance processes to the next level.

Gary Simon

Gary Simon
FSN CEO & Modern Finance Forum Leader

THE INNOVATION
SHOWCASE

THE WORKDAY INNOVATION SHOWCASE

Workday has been a leading innovator in the cloud-native enterprise resource planning software market since its inception in 2005. From the beginning, Workday designed a single solution with an in-memory, object data model for finance and HR. It is a design that has stood the test of time and provided the foundation of Workday's mission to transform the finance function through the power of data.

That mission is even more relevant to today's finance functions. Data volumes are growing unabated in step with increased business complexity, regulations, and competitive pressures.

During this period of rapid change, Workday has stayed true to its design origins, continuously enhancing its financial management solutions by incorporating deeper and richer functionality at its core. This continues to ensure that finance professionals have immediate access to powerful tools, enabling them to make informed decisions and deliver financial insights more efficiently without depending on the IT function.

Against this backdrop, Workday is setting the pace for innovation across all core finance processes, bringing continuous advancements in data management, data acquisition, and data blending, as well as advanced analytics, forecasting, and machine learning.

This year's Innovation Showcase focuses on three areas:

i.   *Innovation in accounting execution*—the object data model, Accounting Center, and machine learning for automation

ii. *Innovation in analytics*—the analytical platform, data blending, and visualization

iii. *Innovation in planning*—time-series algorithms and Elastic Hypercube Technology

i. INNOVATION IN ACCOUNTING EXECUTION

In the rapidly evolving business landscape, accounting execution needs to be agile, productive, and unfailingly accurate. Straight-through processing relies on deft data management, complete mastery of external data sources, and machine learning wherever feasible to accelerate core finance processes and reduce the burden on accounting. Workday innovations in this crucial domain revolve around three areas:

- *A single object data model*
- *Workday Accounting Center*
- *Embedded machine learning for intelligent automation*

A single object data model

Workday's crowning innovation is its single object data model, where complex data and relationships are stored directly as metadata. Although not new to the market, it is as innovative today as it was when it launched. Workday's unified architecture brings together the transactional and informational aspects of data management into a seamless solution.

Central to the model's agility is the user-defined and system-reserved dimensionality that permeates the object data model from the moment that data is captured—for example, in a purchase invoice. This dimensionality follows the transaction throughout its journey and is discoverable through all layers of processing and reporting. This approach provides almost limitless analytical granularity, even down to profit and transactions related to a particular employee, supplier, or customer.

Thanks to this integrated approach, reporting, inquiry, and presentation tools can instantly leverage the underlying data structures without the need for onerous maintenance and updates to reference documents. Financial statements reflect changes in real time as transactions occur, providing users with the most up-to-date and accurate view of the business.

Workday Accounting Center

Adding to the potency of the single object data model is Workday Accounting Center. This award-winning and innovative solution exploits a variety of novel data sources to improve insight and competitive advantage. But new data sources, especially external revenue and expense systems that include operational and nonfinancial data, can be lumpy, unstructured, and uncodified. While there is huge value in combining operational and financial data, finance functions find it difficult to transform and integrate nonfinancial data without the support of IT specialists. So, data acquisition becomes challenging, and finance functions need new tools that go beyond traditional ETL (extract, transform, and load) technologies, which were designed primarily for IT professionals.

Workday's answer is Workday Accounting Center, which puts these capabilities in the hands of the finance function. Key to this innovative approach is the assurance that, from a user perspective, the integrated data can work in the same security, hierarchies, and analysis.

When sudden or urgent changes are needed to accounting rules, accounting teams can configure those changes. All stages of data transformation (for example, batch initiation, enrichment, detailed accounting creation, summarization, and posting to the general ledger) are transparent. In addition, graphical representations of data lineage (end-to-end data relationships) provide a clear understanding of the upstream and downstream consequences of changing any data element. They also allow users to see how they can navigate from the highest-level report back to the source if they need to perform complete root cause analysis.

For example, point-of-sale data in the retail or hospitality sector can be brought in and merged with financial information to provide enhanced insights into brand performance, store activity, product success, employee hours worked, shift data, and managers' performance. Blended finance data allows insights into profitable days and seasonality. In the insurance sector, claims data can reveal the growth and profitability of insurance lines of business and help assess broker-level productivity and performance analytics. No matter what industry, the ability to ingest and merge operational data with financial data using Workday Accounting Center is crucial to insight, performance, and competitiveness.

Embedded machine learning for intelligent automation

In all core financial reporting processes (record to report, procure to pay, opportunity to cash, and expense to reimburse), Workday is continuing to drive innovations through embedded machine learning that makes transaction processing frictionless and the underlying processes more dependable, predictive, and intelligent. Key to the success of these initiatives is Workday's unrivaled dataset.

Globally, all users are running on the same version of Workday, including the same data model. This amounts to over 65 million users who contribute to more than 600 billion transactions processed by the system every year—and growing. With customers' permission, Workday can use that data as the fuel for generative AI capabilities that are consistently accurate, meaningful, and trustworthy. Workday's efforts over the last five years have been aimed at automating repetitive and programmable finance processes, from processing invoices with limited human interaction to continuous mining of customer data, supplier payments, expense data, and journals for anomalies. Such automations, found in almost every corner of Workday's applications, free up time for analysis and value-added tasks.

Journal Insights in the record-to-report process is a case in point. Workday's machine learning can detect when it is probable that a journal contains invalid dimensions or unusual amounts based on its learning from past transactions. It then recommends, in the moment, the dimensions and/or amounts that are more

likely to be correct. If a user accepts the machine learning recommendation, the software creates the necessary correcting journals, greatly reducing the finance function effort required and accelerating the close process. With a vast repository of anonymized transactions to learn from, Workday can anticipate appropriate use cases for machine learning such as Journal Insights and introduce them into new releases of the software, helping to accelerate user adoption of leading-edge innovations.

Matching customer payments to invoices is another prominent use case. It is especially useful, for example, when customer payments straddle several invoices, an exact match between cash and invoice value is challenging, or there is no remittance advice to inform the intended match. In these circumstances, machine learning can automatically identify and recommend the most appropriate match, saving hours in follow-up calls with the customer. Furthermore, in a machine learning environment, the matching process improves over time, enabling a swifter process with each iteration.

Another particularly interesting application of machine learning in Workday is in the expense-to-reimburse process. The system can raise an alert when an expenditure category or specific transaction appears to be an anomaly and out of range. Intervention at an early stage ("expense protection" capability) can quickly prevent financial loss.

The procure-to-pay process is yet another core process benefiting from Workday's innovation in machine learning, using optical character recognition to automatically turn a PDF invoice (in an email attachment) into a digital record in the procure-to-pay process. Additionally, during requisition and PO creation, spend categories are recommended, reducing downstream errors. This powerful machine learning mechanism reduces the burden of corrections while allowing straight-through processing of valid and complete transactions.

By leveraging machine learning, Workday is liberating finance functions from routine transaction processing, allowing more time to focus on anomalous transactions and value-added analytics instead.

ii. INNOVATION IN ANALYTICS

For many CFOs, even rudimentary decision-making is fraught with difficulty. For enterprises that are behind the curve, matters are only getting worse as they grapple with unbridled growth in data volumes, proliferating data sources, and increasing stakeholder demands for information. In addition, accelerated timescales for everything from financial reporting to product development lifecycles are accentuating the need for real-time decision-making.

However, several Workday innovations have the potential to significantly tilt the scales in favor of their users:

• *A unified analytical platform*
• *Blending Workday data with external sources*
• *Self-service, intuitive data visualization*

A unified analytical platform

Sitting astride the object data model is a unified analytical platform that seeks to help modern finance organizations answer today's most pressing business questions that cannot be answered with financial data alone. But the legacy approach of combining financial management, corporate performance management, and business intelligence applications into a loosely coupled architecture cannot keep up with the speed of change.

Workday's innovative answer is to provide a unified analytic platform so performance management, analytics, and financial and operational reporting share the same data, metadata, and dimensional structure. This is not only vital to preventing wasteful duplication of data, but it also ensures consistency of information across business processes and in all reporting dimensions. Nothing is lost in the "cracks" between applications. A unified platform lends itself to easier reporting and greater staff productivity, providing a sound foundation for linking strategic, operational, and financial plans and metrics.

Blending Workday data with external sources

Workday Prism Analytics integrates external data sources with financial and HR data to provide more granular insights to the business. One Prism Analytics use case is Workday Accounting Center, which automatically transforms data from complex revenue and expense systems into detailed accounting while summarizing and posting it to the general ledger. This forms the basis of a step change in analytical capability.

This innovation dramatically simplifies blending data and empowers finance with deeper insights. There are three major benefits to this. First, it brings enterprise analytics and reporting to the forefront, replacing siloed business intelligence capabilities so evident in other system architectures. In contrast, Workday ensures that financial and workforce transactions, third-party and legacy application data,

budgets, plans, and more reside in a single system for faster and more confident analysis and decision support.

Second, self-service reporting solutions deliver insightful role-based information into the hands of finance and business managers far more rapidly and at much lower cost than bespoke business intelligence, which has historically been the favored approach.

Third, the user experience is the same regardless of the data's origin. The unified environment retains the same look and feel when drilling around or through the dimensional structure, whether leveraging large or small datasets. All of this assists rapid analysis, productivity, staff mobility, and a much shorter learning curve.

Self-service, intuitive data visualization

Workday Prism Analytics integrates external data (revenue and expense) and blends this with financial and worker data in an intuitive graphical user interface. One specific application of this technology is Workday Accounting Center, which is where accounting meets data engineering.

Data engineering isn't much discussed within finance circles, yet it is important to understanding the intricacies of an analytic hub and analytical possibilities it could yield. The graphical user interface is underpinned by graphical depictions of "data pipelines" (which show how data is surfaced from its source system through to consumption) and "data lineage," which tracks the flow of data over time, providing a clear depiction of where the data originated, how it has changed, and its ultimate destination within the data pipeline. These innovative graphical capabilities, for example, allow finance managers to view how point-of-sale data is integrated through the various stages of batch initiation, enriched, transformed into detailed accounting, and then summarized and posted to the GL.

Dashboards and scorecards provide a way of distilling vast quantities of information into meaningful key performance indicators, gauges, and charts, and as such form an essential component of the analytical platform, focusing decision-makers on areas in need of attention and giving them the actionable information on which to base smarter decisions.

Workday's innovation in this area is a game changer. FSN's research finds that data visualization is the single most important part of driving insight, especially around business partnering. According to FSN's research, 81% of CFOs are looking to future technology to assist in data visualization to make improvements to their business partnering.

This echoes the findings of FSN's earlier research, "The Future of Planning, Budgeting, and Forecasting," which identified users of cutting-edge visualization tools as the most effective forecasters. Being able to visually present financial data and ideas in an engaging and accessible way is particularly important in business partnering when the other party doesn't work in finance and may have only rudimentary knowledge of complex financial concepts.

Delivering business insight to mobile devices is becoming an essential element of a joined-up approach to enterprise analytics. Hybrid (home/office) workers need the convenience of business information at their fingertips to be alerted to abnormal events or to perform the next step in an intricate workflow.

Business partners who can analyze and explain organizational data are more likely to generate real insight, engage their business partners, and become positive agents of change and growth.

iii. INNOVATION IN PLANNING

Over the last few years, organizations have endured one of the most tumultuous macroeconomic shifts in their history, compounded by unprecedented levels of business disruption. There is no sign that these market forces are abating. As a result, planning, budgeting, and forecasting (PBF) have become paramount, as CFOs attempt to gain a deeper understanding of future business conditions in ever more turbulent markets.

Agility, accuracy, speed, and insight have become the watchwords of a world-class planning function, as finance seeks to plan and forecast more frequently and attempts to look out further on the time horizon. However, FSN's 2022 research shows that even though many organizations forecast more quickly than they did four years ago, forecast accuracy has deteriorated. Only 43% of organizations can forecast revenue to within plus or minus 5%, and 80% cannot forecast beyond a year. Just over 50% are unable to look out further than six months.

If ever there was an area ripe for AI-infused innovation, it is the PBF process. Workday's innovations in this area revolve around two key aspects:

- *Cutting-edge forecasting algorithms*
- *Workday's Elastic Hypercube Technology*

Cutting-edge forecasting algorithms

Much has been written about the potential for machine learning algorithms to transform the PBF landscape, but few organizations have ventured into them. For many software vendors, machine learning is an afterthought and architecturally separate from their core PBF capability. Finance users are frequently left to fall back on external experts (consultants and data scientists) and inexplainable "black box" solutions.

In recent years, the trend toward more frequent forecasting in the face of uncertainty has accelerated and heightened the need for machine learning. Organizations that used to forecast from the bottom up or reforecast on historic data (uplifted by a certain amount or percentage) have found that these techniques are not agile enough to see them through turbulent markets. Organizations cannot afford the data downtime of completing a lengthy cycle of data capture when reforecasting cash monthly, weekly, or even daily.

Workday is leading the way with machine learning that is built into the very fabric of the application. Rather than relying on historic techniques based on fresh data capture, Workday uses embedded time-series algorithms such as N-BEATS and Prophet, selected optionally at run time, to provide a much faster forecast on the spot, without any human bias. External data sources—for example, weather forecasts—can be embedded at the same time to enhance forecast accuracy. Finance users can choose which algorithm provides the best business fit and store the result for analysis in a separate version of the plan or forecast. This can then

be compared with a completely human forecast or a forecast generated using a different algorithm. Most importantly, whichever route is chosen, the results generated by Workday are transparent and explainable.

Recent announcements underline Workday's continuous enhancements to AI and machine learning embedded in the platform. Predictive Forecaster provides businesses with a time-series forecaster to make seasonal and nonseasonal predictions. The API (application programming interface) accepts a list of historical values along with the start date of the historical series and a time horizon for the number of future forecasted intervals (and seasonality if desired) and responds with predictions for future dates.

Workday's Elastic Hypercube Technology

The ability to acquire relevant industry, operational, and nonfinancial data sources is pivotal to forecasting agility and crucial to forecasting accuracy and insight.

For example, the potency of forecasting in the media and entertainment industry hinges on nonfinancial data such as theatrical release dates and box office forecasts, while the number of meals served in restaurants or the occupancy rates in the hospitality sector are more contingent on the weather. Some categories of risk in the insurance sector are more affected by age demographics, geographical location, and broader population trends.

Every sector has its own set of concerns and external data requirements that need to be ushered seamlessly into financial forecasts to create a realistic foundation to base forecasts on. The demands are greater than ever and include the need to accommodate very large business models, novel data sources, flexible structures, complex business relationships, and asymmetrical hierarchies, as well as the need for even faster real-time calculations.

Spreadsheets and traditional OLAP (online analytical processing) cubes common in legacy budgeting solutions can't do this, but Workday's Elastic Hypercube Technology (EHT) can. It is the intelligent modeling engine that powers Workday Adaptive Planning, which addresses the growing demands on organizations as they model more complex business scenarios, manage changing business needs, expand planning to more users, and utilize more operational and external data for their plans.

EHT analyzes high volumes of data with multiple dimensions and can quickly pull detailed reports to improve visibility, simplify monthly plan-to-actuals variance analysis, and stay agile and predictive. In-memory computing and virtually limitless scalability contribute to planning "in the moment" as business needs change.

SUMMARY

Beneath all the innovations showcased this year lies a strategic focus that positions data at the core of the finance function. The defining strength of Workday's offerings is in consolidating all accounting and operational transactions, whether originating within or outside of Workday, into one secure location. This design advantage ensures that CFOs have immediate access to real-time insights, enabling them to protect the business's assets and unleash its growth potential.

Simultaneously, the innovation showcase highlights the pivotal role played by Workday in introducing cutting-edge innovations. These innovations include machine learning, AI-infused analytics, and automation seamlessly integrated into the applications, ready for immediate use.

CFOs rarely have as much opportunity as they would like to dedicate to innovation. Moreover, the pace of technological advancement is accelerating, and so the knowledge gap is widening. As a result, finance leaders are increasingly turning to cloud innovation leaders like Workday to lay out the product roadmaps they should be considering as part of a long-term partnership—enabling CFOs to focus on value creation.

Case Study: Life Time Inc.

COMPANY

Life Time helps consumers lead happy and healthy lives. With more than 150 destinations in the U.S. and Canada, Life Time owns and produces iconic athletic events, co-working spaces, and residences.

INTRODUCTION – FSN'S VIEW

Life Time Inc., is a leading lifestyle brand offering premium health, fitness and wellness experiences to a community of nearly 1.4 million individual members, who together comprised more than 776,000 memberships, as of December 31, 2022. It delivers high-quality experiences through its omni-channel physical and digital ecosystem that includes more than 160 centers—distinctive, resort-like athletic country club destinations—across 29 states in the United States and in one Canadian province.

Life Time is an innovative business, "helping its members to lead healthy and happy lives," but like all of the hospitality and leisure industry it has had a tough time because of COVID-19. Life Time is emerging stronger after the pandemic and leans heavily on Workday for the agility and flexibility needed to manage change efficiently and transparently without disrupting the business.

INNOVATION IN ACTION:

The strength of Workday's data management has been pivotal to driving data insights and efficiency. So much so that data literacy has "greatly improved" enabling finance and HR managers to to better understand and manage the business. Innovation in accounting execution, enabled it to reduce its chart of accounts by a staggering 90 percent and, after implementing Workday (some time ago), its administrative workload declined by two-thirds.
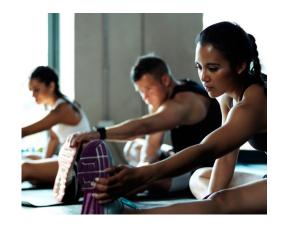
MACHINE LEARNING:

Life Time Inc. is an innovative business well matched by innovation in Workday. The business has eagerly adopted machine learning, embedding it into its core architecture to deliver intelligent automation capabilities like Journal Insights as part of Workday Financial Management. Journal Insights proactively detects anomalies in accounting entries by comparing them to entries for similar transactions.

Overall, the machine learning capabilities in Workday "give time back" to the finance function and a process that used to take up to a full day, can be accomplished in a 30-minute report refresh.

Life Time, Inc.

Life Time empowers employees and gains operational agility.

"People no longer need to navigate multiple systems because Workday meets all their needs."—Director, Workday Operations and Process Improvement

Life Time, Inc. is a fast-paced company, always signing up new members and opening additional locations. Life Time operates several branded businesses, all of them supported by a centralized IT department. A large workforce—with many seasonal and part-time team members—aims to deliver top-quality member services in every Life Time club.

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> Workday allows us to achieve our goals for different business entities with great flexibility.
>
> Director, Workday Operations and Process Improvement

Need for flexible, fast management capabilities.

Business conditions can change rapidly, and Life Time has to make staffing and operational adjustments promptly. That may mean onboarding additional staff, furloughing people during the pandemic, or bringing them back into the clubs as soon as conditions improve. The company's HR and business systems must enable the agility and flexibility needed to manage change efficiently, transparently, and without disrupting the company's reason for being—the best possible member experience.

Many Life Time employees play multiple roles. Their jobs may have varying compensation rates and plans, and they could be assigned to one of several cost centers. Positions can be salaried or hourly, and some may also include commissions. The activities of managing the workforce and reporting on teams, finance and club operations needs to reflect these conditions without becoming too painful and complex.

Simplifying business management with data insight.

Life Time, Inc. relies on a portfolio of Workday applications to facilitate financial and payroll management, human capital management (HCM), and business analytics. When the company became the 12th customer to deploy Workday, it consolidated 60 different software tools into one and reduced its chart of accounts by 90 percent. Administrative workloads for financial managers declined by two-thirds. Since then, Life Time has experienced dramatic growth, increasing its employee count by almost 60 percent. The company also has broadened its use of the Workday system and more recently deployed Prism Analytics.

With the use of Workday, practices for using, reporting and understanding business data have matured. Gaurav Sharda, director of Workday operations and process improvement, says, "Our data literacy has greatly improved with Workday. Finance and HR managers have become more and more comfortable and proficient in using Workday to understand and manage the business." Workday is also embedding machine learning into its core architecture to deliver intelligent automation capabilities like Journal Insights as part of Workday Financial Management. Sharda explains, "We rely on journal insights to proactively detect anomalies in accounting entries by comparing them to entries for similar transactions. As we flag them in real time, users can quickly correct potential reconciliation issues saving us time at month end."

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> Workday offers a seamless user experience for our managers and team members.
>
> Director, Workday Operations and Process Improvement

Delivering a rewarding user experience.

While each Workday application helps Life Time achieve remarkable results in various areas of the business, the entirety of the integrated Workday system elevates these outcomes to another level. Commenting on the company's Workday experience, Sharda says, "Workday offers a seamless user experience for our managers and team members. Its efficiencies make it possible to support and evolve the software with a lean team, quickly adapting one single system to accommodate a variety of changing business needs. You don't need to worry about integrations or data flows, and you can save a lot of time."

The Workday mobile app is a key asset for Life Time employees, especially the club workers who may support multiple locations and departments. Every day, close to 35,000 logins take place through the Workday app. "Mobile time tracking with Workday was a game-changer for us," Sharda says. "Ninety-five percent of our user population use the Workday mobile app to check in, check out, review their benefits, update their personal information, and do lots more."

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>
> ## Mobile time tracking with Workday was a game-changer for us.
>
> Director, Workday Operations and Process Improvement

More agile, easier workforce management.

Life Time managers can reassign workers on the fly or, during the coronavirus pandemic, temporarily furlough them and later bring them back safely. Sharda says, "Workday allows us to make workforce changes at a very rapid pace." Labor management with Workday is also extremely efficient. "Thanks to Workday, we are reducing overtime costs," says Sharda. "We have reallocated close to 50,000 manager hours per year with automated time management." Life Time will be using Workday Prism Analytics to drive further efficiencies and savings, starting with automatically tracking employees' access card swipes as they enter and leave club locations.

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>
> ## Workday Machine Learning gives us time back and provides journal insights.
>
> Senior Accounting Manager

Business insight, delivered fast.

Life Time relies on the machine learning features in the Workday applications to streamline accounting. Sharda explains, "We're very excited about our machine-learning journey and the many ways it can help us learn quickly from our data, so we can understand and manage behaviors." Machine learning also enables remarkable efficiencies. Katie VanHauen, senior accounting manager at Life Time, Inc., says, "The machine learning capabilities in Workday give us time back and provide journal insights. A process that used to take as long as a day can now just be a 30-minute refresh of a report."

Workday tools deliver business insight quickly and in a highly usable format. Sharda says, "Reporting in general is a really strong area in Workday. We can spin up and customize reports quickly, and it's easy to create dashboards where business managers can gather the insight they need."

Making service delivery easier.

From HR to finance to hiring managers and workers in the clubs, Life Time uses Workday software to enable teams to deliver the best possible member experience. Sharda says, "People no longer need to navigate multiple systems, because Workday meets all their needs with self-service capabilities. The associated efficiency benefits are also exciting."

Case Study: Veolia

COMPANY

A global leader in environmental services with 220,000 employees based at over 2,000 operating sites and a turnover of €28.5billion. Veolia is responsible for three core service areas - water, waste and energy.

INTRODUCTION – FSN'S VIEW

A global leader in environmental services with 1,600 legal entities and 220,000 employees based at over 2,000 operating sites and a turnover of €43 billion. Veolia is responsible for three core service areas - water, waste and energy.

Veolia is a sprawling conglomerate yet its experience of Workday has been unifying, allowing it to combine data consolidation, transaction processing and decision-making in a single easy-to-use environment. This case study, demonstrates how easily multifarious accounting solutions can be displaced by one modern, real-time finance solution in the cloud.

INNOVATION IN ACTION:

A stand-out feature of this case study is how the Workday environment, encourages and supports a more collaborative way of working, including a more agile response to planning, budgeting and forecasting. That agility proved to be pivotal during the COVID pandemic allowing Veolia to to mobilise the busines very quickly, simplify data sharing and ensure that all business operations were empowered to make business decisions.

A SINGLE OBJECT DATA MODEL

Underpinning all of Veolia's newly implemented capability is the "single object data model," which enables finance and operational teams to work closely, test assumptions, perform insightful analyses, identify anomalies and develop ideas for new working practices and processes to continuously improve performance and efficiency.

Veolia

Finance transformation supports continued expansion of world leader.

Workday drives greater collaboration, versatility and efficiency to transform financial management and planning for multi-national environmental services group.

Coordinating effective management and forward planning across 1600 legal entities spread around the globe was a significant challenge for Veolia. The decision was taken to proceed with a major financial management transformation programme using Workday. This move has not only provided both finance and operations personnel with reliable real-time data and insight for more informed decision-making. It has also improved efficiencies and collaboration by simplifying and standardising internal auditing processes.

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> The management teams at all of our operations now have the insight and ability to provide accurate budget forecasts for Head Office, so I am now very confident in the quality of data in front of me.
>
> Global Finance Transformation Leader, Veolia

A simpler, contemporary and more collaborative way of working.

The transformation of the group's financial management and planning processes is based on four key pillars—talent, digital, organisation and process. The introduction of a cloud-based solution and the adoption of advanced new technologies for effective Enterprise Resource Planning was a major departure from the systems and processes previously used by Veolia. The company has not looked back, however, and is now benefiting from much greater flexibility, far closer working relationships between finance and operations, as well as a modern application framework.

"Workday has completely won us over," says Yael Leblanc, Veolia's Global Chief Finance Transformation and Internal Auditing Officer. "The system's unique platform has truly transformed the way we work as it combines data consolidation, transaction processing and decision-making with a user-friendly interface that couldn't be easier to use. We're delighted."

Collaborative budget preparation delivers accurate, robust and reliable data for effective forward planning.

"The successful management of any progressive and expanding organization requires effective budgeting tools and operational insight," says Paul Voisin. "With Workday Adaptive Planning, the development of projections couldn't be easier. More importantly, the system enables us to understand and share real-time data and to work collaboratively when creating budgets. In effect, our finance team is now working as a business partner for operational personnel and that's precisely what we wanted to achieve. Such an approach helps to validate the accuracy of budgets and improves confidence in financial planning and target fulfillment."

Effective and prompt response to unprecedented challenges.

The increased flexibility in financial management and planning proved to be invaluable during the Covid pandemic. It enabled the company to adapt its processes and working practices very quickly when the first lockdown was announced. This included a complete budget review for 2020. "The flexibility provided by Workday Adaptive Planning enabled us to mobilize all actors very quickly, simplified data sharing and ensured the work was completed without delay and to a very high standard," says Paul Voisin. "Such decisive actions benefited not only the financial management teams and corporate management at Veolia's Head Office, but also the individual operations around the world."

More scope to drill down into data and explore "what-ifs" for more effective forward planning.

Many of Veolia's business units are now using both Workday Adaptive Planning and Workday Finance, enabling them to benefit from a single data model with a high level of integration. The new system provides a high level of automation and ensures that the finance team spends far less time creating and monitoring raw data. This enables them to work much closely with operational personnel to test assumptions, perform insightful analyses, identify anomalies and develop ideas for new working practices and processes to improve performance and efficiency. As a result, business units are now well prepared for all eventualities as they are able to devise alternative scenarios and test radical assumptions, with approval workflows reviewed at different managerial levels.

Many Life Time employees play multiple roles. Their jobs may have varying compensation rates and plans, and they could be assigned to one of several cost centers. Positions can be salaried or hourly, and some may also include commissions. The activities of managing the workforce and reporting on teams, finance and club operations needs to reflect these conditions without becoming too painful and complex.

THE INNOVATION
SHOWCASE

WORKDAY

About Workday

Workday is a leading provider of enterprise cloud applications for finance and human resources. Founded in 2005, Workday delivers financial management, human capital management, planning, and analytics applications designed for the world's largest companies, educational institutions, and government agencies. Organizations ranging from medium-sized businesses to Fortune 50 enterprises have selected Workday.

Contact:

www.workday.com/contact.

Methodology

All of the products that have been showcased by FSN are extremely complex and sophisticated, and in all cases have taken many staff years of development effort. FSN has independently desk reviewed publicly available information (for example, websites, customer testimonials, videos, demonstrations, technical details, and white papers) about the organization and its products. We have then independently identified three areas that we consider to be differentiating and interesting innovations to bring to the attention of The Modern Finance Forum on LinkedIn and discussed their development history, the ideas behind their creation, and their direction with senior members of the management team. As such, this document is not a product review, and neither is it an exhaustive list of all the innovative ideas in the product. It simply represents what we consider, in our experience of the market, to be great examples of innovation in finance processes.

About FSN

FSN is a global publisher of thought leadership, research, and must-have content for CFOs and senior finance professionals around the world. FSN's highly popular and active Modern Finance Forum on LinkedIn has a membership of more than 57,000 senior finance professionals in more than 23 countries and across every major industry segment. It is also the publisher of the popular www.fsn.co.uk website and regularly holds networking dinners and events for its members.

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