Workday Emerging Technology Survey Report

June 2022

Underwritten by:

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Research Objective

Workday contracted GovExec to implement a study to evaluate how organizations are utilizing HCM technologies in Human Resource Services.

Methodology:

- From April 29th to May 31st, 2022, 200 workers in the Federal Government participated in a blind online survey that averaged 5 minutes in length.

- Due to rounding, graphs may not add up to 100%.

Key Takeaways

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- **Agencies need help defining their HCM strategy.** More than half (57%) say their system environment is fragmented, and 20% say their HCM strategy is not yet defined. Only a third have a formal, well-defined strategy in place.

- **Part of the issue is the technology, where many components are rated as below average or poor:**

  - 70% rate their flexibility to address changes as below average or poor.

  - 56% rate their job/career planning and ease of data access as below average or poor.

  - 54% rate their functionality as below average or poor.

  - 50% say their dashboard development and their analytic capabilities are below average or poor. These are very strong and widespread negative ratings.

- **Legacy systems, staff recruitment and funding are mentioned as top challenges.**

- **Meeting the President's Management Agenda is also proving difficult:** 57% are unprepared to deliver a high level of employee engagement and half are unprepared to position themselves as a model employer or enrich jobs with the latest tools.
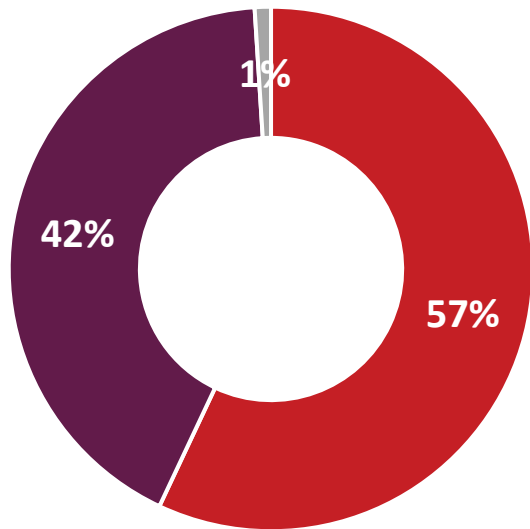
Survey Findings
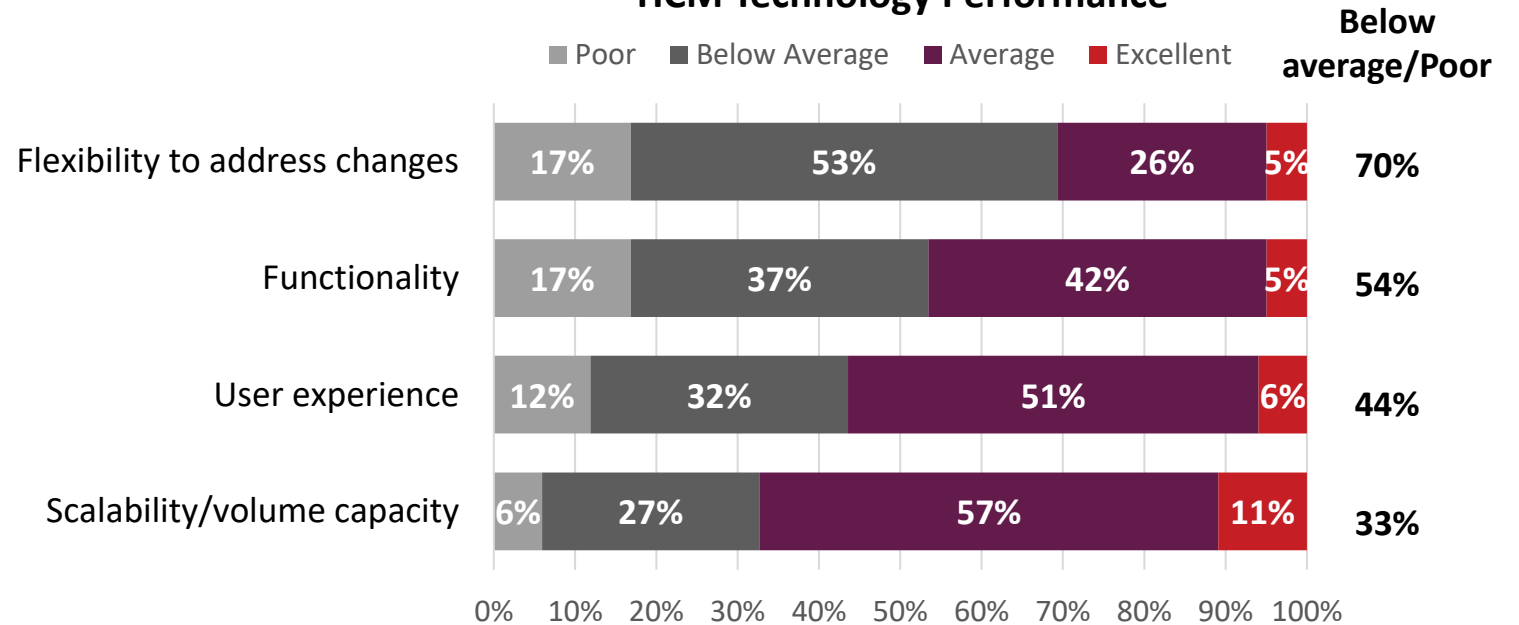
Current State of HCM Technology

- 57% would describe their current systems environment as fragmented. Just 1% are fully integrated right now.
- More critically, 70% of respondents rate their flexibility to address changes as below average or poor.
- Additionally, more than half (54%) rate their functionality as below average or poor.

System Environment

Legend: ■ Fragmented ■ Somewhat Integrated ■ Integrated

Values: 1%, 57%, 42%

HCM Technology Performance

Legend: ■ Poor ■ Below Average ■ Average ■ Excellent

	Poor	Below Average	Average	Excellent	Below average/Poor
Flexibility to address changes	17%	53%	26%	5%	70%
Functionality	17%	37%	42%	5%	54%
User experience	12%	32%	51%	6%	44%
Scalability/volume capacity	6%	27%	57%	11%	33%

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

How would you describe your current systems environment?

In thinking about your core HCM technology taken together, which of the following best describes the System Eenvironment as it relates to each of the following?
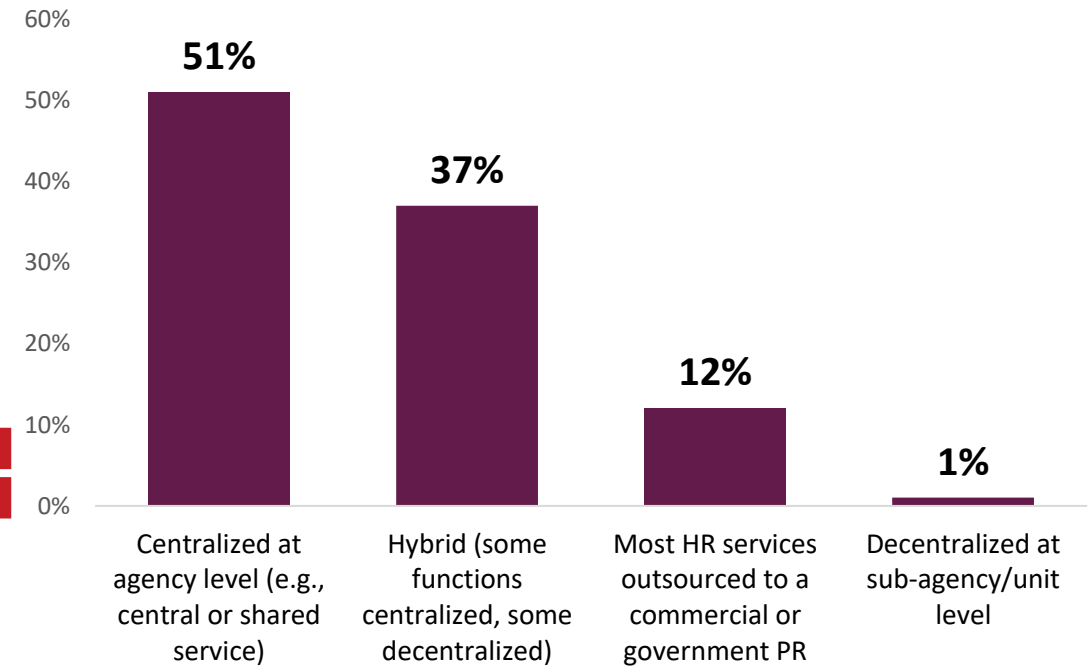
Current State of Human Capital Management

- Using old technology/legacy systems and staff recruitment (especially among HR professionals) are currently the biggest HCM challenges, followed closely by funding/budget and employee morale/burn out.
- A little over half have their organization's HR service delivery centralized at the agency level.

Challenges

Challenge	%
Using old technology/legacy systems	47%
Staff recruitment	47%
Funding/budget	42%
Employee morale/burn out	41%
Growth and demand for your services	23%
Retirement of current employees	18%
Leadership turnover	17%
Diversity, equity and inclusion	9%

Challenges	HR	IT
Staff recruitment	88%	14%

Note: Multiple responses allowed.

HR Service Delivery/Organizational Structure

Structure	%
Centralized at agency level (e.g., central or shared service)	51%
Hybrid (some functions centralized, some decentralized)	37%
Most HR services outsourced to a commercial or government PR	12%
Decentralized at sub-agency/unit level	1%

What are your organization's biggest challenges related to Human Capital Management (HCM) areas related to personnel including HR, Payroll, Timekeeping, Compensation, Learning, Skills, Recruitment, etc.? Select up to THREE

Which of the following best describes your organization's HR service delivery/organizational structure?

# Preparedness for President's Management Agenda

57% of all respondents are <u>not</u> prepared to deliver a high level of employee engagement, and half are not prepared to enrich jobs with the latest tools or position themselves as a model employer.

Legend: ■ Not at all prepared ■ Not very prepared ■ Somewhat prepared ■ Very prepared

	Not at all prepared	Not very prepared	Somewhat prepared	Very prepared	Not very/not at all prepared
Delivering high level of employee engagement	12%	45%	31%	12%	57%
Position as a model employer	22%	28%	40%	11%	50%
Enrich jobs with the latest tools	15%	36%	44%	6%	50%
Ability to attract new employees	7%	36%	45%	14%	42%
Meeting diversity goals in recruiting	11%	18%	56%	16%	28%

In terms of meeting the objectives of the President's Management Agenda and the technology you have to support it, how prepared is your organization to deliver on each of the following?
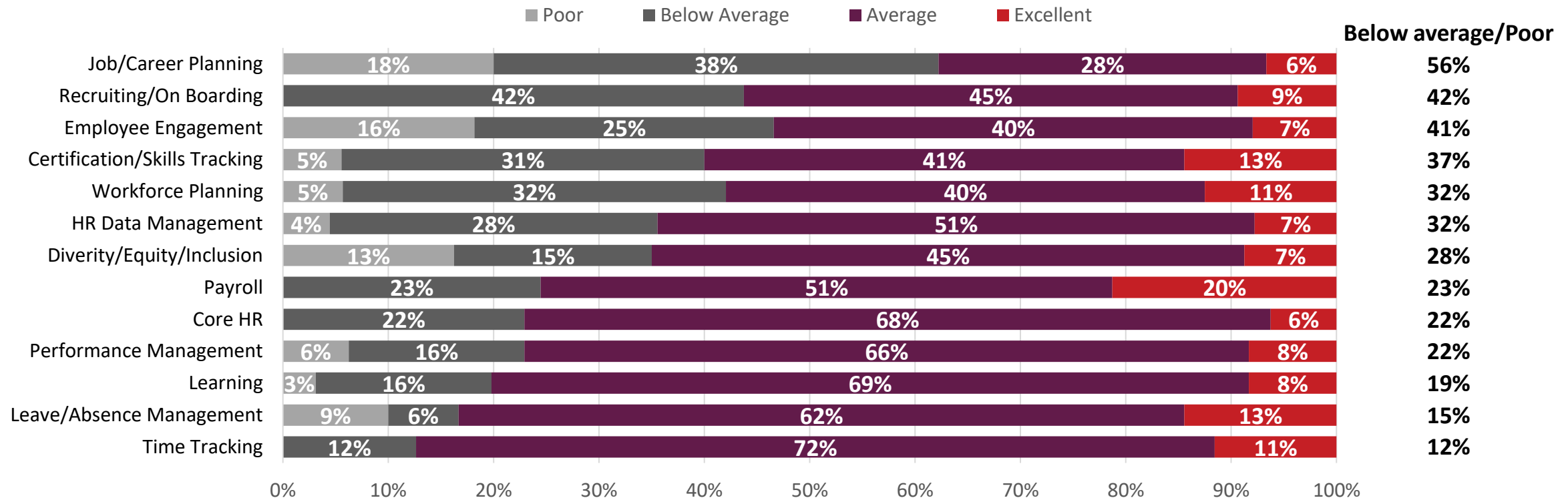
HCM Service Delivery Standards

Right now, only a third of all respondents have a formal HCM strategy in place.
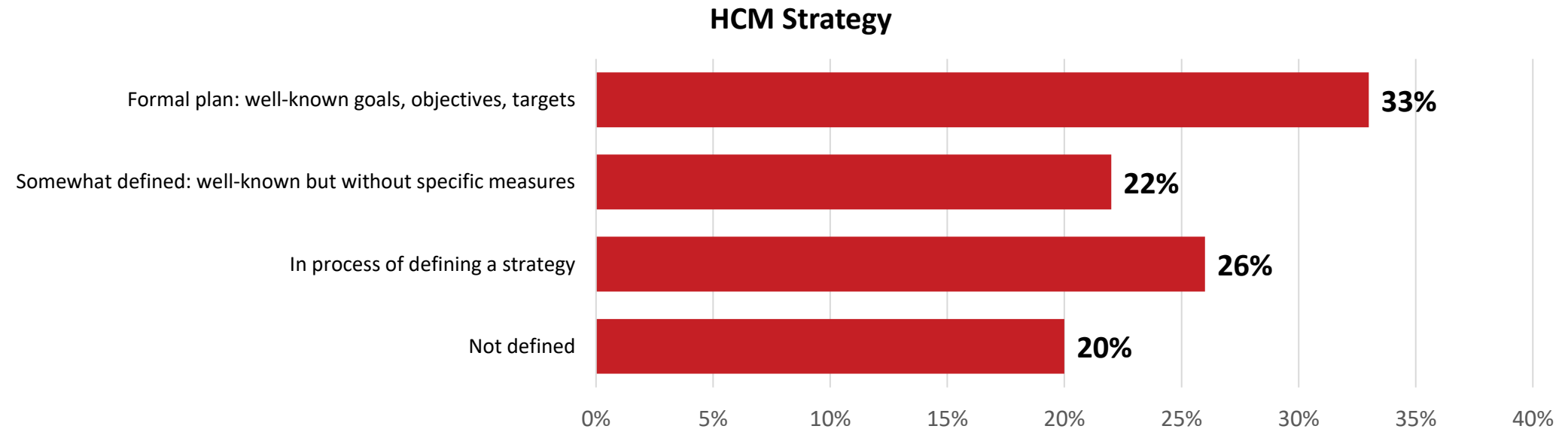
HCM Strategy

To what extent is your organization's HCM Strategy defined and documented?
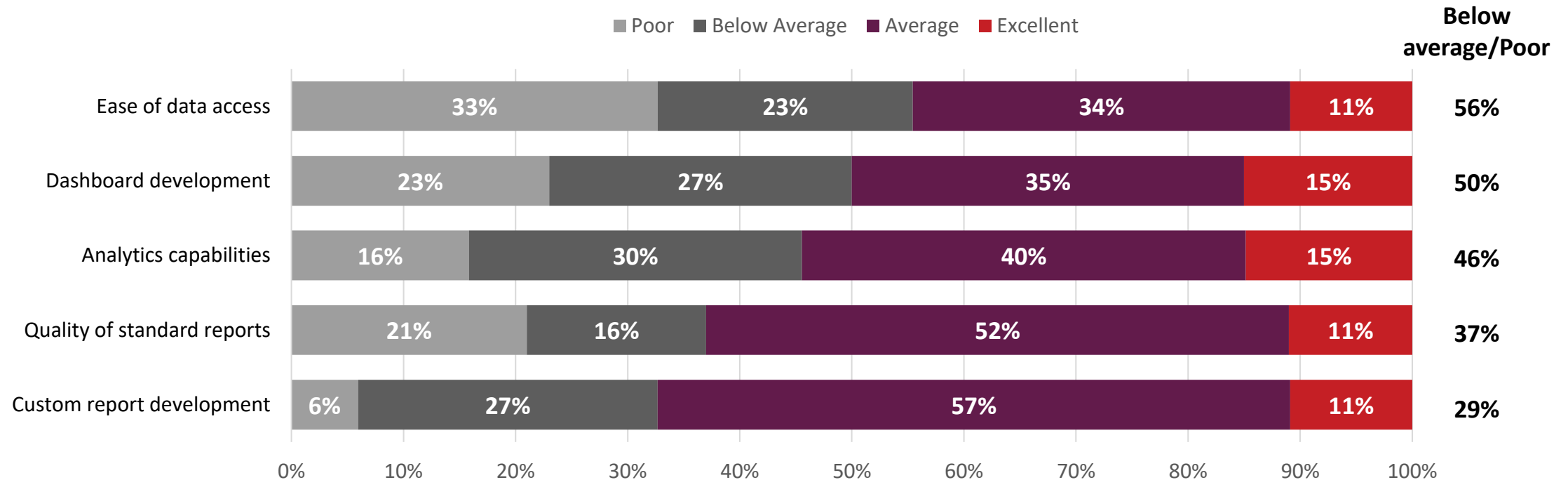
HCM Technology Functionality

- More than half of all respondents (56%) rate job/career planning as poor or below average.
- Four in ten rate recruiting and employee engagement as poor or below average.
- Components like time tracking, leave of absence and learning were rated most positively.

Legend: ■ Poor ■ Below Average ■ Average ■ Excellent

Component	Poor	Below Average	Average	Excellent	Below average/Poor
Job/Career Planning	18%	38%	28%	6%	56%
Recruiting/On Boarding		42%	45%	9%	42%
Employee Engagement	16%	25%	40%	7%	41%
Certification/Skills Tracking	5%	31%	41%	13%	37%
Workforce Planning	5%	32%	40%	11%	32%
HR Data Management	4%	28%	51%	7%	32%
Diverity/Equity/Inclusion	13%	15%	45%	7%	28%
Payroll		23%	51%	20%	23%
Core HR		22%	68%	6%	22%
Performance Management	6%	16%	66%	8%	22%
Learning	3%	16%	69%	8%	19%
Leave/Absence Management	9%	6%	62%	13%	15%
Time Tracking		12%	72%	11%	12%

How would you rate the functionality of each of the following HCM technology components? **NOTE:** *Those saying "don't know" are not shown.*
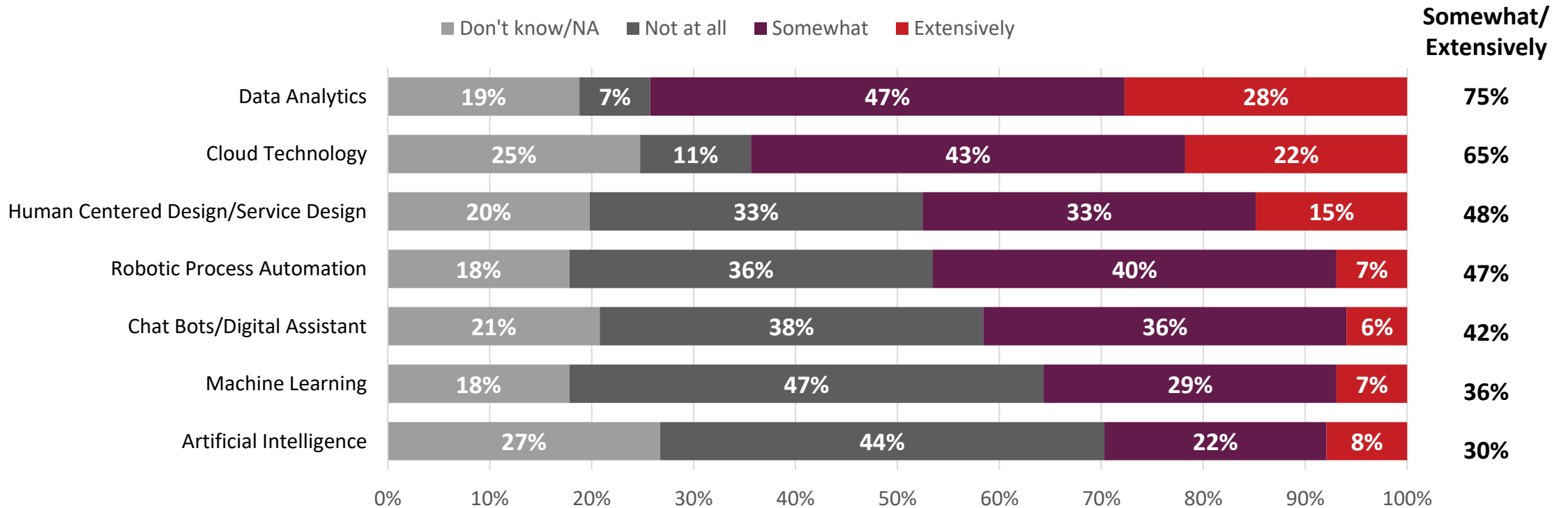
Data Analytics and Reporting

More than half (56%) say that ease of data access is poor or below average and half also rate their dashboard development as below average or poor.

Legend: ◼ Poor ◼ Below Average ◼ Average ◼ Excellent

Below average/Poor

Category	Poor	Below Average	Average	Excellent	Below average/Poor
Ease of data access	33%	23%	34%	11%	56%
Dashboard development	23%	27%	35%	15%	50%
Analytics capabilities	16%	30%	40%	15%	46%
Quality of standard reports	21%	16%	52%	11%	37%
Custom report development	6%	27%	57%	11%	29%

(x-axis: 0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%)

In thinking about HR data analytics and reporting, how would you rate the following in your organization?

Management Innovations and Emerging Technology

Data analytics and cloud technology are most likely to be used for HCM; artificial intelligence and machine learning trail far behind.

Legend: ■ Don't know/NA ■ Not at all ■ Somewhat ■ Extensively

	Don't know/NA	Not at all	Somewhat	Extensively	Somewhat/Extensively
Data Analytics	19%	7%	47%	28%	**75%**
Cloud Technology	25%	11%	43%	22%	**65%**
Human Centered Design/Service Design	20%	33%	33%	15%	**48%**
Robotic Process Automation	18%	36%	40%	7%	**47%**
Chat Bots/Digital Assistant	21%	38%	36%	6%	**42%**
Machine Learning	18%	47%	29%	7%	**36%**
Artificial Intelligence	27%	44%	22%	8%	**30%**

In terms of management innovations and emerging technologies for HCM, to what extent does your organization use each of the following?
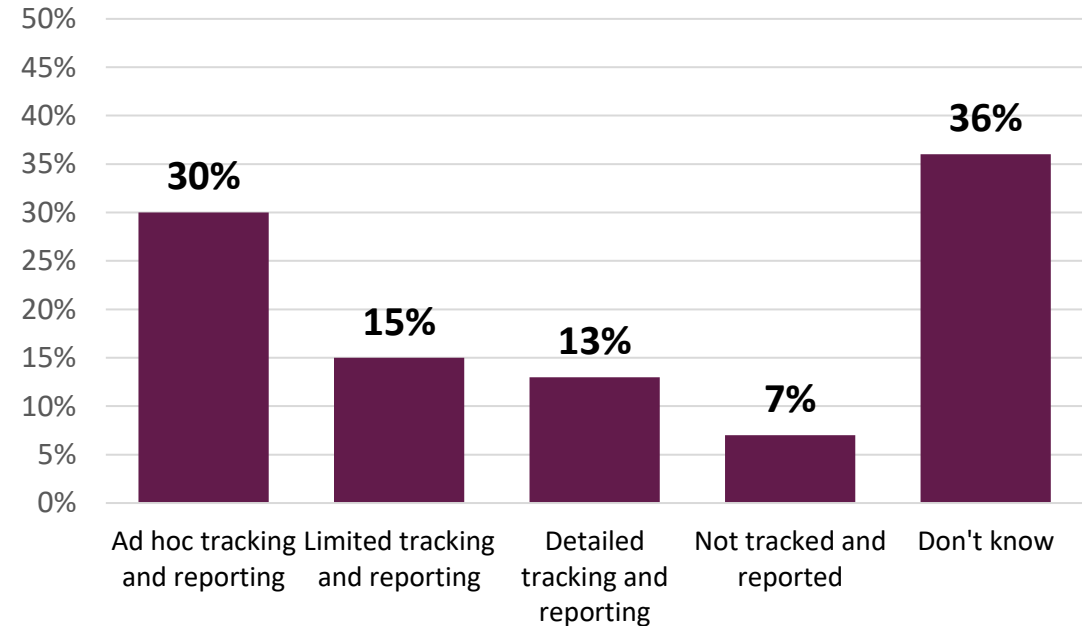
Tracking and Reporting

- More than seven in ten (71%) have periodic surveys to track employee satisfaction and engagement.
- Diversity, Equity and Inclusion is mostly tracked on an ad hoc basis.

Employee Satisfaction and Engagement
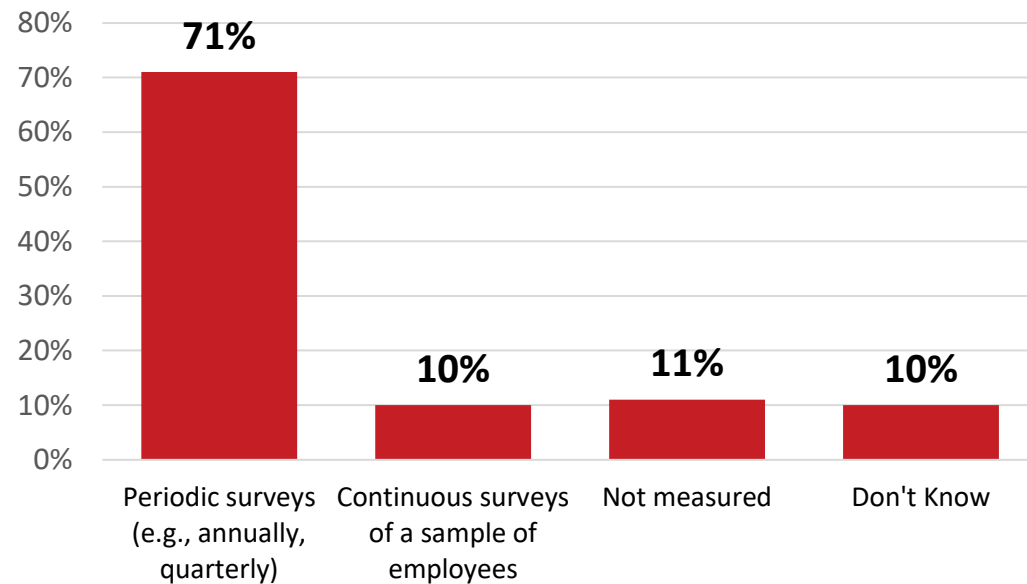
Diversity, Equity & Inclusion

To what extent is employee satisfaction and engagement measured?

To what extent is Diversity, Equity & Inclusion tracked and reported?

Industry Insights from workday.

These survey findings make it clear: most agencies are struggling with inflexible, fragmented systems that impact their ability to access real-time, trusted data and adapt quickly to change – whether that's new regulatory requirements, shifts in organizational structures and policies, or in response to unforeseen events, such as the pandemic. And more than half feel unprepared to deliver on the President's Management Agenda call for higher levels of employee engagement. Now more than ever, cloud technology is essential to federal human capital management modernization. Solutions that unify talent management, time and attendance, and recruitment can let government agencies automate day-to-day personnel processes and give their workers more control through self-service options. By equipping agencies with accessible configurable cloud solutions that empower employees and enable strategic talent decisions, the U.S. government can create a workforce that drives results for the benefit of all.
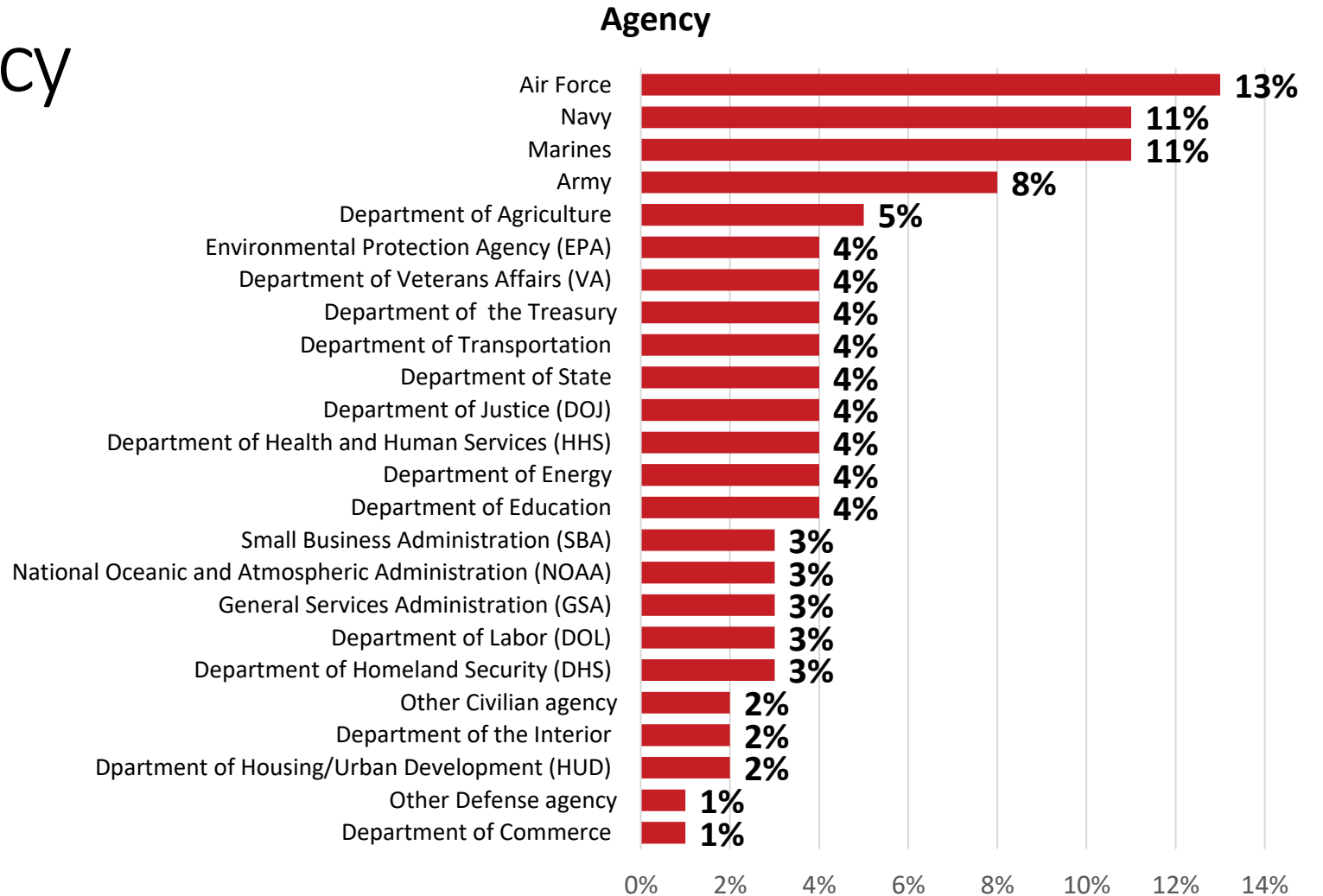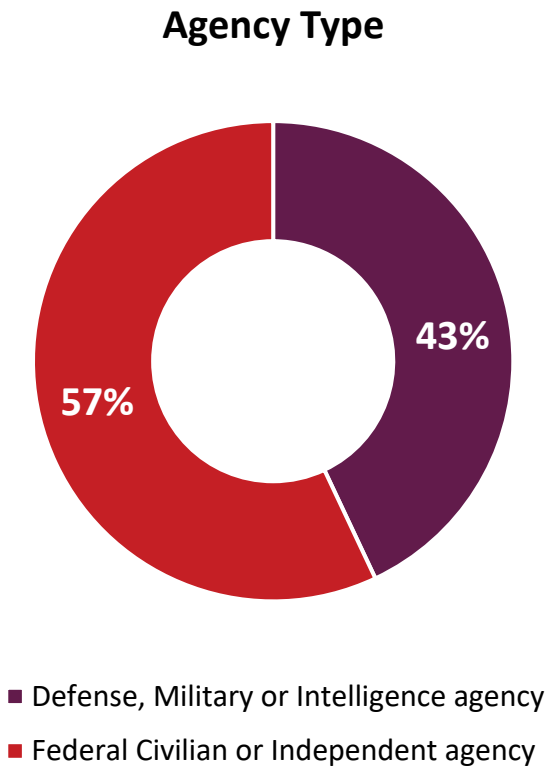
Learn more about how Workday can help at workday.com/federal.

Respondent Classifications

Agency Type/Agency

Agency Type

- Defense, Military or Intelligence agency
- Federal Civilian or Independent agency

43%

57%

Agency

| Agency	%
Air Force	13%
Navy	11%
Marines	11%
Army	8%
Department of Agriculture	5%
Environmental Protection Agency (EPA)	4%
Department of Veterans Affairs (VA)	4%
Department of the Treasury	4%
Department of Transportation	4%
Department of State	4%
Department of Justice (DOJ)	4%
Department of Health and Human Services (HHS)	4%
Department of Energy	4%
Department of Education	4%
Small Business Administration (SBA)	3%
National Oceanic and Atmospheric Administration (NOAA)	3%
General Services Administration (GSA)	3%
Department of Labor (DOL)	3%
Department of Homeland Security (DHS)	3%
Other Civilian agency	2%
Department of the Interior	2%
Dpartment of Housing/Urban Development (HUD)	2%
Other Defense agency	1%
Department of Commerce	1%

Which of the following best describes the organization you work for?
Please verify the federal government agency or military branch you work for:
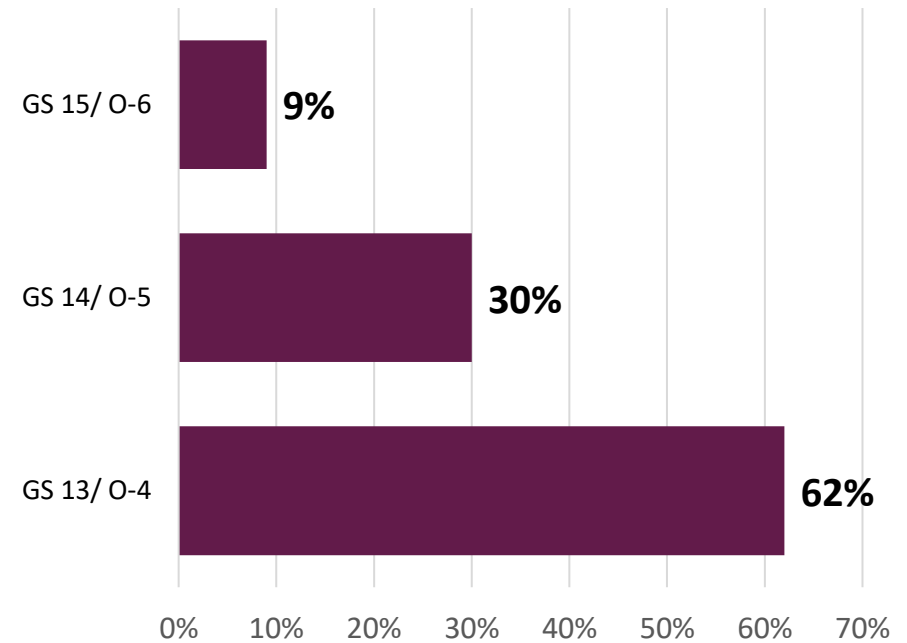
Respondent Roles

To participate, all respondents had to be involved in Human Resources or IT and be at the GS13 level or above.

Job Function
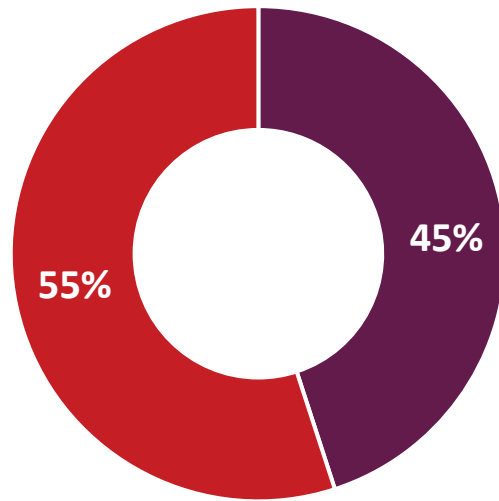
- Human resources
- Information technology

Pay Grade/Level

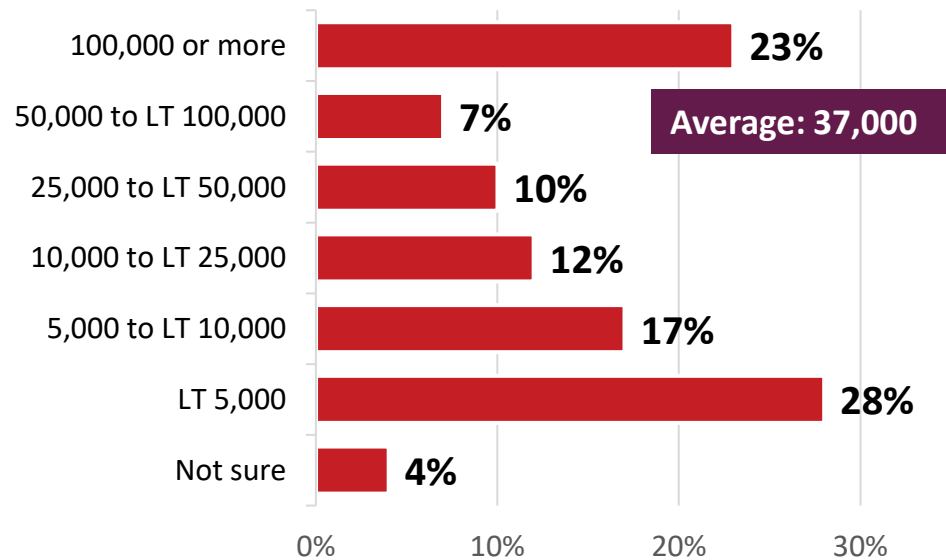|	
GS 15/ O-6	9%
GS 14/ O-5	30%
GS 13/ O-4	62%

Which of the following best describes your job role/function in your organization?
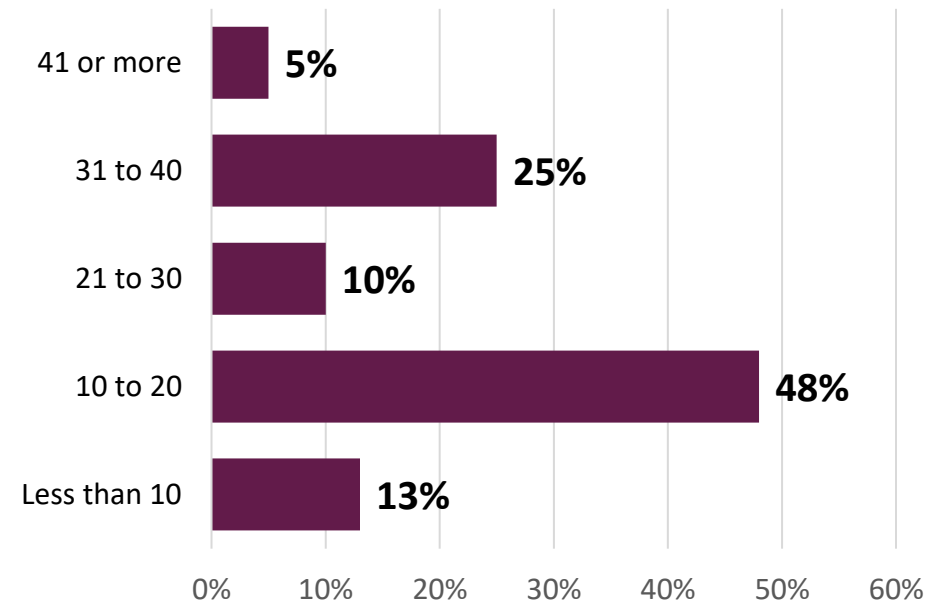*Please indicate your equivalent federal civilian or military pay grade/level.*

Respondent Classifications

Most respondents have served 10 to 20 years in government and work in agencies with an average of 37,000 employees.

Number of Employees in your Agency

100,000 or more	23%
50,000 to LT 100,000	7%
25,000 to LT 50,000	10%
10,000 to LT 25,000	12%
5,000 to LT 10,000	17%
LT 5,000	28%
Not sure	4%

Average: 37,000

Years in Government

41 or more	5%
31 to 40	25%
21 to 30	10%
10 to 20	48%
Less than 10	13%

How many employees are in your agency?

*Please indicate the number of years you have served as a government employee, including creditable military service:*

Appendix

HR Service Delivery Standards

- Only a quarter (25%) have their HR service's delivery standards well defined; 70% are either somewhat defined or in the process of being defined.
- 6% have not defined their HR service standards.

HR Service Delivery Standards

Category	Percent
Well-defined, concrete performance measures	25%
Somewhat defined	37%
In process of being defined	33%
Not defined	6%
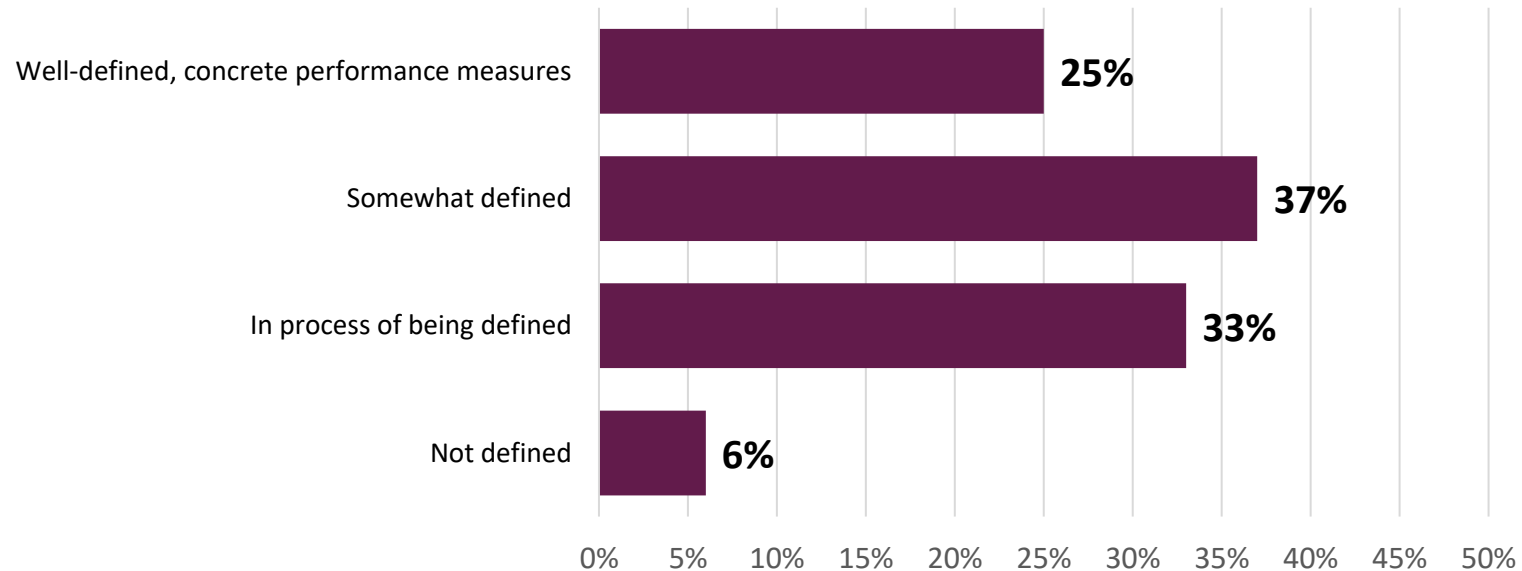
To what extent are HR service delivery standards defined?

HCM Technology Components

Although using custom/homegrown systems is most prevalent, HCM technology components are provided via a range of different platforms.

	Custom/ Homegrown System	Single vendor/ integrated system	Standalone package	Another agency provider	Manual System	Don't know/NA
Core HR	10%	**35%**	24%	14%	5%	13%
Recruiting/On Boarding	**27%**	22%	20%	10%	11%	12%
Payroll	27%	7%	24%	**32%**	1%	10%
Time Tracking	**24%**	23%	21%	6%	0%	7%
Learning	**27%**	26%	16%	6%	0%	**27%**
Performance Management	**35%**	15%	12%	22%	0%	20%
Leave/Absence Management	**37%**	14%	17%	25%	0%	8%
Workforce Planning	**24%**	16%	**24%**	9%	7%	22%
Certification/Skills Tracking	**28%**	15%	19%	8%	14%	17%
Employee Engagement	**25%**	13%	21%	8%	11%	23%
Diversity/Equity/Inclusion	**30%**	21%	12%	7%	12%	20%
HR Data Management	21%	**27%**	22%	2%	14%	16%
Job/Career Planning	**31%**	4%	19%	18%	18%	11%

=Largest provider by HCM component

In terms of HCM technology components, how are each of the following provided?