

HFS Top 10 Workday Financial Management (FM) Services 2021

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Excerpt for PwC



A successful Workday FM deployment adopts an FM transformation approach. Ideally, an enterprise is prepared for the change, has access to value-added tools to facilitate fast and tailored deployments, and understands the importance of ongoing support and optimization services. Service providers that adopt a holistic, consultative, and proactive approach to Workday FM engagements will be the ultimate leaders in this market.

—*Khalda De Souza, Research Director*

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An aerial, grayscale photograph of a dense city skyline, likely New York City. The Empire State Building is prominent on the right side. A large, semi-transparent white number '1' is overlaid on the left side of the image. A vertical orange bar is positioned to the right of the number '1'.

1

Introduction, definitions,
and research methodology

Introduction

- The HFS Top 10 Workday Financial Management (FM) Services 2021 report continues our theme of looking at the services sets for the planning, implementation, and management of leading software-as-a-service platforms.
- Workday's inaugural SaaS products in 2005 assisted enterprises with their human capital management (HCM) process. The FM products followed a few years later, with Workday encouraging clients to run both the HCM and FM processes on the same platform. As the buying centers of each process are different and service provider strengths in each of these process areas also differ, HFS has published two Top 10 reports: Workday HCM Services Top 10 and the Workday FM Services Top 10.
- The HFS Top 10 Workday FM Services 2021 report is an update of the HFS Workday FM Services Top 10 report published in 2018.
- We included 10 service providers in this research. We spoke with 26 client references provided by the participating service providers.

Finance is no longer a back-office function—it is an integral part of the OneOffice™

89%

Executives agree that finance has an important role in driving the OneOffice experience (integrating the front, middle, and back offices to focus on customer experience).

91%

Executives agree that successful F&A transformation impacts the whole service experience for end customers and internal employees.

90%

Executives agree that the CFO's role is changing, going beyond a bottom-line and compliance enforcer to a trusted business partner driving profitable growth.

Sample: 250 F&A executives across the Global 2000
Source: HFS Research, 2021

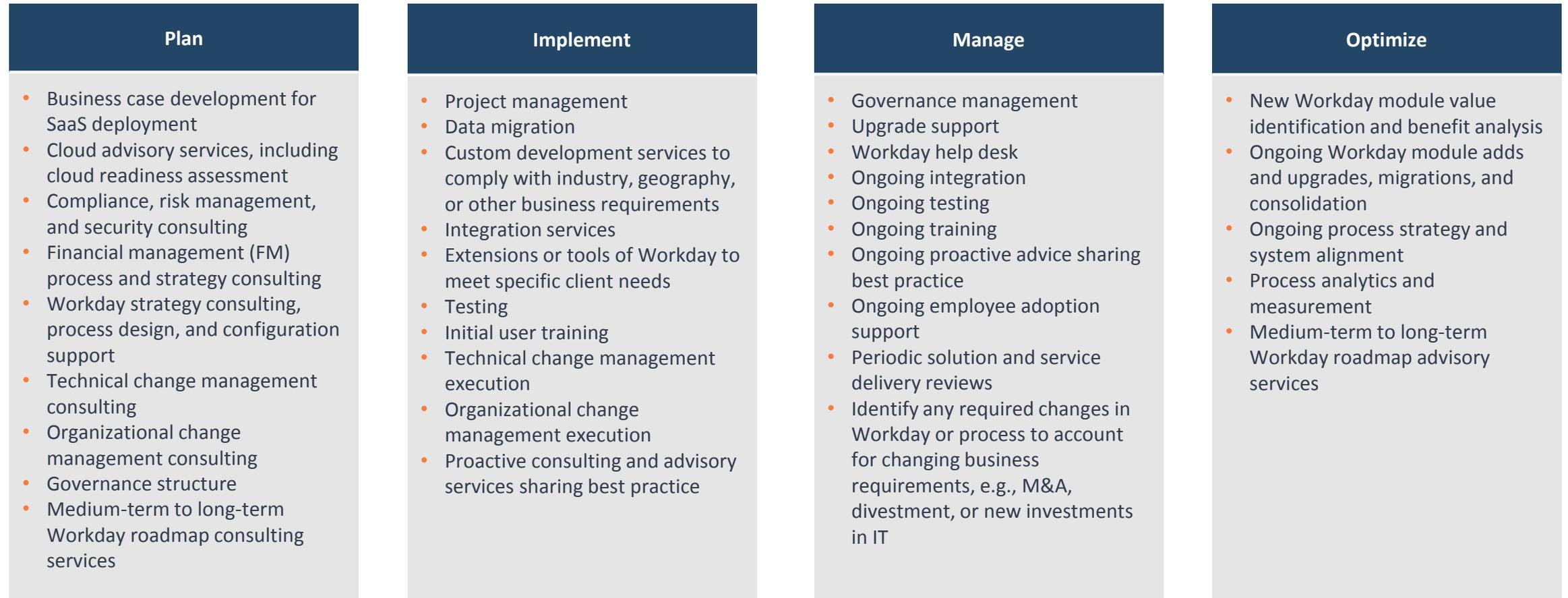
HFS OneOffice™ organization enabled by emerging technologies

The OneOffice™ is HFS' vision for the digitally transformed enterprise. Emerging technologies help organizations break down their front-, middle-, and back-office silos to mature into **one integrated system** to enable employees, delight customers, and deliver on its purpose. Our ability to make emerging technologies native elements of enterprise business architecture is a prerequisite for digital transformation and the OneOffice.



HFS Workday Financial Management services value chain

The *HFS Top 10 Workday Financial Management (FM) Services 2021* report assessed 10 service providers' ability to deliver Workday FM services as mapped to the HFS Workday FM Services Value Chain.



Source: HFS Research, 2021

Workday Financial Management applications

- Workday offers cloud applications for financial management (FM) and human capital management (HCM). This Top 10 report covers the services that support the Workday FM solutions:
 - Workday FM coverage: Coverage includes modules that span the financial management life cycle for enterprises, including accounting, payables, receivables, cash and asset management, auditing, analytics, and reporting.
 - Workday FM modules: Modules include Accounting and Finance, Audit and Internal Controls, Consolidate and Close, Global Foundation, Revenue Management, Accounting Center, Analytics and Reporting, Grants Management, Financial Planning, and Projects.
 - Workday Prism Analytics: This relatively new area includes Data Discovery, Data Preparation, and Data Management.
 - Workday Adaptive Planning: This relatively new area is mainly used for financial planning, but it is also relevant for workforce planning in HCM.
 - Certifications: Service providers gain certifications from Workday to implement and support the different FM modules. Workday works with a few early adopter partners for newer modules. Currently, these are mainly for Prism Analytics, Adaptive Planning, and Accounting Center modules.
- There are updates twice a year when the tenant is taken down for four hours to load new functionality. The releases used to be numbered (the last one was Workday 33 in September 2019). They are now simply called Workday (calendar year) Release 1 and 2, in March and September, respectively.
- Workday's HCM modules are not included in this Top 10 report. Please refer to the *HFS Workday Human Capital Management (HCM) Services Top 10* report for our analysis of this market.

Research methodology

The *HFS Top 10 Workday Financial Management (FM) Services 2021* report assesses and scores service provider participants across execution, innovation, and voice of the customer criteria. The inputs to this process included a detailed RFI process we conducted with 10 service providers, briefings with leaders of the Workday services practice within service providers, as well as reference calls and surveys of reference clients.



Ability to execute
33%

- Breadth and depth of services: Value chain coverage, proprietary tools development, and services and solutions to support specific market segments, such as enterprise size and industry sectors.
- Geographic reach.
- Market and team experience: Number of clients and Workday certified consultants and reference feedback on the strength of resources.



Innovation capability
33%

- Strategy and vision: Investment plans to enhance capabilities, including geographic expansion, partnerships, and talent development.
- Vision for the development of Workday services: Investment plans to enhance service offerings and assets.
- Ability to deliver business transformation: Adoption of a holistic view and consultative approach to supporting customers' financial management transformation journeys.



Voice of the customer (VoC)
33%

- Direct feedback from service provider clients: From reference checks, surveys, and case studies critiquing provider performance and capabilities.

Research methodology (continued)

Workday maintains a carefully curated, invitation-only service partner ecosystem. Workday Delivery Assurance consultants assure service partners adhere to prescribed deployment methodologies. Workday service partners do, however, have opportunities to cultivate differentiation through investments in capabilities and vision for the FM space. All of the service providers included in this Top 10 report are experienced and committed to the Workday services market. We considered several differentiators in our research methodology:

Execution

- **Breadth and depth of services**
 - **Value chain coverage:** Leading providers offer a breadth of services across the HFS Workday FM services value chain. Strengths include additional services that facilitate a transformation, such as user-focused design and change management services and proactive, consultative recommendations to assist in long-term deployment success. Service providers that can leverage relevant skills from other divisions within their organization are advantageous for customers. In addition, Workday nominates “early adopter” partners for new modules; this status suggests a reputable Workday FM practice as well as a strong relationship with Workday.
 - **Proprietary tools development:** All service providers have invested in tools and technologies, particularly to facilitate implementations. Table stake investments include data migration tools and a central platform that houses learnings from engagements. Value-add differentiators include tools that can provide analytics and recommendations, as well as tools that can help to prepare enterprises for their deployments. Most of the tools the service partners have developed for Workday HCM are relevant and used to support Workday FM deployments as well. Best practices that include thought leadership and recommendations specific to the finance process stand out.

Research methodology (continued)

- **Services and solutions to support specific market segments:** Market segments include enterprise size and industry sectors. These deliver a more tailored approach to deployments, which should result in a more successful business outcome. Leading service providers have developed services and solutions to support customers in different market segments. Some partners are certified to deliver Workday's Launch methodology, which is a preconfigured tenant for medium enterprises delivering fast implementation and support and training services. In June 2020, Workday extended this to be available to large enterprises in North America.
- **Geographic reach**
 - **Most Workday FM services business continues to originate from North America.** North America also remains the biggest opportunity for service providers. Demand in the UK and Europe is also increasing. Some service providers have strengths outside of North America due to their heritage. Most service providers are expanding their brand, geographical presence, and delivery capabilities to new geographies.
- **Market and team experience**
 - **Experience includes the number of clients and engagements a service provider has.** Workday FM is a growth market, so the amount of experience a service provider has is a clear differentiator. A strong provider can also hone these experiences in a detailed best-practice toolkit. The number of certified Workday FM consultants that a service provider, or the certified pool, has is also a differentiator, as only Workday's employees and those of its service partners can achieve Workday certifications.

Research methodology (continued)

Innovation

- **The innovation criteria capture the service providers' plans to strengthen their service offerings, tools development, and talent development to elevate their competitive position in this market.**
 - **Strategy and vision:** Investment plans to enhance capabilities, including geographic expansion, partnerships, and talent development.
 - **Vision for the development of Workday services:** Investment plans to enhance Workday FM service offerings and assets.
 - **Ability to deliver business transformation:** Adoption of a holistic view and consultative approach to support customers' finance management transformation journeys.
 - **Reference clients:** Reference client scoring and responses to the following questions were relevant to the service provider analysis of these criteria:
 - FM Process Understanding

Voice of Customer (VoC)

- **Reference clients:** We spoke with 26 clients references who provided feedback and scores on the service providers.

Workday FM Services providers covered in this report





Executive summary

Executive summary

- **Workday FM growth:** CFOs are typically strapped for cash, but they also face pressures to provide an efficient process that delivers insights. According to HFS research, 90% of executives agree that the CFO's role is changing, going beyond a bottom-line and compliance enforcer to a trusted business partner driving profitable growth on a journey to OneOffice. Workday's SaaS financial management platform is increasingly popular. The service providers in this report are currently supporting more than 900 clients in total.
- **Workday FM market is smaller than Workday HCM market:** The Workday FM services market has fewer clients than the Workday HCM services market. Service providers typically have much smaller Workday FM services teams, certified consultants, and client numbers. As client demand increases, service providers face challenges ramping up their skillsets to meet the growing demand.
- **Mixed client adoption of the full Workday platform:** Workday encourages enterprises to adopt both the HCM and FM products on the Workday platform. We have spoken with enterprises who adopted Workday HCM followed by Workday FM, others who adopted FM followed by HCM, and some who took a "big bang" approach and rolled out HCM and FM together. In the latter case, the enterprise leaders for the Workday HCM and FM initiatives are often different people.
- **Little effect from the COVID-19 pandemic:** Some large Workday FM projects were paused during the COVID-19 pandemic's global lockdown. However, we spoke with several clients who implemented most of the projects remotely and successfully went live during the lockdown.
- **HCM tools relevant to FM:** Most service providers can leverage the tools they have developed to support Workday HCM deployments to also support Workday FM deployments. Additional tools and technologies related to the finance function are rarer, but service providers continue to invest in them.
- **Service provider investment in talent:** Many service providers are focused on growing their Workday FM practice. This includes targeted acquisitions, partnerships, and hiring and training talent. In addition, many service providers are investing in skills and thought leadership in finance process understanding. Deloitte, Accenture, PwC, and KPMG are strong in this market given their historic finance experience.
- **Industry sector solution demand:** Demand for industry-sector-led services and solutions is more pronounced for Workday FM services than Workday HCM services. Service providers are identifying industry sectors to target for their Workday FM services and investing in developing services and solutions to increase credibility in these markets.

Workday FM Services market snapshot

This table reflects the data collected and estimates for the 10 service providers included in this report.

Number of certified Workday FM consultants	1,241+
Average number of certifications per consultant	2.2
Number of Workday FM certifications	1,950+
Percentage split of number of clients in mid-market and large enterprises	77% (mid-market enterprises) 23% (large enterprises)
Total number of FM clients	1,227+
Average growth in Workday FM Services in past 12 months	57%
Average expected growth in Workday HCM Services in the next 12 months	24.1%

Aggregate responses of service providers in this Top 10
Source: HFS Research, 2021

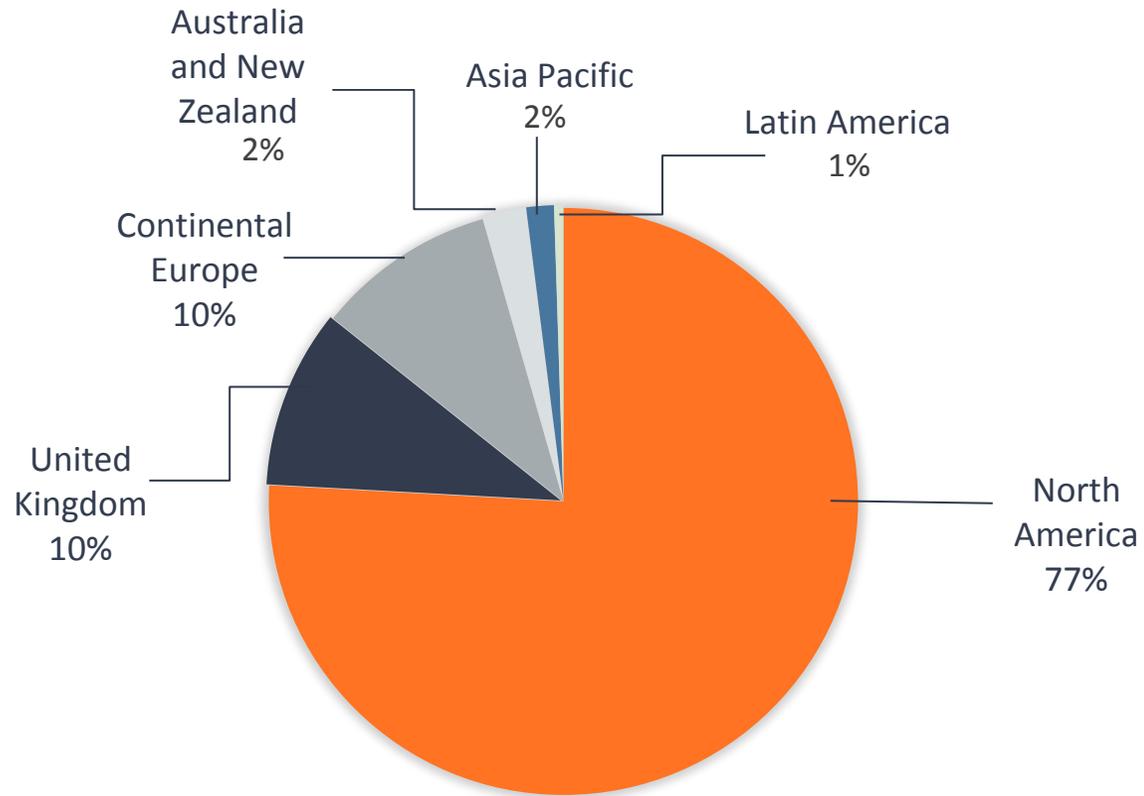
Workday FM Services market snapshot

Top three industries in Workday FM Services	Financial Services – Banking and Capital Markets Financial Services – Insurance Healthcare
Top three fastest-growing industries in the next 12 months	Financial Services – Banking and Capital Markets Financial Services – Insurance Healthcare
Top three Workday FM modules	Financial Accounting Core Financials Expenses
Top three fastest-growing Workday FM modules in the next 12 months	Workday Adaptive Planning Workday Accounting Center Professional Services Automation (PSA)

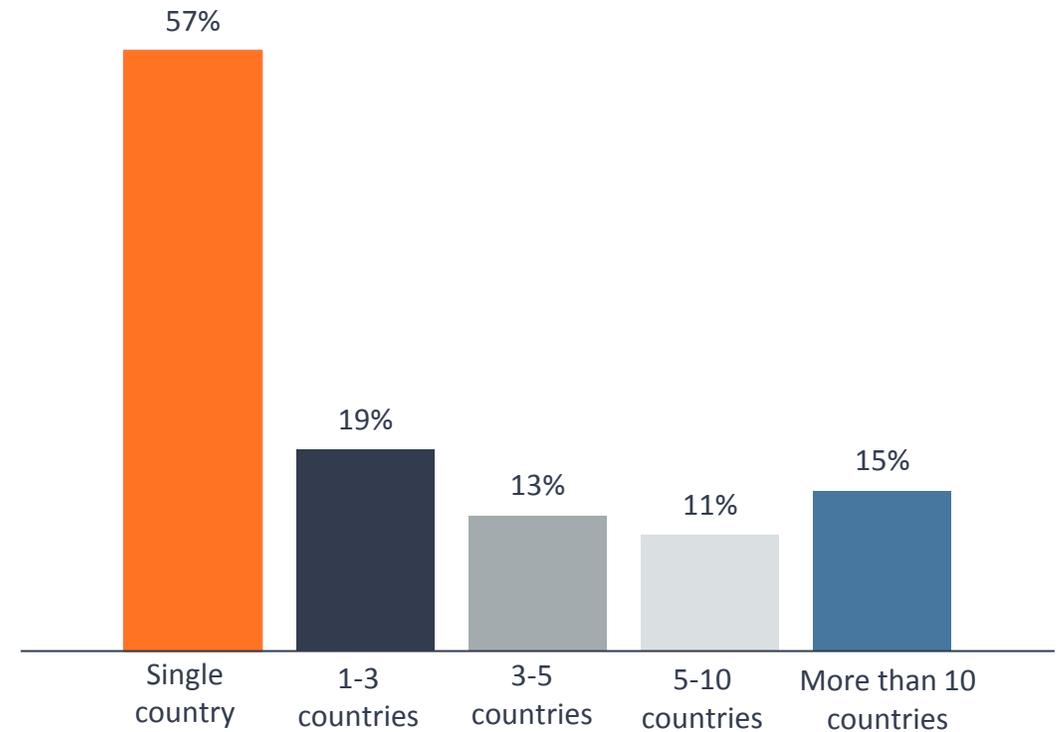
Aggregate responses of service providers in this Top 10
Source: HFS Research, 2021

Workday FM Services business by geography

Split of Workday FM Services revenue by geography

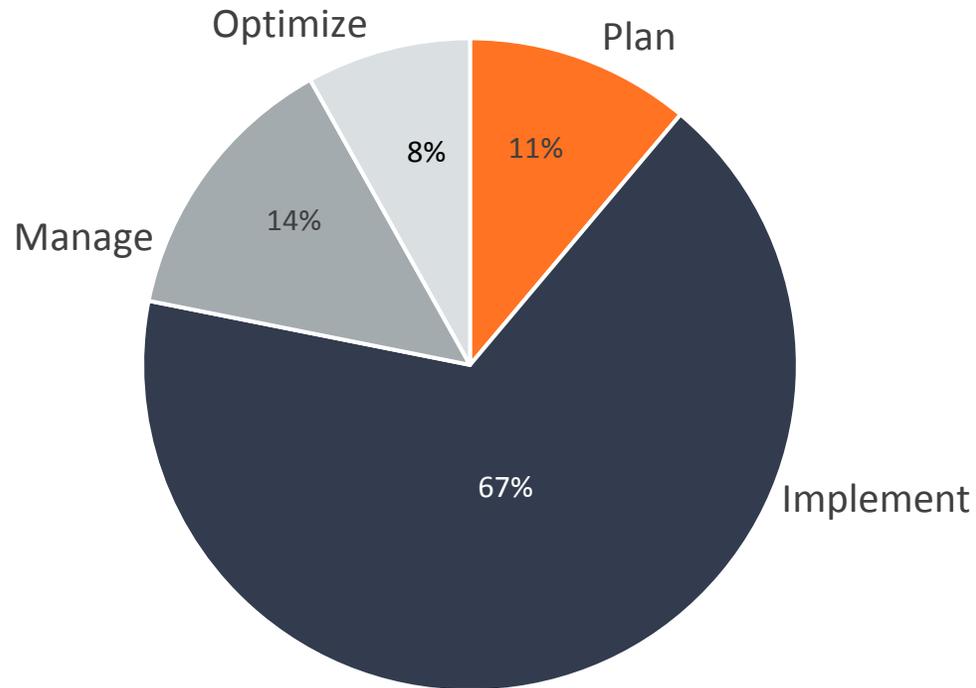


Percentage of Workday FM Services engagements in the following geographical categories



Source: HFS Research, 2021

Approximate split of Workday FM Services business by value chain services



- Implementation services continue to occupy the biggest share of value chain services. According to the service providers, this is expected to remain the same for the next 12 months.
- Application management services (AMS) and optimize services will likely pick up in the next year as enterprises realize that they need assistance with ongoing deployment management, which includes ongoing consulting and implementation of new modules and release management help.
- We expect planning or consulting services to increase over the next two years as enterprises adopt a more transformative approach to deployments.

Aggregate responses of service providers in this Top 10
Source: HFS Research, 2021



Workday FM Services:
Voice of the customer

Client reference demographics

Exhibit 1: Client references by industry sector

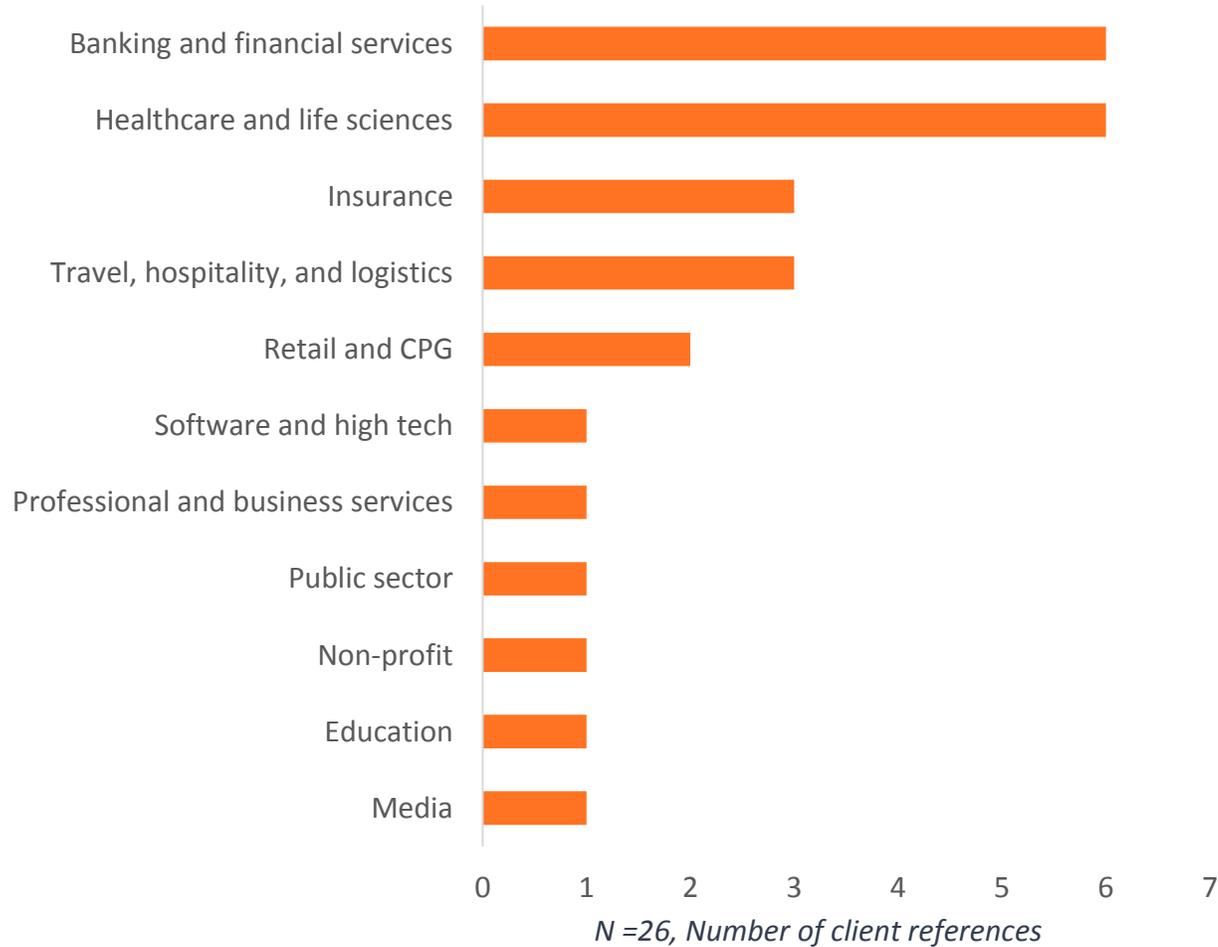
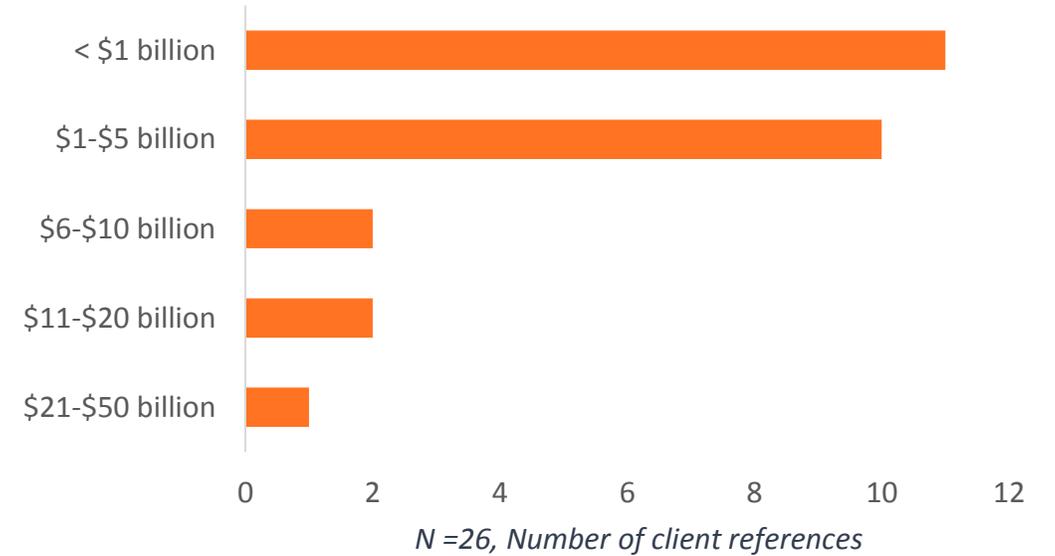
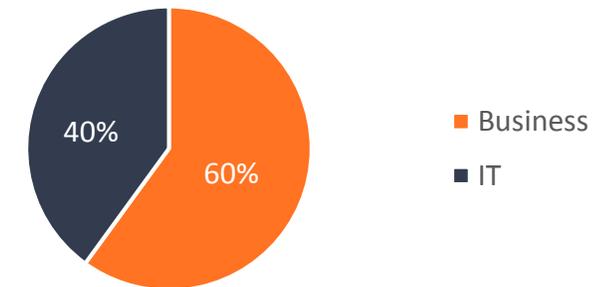


Exhibit 2: Client reference revenue



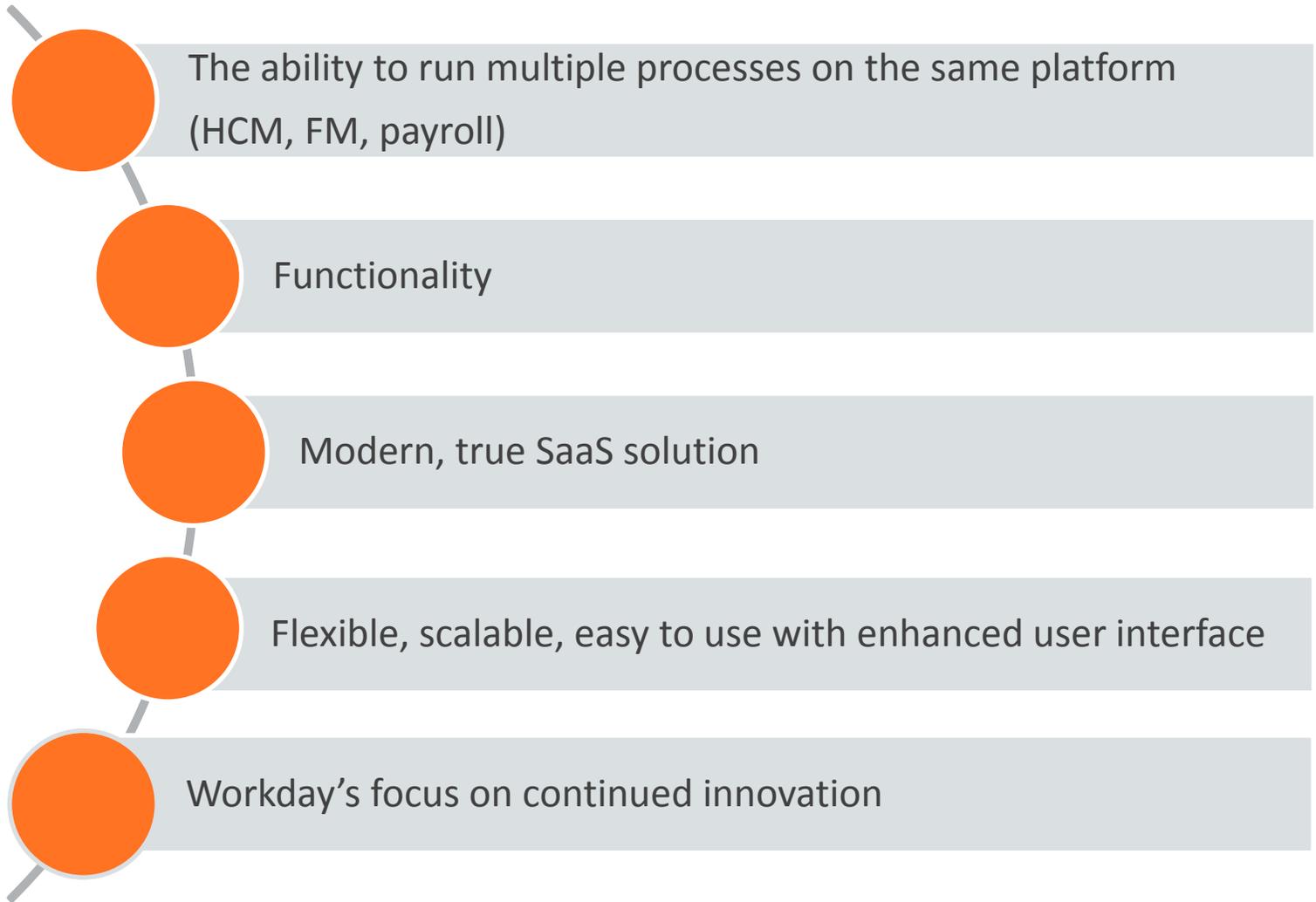
Organizational Alignment



N = 26, Number of client references

CPG*: Consumer Packaged Goods
Source: HFS Research, 2021

Why Workday?

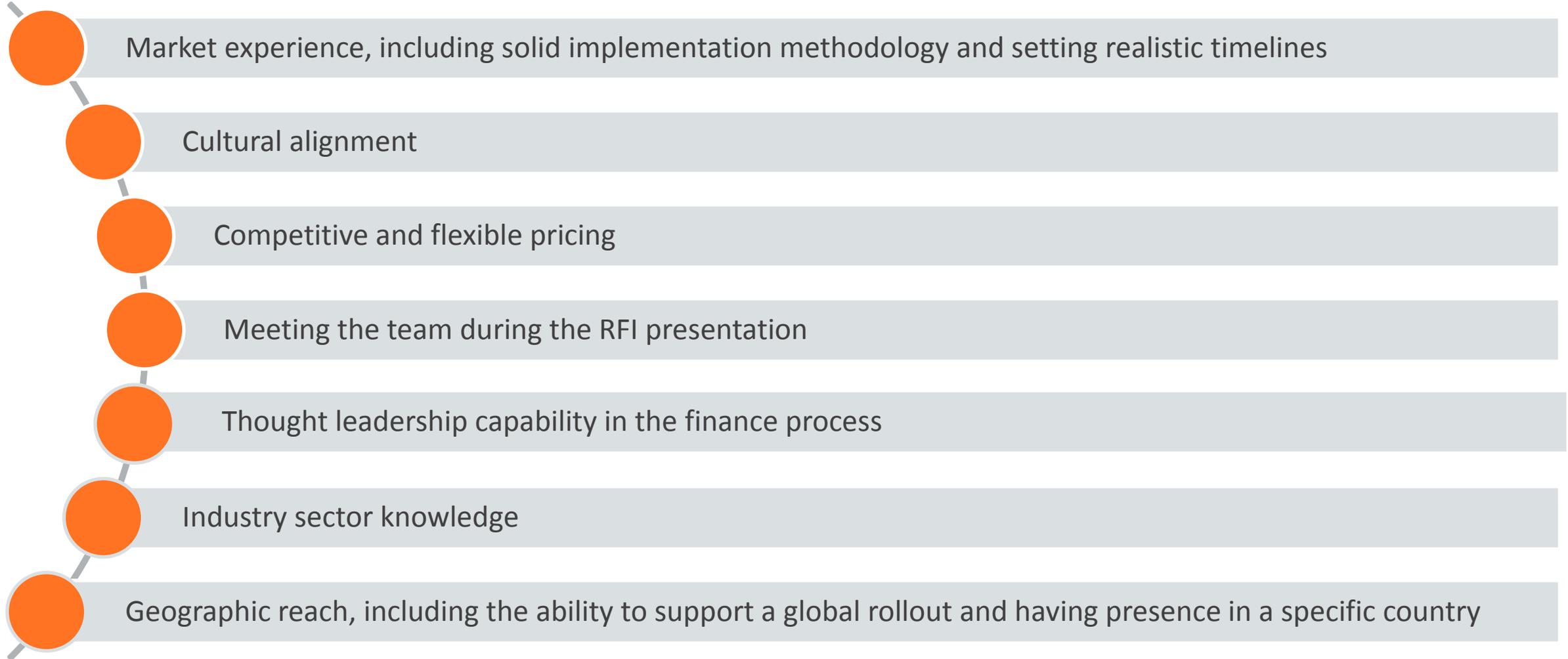


Which other Solution(s) did you consider?

- Oracle
- SAP
- Infor
- NetSuite

In order of number of mentions in descending order by all client references
Source: HFS Research, 2021

Why this service provider?



In order of number of mentions in descending order by all client references
Source: HFS Research, 2021



HFS Workday FM Services Top 10 results

Summary of service providers assessed in the report

Service providers (alphabetical order)	HFS point of view
Accenture	Large certified pool with a focus on developing finance transformation services
Alight Solutions	Consolidating acquisitions and strong customer feedback
Collaborative Solutions	Agile firm with global reach and strong experience
Deloitte	Top two certified pool with established brand in finance
IBM	Finance transformation focus with industry sector aligned solutions
Kainos	UK and European partner expanding its scale and capabilities
KPMG	Established brand in finance with industry sector strength
Mercer	Strengthening its FM brand and a focus on industry sector solutions
OneSource Virtual	Strengthening international capabilities and brand outside of North America
PWC	Finance expert with the top client reference scores

HFS Top 10 Workday FM Services 2021

Rank	Overall HFS Top 10 position	Execution				Innovation				Voice of the customer
		Breadth and depth of services	Geographic reach	Market and team experience	Overall execution	Strategy and vision	Vision for and investment in the development of workday services offerings	Ability to deliver business transformation	Overall innovation	
#1	Deloitte.	Deloitte.	accenture	Deloitte.	Deloitte.	Deloitte.	Deloitte.	Deloitte.	Deloitte.	pwc
#2	pwc	accenture	Deloitte.	accenture	accenture	IBM.	accenture	pwc	accenture	KPMG
#3	accenture	KPMG pwc	KPMG	pwc	pwc	accenture	IBM.	accenture	IBM.	alight
#4	KPMG		IBM.	COLLABORATIVE SOLUTIONS A Cognizant Company	COLLABORATIVE SOLUTIONS A Cognizant Company	KPMG	pwc	KPMG	pwc	accenture
#5	alight	COLLABORATIVE SOLUTIONS A Cognizant Company	COLLABORATIVE SOLUTIONS A Cognizant Company	KPMG	KPMG	pwc	COLLABORATIVE SOLUTIONS A Cognizant Company	COLLABORATIVE SOLUTIONS A Cognizant Company	KPMG	Deloitte.
#6	COLLABORATIVE SOLUTIONS A Cognizant Company	IBM.	kainos®	alight	IBM.	COLLABORATIVE SOLUTIONS A Cognizant Company	KPMG	IBM.	COLLABORATIVE SOLUTIONS A Cognizant Company	COLLABORATIVE SOLUTIONS A Cognizant Company
#7	IBM.	alight	pwc	IBM.	alight	MERCER	alight	alight	MERCER	IBM.
#8	MERCER	onesource® VIRTUAL	alight	onesource® VIRTUAL	onesource® VIRTUAL	alight	MERCER	MERCER	alight	MERCER
#9	kainos®	kainos®	onesource® VIRTUAL	kainos®	kainos®	kainos®	onesource® VIRTUAL	onesource® VIRTUAL	onesource® VIRTUAL	kainos®
#10	onesource® VIRTUAL	MERCER	MERCER	MERCER	MERCER	onesource® VIRTUAL	kainos®	kainos®	kainos®	onesource® VIRTUAL

Notable performances in Workday FM Services

HFS Podium Winners

Top 5 providers overall across execution, innovation, and voice of the customer criteria

#1 Deloitte.	#2 	#3 accenture 	#4 	#5 alight
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Execution powerhouses Top 3 providers on execution criteria			Innovation champions Top 3 providers on innovation criteria			Outstanding voice of the customer Top 3 providers on voice of the customer criteria		
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#1 Deloitte.	#2 accenture 	#3  	#1 Deloitte.	#2 accenture 	#3 	#1 	#2 	#3 alight
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Other notable performances

- Kainos is a strong UK and Europe-based Workday FM partner. Moreover, it has business and expansion plans for North America and APAC.*
- Service providers that have been traditionally stronger in the Workday HCM Services space are ramping up expertise and offering to support Workday FM. Examples include IBM, Mercer, and OneSource Virtual.

*Asia-Pacific



Workday FM PwC profile

Finance expert with the top client reference scores



Dimension	Rank	Strengths	Opportunities
HFS Top 10 position	#2	<ul style="list-style-type: none"> Established brand and credibility in finance: As a Big 4 accounting and consulting provider, PwC has an established brand in finance. Its relationships with CFOs lend it increased credibility to deliver Workday FM engagements. PwC Workday FM consultants can leverage PwC's finance expertise from across its advisory, tax, and assurance practices. Early partner for new modules: PwC is an early partner for new Workday modules, including Prism Analytics, Accounting Center, Adaptive Planning, and Workday Extend. Certified pool: PwC ranks in the top five in this research for the number of Workday FM certified consultants. Industry model tenants: PwC has Workday model tenants for financial management and financial planning for the insurance and healthcare provider industries. It is also developing more industry model tenants, for example, for the banking and capital markets sector. Tools investment: PwC has invested \$3 billion to develop new tools, technologies, and change agents and train staff on emerging technologies. In addition to those highlighted here, PwC also has 25 certified developers on the Workday Extend platform for Workday HCM and FM. FM expertise: PwC has developed expertise and proprietary tools to support clients' FM transformation journeys. Examples include PwC's change management services, which include its Change Navigator and Change Communicator digital tools. Also, PwC's Digital Risk services assist clients in understanding the implications of non-compliance to regulations. Much of this is based on PwC's own experience of deploying Workday internally to more than 275,000 employees in over 150 countries. This lends PwC increased credibility to deliver Workday FM engagements. Geographical expansion plans: PwC intends to strengthen its Workday FM services in Europe and APAC in the next year. Its understanding of local regulatory compliance issues lends PwC credibility in meeting specific local country finance requirements. Voice of the Customer: PwC received the highest average client reference scores in this research study. Clients commend PwC for the quality of its account management, its geographic footprint and scale, the strength of its resources, and its understanding of the finance process. One client said that "the communication and collaboration were outstanding" throughout the engagement. Another said that "the team was really great." 	<ul style="list-style-type: none"> Optimization services growth: Some clients said that post-deployment support services were not as strong as they would have liked. Buyers should note that PwC is strengthening these services in the next year and should check progress and capabilities if they require this. PwC is building its Next Level Finance services offering. These are optimization services that help clients get the maximum benefit from their Workday deployment and offer advice on additional modules to implement. Turnover of staff: Some clients said they experienced a turnover of staff in their team members. This is a common issue with all service providers, and buyers should note that PwC clients often admit that the replacements were always of high quality. PwC needs to continue to hire and retain the best consultants to remain competitive in this market.
Ability to execute	#3		
Breadth and depth of services	#3		
Geographic reach	#7		
Market and team experience	#3		
Innovation capability	#4		
Strategy and vision	#5		
Vision for and investment in the development of Workday services offerings	#4		
Ability to deliver business transformation	#2		
Voice of the customer	#1		

Relevant acquisitions and partnerships	Key clients	Operations	Technology tools and platforms
N/A	<p>Target client size: 1,000-50,000+</p> <p>Top target industry sectors: Financial services; healthcare; technology, media, and telecom; professional and business services; public sector</p> <p>Top three geographies in revenue order: The US, Canada, the UK</p> <p>Publicly disclosed clients include:</p> <ul style="list-style-type: none"> Leading US healthcare provider Leading global advertising agency Major global credit finance organization Leading US Midwest-based healthcare payer Leading European professional services firm Large US-based global non-profit 	<ul style="list-style-type: none"> Year practice established: 2008 Number of certified Workday FM consultants: 150+ Number of Workday FM certifications: 220+ Total number in Workday FM practice: 300+ Number of Workday FM clients: 111 Number of Workday FM current clients: 27 Number of engagements completed or ongoing: 140 <p>Key delivery locations for Workday practice:</p> <ul style="list-style-type: none"> The US: Chicago, Atlanta, San Jose, New York, Dallas, Los Angeles Canada: Ottawa, Toronto, Montreal, Calgary, Edmonton, Vancouver, Waterloo EMEA: UK, France, Belgium, Italy, Netherlands, Spain, Ireland, Germany, Sweden, South Africa APAC: Japan, China, India, Hong Kong, Singapore, Australia 	<ul style="list-style-type: none"> BXT and "The Difference" workshops Cost Management solution Next Level Finance optimization Digital Risk solution for security and financial controls Insurance Model Tenant Healthcare Model Tenant Change Navigator/Change Communicator Test Script Library Integrations Library Enterprise Insights Platform for data conversion



About the Authors

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Khalda De Souza is Research Director, SaaS services at HFS Research. She tracks how service providers are developing their SaaS services strategies as well as enterprise clients' requirements and needs in these markets.



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Krupa is a Knowledge Analyst at HFS Research, and she is part of data products. She is responsible for ITO-BPO outsourcing contract and Merger & Acquisition data collection for different service lines

About HFS Research

The HFS mission is to provide visionary insight into major innovations impacting business operations, including: automation, artificial intelligence, blockchain, Internet of things, digital business models, and smart analytics.

HFS defines and visualizes the future of business operations across key industries with our Digital OneOffice™ Framework.

HFS influences the strategies of enterprise customers to help them develop OneOffice backbones to be competitive and to partner with capable services providers, technology suppliers, and third-party advisors.

Read more about HFS and our initiatives on www.HFSresearch.com or follow [@HFSResearch](https://twitter.com/HFSResearch).

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