

Why Workday for Industrial Manufacturing?

Competitive advantages for managing talent, operations, and today's challenges.



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Industrial manufacturers are confronting volatile market conditions, globalization and changes to supply chains, AI and automated technologies, and persistent labor shortages. To meet these challenges, they must develop total workforce strategies that include skills development, automation, recruitment and retention, and balancing direct and contingent labor.

At the same time, they must keep a keen eye on the total cost of work and many other business factors.

This guide explains how Workday addresses these needs for industrial manufacturers of all sizes.



of Fortune 500 manufacturers already use Workday

New challenges across manufacturing.

Like those in many other segments, industrial manufacturers face constant hurdles, such as:

- Intense competition and innovation: Manufacturers are driven by constant change and the need to bring innovations to market quickly.
 This requires efficient processes, adaptable workforces, and effective cost management.
- Skilled labor shortages: Finding and retaining technicians, engineers, and operators with the necessary expertise is an ongoing struggle. Upskilling existing workers and optimizing workforce deployment are essential.

- Consolidation and expansion: With mergers, acquisitions, and divestitures expanding in many areas, companies need digital and operational foundations to adapt quickly as their organization and the competitive landscape change.
- Pressure to plan and forecast: With workforce changes and economic volatility, companies struggle to map their business strategies to available talent and remove challenges to business performance.
- Scattered data and disparate, laborious systems: Many manufacturers suffer from fragmented data derived from many sources, resulting in tedious manual processes and ineffective decision-making. Without a single source of truth, their globally distributed operations lack efficiency.
- Criticality of quality and safety: Manufacturers' reputations and profits
 rely on being able to deliver products on time with consistent quality and
 at competitive costs.
- Complex manufacturing processes: Production often involves complex manufacturing techniques. This demands specialized skills and knowledge from the workforce—as well as excellent systems for identifying and deploying those skills.
- Global operations: The industry also operates in a global supply chain, and companies often have locations around the globe requiring them to optimize development and production, and to comply with regional regulations.

Workday leadership in manufacturing.

12.2M+

core users around the globe

1,000+
manufacturing companies

Companies of many

types, from midsize to global giants

Unique challenges for industrial manufacturers.

In addition to the new struggles mentioned above, industrial manufacturers face tough challenges unique to the industry, such as:

- Complex product lifecycles: From design and engineering to production and aftermarket services, industrial manufacturing involves intricate, lengthy lifecycles that demand meticulous planning, resource allocation, and coordination across multiple departments and often global locations.
- Service-centric business models: Increasingly, the industry is shifting
 toward service-based revenue streams such as maintenance contracts,
 equipment upgrades, and performance optimization. This requires
 sophisticated tracking of service agreements, technician deployment,
 and spare parts inventory—often with third-party contingent labor or
 third-party service organizations that are required to have skills and
 certifications for the products they manage.
- Rapid redesign and configuration: Mass customization and volatile demand necessitate agile manufacturing processes. Companies need to quickly reconfigure production lines, adapt to engineering changes, and manage intricate bills of materials.
- Global supply chain volatility: Geopolitical factors, raw material scarcity, and logistics disruptions pose constant challenges to both the physical product supply chain and the talent supply chain. Real-time visibility and robust risk management are crucial.

Trusted by industrial leaders.

Sumitomo Drive Technologies









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How Workday serves industrial manufacturers.

Workday is a leading enterprise platform that helps organizations manage their most important assets: their people and money. Workday excels at leading organizations through the industry's complexities. Its robust, interoperable suite of products provides adaptability and scalability for organizations of all sizes and growth journeys.

In addition to global deployments with industry giants, more than 70% of our customer base has fewer than 3,500 employees. Workday really is for everyone, which is important because of the natural diversity within manufacturing. The common thread among all these organizations is that they have chosen a platform that is endlessly adaptable and continuously innovating.

Workday addresses the unique challenges in industrial manufacturing by helping you to:

Improve your talent supply chain and retention.

- Industrial manufacturing is a competitive talent environment, and Workday helps you quickly identify and recruit individuals with exactly the right skills or specialized training, reduce voluntary turnover, and significantly improve the speed and effectiveness of internal hiring.
- Many industrial manufacturers have unionized workforces, adding another layer of complexity to labor relations, contract negotiations, and compensation management. This can require some specialized reporting that relies on complete, always-available labor data.
- Workday drives talent acquisition through AI built into the core of its architecture. It also addresses workforce planning, with clear visibility across the entire business into gaps, opportunities, and solutions to short- and long-term talent needs. Workday Talent Management also improves retention through robust performance tools and career development paths.
- Workday also helps with shift work and complex scheduling and accommodates different types of talent such as frontline workers, contingent or gig talent, and corporate staff.



Make compliance and safety simpler and less risky.

- Workday provides tools for managing critical data, qualifications, and certifications, helping to align employees with company standards and support broader reporting.
- Workday also offers audit trails and documentation capabilities to support inspections and stay ahead of changing regulatory environments.
- Unification provides new efficiencies in managing fair labor practices, safety processes, and accountability.

Gain visibility into the total cost of work—and reduce it.

- Workday provides previously impossible insights into total workforce planning, labor costs, production efficiency, and other financial metrics—enabling a complete picture of the total cost of work and better resource allocation.
- Companies improve their ability to manage changing supply and demand across skills or certifications, leading to reduced costs, improved productivity, and more targeted allocation of skilled personnel.
- The integrated Workday platform streamlines processes and reduces manual effort, leading to further cost savings.

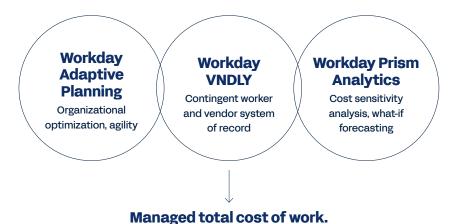
Delight your workforce with engaging experiences.

- Workday expands the quality and range of digital tools available
 to frontline workers—from payroll and time tracking to absence
 management and professional development—adding new support and
 self-service capabilities. This is especially critical for organizations with
 high-volume hiring and large frontline workforces.
- Workday was designed for cloud infrastructures and is optimized for performance across geographies, device types, work environments, and user preferences. Employee feedback features, including Workday Peakon Employee Voice for active listening, meet people in the flow of their work, improving engagement whether they're on the road or at company headquarters.
- With security and business process automation built in across the platform, Workday ensures that data integrity and context are preserved across functional teams and device types.
- Our next-generation AI, Workday Illuminate[™], facilitates simpler search
 and task completion processes using conversational language and a
 unified operating environment. This reduces the need for employees to
 hunt for the right products or remember multiple codes and menus for
 basic tasks.

Accelerate your research and development.

 Workday supports powerful project management and financial tracking functions for R&D activities, helping industrial manufacturers bring new products to market efficiently.

An ecosystem for managed total cost of work.



Hidden costs | Organizational layers | Contractor spend and utilization | Scaling/reduction in force

Workday is the platform of choice across industrial manufacturing.

Compared with legacy on-premise platforms—or other HR and finance products—Workday offers significant advantages:

- Adaptable platform: The Workday architecture provides scalability, flexibility, and accessibility, enabling companies to adapt to changing business needs and access data from anywhere. It has industry-leading Al capabilities built into the core instead of bolted on later and welcomes all users to an intuitive experience.
- Data unification: Workday integrates HR, finance, and operations into a
 unified platform with one source of truth. This, coupled with the Workday
 platform's interoperability and extensibility, is a stark contrast to the
 system proliferation many organizations manage and enables a reliable,
 holistic view of the business while eliminating data silos.
- Continuous innovation: Workday regularly updates its platform with new
 features and functionalities, ensuring companies stay ahead of the curve in
 technology and compliance. Since all users operate on the same version of
 Workday, everyone benefits from the most impressive innovations.



Power of the platform: integrating HiredScore Al for Recruiting* from Workday.

HiredScore brings AI, automation, and deep integrations to further improve recruitment efficiency, enabling you to:

- Harmonize talent data from all systems, instantly sourcing internal leads
- Use nudges, smart alerts, or track and chase functions to keep hiring managers in line with service-level agreements and on time
- Accelerate screening of top candidates and automatically resurface high-potential talent already stored in Workday
- Use the talent coach function to help hiring teams identify opportunities that can be filled by a different talent type within the company pool

Sumitomo Drive Technologies

Sumitomo Drive Technologies reinvents HR with Workday.

When rapid growth across EMEA made traditional HR processes unsustainable, Sumitomo Drive Technologies turned to Workday Human Capital Management (HCM) for a solution. Outdated manual processes, such as Microsoft Excel® spreadsheets and siloed systems, were replaced with a modern, unified platform that simplified data collection, boosted efficiency, and broke down barriers between teams.

The results have been transformative: improved leadership development, greater team diversity, and a stronger culture of continuous learning. The Workday platform isn't just helping Sumitomo manage HR—it's also enabling the company to grow, innovate, and empower employees to achieve their goals.

The platform's intuitive self-service tools save time, letting employees and managers focus on meaningful work instead of repetitive tasks. Teams across regions now collaborate effortlessly, using real-time data to meet customer needs and drive innovation.

^{*}HiredScore is a Workday company.

Playing well with others: the Workday ecosystem at a glance.

Workday ecosystem + customer's industry ecosystem.

| Benefit | Example products or integrations |
|---|---|
| Extensibility and interoperability | Workday Extend Workday Integration Cloud |
| Modern user experiences | Conversational AIWebOmni-channelMobile |
| Comprehensive product suite | HR + Finance + Operations Planning and forecasting BoB industry solutions Advanced analytics |
| Workday Illuminate built into the core | Next-gen AI features across the suite Enterprise LLMs RAI and simplified governance |
| Data unification from the intelligent data core | Unified security Resiliency Core business processes Data model integrity Unified source of truth among internal and external data sources |



How Workday serves all your stakeholders.

Today, manufacturing companies are pressured to become more unified, collaborative, efficient, and adaptive—no easy task across the many geographical, cultural, and technological environments typical of a multinational organization.

Workday can support your many important stakeholders. Here are some of the typical personas and concerns involved:

CIO

Simplified IT landscape, reduced complexity and maintenance costs

Enhanced security to meet specific regulatory and threat changes

System integration to bring in external data and create seamless interoperability

Insights from next-gen AI to elevate human talent and enable automation

COO

Modern workforce planning, scheduling, and payroll

Skills and certifications management for risk reduction and skills deployment

Reduction in total cost of work through global workforce visibility and better decision-making

Improve quality control, streamline the supply chain, and drive new efficiencies with AI

CFO

Accurate, efficient reporting enabled by new automations and labor reduction

Improved cost management with insight into labor cost, overhead, and other cost parameters

Significantly improved financial planning, scenario planning, and forecasting

Analytics powered by Al for trend analyses and performance projections

CHRO

Strategic workforce planning, skills mapping and cultivation, and needs forecasting

More efficient recruitment, internal hire, and retention approaches

Robust employee development and engagement, and succession planning

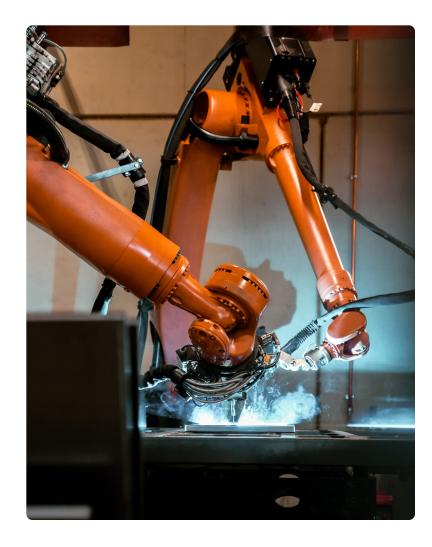
Al tools for identifying high-potential employees, mitigating turnover, and getting the most from everyone

Workday Illuminate: next-gen AI at the platform core.

Workday Illuminate offers a range of capabilities that can be applied across various functions within an industrial manufacturer—from frontline and contingent workers gaining more intuitive, self-service systems to company leadership taking a more holistic, future-aware view of the business.

Unlike other platforms, Workday is mature technology rooted in the largest dataset available for training and optimizing these AI solutions. Here's how AI benefits your company:

- Skills matching: Rapidly and reliably identify the best candidates for open positions based on their skills and experience.
- Predictive attrition: Anticipate employee turnover and proactively address retention issues.
- Personalized learning: Recommend relevant training programs to employees based on their roles and development goals.
- Workforce optimization: Analyze workforce data to identify skills gaps, predict attrition, and optimize labor scheduling.
- **Predictive analytics:** Gain a better understanding of workflow and performance across the whole business to improve talent acquisition and retention, productivity, scaling, and future needs.
- Process efficiency: Automate time-consuming and repetitive tasks such as
 data entry, document review, and report generation to free up your talent to
 focus on using their best skills and making strategic contributions.
- Natural language processing: Analyze unstructured data to extract valuable insights. Benefit your teams with more natural, conversational interfaces that make searching and learning much simpler and faster.





Airbus deploys Workday and shortens its recruiting cycle by half.

With 150,000 employees spread across 100 countries, Airbus was experiencing drag from cumbersome legacy systems. But when the company adopted Workday, it gained agility and simpler processes—shortening its recruitment cycle by half.

The company also saw changes in its global culture.

"The digital capability [of Workday] is very simple, but the cultural impact is greater," says a former VP of HR transformation and digital. "With Workday, we are able to implement less control [of workers] and more self-regulation through digital autonomy."

This improvement has come at a time when global employees are concerned about the quality of their experience, changes in the world of work, and the company's ability to rise to new challenges.

Airbus leadership also acknowledges the value of other Workday customers—businesses large and small all over the globe—who participate as developers and innovators through the Workday Community portal and extensibility products such as Workday Extend.

Responsible AI built in.

Workday is a longtime pioneer in responsible AI (RAI) practices and governance frameworks. We embed these principles into every AI tool we develop, and we empower companies to create their own governance practices.

See how we manage RAI and how to use our research as a springboard to develop your own RAI charter in these resources:

- Workday guide to RAI and your RAI charter
- Workday responsible AI leadership online

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Siemens: replacing disparate systems for unified, global HCM.

Siemens, the largest industrial manufacturing company in Europe, relied on disparate HCM systems for day-to-day HR administration, payroll, and talent management. Many of these systems were nearing the end of support, and Siemens saw a valuable opportunity for a different approach.

After an extensive RFP and evaluation process, Siemens chose Workday products deployed with the aid of industry and technology experts from IBM. This combination of advanced HCM capabilities from Workday and IBM's deep experience around similar large-scale projects helped Siemens deliver a cohesive, future-focused solution.

"We were keen to avoid the cost and complexity of manual integration work, so the fact that Workday offers a fully integrated suite of solutions, including absence management, compensation, and talent management—all delivered from the cloud—was very compelling," says Olaf Reichert, head of global IT architecture. "During the RFP, the Workday solution also far surpassed other vendors in terms of the user experience, which convinced us it was the optimal choice."

Read more about this case study here.

Conclusion.

Why Workday for industrial manufacturing?

- Solve the right problems, right now: Workday addresses the most pressing, specific challenges you face, such as skills and labor shortages, creating accurate insights across the workforce, cost control and operational efficiency, and moving beyond complex and costly legacy systems.
- Free yourself from overly complex systems: Workday helps you
 significantly consolidate and integrate your systems, decluttering your
 tech stack, driving visibility into your total cost of work, and empowering
 everyone involved to focus on making their best contributions.
- Adopt next-gen AI safely and quickly: Workday Illuminate democratizes next-gen AI, allowing you to embrace its many benefits without fear of undue complexity, side effects, or weak governance and ethics.
- Unify the company: Workday safely brings your whole company into a new era of platform unification and efficiency. With industry-leading extensibility tools and a robust community of users and developers, Workday never expires.
- Benefit from our experience: Workday is the most widely deployed and trusted platform of its kind around the globe. It's also extremely well proven across many manufacturing sectors, with <u>many inspiring</u> customer stories that you can review here.

Learn more: workday.com/manufacturing



