Written Report to Board of Regents
Modernization Improvements
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MODERNIZATION IMPROVEMENTS

With the launch of Workday on January 1, 2021, the Modernization Initiative established a strong and flexible foundation to support the complex and ever-changing Finance, Payroll and HR business needs of the institution.

The transition from WSU's legacy system to Workday, while not without challenges, has provided WSU with the tools needed to re-envision age old processes and procedures to improve our ways of working, create efficiencies, and move towards a continual process improvement mindset which drives improvements into the future.

Included below is a summary of some of the most impactful improvements achieved through the Modernization Initiative to date.

1. **Enhanced Operational Continuity:** The adoption of Workday has mitigated the risk of system failure associated with WSU's 40-year-old mainframe system. By embracing a modern, cloud-based platform supporting HR, Payroll, and Finance functions, WSU has adopted modern, scalable and standardized processes across the university system.

2. **Improved Timekeeping and Tax Compliance:** The transition has eliminated the cumbersome manual processes related to paper timecards submission and entry, reducing processing times and enhancing accuracy. WSU has reallocated time savings in payroll services to provide first ever multi-state tax withholding services for WSU employees living in 37 of 50 states.

3. **Effort Certification Reinvented:** WSU's effort certification process has undergone a remarkable transformation through Workday. The transition to web-based certifications has significantly reduced processing times and improved accuracy, bolstering grant management effectiveness and regulatory compliance. Previously, faculty performed effort certification 4 times a year. The processes flooded campuses with over 11,000 paper forms and took 139 days to complete. Today, effort certification occurs 3 times a year, taking an average of 25 days to complete. WSU's recent independent audit validates the effectiveness of the updated certification procedures.

4. **Facilitating Budget Allocation:** The deployment of Workday Adaptive Planning is a key component of improving financial management and budget activities. The move away from traditional spreadsheet methods has enhanced visibility and efficiency in resource allocation and brought all units into a common tool.

5. **Accelerating Grant Account Setup:** WSU has substantially reduced the time required to establish spendable grant accounts, facilitating quicker project initiation and research commencement. Previously, faculty waited an average of 33 business days for a spendable grant account to be created for a new award. Today, through seamless integration and process

optimization and a small investment in additional grant accountants, new grant accounts are created in 10 business days.

6. **Empowering Employee Self-Service:** New web-based self-service capabilities have empowered WSU employees to take care of important employment actions online, eliminating the need for cumbersome paperwork. From tax and benefit elections to leave requests, employees now have streamlined access to perform essential tasks.

7. **Streamlined Salary Costing:** With the implementation of new business processes and Workday, WSU has streamlined salary expense processing, enabling quicker budget and grant management decisions. Previously reliant on paper-based workflows, the legacy system often necessitated 2 to 6 weeks for approvals and system posting. With Workday, over 33,000 salary expense transactions were processed last year, boasting an average turnaround time of just 1.98 days from initiation to posting. This efficiency helps ensure budgets and grants are managed promptly and accurately.

8. **Industry Leading Grant Forecasting:** WSU has pioneered the development of a groundbreaking grant forecasting tool within Workday Adaptive Planning, enabling comprehensive planning and resource allocation across grant activities. This tool empowers grant administrators and faculty to forecast activities across multiple years to help plan funds over the life of the grant. Within two months of launch, over a third of grant administrators were trained and utilizing the solution.

9. **Leading the Way in Higher Education Workday Best Practices:** WSU's expertise in Workday utilization and business process optimization is positioning it as a leader of best practices in the higher education landscape. Recently, Harvard teams reached out to WSU seeking insights into our innovative use of Workday, streamlined processes, and realigned service delivery teams for research administration support. Their commendation, that WSU is quickly becoming viewed a leader in the Workday grants and post award space, and their desire to learn how WSU is making all this work, is a welcome acknowledgment of WSU's progress in improving post-award grants management. Presently, WSU actively contributes to shaping the future of Workday development in higher education, serving on Workday's Global Higher Education Leadership Team and serving as a go-to source of best practices for other universities.

10. **Cultivating a Culture of Continuous Improvement:** The Modernization Initiative is not merely about technological transformation but also about fostering a culture of collaboration and innovation. The Modernization Team is actively engaging with the university community to address challenges and co-create solutions, laying the groundwork for sustained and continuous improvement. **Recent process improvements include:**
    - Replaced paper-based employee performance evaluation processes for staff, moving them to Workday.
    - Deployed new salary cap detection tools for Grants that help ensure allowable salary levels on grants, and avoid costly fines and penalties incurred pre-Workday.
    - Created a one stop shop grant budget tracking, with first ever information available on invoices sent, payment of invoices, cash collected, etc.
    - Continued efforts to build a strong foundation for the future of financial and budget performance analysis and reporting, including completion of the annual financial statements 40% faster than prior years, and with improved accuracy.

These recent improvements provide a glimpse of the future impact that will come from fostering a culture of process improvement.