



Workday and Cardinal Health:

Bringing Talent to the Top

Cardinal Health calls itself “the business behind health care.” Dedicated to helping pharmacies, hospitals, and ambulatory care sites operate more efficiently, Cardinal Health’s global business ranges from pharmaceutical distribution to medical supplies to clinical services. The company ranks number 22 on the 2014 Fortune 500 and employs over 34,000 people.

A company of Cardinal Health’s size takes talent very seriously. To help its customers offer better care, the company must ensure they have the right employee in the right job at the right time. That’s where Workday comes in.

“That is the real benefit of Workday—how it helps us attract and retain the best people at Cardinal Health,” according to Patty Morrison, executive vice president for customer care shared services and chief information officer.

Why Not Workday?

Cardinal Health selected Workday in 2009, as the company had just gone through an operational overhaul and had considered one of the traditional ERP vendors for its HR application. “Then we heard about this thing called Software-as-a-Service. And through the process it quickly turned from going with a traditional solution to, why not Workday? It was apparent that this was an innovative solution: the cloud functionality, the ability to have new releases twice a year, and a real customer focus,” says Carole Watkins, chief human resources officer at Cardinal Health.

“We made a decision that I haven’t regretted for a day.”

Cardinal Health went live in 2010 with Workday Human Capital Management. Then the company turned its attention to deploying Workday Payroll, gaining even more value from Workday’s unified platform. They are scheduled to go live with Workday Payroll in January 2015.

“For us, one of the real joys of Workday is having one integrated solution,” Watkins says. “It’s just natural. Our employees think of their experience at Cardinal Health holistically. Having one system of record and one place for employees to get information helps eliminate errors and increases the value proposition for employees.”



CardinalHealth

Business Case at a Glance

34,000 employees

\$101 Billion in Revenue (2013)

Headquartered in Dublin, Ohio

Trades on NYSE as CAH

Workday Applications

Workday Human Capital Management

- Absence Management
- Compensation Management
- Performance Management
- Talent Management

Payroll

Summary of Business Benefits

- Increased ability to attract and retain talent
- Ability to manage talent on an ongoing basis, boosting employee engagement and improving job fit
- A single-source of information for employees and managers for increased efficiency and accuracy
- Easier integration of employees from acquired companies
- Faster HR transactions to match the speed of the business
- Improved payroll processes and automation
- A more strategic role for HR

Workday Deployment Locations

North America: United States

Asia Pacific: China, Malaysia, Singapore

She continues, “We have implemented Human Capital Management in most of our Asia facilities. I can remember not that long ago when our CEO would turn and say, ‘Carole, how many employees do we have in X, Y, and Z? Oh, I’m sorry, you can’t tell me that, right?’ Now we have one place of record for things like headcount.”

Workday has also facilitated smooth transitions for new employees coming into Cardinal Health through acquisitions.

“Like a lot of companies, we’re very acquisitive,” says Morrison. “When you’re bringing in a brand new culture and a brand new organization, the first things new employees have to encounter are your HR and benefits policies. And we don’t have to deal with the issues of, ‘Oh, look at this HR solution. It’s clunky. It’s slow. It doesn’t do this. It doesn’t do that.’ That can be a huge turnoff when you’re trying to culturally integrate companies. That never comes up. Workday just makes it really seamless when we bring these organizations into the Cardinal family.”

A Process, Not Just an Event

Workday has allowed the company to have an ongoing conversation about talent instead of just a once-a-year review. “We still do a major once-a-year talent calibration,” Morrison emphasizes. “But in every single one of my executive committee meetings, we talk about talent. Access to information like talent cards is quick and easy, and we can look at them and say, what are the characteristics of this candidate, what’s their background, and probably most importantly, what are their interests?” She continues, “It’s really helping us to find the right talent for the positions that are open, and, like most IT functions, we always have jobs to fill.”

For employees, Workday helps them understand their next steps, options available to them, and how they can grow their careers. “We’ve kind of left that to the imagination of each manager,” says Morrison. “Now Workday is helping us put discipline into the career development and planning process by using the performance management functionality. Workday builds

accountability for our managers because it helps us keep it measurable. Did you actually have the conversation? Are there development plans in place?”

Watkins agrees with Morrison that Workday has vastly improved the company’s ability to manage talent.

“Using Workday for our talent management has really allowed our process to become more of a living process. Before, employees and managers would update talent profiles once a year. Now, they’re living documents. They get updated every time an employee makes a move. An employee can go right into Workday and update it when they take a class, or whatever the case may be,” she says.

“In addition, the actions that come out of our talent review process are managed in real time. We can get updates about how we’re doing against those talent actions. Workday has elevated the capability of our talent management process by allowing it to be that—a living, breathing process.”

Faster, Easier Access to Information

For Morrison, having an HR solution in the cloud has boosted innovation and increased the speed of business. “Cloud is a big, important strategy for us here at Cardinal. It helps us stay nimble. We’re a low-margin company, so it’s very important that it’s very cost effective for us,” she says.

“And one of the reasons we looked at Workday was the speed at which we could create new capabilities for our employees and managers in the organization. It allows the organization to transact its HR business more quickly. Workday, as a cloud platform, was the kind of technology we could take out-of-the-box. And it’s great as a CIO when you can take out-of-the-box functionality and have really, really happy users,” says Morrison.

“Workday is intuitive, really fast to understand and to get to your information. And when you’re affecting over 30,000 employees, that’s really important,” she remarks.

“Usually, as a CIO, the only time I hear anything is when it’s bad,” Morrison laughs. “But with Workday, there are never problems that come up. That is just such a wonderful, pleasant surprise for me that it has such great reliability and availability.”

Watkins concurs, saying that a key benefit of Workday is how easy it is to access information. “Employees are used to working on intuitive systems, whether it’s shopping or online research. And it’s also the ability to have information at their fingertips,” she says.

“Managers have quickly seen how Workday makes them more effective and impactful,” she continues. “When they have a question, when they need data or information, they have it at their fingertips, so they’re not spending time figuring out who can get them that answer. When they have that information readily available, they can then turn to the task at hand, servicing our customers in a much more efficient and effective way.”

Watkins is also impressed with Workday’s mobile capabilities. “I was able to download Workday on my iPad,” she says. “I’ll be in meetings with some of my colleagues, and we’ll be talking about someone, and I’ll pull the individual up. And they say, ‘How did you do that? I want that. I want to be able to see their picture and remember who I’m talking about, or to find out how long they’ve been here, or when they might be celebrating an anniversary, or the last time they had a career move.’ So it’s really proven beneficial.”

Finally, according to Watkins, Workday has helped the HR organization work more strategically. “Workday has allowed us as HR executives to free up the thought process and mindshare and take on those critical, foundational services that we have to provide for our employees. We can focus on the things that are really going to make us successful in what is proving to be a very competitive marketplace,” she says.

“Workday is beloved at Cardinal,” she concludes.



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