

HCM Glossary

Term	Description
Accrual	Defines how much time off employees can accrue, the timing of the accrual, and other rules. Can define eligibility rules, a frequency, and limits that differ from the time off plan.
Annualization Factor	The multiplier, which you set, used to calculate an annual amount of compensation for compensation plans. Each compensation plan has a frequency of payment, and each frequency has an annualization factor.
Base Pay Element	<p>The compensation components that will be included in the calculation of base pay for the purposes of determining the compa-ratio and target penetration.</p> <p>For example, you can choose to include both base pay and bonuses in the base pay for purposes of determining the compa-ratio.</p>
Benefit Coverage Type	<p>A type of benefits coverage. For example, you can define Medical, Dental, Vision, Group Term Life, Long Term Disability, and Short Term Disability benefit coverage types. Each type can contain one or more specific benefit plans.</p> <p>You can set rules for benefit elections at the benefit coverage type level. For example, you can restrict an employee to selecting only one plan of a specific coverage type. You can also specify which coverage types are available for employee election during which benefit events.</p>
Benefit Defaulting Rule	Identifies the benefit plans, coverage targets, and coverage amounts that employees receive by default when they do not complete an enrollment event.
Benefit Event	An event in the employee's life that gives the employee the opportunity to change benefit elections. These include staffing changes (for example, getting hired or promoted) but also "life events," for example, getting married or having a new child.
Benefit Event Rules	These rules specify coverage increase limits, EOI requirements, waiting periods, and other rules and conditions of enrollment for benefits enrollment events.
Benefit Event Type	Identifies the events that trigger benefit enrollment, for example, open enrollment, new hires, or the birth of a child. It also identifies the coverage types to make available to employees for when an event of this type occurs.
Benefit Group	Identifies workers who qualify for similar benefit plans and elections. Workday builds benefit groups dynamically based on eligibility rules that control group membership; all workers who meet the criteria specified in a group's eligibility rules are automatically assigned to that group. For example, you can create benefit groups by defining eligibility rules that assign executive management staff to one group, salaried employees to a second group, and hourly employees to a third group.
Benefit Plan	<p>Defines the following:</p> <ul style="list-style-type: none"> • The coverage levels or amounts available to employees enrolling in an insurance, health care, defined contribution, or spending account plan. • The target populations for a plan (for example, employee, employee + spouse, or employee + children). • Eligibility for benefits, including which benefit groups are eligible for the plan. • Restrictions on the age of covered dependents. • Plan rates and costs.

Benefit Validation	<p>Restricts the coverage options available to workers under a specific benefit plan.</p> <p>For example, you can restrict the maximum age of dependents covered under a plan or the maximum and minimum coverage amounts.</p>
Bonus Process	<p>A sequence of one or more tasks related to defining, targeting, and awarding a bonus to employees. In this process, a compensation administrator creates the bonus plan definition. The administrator or manager assigns the bonus plan to employees through one of various means. Assignment of the plan determines eligibility for the bonus event. The administrator sets up the bonus process, which funds the bonus pool, and then launches the process on the specified event date. Workday creates bonus events for employees based on their organization. Managers review the target bonus for their employees and submit bonus proposals for review. Once approved, the employees receive their bonus.</p>
Business Site Location	<p>A worker's work location. This value influences many processes, including compensation and staffing.</p>
Carryover Limit	<p>The maximum amount of time off employees can carry over from one balance period to another.</p>
Cascading Leave	<p>A sequence of related leave types that are linked together. When an employee meets the conditions defined for ending a leave, Workday generates a return from leave request and a separate request for the next leave.</p>
Company Insider Type	<p>Enables you to track which employees are considered company insiders for reasons of stock purchasing. You can track company insider status on job profiles and, by extension, each worker with that job profile.</p>
Company Performance Scorecard	<p>Lists and weights each criterion used to evaluate company performance.</p> <p>You can use scorecards to track company performance as standalone information or to influence funding up-front for a particular bonus plan.</p>
Compensation Basis	<p>A user-defined grouping of compensation components; such as the sum of salary, allowance, commission, bonus, future payment, stock and retirement savings plans. Workday enables you to specify which compensation plans should be included in the compensation basis calculation. This calculation can be used to view employee compensation in Workday and in the bonus process to provide target pools and individual target amounts.</p>
Compensation Component	<p>The umbrella term for compensation packages, grades, grade profiles, and plans.</p>
Compensation Defaulting Rule	<p>Establishes the criteria for how compensation components default to worker compensation during staffing transactions (hire, promote, demote, transfer). Compensation defaulting rules ease data entry by automatically defaulting compensation components (packages, grades, grade profiles, and plans) to worker compensation for employees who meet the rule's eligibility requirements.</p>
Compensation Element	<p>The smallest unit of compensation for a worker in a specific position. Workday uses compensation elements to determine the amount, currency, frequency, and other attributes of a worker's compensation. Compensation elements are linked to compensation plans. For example, Base Pay, Car Allowance, and Commission can be mapped to any compensation plan, but not to merit plans. Payroll earning codes linked to a compensation element allow Workday Payroll and Payroll Interface to include the applicable compensation in payroll. A <i>Compensation Element Group</i> is a collection of compensation elements. For example, the group Standard Base Pay can be comprised of multiple compensation elements. Compensation elements do not need to be grouped, and groups are optional.</p>

Compensation Matrix	Defines the bonus, merit and stock increase range based on employees' overall performance rating, retention rating, eligibility rule, or their salary range quartile. You can use a compensation matrix to generate a bonus, merit or stock pool, giving you the basic cost forecasting necessary to pay for performance (bottom-up budgeting), or you can use the compensation matrix as reference guidelines only but have a separate pools (top-down budgeting).
Compensation Package	A grouping of compensation guidelines (grades, grade profiles, and their associated steps) and plans that you can assign to workers as a set. Packages provide a quick view the eligible plans for a particular job or group of employees.
Compensation Plan	<p>A component of pay that you use to assign monetary amounts to a worker's pay. For example, a salary, an allowance, or a bonus.</p> <p>Some compensation plans, for example, a commission, are discretionary. You are not paid from these compensation plans in every paycheck. By contrast, other plans, like a salary plan, are included in every paycheck.</p>
Compensation Rule	Guidelines for determining which workers are eligible for which components of compensation.
Compensation Step	A specific monetary amount within a grade or grade profile. Steps defined on a grade profile override any steps defined on the grade.
Compensation Structure	The arrangement of compensation grades, grade profiles, plans, and packages you create to best fit your company's compensation needs. Administrators, partners, and managers can use these compensation components and compensation eligibility rules to assign and update a worker's compensation plans.
Compensation Target Rule	<p>Used to segment your employee population for assignment of compensation plans:</p> <ul style="list-style-type: none"> Specify one or multiple target populations within a bonus or merit plan, defaulting compensation differently for each target. Roll out compensation plans (allowance, bonus, commission, merit) to a target population of employees, or remove them.
Compensation Waiting Period	A rule that defines when employees become eligible for a merit or bonus plan. You base the rule on a single value, such a hire date.
Competency	A functional or technical ability that is needed to perform a job. In Workday, you can associate competencies with job families, management levels, job profiles, and positions.
Contingent Worker	A worker who is not on Lynn's payroll and not eligible for benefits (i.e., consultants, contractors or vendors). They will display in workday a [C] next to their name (i.e., John Doe [C])
Coordinated Time Off	See Intermittent Leave.
Country Region	Political entities (such as states, provinces, cities, or other legislative entities) where specific laws and regulations require companies to track and report on unique kinds of worker and job information.
Coverage Target	Defines whether a specific health care plan or insurance plan can be used by only the employee or also by the employee's dependents, entire family, spouse, and so on.

Cross Plan Dependency	<p>Limits the coverage options available to workers during an enrollment event based on their choice of other benefit plans and coverage amounts.</p> <p>For example, you can limit coverage in a specific plan to a percentage of the total coverage in one or more other benefit plans.</p>
Defined Contribution Plans	<p>A type of benefit plan where employees make contributions to 401k and 403b accounts. You can establish defined contribution plans and add these plans to benefits programs. Your employees can make or change defined contribution elections at any time, and those changes are sent to payroll for the periods in which the elections are effective.</p>
Eligibility Rule	<p>Specify one or more criteria that categorizes workers into a group that is used to qualify them for participation in an HR-related task. For example:</p> <ul style="list-style-type: none"> • Benefit plan • Compensation plan • Employee review
Employee	<p>An individual who works directly for Lynn University, is paid through Payroll and may be eligible for university benefits.</p>
Employee Type	<p>A user-defined type that you assign to each employee when the employee is hired. For the most part this designation is informational only; you can search or filter employees by their employee type. However, you can designate a type as Fixed Term Employees, and employees of that type have fixed end dates of employment.</p>
Enrollment Event	<p>Any event that results in a gain or loss of benefits coverage. This encompasses both open enrollment and benefit events, such as a new hire, a termination, the birth of a child, and a job change.</p> <p>For each event, you must specify the benefit plans and elections that become available or are lost to employees as the result of that event. For example, you can make medical, dental, basic life, supplemental life, and visions plans available to new hires; by contrast, for the birth of a child, you might make only basic life, supplemental life, and medical coverage available to affected employees.</p>
Enrollment Event Rule	<p>Defines coverage start and end dates, waiting periods, coverage increase limits, Evidence of Insurability requirements, and other coverage rules and conditions. This ensures that the benefits process presents only the options for which each employee is eligible based on the event type.</p> <p>Defined at the benefit group, enrollment event, and benefit type levels.</p>
Frequency	<p>Used in compensation and payroll to help calculate worker compensation and pay.</p>
Full Time Equivalent (FTE) %	<p>The ratio of a worker's scheduled weekly hours to the business site's weekly hours. If a worker works 20 hours a week and the business site's weekly hours are 40, then the worker's FTE is 50 percent.</p>
Future Payment Plan	<p>A type of bonus plan that can be paid out over multiple bonus plans, one-time payment plans, or both. Any remaining target amount can be paid in a final true up payment.</p>
Grade Profile	<p>A breakdown of a compensation grade by functional task, geographical region, or other categorization your business requires. A profile allows you to assign more granular compensation ranges to workers.</p>
Headcount	<p>The number of workers in an organization.</p>

Headcount Group	The basic unit of the headcount management staffing model. You can create one or many headcount groups for an organization, each with its own definition and hiring restrictions. You specify a fixed number of positions to fill in the headcount group, and hiring can continue until all positions are filled.
Headcount Management Staffing Model	<p>One of the three staffing models available to use in your organization. It allows you to create one set of hiring restrictions that applies to all positions in the headcount group. As a result, headcount management does not provide the same level of control over individual positions that you have with position management.</p> <p>This model is particularly useful for organizations that hire large numbers of workers into the same or similar jobs with the same or similar requirements and restrictions.</p>
Headcount Plan	A headcount plan forecasts the number of workers necessary to achieve business goals in a specified period of time. This is a foundational component of workforce planning. You can create headcount plans with different statistic types, dimensions, and time frames; link to financial budgets; and pre-populate headcount plan data. Headcount plan reports help you understand whether organizations are hiring to plan, headcount is allocated correctly, and you have the right workforce to support your goals.
Health Care Classification	The user-defined type of provider organizations for a health care plan, such as PPO, EPO, HMO, and DHMO. It is informational only.
Hiring /Position Restrictions	<p>Use hiring restrictions to define rules and conditions for holding jobs and positions in a position management, headcount management, or job management organization.</p> <p>Hiring restrictions enable you to:</p> <ul style="list-style-type: none"> • Limit staffing to specific job families and job profiles. • Restrict the business sites where a job or position can be filled. • Define the required qualifications, experience, and skill levels of workers hired into a job or position (position management organizations only). • Limit staffing for a job or position to a specific worker type (employees or contingent workers). • Limit staffing for a job or position to a specific time type (full or part-time workers).
Individual Target	Either an individual target assigned to a worker in worker compensation (different from the plan target) or the target for each employee calculated by Workday during the bonus or merit process, based on configuration options.
Intermittent Leave	A single leave of absence taken as separate blocks of time. To facilitate tracking, you can coordinate time offs with leaves of absence. Validation rules and supporting data for coordinated leaves and time offs can reference combined balances. For example, eligibility and validation rules can check to see if an employee has a sufficient balance across coordinated leave types and time offs to take all days in a leave of absence or time off request.
Job Catalog	The collection of user-defined job family groups, which each contain job families, which each contain job families, available for use in hiring and other staffing transactions.
Job Category	Attached to a job profile, user-defined job categories allow you to track additional job information. You can define any job category that fits your business, for example, whether specific workers, jobs, or positions are "Direct Labor" or "Indirect Labor." The job category is displayed on the position—based on that position's job profile's job category—which facilitates reporting at the position level.

Job Classification (Group)	Job classifications are required for many kinds of job-related regulatory reporting and can be used to categorize job profiles. A job classification group is the means by which you group and maintain individual job classifications.
Job Family (Group)	A grouping of job profiles, which in turn may be assigned to a job family group, so you can organize job profiles according to how your organization works.
Job Level (Hierarchy)	Categorizes job profiles (and their associated jobs and positions) based on compensable factors such as the level of education, experience, or training required to perform a job. Job profiles are assigned job levels, and those job levels are organized into a hierarchy.
Job Management Staffing Model	<p>One of the three staffing models available to use in your organization. It provides the least control over the definition of individual positions: the hiring restrictions you define apply to all jobs in the supervisory organization, and you can define only one set of hiring restrictions per organization. In addition, with job management, you don't set specific limits on the number of jobs that can be filled.</p> <p>This model is particularly useful for organizations that prefer to define broad job requirements and rely on staffing workflows and approvals to control the number of workers in a supervisory organization.</p>
Job Profile	Defines generic features and characteristics—such as company insider type, pay rate type, and competencies and proficiencies—of a job and of a position that uses that profile. The more specifically defined a job profile is, the more specifically defined those jobs and positions will be, by default. Job profiles are the most specific element in the job catalog: job profiles make up job families, which make up job family groups.
Leave Family	A set of similar leave of absence types. For example, a company-specific family might include disability leave and bereavement leave, while a separate regulatory family might include jury duty, family medical leave act (FMLA), and similar leaves. Workday displays the leave family name as a category of leave types for requesters to select from when entering leave requests.
Leave of Absence Rule	Can be used to define worker eligibility for leaves of absence and to define validations that prevent users from submitting invalid leave requests.
Leave Type	Defines rules that apply to a specific type of leave of absence, such as jury duty or FMLA. Identifies the leave of absence family and unit of time for leave requests. It can also identify employee eligibility rules for requesting a leave, validation rules for preventing invalid requests, whether to track entitlement balances, and other options.
Life Event	A kind of benefit event that occurs in the employee's personal life, for example, getting married or having a child.
Management Level (Hierarchy)	Categorizes job profiles (and their associated jobs and positions) based on the management level to which they belong. For example, a particular job or position may belong to the Supervisor, Manager, or Individual Contributor management level. Job profiles are assigned management levels, and those management levels are organized into a hierarchy.
Merit Process	A sequence of one or more tasks related to defining, targeting, and awarding merit pay to employees. In this process, a compensation administrator creates the merit plan definition. The administrator or manager assigns the merit plan to employees through one of various means. Assignment of the plan determines eligibility for the merit compensation event. The administrator sets up the merit process, which funds the merit pool, and then launches the process on the specified event date. Workday creates merit compensation events for employees based on their organization. Managers review the target merit increases for their employees and submit merit increase proposals for review. Once approved, the employees receive their merit increases.

Multiplier-Based Coverage	Insurance coverage based on multiples of salary, for example, 1x, 2x, 3x, 4x, 5x, or 6x salary.
Open Enrollment Event	A type of enrollment event; the other is a benefit event. This event controls the benefits open enrollment process. Unlike benefit event enrollment, which is triggered by an event in a specific employee's life or work, an open enrollment event applies to an entire, chosen employee population.
Organization	An organization refers to a grouping used to organize people, resources, workers, and other organizations. Organizations provide management, visibility into, and reporting (roll-up) structures for resource allocation. Organizations can be defined for application uses like defining departmental hierarchies, project teams, etc. They can also be used to define cost centers and geographic or regional reporting structures.
Passive Event	<p>Events that result from the passage of time rather than from a specific change to employee data.</p> <p>For example, you can set up a passive event to track and manage benefit eligibility for employees who reach the age of 65 (retirement age). Based on the event rules, Workday automatically searches for employees turning 65 and generates an enrollment event to record any benefit gains or losses.</p>
Performance Review Process	A process by which an employee receives formal feedback on their performance in a given period of time. This includes a performance evaluation.
Period Schedule	Defines the accrual frequency for a time off plan, such as annual or monthly (unless the plan has a custom frequency), and the start and end date of each reporting period. The period controls reporting of both accruals and time off requests.
Position Management Staffing Model	One of the three staffing models available to use in your organization. It provides the tightest control over hiring, as you can specify different staffing rules and restrictions for each position.
Position Requirements	<p>Used in job requisitions to define rules and conditions for holding positions in a supervisory organization using position management as its staffing model.</p> <p>Position requirements enable you to:</p> <ul style="list-style-type: none"> • Limit staffing to specific job families and job profiles. • Restrict the business sites where a position can be filled. • Define the required qualifications, experience, and skill levels of workers hired into a position. • Limit staffing for a position to a specific worker type (employees or contingent workers). • Limit staffing for a position to a specific time type (full or part-time workers).
Project	An undertaking that encompasses a set of tasks or activities having a definable starting point and well defined objectives. Usually each task has a planned completion data (due date) and assigned resources.
Pre-Hire	Used in Staffing to identify individuals you're tracking prior to employment. Used in Recruiting to identify candidates who are in the Offer or Background Check stage.
Reference Pay Range	A range of pay deemed appropriate for a compensation grade or grade profile. During compensation transactions, if proposed compensation for an employee extends beyond the limits of the range for the employee's grade or grade profile, Workday issues a warning yet still permits submission of the proposed compensation.

Review Category	<p>Workday supplies four employee review categories:</p> <ul style="list-style-type: none"> • Development Plan • Disciplinary Action • Personal Improvement Plan • Performance Review <p>The business process definitions for employee reviews are specific to the review categories. This allows you to define unique processes for each category.</p> <p>Note that the review "types" you define in each category are used by name when defining review templates and starting employee reviews.</p>
Review Template	<p>A collection of instructions, sections, and questions that can be used when you start an employee review. A template is specific to a review type. Workday supplies several sections (for example, Responsibilities and Competencies) from which you can select the appropriate ones for the specific template.</p>
Review Type	<p>You define specific types of each Workday-supplied review category. For example, in the Performance Review category, you could define the <i>Annual Review</i> type and the <i>Ad Hoc Performance Review</i> type.</p> <p>When you start a review or define review templates, you choose a review type, not a review category.</p>
Skill	<p>An ability that is acquired through job experience. In Workday, skills are a quick and easy way to tag employees with particular abilities that make them stand out.</p>
Staffing Event	<p>Any event that changes an employee's position or job, for example, a hire, transfer, or promotion. Staffing events usually trigger an opportunity to change benefits elections.</p>
Staffing Model	<p>Defines how jobs and positions are created and filled in a supervisory organization. Workday supports three kinds of staffing models:</p> <ul style="list-style-type: none"> • Job Management • Headcount Management • Position Management
Supplemental Earning	<p>Any compensation paid in addition to an employee's regular wages that includes, but is not limited to, severance or dismissal pay, vacation pay, back pay, bonuses, moving expenses, overtime, taxable fringe benefits, and commissions. In Workday, only supplemental earnings can be grossed-up.</p>
Termination Adjustment	<p>A time off adjustment that automatically sets the remaining balance of a worker's time off plan to zero upon the worker's termination.</p>
Time Off	<p>Defines the rules that apply to a specific type of time off. Identifies the time off type, whether adjustments are allowed, and validation rules that prevent users from entering invalid requests. Can also define eligibility rules and limits that differ from the time off plan.</p>
Time Off Plan	<p>Defines rules for entering and tracking one or more related time offs. Identifies the unit of time (hours or days), eligibility requirements, whether to track balances, and if time offs are position-based or worker-based. Time off plans that track balances also specify the balance period (plan year), accruals that add to the plan balance, carryover limits, and other balance tracking rules.</p>

Time Off Type	Names a type of time off users can request, such as Sick Time or Vacation. This is the name users see when entering a time off request. A time off type can be associated with more than one time off.
Time Proration Rule	Prorates employees' target compensation in a bonus or merit increase compensation event according to time-based criteria such as leave of absence or time since hire.
Time Type	A characteristic of a job profile that categorizes the amount of time required for the job or position, such as full time or part time. In Workday, the time type is specified in the Create Position, Create Headcount, or Set Hiring Restrictions tasks. The value defaults to the value defined on the job profile by the manager, HR Partner, or other authorized role.
Tranche	A French word meaning a portion or slice of a bonus distributed to an employee over several payments.
True Up	To pay the outstanding balance for one or more bonus plans in order to meet the bonus target.
Validation Rules	Rules that prevent the entry of invalid time off requests or that trigger an error or warning message upon submission of an invalid leave of absence request. For example, a validation rule can prevent the entry of unpaid time off or requests of less than 4 hours. A validation rule for a leave of absence can ensure that an employee does not exceed the maximum number of leave days allowed each year.
Worker	A person who is either an <i>employee</i> hired by a company or a <i>contingent worker</i> contracted by a company.
Worker Type	Employee or Contingent Worker. There can also be several user-defined types of contingent workers. Compensation, benefits, and staffing events are tied to the worker type.