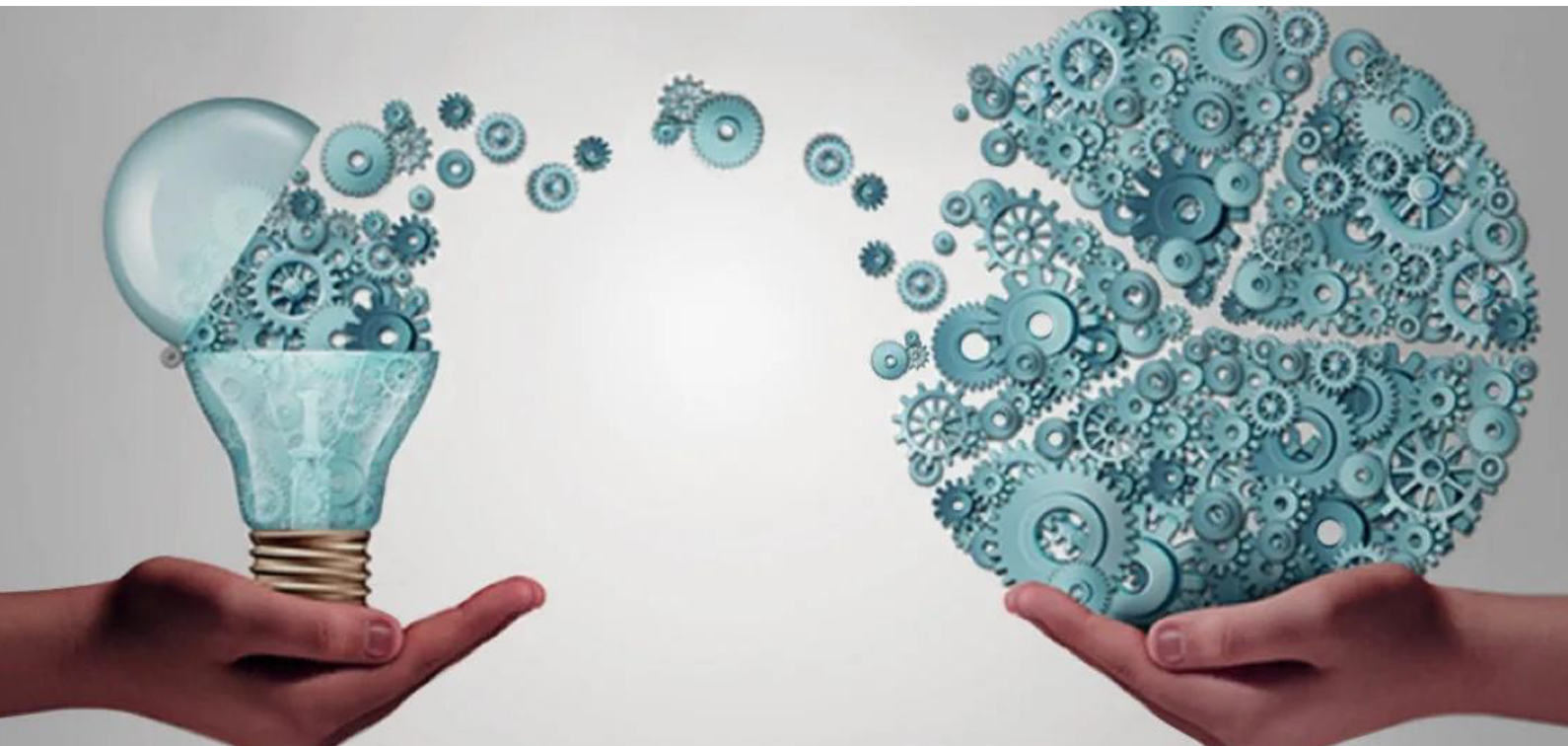


Assessment: Critical Evaluation Report

Course Code goes here

Entrepreneurship and Innovation

Applicability of Innovation in America's Innovative Company: Workday



Submitted By

XXXXXXXX (**Student ID**)

Module Leader



June **xxx**, 2022.

Word Count: (2715)

Executive Summary

The most crucial factor that takes hold of competitiveness among businesses is innovation in the present-day world. However, despite the term's dominance and ubiquitousness, it is not properly elucidated to most businessmen.

This report work is explicated, through research, to signify the importance of innovation and to understand how the term is diverse enough to engulf the definition of broader fields related to conception, invention, along with the exploitation of resources to achieve the previous two.

To add credibility to the elucidation of this report and to reflect on concepts of innovation, especially in the light of the aspects of business model and marketing challenges, an American-based innovative company: **Workday** has been used as an example with the main objective of exploring how innovation-oriented the company's business actually is.

Table of Contents

Executive Summary	1
Introduction	3
Why Workday?	3
Company's Innovations	3
What Makes Workday's Services Innovative?	4
How Does the Company Manage its Innovations?	4
Analysis of Workday's Employed Business Model	6
The Need for a Business Model and its Importance	6
Workday: Business Model	6
Marketing Challenges Faced by the Company	7
Recommendations	9
Conclusion	9
References	10
Appendix A	14
Appendix B	16

Introduction

The meaning of the term innovation is often misinterpreted as the concept of inventing something new *only* [Joshi](#) (2017); that is to say that the term innovation is considered the same as the term invention. While the term invention refers to a single action process [Strumsky & Lobo](#) (2015), however, innovation is a term not related merely to a single act of newer inventions, some new idea formulations, or maybe a development of a whole new market. Innovation rather is a process of interrelated subprocesses [Roberts](#) (2007), diverse enough to entail all of the above, either collectively or independently, signifying the act of innovation.

This report considers the example of an innovative American-based software company: Workday, according to the Forbes list of the world's most innovative companies [Forbes](#) (2018), that provides on-demand management services like HR planning, finance management, etc; is structured to analyze how innovation-oriented the said company is. To reflect upon the company's innovativeness, the concepts of innovation like the business model employed, and the marketing challenges faced and addressed to keep its pipeline running smoothly are analyzed. In the end, in light of the concepts analyzed, a conclusion is drawn on how innovation is paving a path to a successful business for the company.

Why Workday?

Workday is one of the leading software companies helping the world adapt to digital transformations [Workday](#) (no date). As a company that has managed to make it to the Forbes list of the world's most innovative companies [Forbes](#) (2018), whilst allowing the gears of business automation and innovation to churn side by side, we considered it to serve a good example in analyzing the applicability of innovation among the modern day companies which operate on contemporary business procedures.

I. Company's Innovations

Foreseeing innovation as the true reason for an alliance between a company's employees and customers [Workday](#) (2020), the main reason for the company's recognition for its innovative software services; that have made other brands on Forbes innovative company list, like Netflix [Workday](#) (no date), Amazon [AWS](#) (2016), etc become Workday's customers; is because Workday, through its cloud-based software, has provided the organizations with a bridge to connect between workforce expectations and reality [Benedit](#) (2018).

Here are some notable innovative services of the company that had it earn its reputation, trust, and partnership with other noteworthy brands.

- a) **Finance Management System:** Offering intelligently automated financial processes and deeper insights so as to become tension free of transaction processing and focus more on analysis and action [Workday](#) (no date).
- b) **Spend Management System:** Offering a simple yet strategic way of managing spending for sourcing and procurement management [Workday](#) (no date).
- c) **Analytics and Reporting for Decision-ready Organizations:** It furnishes power to make smarter decisions faster [Workday](#) (no date).
- d) **Platform and Product Extension:** It provides a technology that evolves with firm's business [Workday](#) (no date).
- e) **Human Capital Management:** A system that adapts to the changes that often happen within a firm's HCM [Workday](#) (no date).
- f) **Adaptive Planning:** Offering enterprise planning for a changing world [Workday](#) (no date).

And the list continues to grow larger with a company delivering tons of unified SaaS (Software as a Service) systems to different organizations through cloud-based ERP (Enterprise Resource Planning) that offers a conjoined junction to handle multiple business operations [Schlampp](#) (2020) through a single platform like finance, HCM, project management, and so on [Tipalti](#) (no date).

II. What Makes Workday's Services Innovative?

Because Workday, through its cloud-native system services, helps organizations break free of ERP, which the company believes has several limitations to it that make it slower even if it is cloud-based [Workday](#) (no date). The company, therefore, introduced a new cloud-native system in which upgrades are neither costly nor time-consuming. Users can get their gear updated in no time without any disruptions.

The fact that the company offers relatively reduced costs following its initial implementation along with an innovative approach to managing human resources, finance, and other business-related resources as compared to the ERP systems is the reason behind the company's growing popularity amongst established brands [ProvideConsulting](#) (2020). The universal upgrade and the modern interface approach to innovation that the company adopts in its innovation and services make it uncomplicated for organizations to instantly buy into their products or sometimes reduce the cost of training charges. Unlike the legacy ERP system that was designed to report about the past, Workday's SaaS is designed to report the past while monitoring and controlling the present in real time and preparing best for the future [Robinson](#) (no date).

III. How Does the Company Manage its Innovations?

Considering innovation as its core value, the company manages its innovations with the following:

A. Capabilities of the Firm

The company's cloud-based SaaS services make use of real-time data of client organizations along with an open dialogue with them to ensure the experience of clients remains meaningful at every interaction and that the company delivers on its capabilities at best through a transformative product [Vikrant](#) (2021) exactly as the clients desire [Workday](#) (2020). The capability of Workday software to entail management of all the essential functions of HRM and ERP saves organizations the trouble of buying multiple platforms for different functions monitoring and handling [Vikrant](#) (2021).

B. Structures and Strategies in Place

The strategy of moving forward for innovative transformations based on regularly acquired data from client organizations helps the company to respond instantly and en route the path of newer innovations concurrently as the world around changes rapidly [Workday](#) (2014).

One of the powerful strategies that the company has in place for modulating its innovation cycle is the invisible innovation which the vice president of the company's product and technology defines as:

*"...as organizations around the globe use our service in unpredictable ways, Workday has the capability to critically make use of predictive models for monitoring client demands and then automatically scaling up the on-target resources to regulate volume and type of demand. This type of innovation is what we define at Workday as **invisible innovation**"*

C. Culture Environment

One of the significant factors that affect a company's innovation scores is the workplace culture environment that needs to be fostered in a way that empowers the company's employees to think towards new directions innovatively [Workday](#) (2020).

As a company that helps turn the wheels of new, advanced technology via software services, Workday through its company culture encourages its employees to invoke creativity in their problem-solving activities so as to bring under one banner different perspectives conjoined together that could first help conceive and then advocate on new innovation concepts. Not limited to encouragement alone, the company also indulges in creating opportunities for its employees to become a part of that encouragement through the promotion of activities like

- 1) Arranging coworking events for its employees to connect around the globe and meet at different office locations for one-on-one discussions and exchange of thoughts [Workday](#) (2020).
- 2) Helping employees brainstorm ideas and collaborate, both personally and virtually.
- 3) Organizing innovation weeks with the intent of fostering creative problem solving (like remote talent shows, Zoom background contests, virtual cooking classes, etc).

4) Arranging hackathons and knowledge conferment sessions for the employees to gain inspiration from others

The promotion of such activities keep Workday's employees well focused on the company's core values that are closely affixed with deriving more tangible innovation [Beyers](#) (2019).

IV. Analysis of Workday's Employed Business Model

The Need for a Business Model and its Importance

An organization's plan and strategy of generating value for its stakeholders through its services or products [Kriss](#) (2021) is called the company's business model.

To commercialize their ideas, thoughts, and new inventions [Chesbrough](#) (2010), the need for a business model is crucial to organizations; both established and yet-to-be-established businesses.

The importance of business models can be understood from the fact that an idea or technology that enters the market through two different business models (from two different companies) will each yield a varying economic outcome [Chesbrough](#) (2010) especially when the level of innovation within the business model of one company surpasses the level of innovation of business model in the rival company.

At its core, the business model of a company helps elucidate the following:

- a) What kind of service or product a company will be selling?
- b) What marketing strategy will the company use for its service or product's commercialization?
- c) In monetary terms, what kind of expenses will the company face for its service or product commercialization?
- d) How does the company intend to gain profits?

Considering the above points, let us examine the business model of Workday.

Workday: Business Model

Being a provider of SaaS service to its customers, Workday operates on a subscription-based business model [Vizology](#) (no date) in which the main source of the company's income stream is the subscription fee it charges its clients monthly or annually, based on the plan the client subscribes with.

Other than subscriptions, the company also provides professional services for the deployment and implementation of its software program as well as educational training which all add value to the company's revenue streams [Soocial](#) (no date). The company primarily delivers its software to customers who run businesses through a SaaS delivery model for their enterprise management solutions which

include, but are not limited to, finance, talent, resource planning, spending, and human capital management. The company's business model is effective enough to have already won over 8000 customers globally.

Although the company operates in an intensely competitive market with Oracle and SAP, a German software company, being its first-in-line competitors, still Workday has a wider client base and receives more subscriptions than its competitors.

Why? What makes Workday's business model successful?

The reason for Workday having a considerable share in HCM(Human Capital Management) market drains down to the level of innovation that the company offers in its software services that deliver value to its wide client base without allowing any disruptions in their day-to-day activities.

Besides, with technological advancements occurring at a rapid pace, the costs of investing in research and development for further innovations often fluctuate significantly which has a marked influence on a company's profits. Still, ever since its conception, the company has continued to successfully enlarge its circle of talent and influence to innovate its business model by acquiring various firms as its subsidiaries. For example, Workday's acquisition of Adaptive Insights [Gurdus](#) (2018) was primarily focused on a single key reason of compatibility with which the two companies' cultures could be aligned. By leveraging Adaptive Insight's tactics of advanced analytics and modeling, the company aimed at boosting its financial management selection by corporate clients.

For a detailed business model canvas of Workday and an overview of its SWOT analysis see Appendix A.

V. Marketing Challenges Faced by the Company

Functioning in the domain of a most in-demand field of SaaS delivery model firms, Workday faces numerous marketing challenges owing not only to its rivals alone but also due to the short life span validity of software products [Edgerton](#) (2011). To keep its business model functioning at optimum levels, the need for innovation is crucial to the company's success given the rapid pace of tech advancements.

At its initial launch, back in March 2005, Workday had the advantage of bringing to the market the cloud-based model when its incumbents, Oracle and SAP, were operating on the premise system delivery model [Ogawa](#) (2022). The cloud-based model being an innovative technology back then and the most reliable one today, aggressively increased the sales and marketing of Workdays' services and software products [Moyer, Loversky & Folan](#) (2013). Taking advantage of this opportunity, and realizing that this advantage was not going to last indefinitely, Workday aggressively enhanced its talent circle, and therefore its product-line, by the acquisition of smaller software companies as its subsidiaries [Gurdus](#)

(2018) to capitalize on the innovation in its business model. As of 2021, Workday has made around 17 acquisitions [Crunchbase](#) (no date) and has continued to grow its market share value over the years.

Despite its humongous growth over the years, Workday's rivals have also adopted a cloud-based technology, which has intensified the game of rivalry between firms like Oracle, SAP, Workday, etc. Today the marketing challenges faced by these firms are greatly affected because of social, economical, environmental, and political evolutions as all of these drive social changes which alter the way clients envision the demand for such software products. Be it stakeholder capitalism [Franklin, Elena & Robert](#) (2021) or some pandemic affecting working conditions of firms globally [Alashhab, Anbar, Singh, et al.](#) (2021), it all jots down to the challenge of firms operating for purpose rather than for profits alone. In fact, today what makes businesses successful is the intent of envisioning their purpose.

Considering the factors that drive social change, the company faces the following marketing challenges:

- a) Attaining maximizing performance for its products and services across cloud channels [Franca, Lano, Monteiro, et al.](#) (2020)
- b) Instantly incorporating innovation as the demand surges on customer premises [West & Gallagher](#) (2006)
- c) Delivering better and enhanced client experience at every client-provider interaction [Hsu](#) (2021)
- d) Aligning software services and product marketing sales efforts through the segmentation and targeting of right audience

Of the above challenges, Workday's performance metrics for overcoming the second challenge related to innovation is crucial to business success because with innovation comes new opportunities for the company to develop and strengthen its supply chain further [Siagian, Tarigan & Jie](#) (2021).

Recommendations

Considering the challenges faced by the company above and the porter's five force analysis of Workday's business model (Appendix B), the following are some strategic recommendations that a company can incorporate into its business model to capitalize on innovation, widen its customer base and achieve capitalism.

a) Rather than trying to win over the clients of other well-established companies in the industry, Workday needs to win over new customers and address their demands by introducing innovation in its own supply chain to enhance its resilience.

b) To capitalize on innovation [Chang, Chang, Chi, et al. \(2012\)](#), Workday needs to integrate long-term planning rather than only relying on the model of instant client demand addressal-based innovation

c) By improving its key performance indicator (KPIs), Workday can strengthen its business model and tackle the marketing challenges it faces due to its incumbent rivals; Oracle and SAP.

d) Improving the quality of its services by adding new innovations regularly can help the firm in creating a level of differentiation in its products from that of its competitors. By doing so, not only can Workday maximize the value for money of its services but concurrently it can convince its clients with a good reason for refraining from using alternate/substitute products.

Conclusion

Having topped the Forbes list of the World's Most Innovative Companies, Workday is a committed innovator who has succeeded in widening its customer base through strong research-focused innovation. Most of the success the company gained was recorded in its financial management software.

Considering the risk of technology going obsolete in a matter of a few months, the industry in which Workday operates requires the firm to remain innovation focused in all its activities because otherwise, the company will find its services and products inferior to its incumbents which would affect the business economy and supply chain resilience of the firm significantly.

Ever since the cloud migration concept has gained momentum in the field, a list of top companies subscribing to Workday's subscription plans has evolved and the list continues to grow well beyond. If it were not for the pace of innovation that Workday had adopted and which it continues to integrate into its business model, the company would not have made it to the Forbes list of Innovative Companies.

References

- Joshi, M. (2017). Invention, Innovation and Innovative Practices : A reason to Study in a VUCA Perspective. *SSRN Electronic Journal*, 5(2), 97-109, <https://doi.org/10.2139/ssrn.2250975>
- Strumsky, D., & Lobo, J. (2015). Identifying the sources of technological novelty in the process of invention. *Research Policy*, 44(8), 1445–1461. <https://doi.org/10.1016/j.respol.2015.05.008>
- Roberts, E. B. (2007). Managing Invention and Innovation. *Research Technology Management*, 50(1), 35–54. <https://doi.org/10.1080/08956308.2007.11657418>
- Forbes, (2018). The World’s Most Innovative Companies, *Forbes*. [online]. Available from: <https://www.forbes.com/innovative-companies/list/>
- Workday, (no date). Why We’re Different, *Workday*. [online]. Available from: <https://www.workday.com/en-us/why-workday/why-different.html>
- Workday, (2020). Creating a Culture That Fosters Product and Technology Innovation, *Workday Blog*. [online]. Available from: <https://blog.workday.com/en-us/2020/creating-culture-fosters-product-technology-innovation.html>
- Workday, (no date). Workday Blog. Netflix gets unified with Workday, *Workday Blog*. [online]. Available from: <https://www.workday.com/en-us/pages/infographic-netflix-with-workday-financial-management-and-hcm.html>
- AWS, (2016). Workday Case Study. *Amazon Web Services*. [online]. Available from: <https://aws.amazon.com/solutions/case-studies/workday/>
- Benedit, G. (2018, August 6) *Why The World's Most Innovative Companies Are The Driving Force For Digital Transformation*. Forbes. <https://www.forbes.com/sites/workday/2018/08/06/why-the-worlds-most-innovative-companies-are-t-he-driving-force-for-digital-transformation/?sh=7c023a482806>
- Workday, (no date). Platform and Product Extension, *Workday*. [online] Available at: <https://www.workday.com/en-us/products/platform-product-extensions/overview.html>
- Workday, (no date). Analytics and Reporting, *Workday*. [online]. Available at: <https://www.workday.com/en-us/products/analytics-reporting/overview.html>
- Workday, (no date). Financial Management, *Workday*. [online]. Available at: <https://www.workday.com/en-us/products/financial-management/overview.html>

Workday, (no date). Spend Management, Workday. [online]. Available at:

<https://www.workday.com/en-us/products/spend-management/overview.html>

Workday, (no date). Human Capital Management, *Workday*. [online]. Available at:

<https://www.workday.com/en-us/products/human-capital-management/overview.html>

Workday, (no date). Adaptive Planning, *Workday*. [online]. Available at:

<https://www.workday.com/en-us/products/adaptive-planning/overview.html>

Tipalti, (no date). The Total Guide to Workday ERP, *Tipalti*. [online]. Available at:

<https://tipalti.com/erp-integrations/workday-erp/>

ProvideConsulting, (2020). What's Driving Workday's Popularity?, *Provide*. [online]. Available at:

<https://provide.com/whats-driving-workdays-popularity/>

Robinson, D. (no date). *Why Medium Enterprises Across Europe Choose Workday?* Workday.

<https://www.workday.com/en-gb/pages/stories/why-medium-enterprises-across-europe-choose-workday.html>

Workday, (2014). Workday Human Capital Management Suite, *Workday*. [online]. Available at:

<https://www.workday.com/content/dam/web/au/documents/datasheets/datasheet-workday-human-capital-management-suite-au.pdf>

Beyers, T. (2019, April 16). *How Innovative is Workday?* The Motley Fool.

<https://www.fool.com/investing/2019/02/25/how-innovative-is-workday.aspx>

Schlampp, P. (2020, June 24). *Focusing on People to Make Companies Stronger*. Workday Blog.

<https://blog.workday.com/en-us/2020/focusing-on-people-to-make-companies-stronger-than-ever.html>

Vikrant, J. (2021, February 26). *Workday Capabilities*. Ask Wonder.

<https://askwonder.com/research/workday-capabilities-okzf3gqbv>

DaSilva, C. M., & Trkman, P. (2014). Business Model: What It Is and What It Is Not. *Long Range Planning*, 47(6), 379–389. <https://doi.org/10.1016/j.lrp.2013.08.004>

Kriss, R. (2021, September 28). *What Is a Business Model?* NerdWallet.

<https://www.nerdwallet.com/article/small-business/what-is-a-business-model>

Chesbrough, H. (2010). Business Model Innovation: Opportunities and Barriers. *Long Range Planning*, 43(2–3), 354–363. <https://doi.org/10.1016/j.lrp.2009.07.010>

- Vizology, (no date). Why Workday's Business Model is so Successful?, *Vizology*. [online]. Available at:
<https://vizologi.com/business-strategy-canvas/workday-business-model-canvas/>
- Social, (2021). How does Workday Make Money? Business Model of Workday, *Social*. [online]. Available at:
https://www.social.com/how-does-workday-make-money/#Revenue_Streams_of_Workday
- Gurdus, L. (2018, October 24). *Workday disrupted Adaptive Insights' IPO and bought the company for one key reason, CEOs say*. CNBC.
<https://www.cnbc.com/2018/10/23/why-workday-disrupted-adaptive-insights-ipo-to-take-it-over-ceos.html>
- Moyer, M., Loversky, L., & Folan, B. (2013, April 19). Workday, Inc. Strategy Report. *Bridges Consulting*.
<http://economics-files.pomona.edu/jlikens/SeniorSeminars/Likens2013/reports/workday.pdf>
- Edgerton, D. (2011). *The Shock of the Old*. Oxford University Press.
<https://brettptech.ca/MIT-2500/attachments/readings/edgerton.pdf>
- Ogawa, J. (2022, June 6). *What Is an ERP System, and Why Workday Is Different*. Workday Blog.
<https://blog.workday.com/en-us/2021/what-is-erp-system-why-workday-different.html#:~:text=Workday%20is%20the%20antithesis%20of,the%20cloud%20from%20the%20beginning.>
- Crunchbase, (no date). List of Workday's 17 Acquisitions, including VNDLY and Zimit, *CrunchBase*. [online]. Available at:
https://www.crunchbase.com/search/acquisitions/field/organizations/num_acquisitions/workday
- Franklin, A., Elena, C., & Robert, M. (2007). Stakeholder Capitalism, Corporate Governance and Firm Value, *CFS Working Paper*. No. 2007/26, Goethe University, Frankfurt.
<https://www.econstor.eu/bitstream/10419/25527/1/559751974.PDF>
- Alashhab, Z. R., Anbar, M., Singh, M. M., Leau, Y. B., Al-Sai, Z. A., & Abu Alhayja'a, S. (2021). Impact of coronavirus pandemic crisis on technologies and cloud computing applications. *Journal of Electronic Science and Technology*, 19(1), 100059. <https://doi.org/10.1016/j.jnlest.2020.100059>
- Franca, R. P., Iano, Y., Monteiro, A. C. B., & Arthur, R. (2020). Better Transmission of Information Focused on Green Computing Through Data Transmission Channels in Cloud Environments with Rayleigh Fading. *Green Computing in Smart Cities: Simulation and Techniques*, 71–93.
https://doi.org/10.1007/978-3-030-48141-4_5

- West, J., & Gallagher, S. (2006). Challenges of open innovation: the paradox of firm investment in open-source software. *R and D Management*, 36(3), 319–331.
<https://doi.org/10.1111/j.1467-9310.2006.00436.x>
- Hsu, C. S. (2021). Understanding the Formation of Software as a Service (Saas) Commitment the Relational Value Creation Perspective. *IJIS: International Journal of Informatics and Information Systems*, 4(3). <https://doi.org/10.47738/ijjis.v4i3.117>
- Siagian, H., Tarigan, Z. J. H., & Jie, F. (2021). Supply Chain Integration Enables Resilience, Flexibility, and Innovation to Improve Business Performance in COVID-19 Era. *Sustainability*, 13(9), 4669.
<https://doi.org/10.3390/su13094669>
- Chang, Y. C., Chang, H. T., Chi, H. R., Chen, M. H., & Deng, L. L. (2012). How do established firms improve radical innovation performance? The organizational capabilities view. *Technovation*, 32(7–8), 441–451. <https://doi.org/10.1016/j.technovation.2012.03.001>

Appendix A

🔗 KEY PARTNERS	✓ KEY ACTIVITIES	🏠 VALUE PROPOSITIONS	♥ CUSTOMER RELATIONSHIPS	👥 CUSTOMER SEGMENTS
<p>Resellers and software vendors like Accenture</p> <p>Payroll providers</p> <p>IBM Cloud as a tech provider</p> <p>Sponsoring partners</p> <p>Developers</p> <p>Third party software</p> <p>Acquisition of SkipFlag makers of an AI knowledge base that builds itself from a company's internal communications</p> <p>Acquisitions in fields like Augmented Analytics and Machine Learning</p> <p>Workday Ventures a program through which it works with early-stage companies</p> <p>Investors</p>	<p>Product design</p> <p>User experience</p> <p>Software development for Human Capital Management</p> <p>Product releases and updates</p> <p>Deployment</p> <p>Education and training</p> <p>Customer support</p> <p>Human Resources Management</p> <p>Workforce Planning</p> <p>Talent Management</p> <p>IT operation</p> <p>IT maintenance</p> <p>Research and development</p> <p>Marketing</p> <p>Sales management</p>	<p>Providing new levels of business agility for a fraction of the cost of buying and maintaining legacy on-premise systems</p> <p>Cloud ERP Alternative for HR and Financial Management</p> <p>Workday Financial Management application (general ledger, accounting, accounts payable and receivable, cash and asset management, employee expense and revenue management, projects, procurement, inventory, and grants management)</p> <p>Workday Human Capital Management application (human resources management, compensation, absence, employee benefits administration, global talent management comprising goal and performance management, succession planning, and career and development planning)</p> <p>Workday Financial Performance Management application (Learning application; Payroll application; Planning application Time Tracking application, and Recruiting)</p> <p>Other Applications (Prism Analytics that enables customers to bring together various data; Workday Professional Services Automation application to supports the billable projects lifecycle; and Workday Student, a student and faculty lifecycle information system)</p> <p>It allow developers to build custom extensions and applications to work with Workday</p>	<p>Leadership</p> <p>Accessibility</p> <p>Convenience</p> <p>Performance</p> <p>Agility</p> <p>Ease-of-use</p> <p>Integration capability</p> <p>Real-time live data across multiple devices</p> <p>Self-service nature</p> <p>Multiyear agreements</p> <p>Direct sales team by telephone</p> <p>Customer service on a 24/7 basis (direct customer support team by telephone)</p> <p>On-demand training (videos, interactive exercises, quizzes, and tests)</p> <p>Co-creation along with clients</p>	<p>People (finance teams, human resources teams, candidates, hiring managers, the interview team, and recruiters)</p> <p>Organizations ranging from medium-sized businesses to Fortune 50 enterprises</p> <p>Sectors (business and professional services, technology, financial services, healthcare and life sciences, manufacturing, retail and hospitality, education, and government and non-profit industries)</p> <p>Developers</p> <p>Vendors and resellers</p>
	<p>🏠 KEY RESOURCES</p> <p>Brand</p> <p>Cloud ERP Platform</p> <p>Standards-based technologies</p> <p>IT infrastructure</p> <p>Big Data</p> <p>Data Science and Machine Learning technics</p> <p>Community</p> <p>Offices</p> <p>Group of executives</p> <p>Engineers</p> <p>Sales staff</p> <p>Training/consulting staff</p> <p>Customer service employees</p> <p>Network of partnerships</p> <p>Seed funding and several rounds</p> <p>Workday is 100% green powered</p>		<p>📶 CHANNELS</p> <p>Website</p> <p>Telephone</p> <p>SaaS Platforms</p> <p>APIs</p> <p>Social Media</p> <p>Resellers</p> <p>Sports sponsorships</p> <p>Webinars and conferences</p>	
<p>🔗 COST STRUCTURE</p> <p>It has acquired numerous firms since its founding</p> <p>Sales management</p> <p>Advertising and marketing</p> <p>Product development</p> <p>IT infrastructure (Cloud infrastructure, servers, and communications)</p> <p>Cost of professional services</p> <p>Administration costs</p> <p>Offices</p> <p>Salaries and benefits</p>			<p>★ REVENUE STREAMS</p> <p>It makes money by selling subscriptions</p> <p>Implementation and Deployment Services</p> <p>Education Services</p>	

6

4

8

7

2

3

9

5

SWOT Analysis overview of Workday's business model

<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> → Cloud computing for cloud based software products → Subscription fees relatively low compared to rivals → User-friendly software interface (DaSilva & Trkman, 2014). → Innovation focused business model 	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> → Fees of in depth training for topics useful to advanced clients is (DaSilva & Trkman, 2014) relatively higher than competitors → Considerable small size compared to its rivals Oracle and SAP → Lesser products than competitors, more innovation required
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> → Rapid product line extension due to surge in services and product demands owing to increased innovation ultimatum → Gaining traction from small tech startups and then expand its services and range of needs with the requirements of the startup as it grows → Collaborating with companies facing pressure from stakeholders (to generate profits and increase productivity) to grow its market share (Moyer et al., 2013) 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> → The extensive customer base of rivals which makes it difficult for potential customers to switch their vendor to Workday which requires immense monetary and time costs → To gain traction with wider clients, and to poach potential customers of its rivals, Workday might have to lower its training fees and subscription costs (Moyer et al., 2013) → In software field, products have relatively small life span which requires the company to remain fully focused on innovation and avoid any sort of stagnation in its product development

Appendix B

Porter's 5 Force Analysis of Workday's Business Model

Threat of new entrants (Low)

- Establishing an economical scale in the industry in which Workday operates is quite difficult. Where this situation gives a cost advantage to the already 'in-industry' participants, it relatively makes it costlier for new entrants to develop similar products or services, therefore, making the force of the threat of new entrants low for Workday.
- Strict business legalization processes and policies of government within the industry
- Extremely high capital investment required for new entrants to gain some momentum in the industry
- Strong product differentiation within the industry, varying from provider to provider

Bargaining Power of Suppliers (Low)

- More number of suppliers than buyers in the industry
- Suppliers provide a standardized product or service which makes them less differentiated and easy to switch to alternative products when needed in a cost-efficient manner.
- Forward integration is possible with most products or services provided by suppliers in the industry

Bargaining Power of Buyers (Low)

- Buyers of Workday services and products mostly never want to compromise on quality therefore they are willing to pay in full the fees incurred. Since they make frequent purchases, the bargaining power of buyers is relatively low for Workday
- Also the costs incurred in shifting to other platforms from Workday are expensive so buyers intend to remain committed to the services of Workday

Threat of Substitute Products or services (Low)

- Fewer substitute products produced in the industry of Workday are available at reasonable prices. This refrains from applying the limit of maximum profits Workday can make from its services and products
- Substitutes, if available, are hefty expensive and the switching costs are sky high which restricts the clients to adapt to the technology they are already complying with

Rivalry among existing competitors (High)

- The rivals that Workday has are few but those are well-established firms with a huge customer base and large market share. They indulge in competitive actions to leave behind their competitors and become market leaders.
- Fixed costs incurred in the industry in which Workday operates are usually high which compels the companies in the industry to drop the value of price tags when demand for a specific service or product slackens. This creates a level of competition between rivals
- Risk of short Technology life-span calls for Workday and other companies operating in the industry to invent innovations regularly to keep the market up to date with demand addressal this further strengthens the rivalry among competitors in the industry.