

Workday Human Capital Management (HCM) Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

This is a sample study guide. To access the full version with hundreds of questions,

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Don't worry about getting everything right, your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations, and take breaks to retain information better.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning.

7. Use Other Tools

Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly — adapt the tips above to fit your pace and learning style. You've got this!

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Questions

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- 1. What does the 'Job Change' process in Workday entail?**
 - A. Tracking employee attendance**
 - B. Changes in an employee's job role**
 - C. Conducting performance reviews**
 - D. Processing employee payroll**
- 2. In Job Management, who can be hired with hiring restrictions set on the supervisory organization?**
 - A. Only internal candidates**
 - B. Only externally sourced candidates**
 - C. All candidates present**
 - D. No candidates can be hired**
- 3. What is the Workday Report Writer primarily used for?**
 - A. Creating financial budgets**
 - B. Designing employee training programs**
 - C. Generating customized reports and analytics based on HCM data**
 - D. Managing employee benefits enrollment**
- 4. What happens if you freeze a position rather than closing it permanently?**
 - A. The position can be opened again in the future**
 - B. The position will remain permanently unavailable**
 - C. New hires can still be processed against the position**
 - D. Only contractors can be hired**
- 5. True or False: Compensation eligibility rules are unique and distinct from other frameworks within the Workday system.**
 - A. True**
 - B. False**
 - C. Sometimes true**
 - D. It varies by organization**

6. What is the primary function of the Compensation module in Workday?

- A. To categorize documents and records**
- B. To manage employee pay structures and bonuses**
- C. To facilitate learning and development opportunities**
- D. To define user access and permissions**

7. What does the Workday HCM system primarily facilitate for employees?

- A. Networking with industry professionals**
- B. Collaboration on cross-department projects**
- C. Self-service access to personal HR data**
- D. Focus on pay and benefits only**

8. What is the employee self-service feature in Workday HCM?

- A. A feature that schedules employee training sessions**
- B. A portal for managers to evaluate employees**
- C. A feature allowing employees to access and manage their information independently**
- D. A system that processes payroll automatically**

9. Can you choose which Self-Service tasks to enable for your workers?

- A. Yes**
- B. No**
- C. Only for certain roles**
- D. Only if under management approval**

10. True or False: If a worker changes positions, any roles assigned to them will follow them to the new position.

- A. True**
- B. False**
- C. Only if specified**
- D. Only for managerial roles**

Answers

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1. B
2. C
3. C
4. A
5. B
6. B
7. C
8. C
9. A
10. B

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Explanations

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1. What does the 'Job Change' process in Workday entail?

- A. Tracking employee attendance
- B. Changes in an employee's job role**
- C. Conducting performance reviews
- D. Processing employee payroll

The 'Job Change' process in Workday specifically pertains to managing and documenting changes related to an employee's job role within the organization. This can include updates such as promotions, lateral moves, or demotions, thereby affecting an employee's responsibilities, title, and potentially their compensation. The process is essential for ensuring accurate records and maintaining a clear organizational structure. This process allows HR departments and management to efficiently oversee changes in the workforce, ensuring that any adjustments are properly approved and documented. By centralizing and automating these changes, Workday helps avoid errors and allows for better tracking of employee career progression and development within the company. The other options focus on different HR functionalities. Tracking employee attendance deals with monitoring workforce presence, conducting performance reviews centers on evaluating an employee's work performance, and processing employee payroll pertains to managing compensation payments. While all these processes are important within HR management, they do not specifically address the changes that occur in an employee's job role, which is the primary focus of the 'Job Change' process.

2. In Job Management, who can be hired with hiring restrictions set on the supervisory organization?

- A. Only internal candidates
- B. Only externally sourced candidates
- C. All candidates present**
- D. No candidates can be hired

In Job Management within Workday, hiring restrictions set on a supervisory organization do not inherently limit the pool of candidates to any specific category, such as internal or external candidates. Instead, all candidates present can be considered for hiring, provided they meet the job qualifications and organizational requirements. This means that even if there are certain restrictions in place, such as budget constraints or specific needs for the role, these do not preclude hiring entirely. Rather, they guide the hiring process to ensure that the organization aligns with its strategic goals while still being open to a diverse range of applicants. Therefore, all candidates available in the system—both internal and external—can be evaluated for the position, allowing for flexibility and a broader search for the best fit for the job.

3. What is the Workday Report Writer primarily used for?

- A. Creating financial budgets**
- B. Designing employee training programs**
- C. Generating customized reports and analytics based on HCM data**
- D. Managing employee benefits enrollment**

The Workday Report Writer is primarily used for generating customized reports and analytics based on Human Capital Management (HCM) data. This tool enables users to create tailored reports that extract specific data relevant to their organizational needs, allowing for deeper insights and better decision-making regarding workforce management. By leveraging the Report Writer, users can filter, sort, and present HCM data in a variety of formats, which is essential for understanding employee demographics, performance metrics, talent management, and other key HR functions. The ability to customize reports ensures that organizations can address specific queries, track key performance indicators, and provide insights that help in strategic planning and operational efficiency. While other functions like creating financial budgets, designing training programs, and managing benefits enrollment are vital aspects of human resource management, they do not fall within the primary scope of the Workday Report Writer. Instead, these functions may utilize the reports generated to make informed decisions but are not the main purpose of the reporting tool itself.

4. What happens if you freeze a position rather than closing it permanently?

- A. The position can be opened again in the future**
- B. The position will remain permanently unavailable**
- C. New hires can still be processed against the position**
- D. Only contractors can be hired**

When a position is frozen, it is temporarily suspended, meaning that its status can be altered later. This allows for the possibility of reopening the position in the future as needed. By freezing the position, the organization retains the flexibility to reassess its needs without permanently eliminating the role, which would require a more extensive process to reinstate. This temporary action contrasts with closing a position permanently, which would mean that the position becomes completely unavailable and cannot be reopened without going through the entire requisition process again. Therefore, freezing a position is a strategic approach that maintains options for future hiring while still managing current staffing needs.

5. True or False: Compensation eligibility rules are unique and distinct from other frameworks within the Workday system.

- A. True**
- B. False**
- C. Sometimes true**
- D. It varies by organization**

Compensation eligibility rules are not uniquely distinct from other frameworks within the Workday system. They are designed to work in conjunction with various other aspects of the HCM system, such as job profiles, business processes, and organizational structures. This integration allows for a more holistic approach to managing employee compensation by considering factors such as performance, tenure, and role within the organization alongside compensation policies. Compensation eligibility is influenced by the overarching structures of the Workday system, meaning that it integrates and reflects the rules and guidelines established in other areas. This interconnectedness is crucial for ensuring consistency across various HR functions. In the context of Workday, while certain organizations may customize compensation eligibility rules to fit their specific needs, the fundamental aspect is that these rules are still part of the larger framework. Thus, the statement indicating that compensation eligibility rules are entirely separate and distinct from other frameworks is indeed false.

6. What is the primary function of the Compensation module in Workday?

- A. To categorize documents and records**
- B. To manage employee pay structures and bonuses**
- C. To facilitate learning and development opportunities**
- D. To define user access and permissions**

The primary function of the Compensation module in Workday is to manage employee pay structures and bonuses. This module allows organizations to create and administer comprehensive compensation plans, including base salaries, variable pay, bonuses, and other incentive schemes. It enables HR professionals to set competitive compensation packages aligned with market standards and organizational strategies, ensuring that the right talent is attracted and retained. Within this module, compensation data can be analyzed to track performance and budget adherence, facilitating informed decisions on pay raises, promotions, and adjustments necessary for equitable compensation across the workforce. The comprehensive tools provided help in managing not only current compensation but also the planning for future adjustments, making it a critical element in an organization's overall human capital management strategy. Other options pertain to functionalities outside of the Compensation module; for example, managing learning opportunities relates to the Learning module, while user permissions pertain to security settings within Workday.

7. What does the Workday HCM system primarily facilitate for employees?

- A. Networking with industry professionals**
- B. Collaboration on cross-department projects**
- C. Self-service access to personal HR data**
- D. Focus on pay and benefits only**

The Workday HCM system primarily facilitates self-service access to personal HR data for employees. This feature allows individuals to manage and update their own information, such as personal details, contact information, tax withholding, and benefits enrollment. By empowering employees with self-service capabilities, Workday enhances their engagement and responsiveness, reducing the administrative burden on HR professionals. This level of access promotes transparency and encourages employees to take ownership of their personal HR-related tasks, which can lead to greater satisfaction and efficiency within an organization. Other options may provide valuable functions within a broader organizational context, but they do not capture the primary focus of Workday HCM, which is centered around employee self-service and access to HR data. Networking and collaboration, while important, are not the core functionalities of the Workday HCM system compared to the self-service aspects. The option focusing solely on pay and benefits is also limited, as Workday encompasses a wide range of HR functionalities beyond just compensation and benefits management.

8. What is the employee self-service feature in Workday HCM?

- A. A feature that schedules employee training sessions**
- B. A portal for managers to evaluate employees**
- C. A feature allowing employees to access and manage their information independently**
- D. A system that processes payroll automatically**

The employee self-service feature in Workday HCM is a powerful tool that empowers employees to independently access and manage their personal and employment-related information. This includes updating their contact details, viewing their pay slips, managing benefits, and making changes to their tax information without needing to go through HR or management for each modification. This capability fosters a more efficient workplace by reducing the administrative burden on HR teams, allowing them to focus on strategic activities instead of routine inquiries. Additionally, it enhances employee engagement and satisfaction by giving individuals greater control over their personal information and processes related to their employment. The other options do not relate to the core function of self-service. For instance, scheduling training sessions or processing payroll falls under specific HR functions rather than being a service directly offered to employees for managing their own data. Similarly, while performance evaluation is a managerial task, it does not empower employees with the same level of autonomy as the self-service feature does.

9. Can you choose which Self-Service tasks to enable for your workers?

- A. Yes**
- B. No**
- C. Only for certain roles**
- D. Only if under management approval**

The ability to choose which Self-Service tasks to enable for workers is indeed a fundamental feature of Workday's Human Capital Management (HCM) system. This flexibility is crucial because it allows organizations to tailor the self-service experience to meet their specific needs and policies. When you enable certain Self-Service tasks for workers, you can empower them to manage their information more efficiently, such as updating personal details, requesting time off, and viewing pay stubs. This not only enhances employee engagement by placing control in their hands but also reduces the administrative burden on HR teams. It is particularly beneficial for customization, as some organizations might want to restrict or allow specific functionalities based on their operational processes or compliance requirements. In summary, selecting which Self-Service tasks to enable is a deliberate feature within Workday, aimed at maximizing efficiency and aligning with organizational policies. This capability contributes significantly to the overall management of employee self-service activities within the platform.

10. True or False: If a worker changes positions, any roles assigned to them will follow them to the new position.

- A. True**
- B. False**
- C. Only if specified**
- D. Only for managerial roles**

The correct response to the question is based on the understanding of how roles are assigned to workers in Workday when they transition to a new position. When a worker changes positions, roles they were previously assigned will not automatically transfer to the new position. This is because roles can be specific to the particular job or business function, and they often are tied to the specific requirements and responsibilities of that role. In Workday, roles are typically defined in relation to the position that a worker holds. Therefore, when a worker moves to a new position, they may need to be assigned new roles that are appropriate for their new responsibilities. This separation ensures that role assignments accurately reflect the current position's requirements and responsibilities. Understanding this aspect of role assignment is crucial for proper management of a workforce and ensures that all workers are appropriately aligned with their job functions.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://workdayhcm.examzify.com>

We wish you the very best on your exam journey. You've got this!

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