



## Tipping Allocation Calculator Powered by Workday

Increase team-member earnings and encourage greater employee engagement by automating the process of calculating and allocating tips

Amid one of the most difficult labor markets in history, many companies in the restaurant and hospitality sector find themselves caught between a rock and a hard place. They need to pay their employees more while battling the effects of inflation upon their prices and ultimately upon their competitiveness. At the same time, employees not only want higher wages but also desire an experience with access to modern, user-



friendly systems and capabilities in the workplace. Managing these conflicting demands can be difficult and expensive. To offer companies a cost-effective path forward, Deloitte has developed an innovative solution that leverages the power of Workday to automate the process of calculating and allocating tips.

### Rewards across the board

Whether the money is collected through a cash jar or electronic means, many companies still rely on manual back-office processes for divvying up tips and distributing them to workers. This is often a time-consuming process that poses control and tax risks as well as frustrates employees.

Recognizing the value of automating these activities, Deloitte designed a Tipping Allocation Calculator using Workday Prism Analytics, along with Workday Time Tracking, to tally tips from the establishments, calculate disbursements based on allocation rules, and distribute the appropriate share of tips to employees via Workday Payroll.

By automating the process of calculating and allocating tips:

- Employees will have greater visibility on how much they earn from their tips and receive the amount directly from their paycheck.
- Management will no longer need to manually tally and allocate employees' tips at the end of each shift.
- Finance organizations can control back-office costs and free up personnel to focus on high-value activities by streamlining and automating the process
- Direct impact can be demonstrated between customer experience and employee earnings via transparent payroll data



## You've earned it!

Some companies have been manually calculating and distributing tips because a good technology solution wasn't readily available, or adding a new software provider was complex and costly. This was the case for a value-driven fast-casual restaurant, located primarily in the United States. As the company grew, its socially minded mission expanded to include employee-centric programs, sourcing premium ingredients from like-minded partners, and designing its restaurants responsibly. In alignment with its mission, the company sought a way to increase team member salaries and encourage greater employee engagement through a more structured way of collecting and allocating tips.

During a recent Workday implementation for the company, Deloitte designed an accelerator to support the organization in achieving its goals. The Deloitte Tipping Allocation Calculator leverages Workday Prism Analytics and the power of the integrated Workday platform to tally tips from the stores, calculate disbursements based on allocation rules, and distribute the appropriate share of tips to employees.



## Restaurant Innovation with Deloitte

The Deloitte Tipping Allocation Calculator addresses a common challenge faced by the restaurant industry. With this solution that leverages Deloitte's industry knowledge combined with Workday's technology, finance and payroll personnel no longer need to go through manual processes to ensure employees receive the correct amount of tips that they earn. Instead, they can now reallocate this time to higher value activities. Meanwhile, employees can log-in to their Workday account from a mobile device and easily view their earnings broken down by wages and tips. They can now see their value to the customer and company, and engage more frequently via an intuitive, cloud-based system.



Deloitte's experienced professionals help organizations to develop organizational agility and implement strategies that speak to the needs of today's highly mobile, digitally-enabled workforce. By reimagining the employee experience, our multi-disciplinary teams can help companies turn the challenges of attracting and retaining talent into opportunities for growth, resilience, and competitive advantage.

In addition, Deloitte's leading, global Workday practice, has extensive experience across Workday Financial Management, Workday HCM, Workday Payroll and Workday Prism Analytics. The alliance between Deloitte and Workday combines the strengths of both organizations to help companies realize their goals through business-led, digital transformation. More specifically, our approach offers clients a leading, integrated cloud-based ERP platform, coupled with improved access to financial and people data, and enhanced HR and finance practices.

## Contact us:

By bringing transparency to the process, our Tipping Allocation Calculator takes the mystery out of distributing tips. On the one hand, managers can show employees that they are making more money per hour. On the other hand, employees can get paid faster and have greater confidence that they are being compensated properly. All this while engaging employees in understanding the impact they are having upon customers as well as upon the business as a whole.

For more information on how our Tipping Allocation Calculator can deliver rewards across the board, please contact:

**Dan Sundt**  
**Principal and Workday Retail & Hospitality Leader**

Deloitte Consulting LLP  
Tel: +1 773 220-2777  
Email: dsundt@deloitte.com

**Andrew Dinin**  
**DC Technology Fellow**

Deloitte Consulting LLP  
Tel: +1 973 908-5886  
Mobile: +1 973 602-6043  
Email: adinin@deloitte.com

# Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more about our global network of member firms. Deloitte provides audit & assurance, consulting, financial advisory, risk advisory, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries and territories bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 245,000 professionals make an impact that matters, please connect with us on Facebook, LinkedIn, or Twitter. This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.