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CASE STUDY · MARLUC SYNOPSIS

Mobley v. Workday: AI applicant screening

IMPLEMENTED NOT REPORTED (LITIGATION 2023–2026) · TECHNOLOGY AND SOFTWARE · US · BAND E · PARTLY PROVED

VERSION 1.0 · PUBLISHED 15 NOVEMBER 2026 · UPDATED 15 NOVEMBER 2026 · FACTS CHECKED 15 NOVEMBER 2026

A job applicant alleges that Workday's AI-based applicant recommendation system discriminated against people aged 40 and over. In May 2025 a US federal court preliminarily certified a nationwide age-discrimination collective. Workday disputes the claims and no finding of discrimination has been made.

ABOUT THIS SYNOPSIS

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Facts and figures are as reported by the sources listed below, which may be incomplete, self-reported or out of date. Check the original source before relying on any figure.

The impact band, proof marker and SEAM view are MarLuc's opinion. The organisation is not a MarLuc client and has not reviewed or endorsed this synopsis. Names and trademarks belong to their owners.

NOTICE WORDING LAST UPDATED 16 NOVEMBER 2026

AT A GLANCE

No measurable effect: no results reported.

AI used: AI-based applicant recommendation and screening features in Workday's recruiting software, as described in court filings.

Implemented: Not reported (litigation 2023–2026). Grade: band E, No measurable effect, Partly proved.

Headline result, as reported: US federal court preliminarily certified a nationwide collective of applicants aged 40 and over in Mobley v. Workday on 16 May 2025; Workday says the case is without merit

1 · The case

The facts, as reported by the 3 sources listed at the end. Where a source is silent, the field says "Not reported".

Organisation

Workday, Inc.. US human capital management software company, sued in the Northern District of California. The case concerns applicants to Workday's employer customers, not Workday's own hiring. Canvas block: 8. Governance and risk. Also 3. Customers and proposition, 6. Data and technology.

Business challenge

The challenge. Derek Mobley alleges that he applied to more than 100 positions at companies using Workday's screening features and was rejected every time, and that Workday's AI system discriminates on race, age and disability. Four opt-in plaintiffs over 40 make similar age claims. These are allegations.

How it was addressed. Workday disputes the claims. As summarised by HR Dive, it argued that it does not offer employment recommendations, that the policy at issue is not uniformly applied, and that differences between applicants mean they are not similarly situated. A Workday spokesperson said the company continues to believe the case is without merit and that the ruling is preliminary, at an early stage and before the facts have been established. [1] [2] [3]

Who implemented it

Workday (Software vendor): Supplies the recruiting software and the AI features at issue.. Employer customers configure and use the software; none are named in the sources used.

Technology (SEAM pillar E)

SEAM types: T2 Embedded AI in existing software. Deployment: Vendor SaaS. Vendors and products: Workday, Candidate Skills Match, Workday Assessment Connector, HiredScore AI features.

Where it was built in: Features inside Workday's recruiting subscription, which employers use on their own application pages. Workday says customers may enable, disable, use or ignore its AI features (declaration recorded in the court order).

What changed

Before: Mobley's claims proceeded as an individual action with four opt-in plaintiffs. After: on 16 May 2025 the court allowed notice to a nationwide collective of applicants aged 40 and over. In July 2025 it held that applicants screened with HiredScore AI features are included, and in December 2025 it approved a notice plan. [1] [2] [3]

What it cost

Not reported. No damages, settlement or legal costs are reported.

What it saved

Not reported [1] [2] [3]

Governance and control

Workday says customers control which AI features they use. The court said the key question, whether the system has a disparate impact on applicants over 40, can be answered with common proof, and that Workday can ask it to revisit the certification after more discovery. Any testing or audit of the tools by Workday: Not reported.

S2 · Accountable owner · Not reported
Not reported.

A1 · Safe use · Claimed
Workday says customers may enable, disable, use or ignore its many features, including its AI features (declaration, as recorded by the court). [1]

A2 · Human in the loop · Not reported
Not reported. The court notes that employers differ in how much weight they place on the system's recommendations. [1]

A3 · Monitoring and assurance · Not reported
Not reported.

A4 · Vendor AI · Claimed
Workday said at oral argument, without evidence, that the Workday Assessment Connector only gives employers access to third-party AI features; the court did not decide the point. [1]

A5 · Agent controls · Not reported
No agents described.

A6 · Standards and regulation · Outside scrutiny (a regulator, court, auditor or similar body acted)
A US federal court is hearing the claims. It granted preliminary collective certification on 16 May 2025 and has not found discrimination. [1] [2]

What worked, what did not, what is unproven

WORKED

– Not reported: no source reports a measured benefit of the tools.

DID NOT

– Not reported: no source reports a measured failure of the tools. The plaintiffs' allegations are untested.

UNPROVEN

– Whether the system has a disparate impact on applicants over 40: unproven. The court said the issue is open to common proof and will be tested later.

– Whether Workday or third parties supply the features at issue, including those reached through the Workday Assessment Connector: disputed, not decided.

– Whether the collective stays certified: the court said Workday can ask it to de-certify after more discovery.

– Outcome of the race and disability claims in the current complaint: Not reported in the sources used.

Timeline

2017 Plaintiff Derek Mobley allegedly begins applying to positions at companies that use Workday's screening features [1]

Feb 2023 Mobley files a class action against Workday in the Northern District of California [2]

Jul 2024 Court dismisses the employment-agency theory but lets the disparate impact claims proceed [2]

Feb 2025 Mobley moves for preliminary certification of an age-discrimination collective [2]

May 2025 Court grants preliminary collective certification; Workday says the case is without merit [1]

Jul 2025 Court holds that applicants scored, ranked or screened using HiredScore AI features are included in the collective [2]

Dec 2025 Court approves a plan for notice to prospective members of the collective [2]

Mar 2026 Third amended complaint filed; the case is listed as ongoing [2]

2 · Grade and SEAM assessment

MarLuc's opinion, made on the evidence above. How cases are graded: marluc.co.uk/case-studies/how-we-rate

Level of change and impact

Claimed: Not applicable. Grade: E, No measurable effect. Proof: Partly proved. Level of change: Not graded.

No level assessed: band E, no results reported. The case concerns allegations about a vendor's product, not a measured change in how work is done.

Band E, no results reported: no source reports a measured benefit or harm from the system. The claims are the plaintiffs' allegations and no court has found discrimination. The marker is Partly proved because the court orders are on the record, while the alleged effect on applicants is not proved.

The SEAM view and lessons learnt

The case shows where responsibility sits when an employer buys AI screening from a vendor. The court allowed the claims to proceed on allegations that the vendor's software takes part in the decision rather than only applying employer criteria. For any larger employer using vendor screening, the transferable point is to know which features are switched on, how much weight recommendations carry in practice, and what evidence of impact by age and other protected traits the vendor can supply.

1. Know which AI screening features are switched on and how much weight they carry.
2. Ask vendors for evidence of impact by age, sex, race and disability.
3. Keep a named person accountable for rejections that software recommends.

Evidence

Score 2 of 4. Independent record, untested claims: federal court orders and a docket summary show the procedure; the discrimination allegations have not been decided.

Evaluation method. Court records: the order of 16 May 2025 and a docket summary. Workday's position is taken from the order and a spokesperson statement to HR Dive.

Sources disagree. The plaintiffs say Workday's system scores, sorts, ranks or screens applicants and can decide who advances. Workday says it does not offer employment recommendations and that customers can enable, disable, use or ignore its AI features. The court has not resolved this.

Status. Ongoing. Clearinghouse summary of 17 December 2025 lists the case as ongoing; its docket, updated 30 October 2026, lists a third amended complaint filed on 27 March 2026. Outcome: Not reported.

3 · Original sources

Read these in full. To challenge a fact or a grade, use the contact form at marluc.co.uk or the link on https://marluc.co.uk/case-studies/mobley-v-workday-ai-applicant-screening

[1] US District Court, N.D. California: Mobley v. Workday, Inc., Order Granting Preliminary Collective Certification (16 May 2025)
https://www.govinfo.gov/content/pkg/USCOURTS-cand-3_23-cv-00770/pdf/USCOURTS-cand-3_23-cv-00770-1.pdf

[2] Civil Rights Litigation Clearinghouse: Mobley v. Workday, Inc. (case summary and docket)
https://clearinghouse.net/case/44074/

[3] HR Dive: Judge allows Workday AI bias lawsuit to proceed as collective action
https://www.hrdive.com/news/workday-ai-bias-lawsuit-class-collective-action/748518/

Workday, Inc. website: https://www.workday.com

Version 1.0 · Published 15 November 2026 · Updated 15 November 2026 · Facts checked against sources 15 November 2026 · Downloaded 26 November 2026. This PDF may be out of date: the latest version, and a way to report an error or a better source, is at https://marluc.co.uk/case-studies/mobley-v-workday-ai-applicant-screening

VERSION HISTORY

v1.0 15 November 2026 First published