



SAP Fieldglass 

Philips sparks better workforce decision-making

SAP Fieldglass High Tech Case Study

THE BEST RUN 

Gaining insight into the external workforce to find the best ways to get work done

Founded in 1891, Royal Philips is a leading healthcare technology company focused on improving people's health and enabling better patient outcomes. Headquartered in Amsterdam, the company employs around 77,000 people worldwide and generates annual revenue of approximately €18.1 billion (\$20.35 billion).

Roll out at-a-glance:

- Philips wanted flexible, cost-effective access to the skills it needs to thrive in the healthcare technology business – its new area of focus.
- Working with Randstad Sourceright and SAP Fieldglass, Philips embarked on a program to gain visibility and improve decision-making across its entire workforce. Philips began with contingent workers and is now expanding the program to include services providers.
- Key benefits:
 - Deep insight into the contingent workforce, with services providers following soon.
 - Huge cost savings year-on-year.
 - Access to the right skill in the right place through the right channel at the right cost.
 - Provision of vital skills to fuel business growth.

About SAP Fieldglass

SAP Fieldglass, a longstanding leader in external talent management and services procurement, is used by organizations around the world to find, engage and manage all types of flexible resources. Our cloud-based, open platform has been deployed in more than 180 countries and helps companies transform how work gets done, increase operational agility and accelerate business outcomes in the digital economy. Backed by the resources of SAP, our customers benefit from a roadmap driven by a continuous investment in innovation.

Transforming the business

Traditionally famous for lighting, TVs and other consumer electronics, Philips is shifting its focus to become a healthcare technology business. The company operates across the healthcare continuum, with offerings to support diagnosis, treatment, monitoring and healthy living at home.

Martin Thomas, Head of Total Workforce Management at Philips, says: "Expertise in healthcare technology is highly specialist, and relevant skills are often in short supply. To win a greater share of this market, we needed a flexible, cost-effective way to access the skills we require to get work done. Our external workforce is increasingly important in meeting these demands – especially since many people now prefer to work on a contract basis."

To drive success across its business, Philips wanted to make better decisions about how to get work done. With this in mind, the company aimed to better align its talent strategy to encompass its entire workforce – including employees, contingent labor and services providers. In parallel, the company set out to gain better visibility of its total workforce.

Developing a leading-edge talent strategy

First, Philips created a talent management team that sets the strategy for employees and the external workforce – helping the company to manage its entire workforce holistically.

Next, Philips engaged Randstad Sourceright, a managed services provider, to help develop and support its external workforce management program. At the heart of the program is SAP Fieldglass – a best-in-class technology solution designed to help companies manage their external workforce efficiently and effectively.

Philips started its program focusing on contingent labor and now manages nearly €500 million spent on contingent workers each year via SAP Fieldglass. The company continues to roll out the program globally and is working to expand the use of SAP Fieldglass to manage services providers such as consultancies, design agencies, IT companies and engineering firms.



We are a global company, and SAP Fieldglass helps us run our program worldwide efficiently and effectively," says Martin Thomas. We currently use SAP Fieldglass in 24 countries and in multiple languages.

Our partnership with Randstad Sourceright is essential to making our program work. Randstad Sourceright is particularly adept at understanding our unique business processes and meeting those requirements.



Martin Thomas, Head of Total Workforce Management at Philips

Philips combines data from SAP Fieldglass and its HR system Workday to compare the cost of acquiring each skill from an employee and contingent worker.

To increase its access to highly skilled talent, Philips uses the twago freelancer management system. Since SAP Fieldglass offers a pre-built integration with twago, Philips was able to set up the interface quickly and enable seamless data transfer between the two systems. As a result, when Philips engages freelancers via twago, some data fields are automatically populated in SAP Fieldglass, saving time and reducing the risk of error.

Unlocking deep visibility and improving decision-making

Thanks to SAP Fieldglass, Philips has gained deep visibility into its contingent workers – seeing their responsibilities, locations, certifications, access rights and more. This newfound visibility enables Philips to actively manage this workforce and mitigate risk. For example, the talent management team can identify people who have been working on a contract basis for many years, and contact the relevant function to ensure this type of engagement is appropriate and complies with labor legislation and the company's internal policies.

Visibility from SAP Fieldglass also empowers Philips to draw detailed comparisons between its contingent and employee workforce, and look at the cost of getting work done via each channel. As a result, the company can make better decisions across its total workforce.

Martin Thomas elaborates: “We start by looking at the work that needs to be done, then we find the best way of achieving that. We compare the cost and availability of each skill in different locations and consider the options of hiring an employee versus engaging a contractor or freelancer. With SAP Fieldglass' robust capabilities for managing services providers, we will be able to implement a more effective talent strategy across our total workforce.



Equipped with tangible insight from SAP Fieldglass, we can support better decision-making across the business.

For example, we have helped managers make informed decisions about where to set up new office locations or factories. We have also helped the business meet its rising demand for IT and digital skills cost-effectively by increasing graduate recruitment. Ultimately, we help the business get the right skill in the right place through the right channel to get work done. ”

Martin Thomas

Head of Total Workforce Management at Philips

Additionally, the program has unlocked significant cost savings year-on-year, freeing up funds for investment in other areas.

Building a brighter future

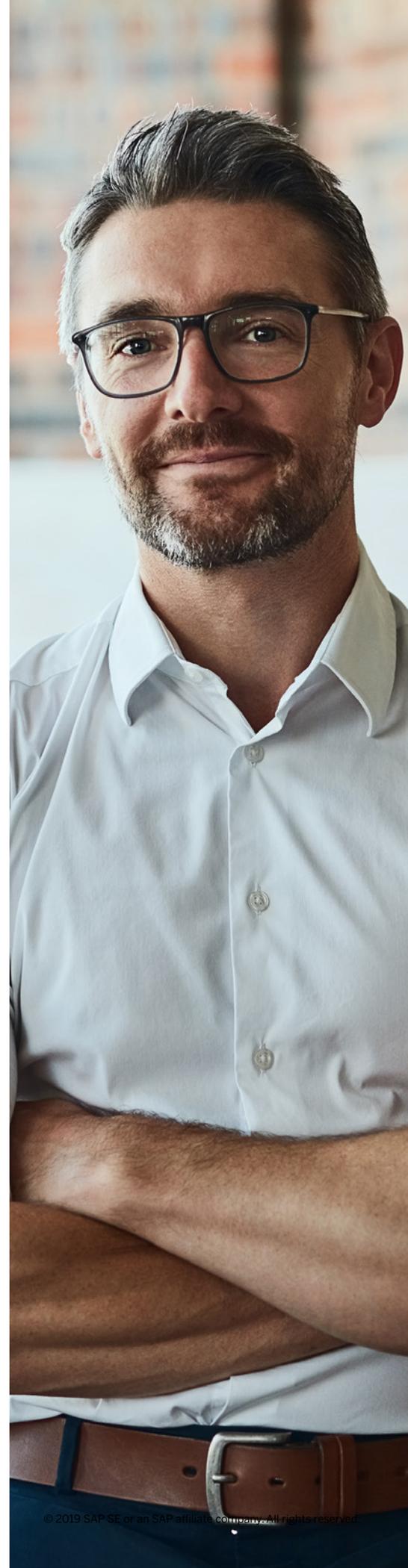
Philips is now piloting the use of SAP Fieldglass for services procurement. Martin Thomas comments: “Currently, we can see the cost of SOW workers via reports from Procurement or Finance, but we can’t see which workers are involved or what they are working on. By managing SOW workers as part of our total workforce, we will be able to establish consistent processes for onboarding and offboarding, granting and switching off system and building access, ensuring compliance, giving training and more.”

Philips is also looking to integrate SAP Fieldglass with its HR solution Workday to enable easier flow of data between the systems. The company’s aim is to give managers a single interface that they can use to get work done via the employee and external workforce. Additionally, Philips is working to build a single system of record for each type of worker to enable a consistent, highly automated approach to access management and more.

Martin Thomas concludes: “Working with Randstad Sourceright and SAP Fieldglass, we have built a robust strategy to access the specialist skills we need, where and when we need them and at the right price. We are confident that our external workforce management program will help us fuel business growth, support our transformation and capture a larger share of the healthcare technology market.”

““ We help the business get the right skill in the right place through the right channel to get work done. ””

Martin Thomas
Head of Total Workforce Management at Philips



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