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# Philips: Managing Staffing with the Agility to Deliver Healthcare Technology That Saves Lives

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To thrive in the healthcare technology sector, Koninklijke Philips N.V. (Philips) needed flexible, cost-effective access to specialist skills. Working with managed service provider Randstad Sourceright, the manufacturer embarked on a total workforce management strategy supported by SAP® Fieldglass® solutions. Through this, Philips is increasing visibility of its internal and external workforce, improving decision-making, and placing the **right talent in the right place and at the right cost.**



# Improving Workforce Decision-Making with SAP® Fieldglass® Vendor Management System

## Before: Challenges and Opportunities

- Provide the skills and talent required to develop world-leading healthcare technology solutions
- Increase visibility across the entire workforce
- Introduce zero-based workforce planning to manage staffing in a cost-effective way

## Why SAP and Randstad Sourceright

- Support across the external workforce lifecycle provided by SAP® Fieldglass® Vendor Management System applications
- Ability to enable effective management of services providers and statement-of-work (SOW) documents through ongoing deployment of the SAP Fieldglass Services Procurement application and the SAP Fieldglass SOW Worker and Documentation Tracking solution
- External workforce management expertise from managed service provider Randstad Sourceright

## After: Value-Driven Results

- Cost savings through selection of the most cost-effective resourcing channels
- Effective recruitment of staff with specialized skills
- Support for rapid decision-making to address changing requirements, with improved cycle times across the external workforce lifecycle through efficient approval processes – from requisition to offboarding

# PHILIPS

“With support from SAP Fieldglass solutions, we are confident that our external workforce management program will help us **fuel business growth and capture a larger share of the healthcare technology market.**”

Martin Thomas, Head of Total Workforce Management, Koninklijke Philips N.V.

## €500 million

Contingent worker spend managed each year using the SAP Fieldglass Contingent Workforce Management application

## 97%

Contingent workforce across 25 countries managed with SAP Fieldglass Vendor Management System

Featured Partner

 randstad sourceright

SAP Fieldglass 

**Koninklijke Philips N.V.**  
Amsterdam, The Netherlands  
[www.philips.com](http://www.philips.com)

**Industry**  
High tech

**Products and Services**  
Healthcare technology solutions

**Employees**  
77,000

**Revenue**  
€18.1 billion

**Featured Solutions**  
SAP Fieldglass Vendor Management System, including SAP Fieldglass Contingent Workforce Management and SAP Fieldglass Services Procurement; and SAP Fieldglass SOW Worker and Documentation Tracking

**THE BEST RUN**





# Harnessing Top Talent to Develop Innovative Healthcare Solutions

Founded in 1891, Koninklijke Philips N.V. (Philips) has a rich heritage of technological innovation. Traditionally famous for lighting, TVs, and other consumer electronics, Philips has shifted its focus to become a healthcare technology business with offerings to support diagnosis, treatment, monitoring, and healthy living at home.

A crucial part of achieving success in this niche market is **finding the right talent**, as Martin Thomas, head of total workforce management at Philips, explains: “Expertise in healthcare technology is highly specialized, 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.”

## **Taking a holistic view of workforce management**

With external workers playing an increasingly important role in meeting these demands, Philips decided to adapt its talent strategy to encompass its entire workforce – both internal and external.

“We wanted to take a **zero-based workforce planning approach**, where we look at what work needs to be done and then decide whether it’s best to hire an employee or engage a contingent worker or services provider,” says Thomas. “To achieve this, we needed to improve visibility of our external workforce.”





# Establishing a Technology Backbone for External Workforce Management

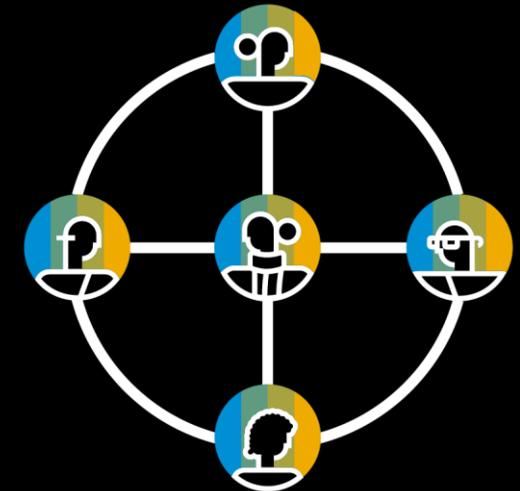
Brought in to help develop and support Philips' external workforce management program, managed services provider Randstad Sourceright recommended SAP® Fieldglass® Vendor Management System applications. Providing a technology backbone for the program, the applications support management of the external workforce lifecycle, from requisition through invoicing and payment.

Philips deployed the SAP Fieldglass Contingent Workforce Management application in 25 countries, covering **97% of its contingent workforce**. In addition, straightforward integration with third-party freelancer recruitment platform twago and its own career Web site is enabling Philips to gather information on skills availability from more sources.

## Comparing internal and external recruitment options

By combining data from its HR information system and SAP Fieldglass Contingent Workforce Management, Philips can now map and align key attributes across its internal and external workforces.

“We can **compare attributes such as skills, cost, and availability**, as well as details such as access to systems and facilities,” remarks Thomas. “These insights make it possible to weigh the pros and cons of either an employee engagement or a contingent assignment.”





# Understanding the Optimal Staffing Approach to Get Work Done

Supported by SAP Fieldglass Contingent Workforce Management, HR and procurement teams at Philips work closely with Randstad to identify optimal staffing approaches. Drawing on insights into its internal and external staffing resources, decision-makers can quickly identify the **most cost-effective resourcing channels for each task**. This results in significant cost savings and helps ensure that the company engages talent with the right skills to get work done.

**Responding quickly to the COVID-19 pandemic**  
Philips has found the increased visibility across its entire workforce invaluable for managers making challenging staffing decisions during the COVID-19 pandemic.

“To meet a surge in demand for our health monitors and ventilators, we went from one to three production lines and **moved from one shift a day to 24-hour uptime**,” comments Thomas. “Thanks to SAP Fieldglass Contingent Workforce Management, we were able to quickly locate workers with the right skills so we could speed the ramp up of our activities.”

Effective tracking of the activities of contingent workers has also been facilitated by the application during the pandemic. “With so much external talent working remotely, it’s been harder to monitor what people are doing,” confirms Thomas. “SAP Fieldglass Contingent Workforce Management has been particularly helpful in enabling us to manage staffing effectively.”





## Keeping Agile in Times of **Rapid Change**

Philips is currently expanding its external workforce management program with a planned deployment of the SAP Fieldglass Services Procurement application and the SAP Fieldglass SOW Worker and Documentation Tracking solution.

“We regard services providers as a crucial part of our workforce. However, we don’t currently have visibility into important areas such as certifications, security, and compliance,” says Thomas. “The additional SAP Fieldglass solutions will help us manage staffing of projects through external agencies such as consultancies, design agencies, IT companies, and engineering firms.”

### **Creating a staffing model that can withstand market disruption**

The way that Philips was able to react in an agile way to fast-moving conditions during the COVID-19 pandemic has clearly demonstrated the value of its total workforce management approach. “In times of rapid change, we need the visibility to assess risk and **pivot quickly to address new requirements**,” concludes Thomas. “Based on SAP Fieldglass solutions, our robust resourcing strategy gives us the ability to manage our talent flexibly to withstand market disruption.”



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