

Philips Case Study

Enterprise Social Networking Enables Philips to Extend
Knowledge and Accelerate Innovation



“We were driven to connect the organization with itself, and realized enterprise social networking was the solution. I can truly say after more than two years that we have achieved an official internal communications channel. Socialcast lifted the boundaries and made our organization transparent. We connect daily with people from India, China, the US, and Brazil. Without Socialcast it would not be possible.”

— Dennis Agusi, Global Internal Communications Officer, Royal Philips Electronics

AT A GLANCE

Industry

Health and Well-being

Corporate Headquarters

Amsterdam, The Netherlands

Employees

120,000

Socialcast Users

40,000

Website

www.philips.com

IN BRIEF

Business Challenge

Enabling employees spread around the globe to feel and work like a small, nimble team driven by shared goals.

Socialcast Solution

The company's Socialcast network is used by employees to find information and get help on questions or problems. Employees can quickly find and follow likely collaborators through Profiles. Globally, Socialcast has become a vibrant community for employee-to-employee exchanges as well as for management-to-employee communications.

Business Impact

More than 40,000 Philips employees use Socialcast as a communications and collaboration platform resulting in faster answers, timelier issue resolution, and a flow of new ideas.

PHILIPS

Royal Philips Electronics of the Netherlands is a diversified health and well-being company, focused on improving people's lives through timely innovations. As a world leader in healthcare, lifestyle and lighting, Philips integrates technologies and design into people-centric solutions, based on fundamental customer insights and the brand promise of “sense and simplicity.”

Philips employs approximately 120,000 employees with sales and services in more than 100 countries worldwide. With sales of €22.6 billion in 2011, the company is a market leader in cardiac care, acute care and home healthcare, energy efficient lighting solutions and new lighting applications, as well as lifestyle products for personal well-being and pleasure with strong leadership positions in male shaving and grooming, portable entertainment and oral healthcare.

1 out of 3 Philips employees use Socialcast

Business Challenge



Creating Connections that Spark Innovation

Royal Philips Electronics is dedicated to improving people's lives through meaningful innovation. In 2010, Philips began to explore how enterprise social networking could help its employees spread around the globe feel and work like a small, nimble team driven by shared goals. Improving collaboration is all a part of making Philips one of the most innovative organizations on the planet.

The company's Socialcast network began simply as a tool used by employees to find information and get help on questions or problems. The ability to quickly find and follow likely collaborators through Profiles became a huge time-saver. No longer limited by geography or time zones, teamwork became easier and ideas began to flow. Posting to the Socialcast community resulted in faster answers. Issues were resolved quickly, as those with the right expertise were able to weigh in and share their knowledge broadly.

Today, more than 40,000 Philips employees use Socialcast to engage on company-wide topics and initiatives, to exchange ideas, to respond to business-critical issues, and to better understand progress in achieving company strategies.

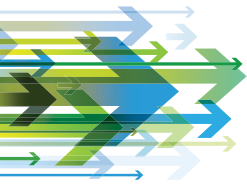
Socialcast Solution



Establishing a Strategic Partnership

In the early stages, the Philips Corporate Communications and IT departments investigated three different enterprise collaboration platforms. Many platforms offered very similar features; what became most important to Philips was the ability to work with their platform provider in a true partnership. Socialcast rose to the top of the list, with the experience and team capable of working closely with Philips, and a product that afforded a high level of customization.

When it came time to deploy Socialcast, the Philips Corporate Communications and IT departments discovered that another enterprise social network was already in use. Approximately 1,600 Philips employees were actively using a free tool they had found on the Internet to communicate and collaborate. It was immediately apparent that two platforms for collaboration and knowledge sharing would be counter-productive. So the team's first step was to convert these early users—and to leverage their enthusiasm for enterprise social networking as a kick-start for the rest of the company. The most active of these early adopters tested the Socialcast solution, (cont.)



“We recently conducted an “Employee Jam” using Socialcast. We wanted to create connections around Philips’ Mission and Vision—to make a difference in the world. So we asked people to share a story about how the Philips Mission and Vision is being brought to life in their business/markets/functions today. The personal stories were powerful; it made everyone proud to work for Philips.”

— Dennis Agusi, Global Internal Communications Officer, Royal Philips Electronics

Socialcast Solution



(cont.) and provided valuable feedback and recommendations on what to change, what to add, and how to make the enterprise social experience the best it could be.

The involvement and enthusiasm of early adopters were critical to a successful launch of an enterprise social network. To build a sense of community and ownership, Corporate Communications asked the early adopters to help name the new Socialcast platform. The winner was awarded Philips “simplicity points” which can be exchanged for Philips products. The network was launched with wide support. On launch day, Socialcast had 400 members. Within two months, 7,000 employees had joined the community. The brief experiment with the free tool was soon forgotten.

The community grew from 400 to 7,000 members within two months

Business Impact



Extending Knowledge to More People

Globally, Socialcast has become a vibrant community for employee-to-employee exchanges as well as for management-to-employee communications. Now, when anyone anywhere in the world posts a question to the community, an answer is forthcoming in moments, regardless of time zone. More than half of all questions are answered within an hour, and close to 90% are answered within 24 hours. In effect, Philips’ knowledge base has become more accessible to more people, making work easier, accelerating the flow of new ideas, and improving customer service.

Socialcast is also helping to remove barriers between departments. Using Socialcast Reach, social capabilities can be added to almost any existing business system, allowing people to share information and data that might otherwise be inaccessible to team members outside of the department. This creates a more seamless flow of work, helping others stay on top of what is going on across the business, not just their department. Now a key win, or a new idea, can be communicated more broadly, increasing a sense of connectedness and engagement across the company.

Socialcast enables the Communications and IT teams at Philips to understand the dynamics of the Socialcast community—what is working and what needs improvement or tweaking. The analytics capabilities within the Socialcast platform provide a real-time snapshot of what’s happening in the company, at any time, allowing Corporate Communications and IT to monitor trending topics or people, or if required, take decisive action.

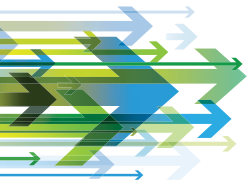
Building an Engaged Community

Socialcast has enabled new and sometimes unexpected forms of employee engagement. For example, the “All Employee Jam” was a crowd-sourcing project designed to bring to life the company’s new, refreshed Mission and Vision statement through dialogue, discussion and debate. The exercise asked a simple question, “can you share a story about how the Philips Mission and Vision is being brought to life in your business/markets/functions?” Dennis Agusi, Global Communications Officer said, “Our goal was to create a significant number of employee-generated stories that we could use in our communications to create pride and passion about Philips as a company and our role in the world.”

The Corporate Communications team was hoping for a few good stories from the exercise. They were astounded to see 390 authentic, personal stories posted by employees from 43 countries. These posts generated 3,315 Likes, 1,084 Comments, and 834 new members were added to Socialcast as a result.

The stories posted during our Employee Jam helped our people to easily identify and feel more aligned with the Philips Mission and Vision.

The All Employee Jam exercise served multiple purposes. It drew employees into Socialcast who had not yet joined the social community. It also demonstrated the power of enterprise social networking for creating company-wide enthusiasm and unity around an idea. In fact, in a post-Employee Jam survey, the team found a measurable difference in employee attitudes. Those who participated in the Employee Jam were found to be far more aware of and aligned with the Philips Mission and Vision than those employees who did not participate. (cont.)



“Philips’ partnerships are an extension of our corporate culture, and Socialcast proved to be the right partner for our enterprise social networking needs.”

— Dennis Agusi, Global Internal Communications Officer, Royal Philips Electronics

Business Impact



(cont.)

Creating Successful Programs

What made the All Employee Jam successful? The Philips team points to a few key factors.

» **Enlist executives as champions**

First off, they enlisted the help of the leadership team in promoting the projects and in asking employees personally to tell their story.

» **Integrate with other applications**

The team also integrated Socialcast with other business applications such as the company intranet to show what is happening in the community without requiring people to participate.

» **Model the right behavior**

They also engaged active Socialcast users from around the world to model the behavior they wanted to see from employees.

» **Provide training**

Each executive was provided with one-on-one Socialcast training prior to the event and was provided with a “buddy” to coach them during the All Employee Jam.

» **Inspire others**

Senior leader participation lit a fire, which rapidly spread among other executives and employees, generating more widespread participation in Socialcast—but more importantly—creating greater awareness of Philips’ new Mission and Vision.

» **Make it fun.**

Philips created a lip dub video that quickly went viral.

The All Employee Jam tapped into the creativity and talent of employees, encouraging them to share personal stories with the global Phillips Socialcast community, which resulted in a greater identity with the company.

Socialcast surfaced powerful stories about how employees were making a difference in the markets they served.

Future Plans



The Socialcast community has grown rapidly; from 400 members at launch to more than 40,000 members today. Thousands more are expected to join as Philips works to further integrate Socialcast capabilities within other business systems. As more employees encounter the universal social engagement prompt “what are you working on?” across multiple business systems, Socialcast will become an integral platform for company-wide communication and collaboration.

Enterprise Social Networks help companies increase employee engagement and retention.



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