



Philips Electronics selects Cezanne Connect Succession & Career to support global succession and career planning.

Royal Philips Electronics is one of the world's biggest electronics companies, and the largest in Europe, with 160,900 employees in over 60 countries and sales totalling Euro 30.3 billion in 2004.



Active with over 60 businesses, and with more than 115,000 registered patents, Philips is currently number one in the global markets for lighting, electric shavers and DVD recorders, as well as the number two in medical diagnostic imaging worldwide.

Managing global talent

Recognising that the organisation's strength is its people, Philips has invested in Cezanne's Succession & Career software to support talent management initiatives across the entire organisation.

Philips selected Cezanne's solutions after first evaluating several alternative products. The new system, which Philips has re branded "Talent Track" replaces its existing ExecuTRACK software.

Niko Veenstra, project leader of the Talent Track team at Philips explained, "Historically, Philips structure has developed based around product divisions that specifically serve their own customer base. Clearly with such diverse products this has resulted in organisational units that operate independently. Our ambition at Philips is to use our global talent pool for the benefit of the business as a whole, rather than keeping very talented people at divisional level."

He continued, "Succession & Career met all of our requirements to share talent globally. The way in which the system is set up allows for visibility of talent outside of each organisational unit. The tool was ideal for us."

The system is used to track nearly seven thousand personnel who are key position holders, including executives deemed to be critical to the success of the Philips organisation. It also holds information on the 'talent pipeline' – those who have been identified as having the potential for leadership roles in the future.

Philips has 575 users across the company who are responsible for managing the data or have a role that requires them to read the information in the system. These are typically HR Managers and HR Assistants in a management development role.

User friendly system

With operations in Europe, North and South America and Asia, the web-native architecture of Cezanne's systems is important to successful company-wide use. The software is installed and maintained in The Netherlands. Users across all product divisions and countries simply access the system via Philips' intranet using a secure login. There's no need to install or maintain local versions of the software, and the browser interface makes the system very easy to use.

"Feedback from our users is that they like the system – the look and feel is user-friendly, it is easy to navigate and the interface straightforward to understand," said Veenstra.

On implementation, the project team introduced some initial training of half a day and found this sufficient to get the users up and running. Some users have also requested simple manuals, preferring instructions in writing, which the project team have produced.

Cezanne Connect Succession & Career was formerly known as HRM Connect Executive.

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Niko Veenstra, project leader of the Talent Track team.



Secure access

Security was also an important feature in the selection process – any corporate system needs to have in place rigorous security capabilities. For Talent Track this is a particularly high priority, since the system holds very personal information about individuals who play an important role in the company.

“The information within Talent Track covers career prospects, development needs, strengths and weaknesses. This kind of sensitive personal data requires even more careful handling than someone’s birthday and address details, as well as being of strategic importance to the business.

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Philips has taken advantage of the system’s roles-based security model to control access to information. A login password is provided to identify each user, and based on this login, they are then assigned a limited set of records that they may either read or change on the system. This relates to the product division that they are responsible for and is dependent also on their level within the company, whether at the corporate, business or sub-business level.

Since the system is used globally, it was also important that the system could allow for country-specific legislative differences. For example, there are several fields that US users are not allowed to input or read. With Succession & Career this requirement is easily accommodated.

Management Development and Planning

Philips uses Talent Track to support a range of talent management processes at a number of different levels within the business. At the corporate level it reviews the top of the organisation and looks at talent and growth potential, comparing this against the potential growth from the previous year.

At the divisional level Talent Track is used to actively manage competencies and skills and to identify possible next career steps. For example, the system is used to support Philips’ annual Management Development Review process.

“Talent Track is of paramount importance to Philips’ review process, because it allows us to record information about employees throughout the year; their job moves, their promotions and training,” explained Veenstra “The manager prepares a short summary of the employee and what they need to develop. All the information is then consolidated into a report, that we can just create out of Talent Track at the single click of the button.”

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Succession planning

At corporate level, Philips use Talent Track for succession planning, a crucial activity for the company. For most key positions the company has in place a succession plan for the next 5 to 10 years.

"Named individuals are primed for these positions - we have decided to do this because it not only helps us from an organisational point to groom someone for their next step, but also make them responsible for making that growth themselves," said Veenstra.

They are not guaranteed the position, explained Veenstra, but need to show that they can grow towards that role – it becomes a joint effort between the company and the individual to develop the skills that are required for the next role.

Talent Track helps Philips to manage and make sense of the succession data, and provides Philips with a single view of information that supports an enterprise-wide approach to succession planning and career development.

Philips has a number of standard reports that enables them to look at the key positions and whether there are appropriate succession plans in place. This means, for example, Philips can easily identify potential issues, such as succession shortages or blockages, and take a proactive approach to addressing them.

Reporting function a winner

The advanced query and integrated Crystal reporting function is an important element to Philips. The company uses this functionality extensively. Not only to provide snapshot reports of departments and individuals but also to analyse how a particular population has changed over time.

With the system, a user can select a group of people, for example high potential employees, and then look at the dynamics of this group between specified dates. They can see who has entered or left the group and for what reason. Some might have moved to another product division, left the company, or even retired.

"The dynamics report allows us to do analysis – look at the numbers and also dig into the detail, so we can actually see who the people are that have left or entered the talent pool," said Veenstra.

"This allows us to create some insight into how the dynamics of our talent pipeline changes over time and to change the management processes that we have in place, more specifically, be more on the ball in addressing development needs of our key people."

Philips is very pleased with this functionality and believes it is one of the early adopters in applying this aspect of talent management.

"The searching and integrated Crystal reporting function is the big win of this tool – it puts data at fingertips. If data is in the system, you can get it out," said Veenstra.

Improved data accuracy

Philips has also realised other business benefits since implementing Talent Track. It is easier to find the data required, and it takes less time. Data accuracy has also improved.

"Historically in the old ExecuTRACK system we had many free text fields which made reporting difficult. For example, we ended up with several hundred versions of product divisions, of which there are actually only five, plus two others to allow for overhead roles – they were all spelling errors, abbreviations, different ways of using old titles," said Veenstra.

With the new system, drop down lists have replaced many free text fields, improving the accuracy of data input into the system - and the resulting reporting and analysis.



Successful integration and implementation

Talent Track is integrated with Philips' HR system, ensuring that there is continuity across the data. Personal details are imported from the central HR repository, as well as organisational data.

Talent Track is also integrated with Philips' Lotus Notes e-mail system, which enables Succession & Career inbuilt workflow engine to automatically trigger e-mail alerts. This helps employees to manage tasks more efficiently by letting them know when actions need to be undertaken.

As with all large implementations, the success of the project was the result of close collaboration between HRM and Philips. The two companies worked as a virtual team – with Cezanne based in London and the Philips IT and Corporate teams based across the Netherlands in Amsterdam and Eindhoven. Implementation to a fully live system took six months.

According to Veenstra: "The HRM team was very supportive in helping us to prepare for the launch of the system. HRM was very knowledgeable in getting the most from the product and helping to address our specific needs."

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