



Collaboration



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Premium report



Adoption & Practices

From viral adoption to strategic initiative: The story of Philips Community

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This report examines research and manufacturing firm Philips' five-year social collaboration journey, which took the firm from the unmanaged, employee-led adoption of a free tool to a strategic enterprise-wide social collaboration platform based on VMware's Socialcast technology.

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Case study key facts

Organisation	Philips
Industry	Research and manufacturing
Collaboration goals	In early 2010, Philips' organisation structure was rigidly siloed, with limited opportunity for collaboration between its three business divisions or across different geographical regions. Faced with the growing, viral adoption of a free microblogging service, Philips senior leaders recognised that there was clearly demand for a better way to communicate and collaborate across the organisation.
Current approach	Led by a Communications executive, Philips decided to explore a social collaboration investment, and selected technology from a start-up firm for a 12-month trial. Its solution, an online community platform, was piloted for two weeks with a group of 300 users, before being opened up to the broader organisation.
Outcome	Five years on, the Philips Community has 63,000 signed up members from across the company, with 40% of these people accessing it at least once a month. The community now forms a central part of the organisation's 5-year performance improvement strategy and has been shown to enable better collaboration between employees in different parts of the business, and is helping to flatten the hierarchy and support more direct communications between senior leaders and employees.
Tools and suppliers used	VMware Socialcast

Community

Organisation background

Headquartered in Amsterdam, Royal Philips of the Netherlands is a diversified technology company, focused on improving people's lives through meaningful innovation in the areas of Healthcare, Consumer Lifestyle and Lighting.

- **Healthcare** – Philips pioneers and develops solutions to help healthcare providers diagnose, treat and manage many of the world's most prevalent diseases and medical conditions. With Healthcare revenues of more than €9 billion in 2014, its products are organised into four business groups: Imaging Systems, Patient Care and Clinical Informatics, Home Healthcare Solutions and Healthcare Transformation Services.
- **Consumer Lifestyle** – With a global consumer brand and a business worth almost €5 billion in 2014, Philips's Consumer Lifestyle products span Health and Wellness, Personal Care and Domestic Appliances.
- **Lighting** – With a product portfolio that spans the lighting value chain and includes indoor, outdoor and specialist lighting solutions, Philips Lighting serves both the consumer and business markets and earned almost €7 billion in revenues in 2014.

A public company which is listed on the NYSE and AEX, Philips achieved €21.4 billion in total sales and \$10.3 billion in brand value in 2014. It employs more than 108,000 people and is present in more than 100 countries. Philips invests 7% of its sales in R&D, and has over 71,000 patents.

Project background

In January 2010, Philips found itself in a dilemma that will be familiar to many organisations: employees – seeking a new and better way to communicate and share information – had started using a free microblogging platform, and the community had now grown to a significant size with 1,700 individuals signed up (and around 100 active users) from all across the organisation, including people from Communications, HR and IT. Concerns were increasingly being raised among the senior leadership team about the legitimacy of this platform, and the security risk associated with corporate information being shared on a public, unmanaged social network.

Senior members of the Communications team, in particular, recognised the potential of taking a more strategic approach to embracing social collaboration, focusing particularly on the potential to improve employee engagement across the workforce, and to better-connect employees. However, while there was clearly existing demand for an alternative approach among employees, not all Philips' business leaders were convinced that social technology was the right way to go.

The Communications team decided to take the lead in exploring the initiative, and assigned an intern, Dennis Agusi, to help work out the best approach to implementing an internal social collaboration platform within the organisation.

Implementation characteristics and status

On 1st May 2010, Philips launched its new enterprise social network, "Connect Us" to an initial group of 300 users, followed two weeks later by a full roll-out to the rest of the organisation. In 2014, the platform was renamed the "Philips Community".

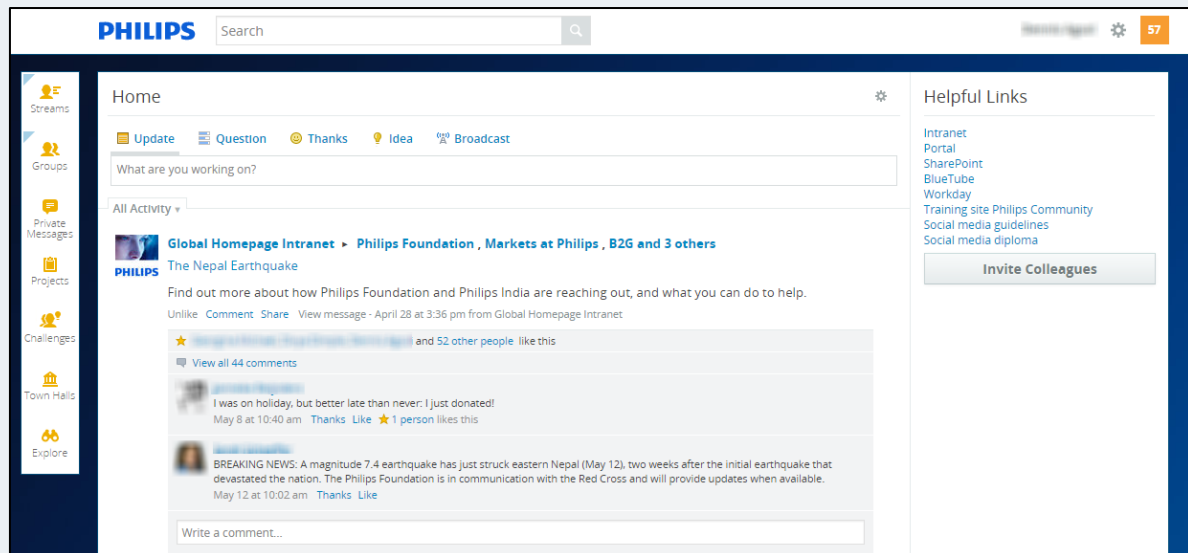
Based on a private cloud-hosted deployment of VMware Socialcast (hosted by VMware), the platform can be accessed by employees as a standalone application, and is additionally embedded in the corporate intranet to enable staff to comment on (or "like" or share) any article on the intranet. (These comments are also visible to users accessing the standalone application, to ensure maximum transparency and visibility.)

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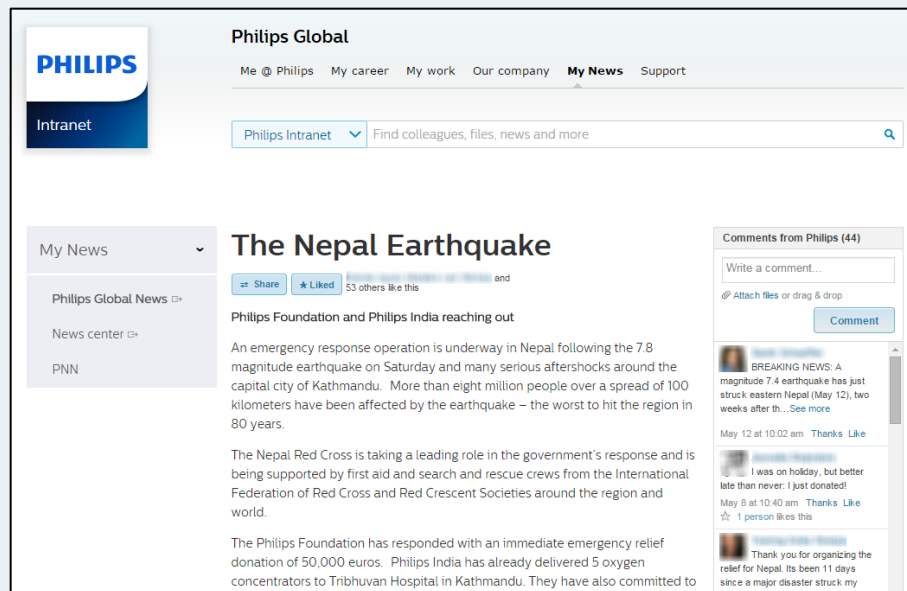
Similar integration is provided with Philips' video sharing platform "BlueTube" and Microsoft SharePoint, and Philips has also implemented several applications which make use of the Socialcast API, including an Employee Events mobile application, the Philips Social Media Diploma app, and the Brand Passport app. In 2014, single sign-on was implemented across all these services.

Figure 1 The Philips Community homepage



Source: Philips

Figure 2 The Philips Community widget in the Philips intranet



Source: Philips

Community

The selection process at Philips was carried out by the Communications team in conjunction with Philips IT. The company's key priorities were that the solution was easy to use, that it was low cost to implement, and – most importantly – that the team felt that it could work closely with the vendor, and influence the direction of the product. Philips chose Socialcast, which was still an independent start-up at the time, and initially took the view that it would commit to trying out the technology for 12 months, and then assess the initiative's progress.

The project to prepare the new platform for launch took just 11 weeks, including the finalising of contracts and legal checks, configuring and setting up the platform, and preparing communications and promotional materials.

In March 2010, Philips opened up the platform to a pilot group of around 300 people, hand-picked from the Corporate Communications and Marketing teams. The pilot phase was designed to test the technology, and also to begin populating the new platform with content before inviting the broader employee base.

On 1st May 2010, the platform was formally launched to the pilot group and a select group of the most active users on the existing free microblogging platform, with the ability for them to invite additional colleagues to join the community. After two weeks, the community was opened up to the whole organisation, allowing employees to join without an invitation.

The approach

Launch and early adoption strategy

With responsibility for adoption falling to Agusi following launch, the pilot user group formed the foundation for the initial adoption strategy at Philips, with Agusi cognisant of their value and potential as the strategy pushed into the broader organisation. One of the key activities during the six week-pilot was to get input in deciding a name for the community. Pilot users voted for their favourite, and this was extremely valuable in cementing their sense of ownership over the new platform, and their desire to make it a success. This group of individuals became the first “ambassadors” for the community, and were encouraged to be active users of the platform, and in turn to encourage their peers and colleagues to join the online conversation.

As part of the promotional activities for the new community, Agusi offered bi-weekly training sessions to the pilot group, explaining to employees how the technology worked, and offering a gentle introduction to the concepts of the online community. Training was also offered to teams. Very quickly, Agusi realised the importance of explaining to employees not just *how* to use the platform, but *why* they should use it, and adapted his training approach to better support this. Ambassadors were also encouraged to provide training to their team or department, and promotional/training materials were shared with them to help them in this.

For executives, Agusi worked on a one-to-one basis to help them understand the purpose and value of adopting the platform; this often proved to be a challenging exercise, with Agusi ending up convincing them to simply try using it for three months, to discover its potential for themselves. Although this was a time-consuming activity, Agusi saw it as a key investment which would help accelerate adoption in each of their areas of the business.

A training site for Philips Community was also set up on the corporate intranet ready for the launch, which included videos and user guides to help people get started using the new platform. This was very well used, especially in the early days of the community.

Ongoing adoption investment

Over time, Agusi's adoption strategy has evolved and expanded to help maintain momentum as the community moved beyond novelty status and has become more embedded in the organisation. While in the early days Agusi carried out the majority of support and adoption activities himself, today he spends just 40% of his time in community management, having shared responsibilities for various activities out across the organisation.

Community

Each business area within Philips now has an assigned individual who has responsibility for adoption of Philips Community within their area, and this is an explicit element of the personal objectives that they are measured on. Some training is still provided where needed (for example when new employees join Philips), but this is delivered by the Productivity Office within Philips' IT department.

The Philips Community ambassador network remains in place; the group of participants – which now numbers around 100 – has evolved over time, with some of the original ambassadors still involved, along with some new additions. Similarly, the role of ambassadors has changed with time; while in the early days of the community their focus was on helping colleagues to understand the value of the tool and how it works, now the emphasis is more on representing community members in the development of the strategy and platform. Agusi continues to engage with ambassadors regularly via a private group, for example providing them with updates on the roadmap, and encouraging input and ideas from them. The group has a sense of exclusivity about it, with ambassadors taking a central role in helping design and develop the platform.

In 2012, gamification features were added to the Philips Community to help drive adoption; employees were given the ability to award colleagues "Thanks" badges that were aligned with the company's "Accelerate!" transformation program. The badges are designed to encourage positive behaviour, and although they aren't tied to the formal appraisal process or to any type of league table, an employee's manager receives an email notification when the employee is awarded a badge, enabling them to be recognised more openly.

Gaining buy-in from executives has also been an ongoing activity for Agusi, who continues to look for new ways to gain their attention and spark their interest. One particularly successful campaign was held around the Philips Leadership Summit in 2012, where 300 executives were attending in person and an additional 450 attending virtually. Having already assigned the company's top leaders a "digital buddy" to assist them, a custom Socialcast-powered app was created for the event that provided all the meeting materials, and included a private group where attendees could post and comment. A gamification feature was used to score them on the quality of their posts, based on the comments and likes they received from others, and a leader board showed how they ranked among their peers. The leader with the most points at the end of the summit received a t-shirt declaring them the most digital leader of the summit. As a very competitive group, this worked very well, giving leaders an opportunity to take the time to work out how it worked, to learn from peers, and to experiment in a non-business critical but also a non-threatening environment. Importantly, their use of the platform continued after the event as well.

In his community management role, Agusi continues to encourage use of the platform, recommending best practices and tracking adoption levels, but it has reached a level of maturity where the community largely has a life of its own. In the early days of the community a significant part of Agusi's time was spent collecting and sharing success stories and use cases across the organisation, but there is less need for this now.

Adoption progress

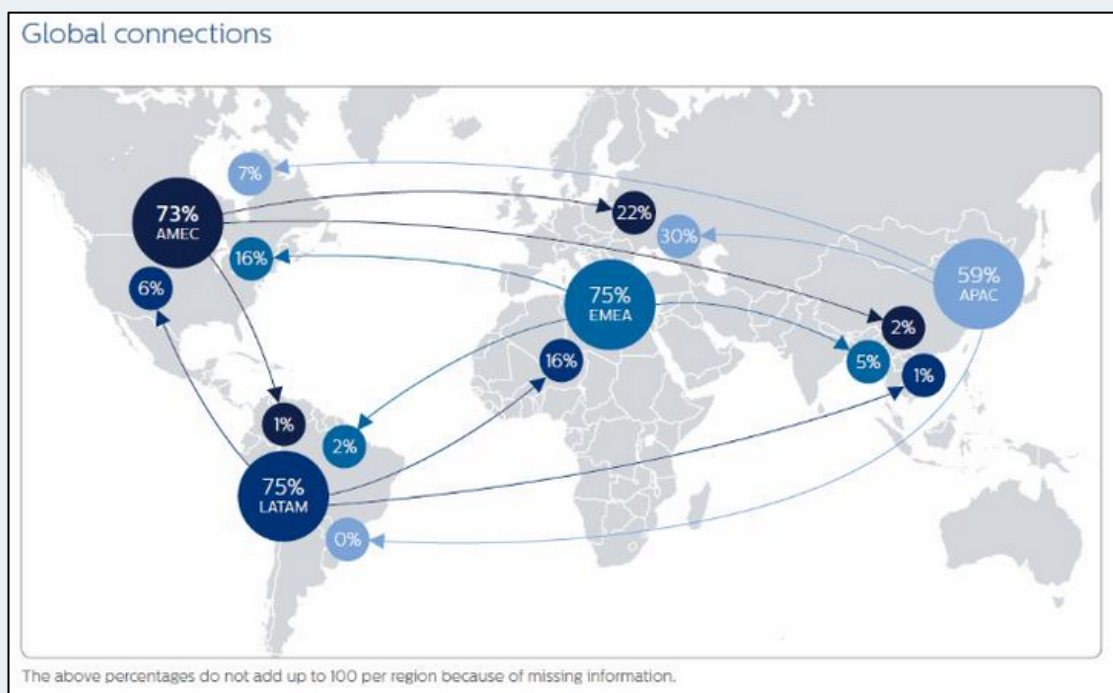
Agusi's strategy for adoption at Philips had delivered rapid results; in the first two weeks after the pilot, membership on the platform grew to more than 2,000, with 10,000 people signed up by the two-month point. A week or so after they were given Socialcast, no one was using the free microblogging platform any more. Today – five years on – Philips Community has 63,000 users signed up, with around 40% using it at least once a month, and around 10% contributing regularly. Around 1% are considered "super-users"; i.e. they contribute more than 10 posts per month. These adoption figures compare well with the 70,000-strong user base of the Philips intranet. The remaining workforce comprises mainly factory workers, and after internal research it was determined that the platform was not of value or interest to them as it would require them to participate in their own time (outside shift hours).

Community

The most active areas of the organisation within Philips Community are the central functions of Communications, HR and IT, with the most active groups being the Continuous Improvement group (with over 2,000 members) and the Health Systems group (with almost 10,000 members). The more traditional areas of the Philips business – particularly where there are a higher percentage of factory workers – have seen slower adoption; the enthusiasm of the business leader in a particular area has also had a significant impact on the adoption in that part of the business.

Agusi places considerable importance on the value of closely tracking activity within the community, collaborating with a data scientist to create quarterly reports that show progress and trends. These reports, which are vital for demonstrating the value to Philips executives, track – at an overall and a group-level – metrics such as whether people are interacting most with peers, executives or middle management; how quickly questions are being answered and where in the business those answers are coming from; and trending topics in discussions. Additionally, in March 2015, a new app was launched at Philips which allows group community managers (in fact, any user) to see how their community/group is being used, and benchmarks them against other groups. This is designed to help further delegate the community management responsibility, helping individuals to understand the dynamics of their groups, and track performance.

Figure 3 Philips Community analytics – showing cross-geography responses to community questions



Source: Philips

Key use cases

Philips has seen the following Community use cases develop particularly strongly:

- **Internal helpdesks.** Philips has several successful helpdesk communities operating on the platform, including the IT Service Desk, an Apple Service Desk, and Mobile Enterprise Services. By taking a self-service, Q&A / knowledge base approach to these support functions rather than the traditional email-and-phone approach, the support teams in question have been able to provide much faster response times to their customers while maintaining very small teams of experts.

Community

- **CFO “Town Hall” Q&A sessions.** These sessions have a specific timeslot where employees can ask questions of the CFO in real-time, with moderators helping during the session. The CFO has found this to be a great way to reach a lot of people in a very focused way, allowing him to see the perspective of employees while also becoming more approachable.
- **Employees as a feedback group.** The “Bike2Work” group within Philips Community was created as a social group, but as one of Philips’ product areas is bike lamps, this has also proved to be a great testing and feedback group when new products are being developed and launched. Interestingly, the product teams find the group members are often a tougher audience than standard test groups, and tend to be more critical and challenging because they want the product to be good. The positive result is that it ultimately saves Philips both time and money.
- **Philips All Employee Jam.** In 2012, following the launch of the new Philips mission and vision, “Improving people’s lives through meaningful innovation”, a crowd sourcing campaign was created via the Philips Community to encourage people to share the ways they were achieving this¹. This campaign was incredibly successful, prompting 390 contributions from across the business; the most “liked” stories were turned into a PDF booklet and reused in internal and external campaigns. In 2013 the company held another jam about the corporate brand, and this was even more successful, receiving almost 1,400 stories from over 60 countries.

Governance and lifecycle management

Philips has an open approach to content creation on the Philips Community platform; anyone can create a group, and it can be about any topic, business or non-business. The organisation has a published set of social media guidelines which include statements about privacy and corporate policies – and in establishing the community, Agusi created a formal, written process for governance on the platform, which was shared with the ambassadors group. The document outlined how to handle issues that arise on the platform, with various degrees of severity from a discretionary response through to a full HR escalation. However, although community members can report inappropriate content to the community manager via the platform, there have been few issues since launch, with perhaps one or two messages requiring removal for confidentiality reasons (around the launch of a new product, for example) rather than because of inappropriate use of the platform.

From a lifecycle management perspective, groups which are inactive for more than twelve months are automatically archived; the relevant group community manager is notified three weeks in advance, and is given the opportunity to notify if they want to keep the group open.

The results

The rapid adoption of the community platform – with 10,000 users having voluntarily signed up by the end of the first year – was crucial in gaining the buy-in from senior executives within Philips and helping to convince them of the value of the social collaboration technology, but more importantly of the demand for a better means of communication and collaboration across the organisation. In mid-2011, coinciding with the 1-year anniversary of the community launch, Philips embarked on a new, 5-year change and performance improvement strategy, called “Accelerate!”, which established broad goals spanning the company’s internal and externally-facing operations. One of these goals focused on driving a growth and performance culture, enabling the sharing of sales and marketing best practices and eliminating silos across the organisation. The Philips Community has become a central tool in enabling this, driving engagement and connecting people across the organisation.

¹ <http://www.simply-communicate.com/case-studies/company-profile/philips-all-employee-jam>

Community

In line with this strategy, Agusi's extensive analysis of the community data has revealed some of the benefits that the organisation – and employees themselves – have gained from social collaboration. For example:

- **Better connecting different geographies.** 25% of comments against posts in a recent quarter were made by someone in a different region than the original poster.
- **Flattening the organisational hierarchy.** Over 40% of comments against posts were made by people at a different level in the organisation to that of the original poster (for example executives vs. middle managers vs. employees).
- **Improving productivity and efficiency.** 55% of community members' questions are answered within one hour, with 90% answered within 24 hours.

Anecdotal examples show the difference the community has made to individual employees. One person, who had been trying to identify an appropriately-skilled IT employee for more than three months, was able to find them in 24 hours through a Q&A discussion on Philips Community. Another employee found the answer to a query on the Community within 13 minutes, whereas the helpdesk took an additional two days to respond.

Although there are parts of the organisation that are still to fully embrace the community platform, in the five years since the Philips Community was launched the culture across Philips has experienced a shift, with a growing recognition among employees and executives alike of the benefits that can come from a more connected organisation.

Recommendations for adopters

In our conversations with Philips for this case study, Dennis Agusi offered the following recommendations for organisations embarking on a similar initiative:

- **Existing use cases can be a great way to convince stakeholders.** Though the viral adoption of the free microblogging service raised various concerns at Philips, it also helped Agusi to identify some valuable initial use cases for a social collaboration strategy, because employees were clearly already getting value from the improved networking and communication opportunity. These were particularly useful in convincing key stakeholders of the need to try something different, and of the benefits of a social collaboration approach.
- **Show executives the value; don't just tell them.** Where executives are struggling to see the value of them or their team using the new social collaboration tool, despite being shown an array of success stories and examples of others seeing the benefits, Agusi has found that often it's very specific, personal examples of where the platform delivers value that can help to convert them. In one case where there was lots of negativity from employees about a certain (apparently unexplained) policy decision, convincing the executive in question to post their reasoning for the decision on the community helped to calm the situation, while showing them the power of a transparent approach.
- **Don't underestimate the need for training.** One of the key advantages of social collaboration technologies is that they are relatively simple to use, but that doesn't mean that everyone is happy to find their own way. Some will work it out for themselves, but for others training is necessary to give them the confidence to experiment with the technology.
- **Integration with workflows and existing applications is crucial.** It was implemented separately to the intranet, but the community was integrated with the intranet from the beginning in order to demonstrate its value and increase its visibility. This drove demand to enable the same integration within other business apps, helping to drive adoption and increase the power of the community.
- **Ambassadors are key to making your community a success.** Driving adoption across a large organisation is challenging, especially when you only have a small team. An ambassador network helps to spread the load, as well as localising the message for different audiences.

Community

Best practice insights

Philips' story offers a range of best practice insights for organisations embarking on their own social collaboration initiatives, not least by highlighting the importance of a carefully planned and managed adoption strategy, and an enthusiastic, but also a strategically-minded community/adoption manager. Having been involved in the initiative from the beginning, Dennis Agusi's role has changed and evolved significantly over the five years since the launch, with key responsibilities relating to the support and maintenance of the Philips Community platform having gradually been absorbed into various other parts of the organisation. This demonstrates the shift from the community being seen as a standalone initiative into an integrated, operational platform, and has no doubt helped to cement its presence as a critical communications platform within Philips.

Another important best practice to highlight is Philips' rigorous and ongoing use of analytics in assessing not just the rate of adoption of the community platform, but the impact that the adoption is having across the organisation. By committing to reporting on a quarterly basis, this helps to maintain the level of recognition among executives of the value that the community is adding, and its role in supporting the overall performance improvement goals that form the company's Accelerate! strategy. Importantly, the organisation now has much greater visibility into the way that its employees are working together – something that would have previously relied purely on anecdote-gathering.

The final point to note is that – even five years on – this initiative remains an ongoing work in progress for Philips; there are still goals to be reached around adoption, particularly in parts of the business where there is a greater proportion of factory workers. Although he has been able to delegate some of his early responsibilities, Dennis Agusi's community manager role – continuing to promote the community, encourage people to contribute, and of course report on the progress and continuing value to the business – remains an important ongoing investment for Philips.