

APQC MEMBERSHIP CASE STUDY

How APQC Helped a Technology Giant Weather Change Through Process Excellence

PHILIPS

COMPANY STATISTICS

- ◆ Industry: Health Technology
- ◆ APQC Member Since: 2010
- ◆ Total Employees: 100,000+
- ◆ Headquarters: The Netherlands

“APQC is continuously looking for new innovations and developments that are out in the market, and they investigate if those can be useful and beneficial ways of working. That’s one of the areas that APQC is very good at.”

– Peter Keukelaar, IT Quality Lead, Philips IT

In a fast-paced, global technology organization such as Amsterdam-based Philips, the only constant is change. Through growth, acquisitions, divisions, and reorganizations, it’s not uncommon for employees to move around within the organization, so pinpointing and documenting internal processes is imperative to retaining organizational knowledge and maximizing efficiency.

To standardize processes across its worldwide operations and multiple divisions, Philips turned to APQC’s Process Classification Framework®. Through all the changes, the PCF – and other benefits of APQC membership – have helped employees maintain the consistently high standard of innovation that has made the company a global technology powerhouse.

“Despite the fact that the organization and its governance and management structure is changing, the process structure and standardized core remain constant,” says Peter Keukelaar, IT quality lead at Philips. “Employees may become members of a different organization or a different part of the IT community, or they may have a different manager or position, but they still know what to do and expect from each other. Using a process view instead of an organizational view helps people find their role and understand what they need to do. Processes will improve and innovate, due to day-to-day improvement and larger changes. Their structure and standardized core allow that to happen, while ensuring continuity.”

Keukelaar uses the PCF as a baseline for modeling processes within the IT organization, transferring the PCF into Philips’ own process framework using a process management tool called ARIS. By modeling processes from end-to-end, Philips has created an invaluable resource that employees can access to enhance their work.

“If I am in IT, and I want to know how we do solution architecture, I can find processes related to solutions architecture, along with roles, activities, outgoing information, templates, and reports,” he explains.

Adapting the PCF to populate Philips' internal process storehouse took multiple years and extensive collaboration. The biggest hurdle, Keukelaar notes, was to find the right balance among a small team of people – each representing a larger community – who came together to determine and document the best process out of the many ways a specific task could be performed.

The company embarked on a multi-year journey to describe all processes in its operational domains – especially those high-impact processes called the company's "execution backbone." For example, many people in different parts of the organization were handling invoices, so a team was formed to find the single most efficient processes and align all affected employees behind it.

"Agreeing upon a process, and supporting it with the right tool to standardize that process, helps us become more agile and reduce costs by simplifying our tools," he says.

This system has proven extremely valuable during acquisitions, as it allows incoming employees to quickly adapt to the ways of working within the Philips organization. And, as best practices are discovered in newly acquired organizations, they can be easily compared to existing Philips processes and quickly disseminated throughout the many teams executing the same process.

When Philips split its company into two distinct businesses in 2016, the PCF also allowed the company to safeguard against the loss of process knowledge as people moved from one organization to another.

DIVING INTO KNOWLEDGE

Philips' APQC membership also gives Keukelaar access to APQC's [Knowledge Base](#), filled with research, best practices, and benchmarking studies. He regularly taps all of these resources to work smarter, faster, and with more confidence that Philips' processes are the best they can be.

"I go to APQC's Knowledge Base for improving processes, looking for benchmarking studies and white papers on specific subjects so I can dive into certain areas," he says.

Through APQC's [Benchmarking Portal](#), he gets on-demand reports that help him better understand how Philips' processes and key performance indicators compare to those of other organizations he specifies. Because the Benchmarking Portal connects to the PCF, he can directly compare Philips' own processes to others outside the organization, and learn how others solve similar issues.

"This helps me focus on the right processes that we should be looking into, so that we don't have to reinvent the wheel. And it helps me showcase to management that we are already efficient in certain processes, and explain where we have room for improvement."

He has been particularly happy to find such a wealth of best practices and benchmarking data that are specifically applicable to his specialty area of process management within IT organizations.

“APQC has a great network across organizations worldwide,” he says. “So the knowledge you get is not limited to something local; it’s a globally accepted standard. It’s quality, reliable information.”

KNOWLEDGE SHARING

To promote its APQC membership to all employees, Philips maintains an APQC Twitter feed on its internal website. Keukelaar frequently refers his colleagues to the APQC membership resources for benchmarking data and specific information and answers.

Keukelaar also enjoys participating in APQC webinars and process conferences, where he has formed a network of peers and experts who are interested in solving similar challenges and share his passion for process. These contacts stay in touch throughout the year, collaborating to share ideas and organizing site visits for hands-on, experiential learning.

In Keukelaar’s continuous quest for improvement through process management, he is pleased that APQC stays at the vanguard of the latest thinking within the process management realm.

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LEARN MORE

Visit APQC’s website to [learn more about APQC membership](#).

ABOUT APQC

APQC helps organizations work smarter, faster, and with greater confidence. It is the world’s foremost authority in benchmarking, best practices, process and performance improvement, and knowledge management. APQC’s unique structure as a member-based nonprofit makes it a differentiator in the marketplace. APQC partners with more than 500 member organizations worldwide in all industries. With more than 40 years of experience, APQC remains the world’s leader in transforming organizations. Visit us at www.apqc.org, and learn how you can make best practices your practices.