



Global reach
Local knowledge

Case Study | Signify

Safeguarding HR and payroll continuity and compliance

Dual outsourcing strategy pays off for global lighting business following carve-out.



Industry

Light sources, luminaires, lighting systems and services



Services provided by TMF Group

Payroll
HR administration
Accounting



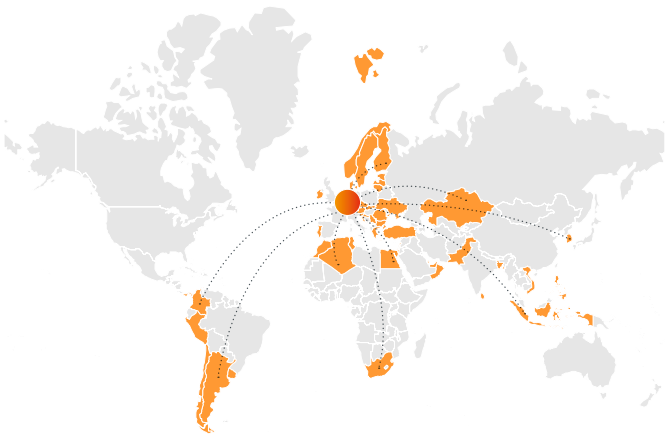
Employees served by TMF Group

More than 1,300



Jurisdictions covered

Global lighting business Signify turned to TMF Group to ensure the continuity and compliance of its multi-country payroll and HR administration following its carve-out from Philips.



Algeria, Argentina, Austria, Bangladesh, Bulgaria, Chile, Colombia, Croatia, Czech Republic, Denmark, Egypt, Estonia, Finland, Greece, Indonesia, Ireland, Israel, Kazakhstan, Latvia, Lebanon, Lithuania, Luxembourg, Morocco, Norway, Oman, Pakistan, Panama, Peru, Philippines, Portugal, Qatar, Romania, Serbia, Slovakia, Slovenia, South Africa, South Korea, Sri Lanka, Sweden, Switzerland, Tunisia, Turkey, UAE, Ukraine, Uruguay and Vietnam.



About Signify

Number one in conventional lighting, LED and connected lighting

86 million-plus connected light points

Around 38,000 employees

100% carbon-neutral global operations

Present in over 70 countries

€6.5 billion sales in 2020

Signify (Euronext: LIGHT) is the world leader in lighting for professionals and consumers, and lighting for the Internet of Things. Its Philips products, Interact connected lighting systems and data-enabled services, deliver business value and transform life in homes, buildings and public spaces. With 2020 sales of €6.5 billion, it has approximately 38,000 employees, and is present in over 70 countries. The company achieved carbon neutrality in 2020, and has been in the Dow Jones Sustainability World Index for four consecutive years since its 2016 IPO.



The challenge

When Royal Philips divested its lighting business in 2016, it effectively created a brand-new global business. Having been part of a long-established international operation, the new company – known as Signify since 2018 – needed to establish its own administrative structures and processes for around 38,000 employees in more than 70 countries worldwide. Among these, one of the biggest challenges was ensuring the proper handling of HR and payroll across the newly created business.

Signify's larger offices inherited the outsourced payroll processing contracts it had in place when it was part of Philips, backed up with in-house HR admin teams. However, for the scores of medium-sized and smaller Signify offices around the world, the transition was significantly more complex. These offices had a patchwork of outsourced payroll provision arrangements, with little or no in-house HR expertise available in most locations. Consistency was a challenge, and the company had even

suffered from a local payroll partner closing without warning, leaving it entirely without support in that country.

Not only was this inefficient, it also represented a significant business risk, as Signify's Head of HR Services, Martijn Voermans explains:

"We had a rather scattered model for delivery of payroll in countries where we have a limited number of employees. Our key challenge was to safeguard compliance and continuity, ideally with a single service delivery model for our internal customers."

Signify needed a partner that could ensure continuity by delivering efficient, accurate and timely payroll services around the globe, and could also handle the complexity of ensuring pre-payroll HR admin was in place. Moreover, this had to be compliant with the widely varying employment rules and regulations in many locations around the world.



The solution

Having investigated the market for outsourced payroll and HR admin providers, Signify chose to work with TMF Group. “There are very few providers who can deliver integrated HR and payroll services with the combined global scope and reach, implementation and execution capability, and reliability of TMF Group,” says Martijn Voermans.

TMF Group now delivers payroll services for Signify in 46 countries, along with HR admin services in most of these locations, as well as accounting services in eight countries. It is also rolling out its TMF Horizon middleware, which will give Signify a complete overview of payroll delivery performance across all of its operations – including employee satisfaction.

Signify now relies on TMF Group to deliver complete employee administration in these countries – from hire to retire – dealing with everything from ensuring it has the right legal contract frameworks in place, through to compliance with local time and attendance rules and regulations, and handling local payroll-related queries and error reports.

“We have been able to rationalise our in-house resources, and focus on delivering strategic value rather than dealing with operational hygiene factors,” says **Martijn Voermans**.

“This has allowed us to implement a single-source solution with a balanced business case across all our small and medium-sized offices”.

“By bundling payroll and HR admin together in one service contract, we benefit from improved accuracy and coordination. I and my team only have a single point of contact to go to if there are any issues, and we know we will have the appropriate management attention given to us. With TMF Group on board, we are able to trust that every office has a solid team in place for payroll, whether it employs one person or one hundred”.

“We have a well-structured global team managing our services in TMF Group, with clear lines of responsibility and communication at every level; from high-level global strategic direction down to local day-to-day operational issues.”



With TMF Group on board, we are able to trust that every office has a solid team in place for HR and payroll, whether it employs one person or one hundred.”

Martijn Voermans
Head of HR Services
Signify

We make a **complex** world **simple**



One world of local service

TMF Group is a leading provider of critical administrative services, helping clients invest and operate safely around the world.

Our 9,100 experts and 120 offices in 85 jurisdictions worldwide serve corporates, financial institutions, asset managers, private clients and family offices, providing the combination of accounting, tax, payroll, fund administration, compliance and entity management services essential to global business success.

We know how to unlock access to the world's most attractive markets – no matter how complex – swiftly, safely and efficiently. That's why more than 60% of the Fortune Global 500 and FTSE 100, and almost half the top 300 private equity firms, work with us.

Our unique global delivery model, underpinned by our innovative digital platforms, means we can cover sectors as diverse as capital markets, private equity, real estate, pharmaceuticals, energy and technology, with experts on the ground providing local support.

With year-on-year growth averaging 8% since 2013, TMF Group is a trusted and reliable partner. Whether operating across one border or many, with a handful of staff or several thousand, we have the business-critical support you need to expand, operate and grow while remaining compliant, everywhere.

www.tmf-group.com



Global reach
Local knowledge

Interested in finding out more?
Get in touch

[Make an enquiry](#)

Connect with us!

