



Metso Paper: Continuously Improving Operational Effectiveness through Customer Feedback

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- **Rick Leroux**

General and Business Manager, Metso Paper Canada

About Metso Paper

Metso Paper is the leading global supplier of processes, equipment, and services to the pulp and paper industries. The company develops and delivers complete production lines, rebuilds and modernizations, as well as know-how, and expert maintenance services to pulp, paper, board, and tissue producers worldwide. Metso Paper is dedicated to using its unique combination of process know-how, machinery, and automation to support customer success over the entire process life cycle.

Metso Paper's install base, amounting to roughly 1,500 paper machines and 800 pulping processes in operation today, create a firm foundation on which to build new know-how and aftermarket services. And Metso Paper is active in all main market areas with its own manufacturing, sales offices, and service centers.

Metso Paper is part of **Metso Corporation** (www.metso.com), the core businesses of

which are Metso Paper, Metso Automation, Metso Minerals, and Metso Ventures. With net sales of € 4,221 million Euros and 22,000 employees, Metso Corporation is one of the biggest industrial companies in Finland, and has a major presence in North America with operation in Canada and the United States. Metso Corporation is listed in the Helsinki and New York Stock Exchanges.

The Challenge

The North American pulp and paper industry has undergone significant change. With new plants in Asia and South America, the industry is now global, and more competitive in nature. There is more paper on the market and margins are thinner. Few companies are building new mills. However, to remain competitive, many companies are retrofitting mills and seeking ways to continuously improve processes and output capacity of employees and machinery. This has led to growth in technical consulting services and the aftermarket.



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As Metso was striving to become more intimate with customers, the company's Canadian operations began to upgrade to the more client-focused **ISO 9001:2000** certification. One of the requirements of ISO 9001:2000 certification is the need to implement a customer feedback program. Metso Paper Canada viewed this as an opportunity to develop greater awareness of its customer expectations in order to improve its operations.

“We wanted to implement a comprehensive but practical survey. We looked for a third party with progressive and innovative survey delivery and analysis expertise,” said **Rick Leroux**, *General and Business Manager* with Metso Paper in Montreal, Quebec.

Looking for ease of survey customization, delivery, and reply, Metso selected The Agili-T Group. The Agili-T Group's feedback solutions are fully customizable and garner extremely high participation rates. Agili-T also offers extensive know-how in the development and implementation of effective feedback programs. Since survey replies are delivered over the Web, Agili-T can apply advanced real-time analytics to quickly produce results.

The Process

Agili-T began working with Metso Paper Canada in 2004. The goal was to capture valuable and pertinent feedback from client stakeholders and then deliver customer intelligence to senior management at Metso.

Agili-T worked with Metso to determine the specific customer interaction areas the survey should cover. For instance, Metso needed to know which departments—sales, service,

engineering, and so on—needed to improve processes, and required the type of information that would allow Metso to make positive, constructive changes. Once that was determined, Agili-T plotted a feedback strategy.

Agili-T met with Metso senior management and business unit managers during a discovery phase to acquire an in-depth understanding of the organization, customer landscape, competitive environment, and the drivers of customer satisfaction and loyalty. Based on discovery information, Agili-T then proceeded to:

- Identify Key Performance Indicators (KPIs)
- Develop a comprehensive survey questionnaire to serve as an operational effectiveness assessment tool
- Determine the data collection instrument to be used
- Establish an internal and external communications program to make both Metso clients and Metso managers aware of the program and the reasons for it
- Produce an analytical framework to deliver meaningful survey results to Metso based on the overall paper business, board business, tissue business, and fibre business

The analytical metrics enabled Metso to understand how each business unit was performing and gauge any performance gaps between corporate and mill level client stakeholders. In addition, individual **Customer Scorecards** were developed so Metso could understand its performance for given accounts, enabling the company to improve its Key Account Planning strategy.



The Solution

Before designing and deploying the survey, Agili-T consulted with Metso customers (including stakeholders at the CxO, maintenance, and plant manager levels) to determine the relevancy of a survey, to inform customers of the reasons for the survey, and to ascertain how companies would like to participate in the survey. Based on that, Agili-T designed an online Web survey using its

enterprise feedback technology to capture data. A paper survey was also offered as an alternative to respondents without online access.

The first survey was conducted in fall 2004, and the response rate was excellent. Agili-T obtained feedback from 90% of Metso

Paper's accounts, representing over 80% of the company's revenues. These results were highly representative of Metso's customer base. It also demonstrated a willingness on the part of Metso's customers to improve their relationship with the company.

Once the survey was completed, Agili-T submitted a report to Metso senior management and worked closely with Metso to develop an action plan.

Thank you letters were sent to all customers who completed the survey. The letter included an overview of the survey results and an indication of the actions that Metso planned to take based on those results. "In many cases, we sat down with customers and discussed the

results, then developed a series of improvement or alignment actions to implement needed change," said Mr. Leroux.

Business Impact

The survey was very well received by Metso customers and has had a strong, positive impact on Metso's customer relationships, Mr. Leroux indicated.

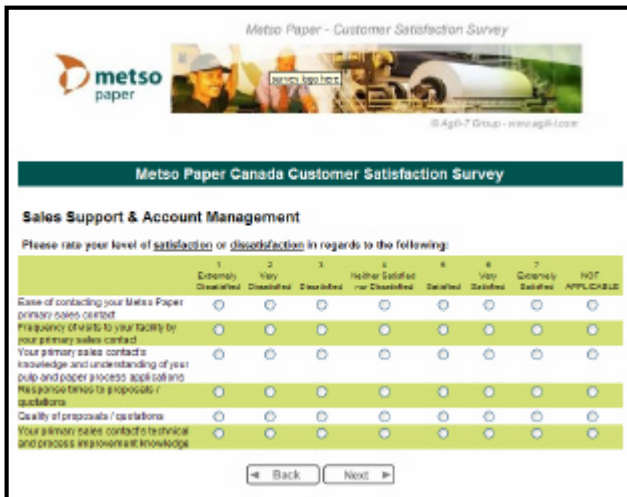
Metso used survey results to establish a customer service benchmark and then defined activities and areas that required improvement.

Metso also developed **Key Account Plans**—customer/business unit action plans—based on survey results, and began a yearlong implementation process.

Acting on the survey has enable Metso to improve operational effectiveness and operating processes. In addition, these improvements have helped boost revenue by over 20% in the accounts surveyed as companies understood that Metso was now customizing its approach to meet their particular business needs in an increasingly competitive market.

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For example, in an industry that is geographically dispersed over remote locations, process improvement consulting could be a timely and costly initiative. However, Metso is now tapping into expertise





from around the world and using Webinars and Web-based meetings to deliver valuable process improvement information in an affordable, yet interactive, environment.

Not only does this meet defined customer needs—to enhance competitiveness through knowledge transfers—but such value-added initiatives also allow Metso to differentiate itself from the competition. In an industry that has become cost-sensitive to products, this positions Metso as a company that sells lifecycle training and support in addition to technically superior products.

Implementing significant change can be a long and expensive process. Metso used its resources wisely, initially targeting key customers for service improvements. In 2005, Metso conducted a follow-up survey and found that its key customers acknowledged having experienced service improvements. These results validated the work that Metso had done, and encouraged the company to

continue its process and service improvement programs across the board.

The Future

The survey process that started in Canada was so successful that the identical program was recently implemented for Metso Paper USA and Metso Minerals Canada. Metso has indicated that they would like to implement this program globally.

As for Metso Canada, the company will partner with Agili-T to repeat the survey each year. However, now that Metso has established a benchmark, it will only survey slices of about 25% of its client base each year and do a full benchmark survey in five years. That way, Metso will not exhaust its audience and yet the company will receive enough valuable feedback to allow Metso to continuously improve its performance.

About Agili-T

Agili-T helps organizations capture and measure stakeholder feedback. Its software and services solutions enable organizations to improve stakeholder relationships, customer and employee retention, competitiveness, business processes, operational and financial performance. Agili-T combines science and technology to create effective, actionable stakeholder feedback programs which enable organizations to perform better.

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