

CONSTRUCTION I SRM, POM, ADVANCED SHIPPING NOTICE, QUALITY, SOURCING/RFQ

# **Expediting Suppliers with a Single Portal**

## **Customer Profile**

Metso is a leading process performance provider, with customers in the mining, oil and gas, and aggregates industries. Metso's cutting-edge services and solutions improve availability and reliability in minerals processing and flow control, providing sustainable process and profit improvements. Metso is listed on the NASDAQ OMX Helsinki, Finland. In 2013, Metso's net sales totaled EUR 3.8 billion. Metso employs

"When we were shown JAGGAER we did a total evaluation and performance tests in all of our locations. Everything came up really good after the implementation. Whatever requirements we had were met and everything matched one-toone and we knew this was the tool we needed to use."

Srikant Singh, Global Process Development Manager — Procurement, Metso Minerals approximately 16,000 industry experts in 50 countries. Today working in the purchasing department at a global enterprise almost always means using business software, such as SAP, for regular day-to-day operations. As new software solutions are implemented within the IT infrastructure, the divisions of purchasing must also follow suit, making sure their technology needs are met using best practice solutions with all in one state-of-the-art and flexible capabilities. After a global company-wide rollout of SAP from 2008 to 2011, Metso Mining and Construction, a leading process performance provider within the mining and construction industry, decided they were ready to start implementing the next set of improvements to their purchasing processes and solve some imminent challenges they were facing.

# Outdated Supplier Expediting

After closely evaluating their direct procurement processes, Metso determined that their procedures for expediting were hindering the purchasing department. The main issue was the extensive use of





slow, outdated manual processes by the buyers. For example, purchasers were often communicating with suppliers via phone and email. This was problematic because in many cases the information communicated was never officially recorded or documented --employees were never going back into SAP and updating the information. Not recording purchasing information not only affected planning data and forecasts, but it also was inefficient for buyers to spend that much time on the phone. Downstream processes were also suffering, as they did not have all the knowledge they required. Metso also discovered that their existing legacy solutions for contract lifecycle management and supplier self service, which were both important areas, no longer would fit into the new landscape and needed to be replaced. The company realized it needed to take action and the purchasing department leaders decided they wanted to build a system where suppliers could truly expedite themselves.

#### **The Solution**

The first step in the search for the optimal direct procurement system for Metso was to look at SAP as a solution provider. Not long after reviewing this option, the team at Metso realized that this option was heavily lacking in engineered-to-order functionalities, where sharing drawings with suppliers is very important. Engineered-to-order functionality was a make-or-break factor and ultimately the company decided to continue exploring their options. Metso needed a single comprehensive SAP-integrated portal including a quality module to communicate with their suppliers. After evaluating four separate systems the purchasing team returned to their CIO empty handed, unsatisfied with the capabilities of each of these systems. The next move was to

consult industry expert research firms, which eventually led Metso to discover JAGGAER's all-in-one supply collaboration platform.

### A One-to-One Match

After the initial review of JAGGAER, the team at Metso knew they had found what they were looking for. "When we were shown JAGGAER, whatever requirements we had were met and everything matched one-toone. We were extremely excited and knew that this was the solution for us," boasts Srikant Singh, Global Process Development Manager — Procurement, Metso Minerals. To be certain the solution was indeed their best option, Metso then evaluated JAGGAER from a volume and performance perspective and reviewed the solution's global capabilities. All expectations were met and the next steps were blueprinting and implementation.

#### **Goals Reached with JAGGAER**

- More efficient expediting processes
- User acceptance of response times globally
- Accurate planning data
- Support for contract lifecycle management and supplier self service
- → High supplier acceptance
- Improved supply base maintenance due to automatic reminders
- Improved data generation to back SAP



#### **Smooth Global Roll-Out**

The first JAGGAER blueprinting with Metso began in October 2013, followed by pilot implementations in April 2014. The system then went live in May 2014. The implementation immediately affected two parties: the Metso employees using JAGGAER and Metso suppliers. From a supplier perspective the responses to the solution were very positive. JAGGAER was easy for suppliers to use, requiring minimal training. One supplier even remarked that using the system was "as simple to use as Amazon." The purchasers at Metso are very satisfied with the supplier acceptance of the eSolution. The system's automatic reminders have reduced the workload of the Metso buyers and helped improve supply base maintenance. JAGGAER is SAP integrated, allowing the company to also use the platform indirectly as a mechanism to make certain SAP has all of the complete data Since the go-live, Metso has already increased their internal users count and will increase onboarded suppliers to over 1000 suppliers. Currently, Metso is using JAGGAER's allin-one solution globally in their facilities in Australia, Brazil, China, Finland, France, India, South Africa, Sweden and the United States. Future plans include expanding JAGGAER into their facilities in Canada, Chile, Germany, Mexico and Peru. From a software perspective, next steps for Metso will be seeking future opportunities in sourcing and transportation with the vision of integrating the transportation system with JAGGAER.

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