

Front line sales processes and tools transformation to meet the requirements of 2020's business environment

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<p>This thesis takes a look into Valmet's sales processes and tools to support those processes. Valmet is a global corporation based in Finland that delivers solutions and equipment to pulp, paper and energy industries around the world. The target of this thesis is to create a develop plan and development topics for new processes and tools for Valmet's frontline sales.</p> <p>Valmet engaged in new ERP implementation project that has expanded into corporate wide transformation program, called Leap Forward. One crucial part of the Leap Forward scope, is the development of frontline sales processes and tools.</p> <p>The sales process and tools and their nature and development needs create the basis for the empirical part of the thesis.</p> <p>The Leap Forward program is divided into several releases, and the target of the first release is to go live in November 2017 with services business line in Finland. For this part, a work group was established to collect the most critical requirements from frontline sales perspective to be developed and implemented in November 2017. This thesis is a spin-off based on the workgroup's final report.</p> <p>The result of this thesis is a development plan for Valmet's frontline sales, what kind of processes and tools they would be implementing in the first releases of the Leap Forward program. The research was done on the job and data was mainly collected from Leap Forward program workshops and subject matter expert meetings. Based on the data, development plan and process and tool mock-ups were created. These mock-ups were iteratively reviewed with subject matter experts and finally approved as basis for development. This thesis also takes a look a bit further into the future, and makes suggestions and ideas for future application landscape and tool functionalities.</p>	
Keywords Sales, sales process, process development, tool development, ERP, CRM	

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1 Introduction

Digitalization has been the hot topic in recent years. Companies of all sizes and on all industry segments have taken the digitalization challenge and produced amazing services and products for their customers through digitalization. We have stories of ultimate success, where one single company's digitalization effort has set the roadmap and changed the way of working and operating for the whole industry, for example, in Finland, banks took the digitalization challenge very early, already in the 1990s and have almost fully digitalized their offering. On the other hand, some companies are only awakening to the digital world and they are realizing the massive task ahead of them. But luckily, the world has changed since the 1990s and digitalization leap is technically not so massive any more than it was back then. Valmet is now facing the challenge of digitalizing, harmonizing and modernizing its internal processes. This research looks into the effort required for developing the frontline sales' processes and tools into digital age at Valmet.

1.1 Background and objectives of the study

Valmet is one of the leading developer and supplier of technologies, automation and services for pulp, paper and energy industries in the world. Valmet has 12000 employees globally. The services Valmet provides its customers include mill and plant improvement projects, outsourcing services and spare parts. In technology offering, Valmet supplies complete solutions for pulp mills, tissue, board and paper production lines and bio-energy power plants. (Valmet website, <http://www.valmet.com/about-us/valmet-in-brief/>)

Valmet targets in becoming the global champion in serving their customers. One of the enablers that is planned to take Valmet forward in its journey towards being global champion in customer service is the Leap Forward business transformation program. The Leap Forward program was created to modernize Valmet's business processes and tools to better meet the ever-increasing requirements by Valmet's customers, the main focus being in Valmet's ERP system renewal. The Leap Forward program was kicked off in August 2016.

The Leap Forward program is divided into template, design build and roll-out phases. During the template phase, in autumn 2016, some 250 business experts joined the program workshops in four separate sessions that all lasted for a week. During these workshop sessions Valmet's current business processes were mapped and so called 2020 target process state was created. The first ERP implementation roll-out for Services business

line in Finland, has been identified as one of the Valmet must-wins. (Valmet Annual Review 2016)

One of the specifically identified improvement topics during the workshops, was the role of processes and tools of front line sales. A dedicated work group was established in December 2016 to study the frontline sales tool and process development more in detail. The basis for this study derives from the outcome of this workgroup's, or task force group's, meeting.

The objective of this research is to form a target state and a vision for Valmet wide front line sales processes and tools for first waves of new ERP implementation, up to the year 2020 and even beyond. Based on the target state and the vision, an implementation plan is created to describe the changes needed in the entire organization, processes and tool landscape to reach the target state.

1.2 Research questions and the study focus

This study focuses on business transformation topics around frontline sales. The research question is:

- How to transform front line sales tools and processes so that Valmet is ready to face the challenges of the 2020's?

This main question contains sub-questions that define the research topic further:

- What are the tools and related processes that are going to be implemented?
- How to enable smooth implementation for the new tools and processes?
 - o E.g. offline usage, easiness and usability of the tools, wow-factors need to be considered
 - o User perspective into implementation
 - o Functional aspects need to be considered
 - Capability to serve the customer during the site visit
 - Improved and faster collaboration between sales, production, procurement and the customer
 - Online self-service channels for customers
 - Online tools for sales persons to be on top of the situation all the time. Knowing what happens in logistics, in project delivery
 - Ability to access order base status

This research is part of Valmet's Leap Forward business transformation program and its outcome will be part of the future roadmap for business application implementation.

The purpose of this research is to make suggestions for future tools and processes and provide an implementation plan for the tools and processes. The timespan of the business

transformation at Valmet extends to 2020's and frontline sales tools and processes will be implemented in their complete extent in early 2020. The focus of this research is to provide a concrete design proposal and development plan for the frontline sales processes and tools development in the first phase of the implementation, that is due to go live in November 2017. Also, a development and implementation plan is planned for further releases of the implementation.

1.3 Report structure

This research focuses in sales process and tools development. The foundation is created by gaining an overall understanding of the functionalities and characteristics of the main tools and processes sales, and especially frontline sales is using in general. More specifically the tools are Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP) tools. These are discussed more in detail in Chapter 2 of this research.

Research methodology creates the basis for the reliability and validity of the study, the chosen research philosophy – Pragmatism, Deductive research approach and Action research as research strategy are discussed more in detail in Chapter 3.

Chapter 4 focuses in giving a more detailed view on the actual research problem and the efforts to improve the identified development topic. Also, alternative options for frontline sales process and tool landscape development are discussed in the main chapter of this research.

In the last chapter, Chapter 5, the research is summed up by the conclusion and further research topics are discussed.

1.4 Most relevant concepts and acronyms

The most relevant concepts and acronyms for this thesis are described shortly in this chapter

CoMPass

Name of the current Valmet CRM tool.

CRM

Customer Relationship Management. Can be referred to as a management concept, in this thesis CRM concept is used to mean CRM systems.

ERP

Enterprise Resource Planning systems. A system designed to cover necessary business processes in the company so company can manage orders received from customer, fulfil customers' demand and invoice based on the fulfilment. Also, financial transactions are monitored in ERP systems.

Frontline sales

Function in the sales organization that is responsible for customer visits and customers' factory visits to evaluate customer needs.

Infor LN

Name of Valmet's future ERP solution.

KAM

Key Account Manager

MSM

Mill Sales Manager, sales person in charge of sales to one particular mill.

OBL

Order backlog, orders that have exceeded customer requested delivery date or promised delivery date.

Taskforce

A workgroup set up to define business requirements in Valmet's Leap Forward business transformation program

2 Sales process and related tools

This chapter explores the most relevant topics relating to this study – Sales processes and related tools. Sales processes vary a lot depending on the industry, company and even on the department of the company. In this chapter a closer look is taken into Valmet's sales processes and how it translates into process that is managed in different sales tools. Sales tools as a concept in general, cover a very large variety of different tools, in this chapter Customer Relationship Management (CRM) systems and ERP (Enterprise Resource Planning) systems are in focus – what are their common features and what differentiates them.

2.1 Sales process

Sales process is shortly put a systematic and pre-defined approach involving a series of steps that enables sales function to manage its work, and ultimately to close deals and make more sales. The series of steps in the process are systematic, randomness in the process produces random and uncertain results. The process, however, needs to allow randomness, as it is sometimes needed, so sales process needs to be flexible as well.

When a sales process is well designed, and defined, it results in:

- Predictability in the sales process outcomes,
- Repeatability in sales process activities. Best practices for every sales person to follow
- Tangible and measurable results, i.e. more sales.
- Relevancy – a well-designed sales process that produces tangible good results can be modelled to fit other organizations as well.

However, the goodness and quality of the process itself does not guarantee any results, the results are based on human work, after all. If the process is not implemented properly and adopted by the sales persons, it will bring no results. (Dvorak, D.

<https://www.nasp.com/article/D6BC485A-B705/how-to-define-a-sales-process-for-sales-success.html>)

The sales process is usually illustrated as a linear process with only a few steps, like in Figure 1. Many sales tools, like Microsoft's or Salesforce.com CRM tools, have out-of-the-box, ready to use, model sales processes in a graphical and user friendly way to guide the sales person through the process. All these processes are based on the very basic sales process that culminates into five main steps.

1. Prospecting – searching for the potential customer or sales case
2. Qualifying – evaluating the potential customers or sales cases, and selecting the most potential ones to be proceeded forward in the sales process.
3. Proposal and presentation – the offered solution is presented or delivered to the customer for evaluation
4. Negotiations – handling the objections, counter-proposals, reaching the agreement with the customer
5. Closing – signing the agreement and starting the handover to delivery

(Dvorak, D. <https://www.nasp.com/article/D6BC485A-B705/how-to-define-a-sales-process-for-sales-success.html>)

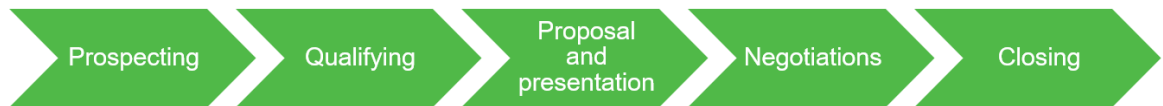


Figure 1. Basic sales process illustrated

Additionally, follow-up after closing, or so called, after sales, are mentioned as part of the sales process.

Valmet works in a challenging industry segment and especially larger sales cases can take up a year or more to finalize, they are almost as big efforts themselves as the actual solution offered to the customer. On the other hand, Valmet also offers spare part services and field services, where quoting is quick and very standardized, and the win ratio of the sales cases is high, as customers request for quotation on urgent needs. Therefore, Valmet has two distinctively different sales processes – one for so called solution sales and one for continuous business, they can be both described as one single process as they follow the same logic.

Valmet sales process handbook explains the whole sales process more in detail. Below, in Figure 2., the illustrated version of the Valmet sales process, with its phases and gates and comparing it to the customer purchasing process in the background.

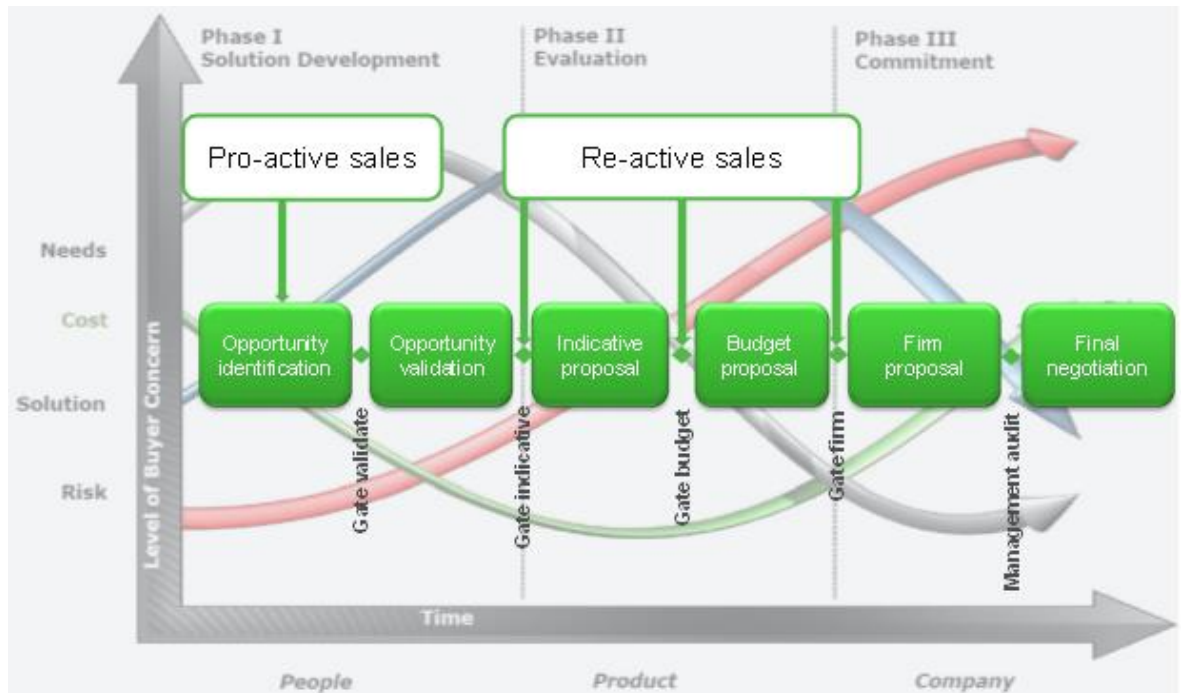


Figure 2. Valmet sales process phases and gates vs. customer purchasing process

Different terminology is used for different phases in the sales process, usually, the prospects are referred to as leads. After a lead has been qualified to continue in the sales process, it is called an opportunity, opportunities evolve into offers where the offering and proposal is presented to the customer and offers into orders once the customer accepts the offer. These terms are widely used in different CRM systems for managing the sales process.

2.2 Tools for managing sales process

ERP and CRM systems are the most common tools businesses use to run their business. Of course, these two types of systems are not the only business systems used in day-to-day life in business, but these two are the two types of systems that play the key role in increasing sales and improving efficiency. In this chapter a closer look is taken into the characteristics of both systems. (<https://www.crmswitch.com/crm-value/understanding-crm-erp/>)

2.2.1 CRM

Shortly put, a CRM tool is the place to record and store all information and activities related to customer. Modern CRM systems provide out-of-the-box solutions for managing customer interaction. With the tools, the processes and data can be highly standardized and harmonized, and therefore, data can be utilized by anyone using the system. The goal of CRM systems is to provide a comprehensive data, based on stored customer interaction, to increase sales and to improve customer relations. (<https://www.crmswitch.com/crm-value/understanding-crm-erp/>)

Data stored in CRM systems usually includes data entities such as:

- Customer data, with detailed segmentation information
- Customer contact person data, with insights
- Customer activity management
- Potential customers, or so called sales leads
- Sales Opportunities with estimates on sales probability
- Offers done to the customer
- Sales funnel information
- Customer claims or contact center information
- Marketing campaign and marketing list information
- Analytics of the above

Many companies have categorized their customers based on their sales volume, strategic importance, or purely on relationship basis. Customer categorization is created to guide sales personnel in identifying the critical customers and to concentrate their sales effort correctly to the right customers, at the right time, in a right way. If the sales management has a way to identify and know their customers more in detail, the efforts in sales management and frontline sales can be directed so that they serve the company strategy and long term goals. (Rubanovitsch & Valoranta, 2009, 46) This is where CRM systems are powerful and what they are created for. Picture 1. gives a glimpse to the large spectrum of different CRM system provicers.



Picture 1. The leading commercial CRM system providers (<https://www.crmswitch.com/crm-value/understanding-crm-erp/>)

Modern CRM tools have become more and more cloud based solutions, where the target organizations do not need to invest in building an infrastructure for a CRM system. The

cloud based solutions also offer greater accessibility to the system, whereas earlier, the systems were not available if the system user was not at the office location, or connected to the company network by other means. Mobility solutions bring the CRM systems to the sales personnel's mobile phones and tablets online and real-time, which is a remarkable advantage during customer on-site visits. Also, the nature of modern CRM tools has become more adaptive and flexible, so the target organizations can adjust and modify the system according to their business processes and needs, not the other way around. The users can access the data in their CRM systems in the format they want, wherever they want.

2.2.2 ERP

Although ERP and CRM systems share a lot of common information, and many of the systems share features and functionalities of the other system, they cannot do the other system's job. Whereas CRM systems are designed and meant to manage customer interaction data, and provide ways to manage the sales funnel and screen for sales opportunities, ERP systems are meant to execute and deliver the sales promise. Depending on the industry, the ERP system functionality scope varies a lot. A full-blown ERP set-up can include functional areas, or modules, such as:

- Order Management
- Supply Chain Management
- Manufacturing
- Inventory and Material Management
- Project Management
- Financial Management
- Management Accounting
- Human Resource Management

CRM can also be part of an ERP system, but these system-in-system solutions can be considered as real CRM systems, they can be described more as CRM functionalities.

(https://en.wikipedia.org/wiki/Enterprise_resource_planning;

<https://www.linkedin.com/pulse/what-erp-basic-features-benefits-implementation-tanmay-seth>)

ERP systems are, however, the so-called money making machines, the engine that drives the business, since they are the systems through which invoicing is usually done and all accounts receivables are managed. ERP gives the view to the actual status of the business by combining the views from the above mentioned functional areas together. By using data analysis tools, a real-time analysis can be derived from ERP for decision making.

(<https://www.crmswitch.com/crm-value/understanding-crm-erp/>)

Different ERP systems are many times targeted for different industry sectors, even niche industries and are very industry specific. The largest of the ERP solutions are very comprehensive and adaptable for different industries. The largest ERP providers in the world are partially the same as the top CRM providers, as can be seen in Picture 2.



Picture 2. The leading ERP solution providers (<https://www.appsruntheworld.com/top-100-erp-vendors-in-2012/>)

During the 1990's many companies endeavoured in building a modern ERP solution as during that time many business software was dating back to 1980's and was becoming soon obsolete or facing compatibility issues, for example, due to the year 2000. During that time, it was very common that ERP systems were acquired and implemented because of the functionalities and predefined processes they offered. These processes and functionalities aimed to streamline business processes and gain savings and efficiency through improved processes. The implementation of ERP was just seen as implementation of a software or a tool, not as a business transformation, that it actually is. ERP implementations got quickly labelled as automatic failures, as the users were not happy with the tools. The implementation of the tools usually was technically successful, but the change management effort needed for ERP implementation was not fully realised. In ultimate cases, ERP implementation means a complete change in the way the organization works, and this effort needs extremely good project management and very good planning. (<https://www.linkedin.com/pulse/9-critical-success-factors-erp-implementation-ahmed-ph-d>; https://en.wikipedia.org/wiki/Enterprise_resource_planning)

2.3 Future of sales tools

Now, in 2017, the short-term future of the sales tools, looks very cloud driven. More and more software and service providers are bringing their solutions available online instead of the more traditional on-premises model, where the target organization purchases the licenses and builds an infrastructure for the business application they wish to utilize in their operations. It is about availability regardless of time or place. Most of the commercial CRM solutions are available through online services, but ERP solutions still remain largely as on-premises solutions, mainly because companies regard ERP as the most critical business application they have. However, a shift towards cloud based ERP solutions has begun, as, for example, SAP, one of the largest and most well-known ERP vendors has started to deliver their cloud based solutions.

But will ERP and CRM remain as we know them now? Most likely not. In 2013, Gartner introduced the term “Postmodern ERP”, which predicts what will happen to ERP solutions in the near future. According to Gartner, the now still very common, massive and integrated ERP solutions, that cover all the company functions, will decrease eventually. The trend towards the massive ERP solutions began in the 1990’s when companies renewed their business applications and combined functionalities of different niche applications into one big solution. Now the trend seems to be back to highly function specific applications that can be integrated with each other by modern integration solutions. In a way, the trend takes the business application landscape back to the situation of the 1980’s and 1990’s, but with the significant difference of highly sophisticated integration possibilities of today. (<http://www.gartner.com/it-glossary/postmodern-erp/>; <http://www.gartner.com/smarterwith-gartner/5-ugly-truths-about-postmodern-erp/>)

3 Methodology

The chapter focuses on discussing the philosophy and approach of the research, also used research methods are discussed.

3.1 Research philosophy and approach

Pragmatism was chosen as the research philosophy for this research. In pragmatism, according to Saunders, Lewis and Thornhill, the most important outcome of the research findings is the practical outcome. The Research Methodology website mentions also, that, according to pragmatist research philosophy, the research question determines the applied research philosophy. Pragmatic research can also combine multiple research approaches and strategies in the same research study, for example, depending on the research question, the research approach can be either deductive or inductive. Deductive research approach was applied in this research. (Saunders et al. 2009, 109; Research Methodology: <http://research-methodology.net/research-philosophy/pragmatism-research-philosophy>)

In this research, only qualitative data collection methods are used to collect the primary data for the research. According to Dudovskiy on research-methodology.net article on deductive research approach and, also, according to Saunders et al. (2009, 119), pragmatic research focuses on practical applied research, where the researcher is also part of the research process.

Deductive research approach considers the research reasoning from general to the particular. This way the theory can be proven valid and functioning in the given circumstances. In practice, when doing research utilizing deductive research approach, the researcher forms hypotheses based on the theory. Then, a relevant research method is selected and applied to test if the hypotheses are valid or not. Deductive research approach is illustrated below in Figure 3. (Saunders et al. 2009, 124 – 125; Research Methodology: <http://research-methodology.net/research-methodology/research-approach/deductive-approach-2/>)

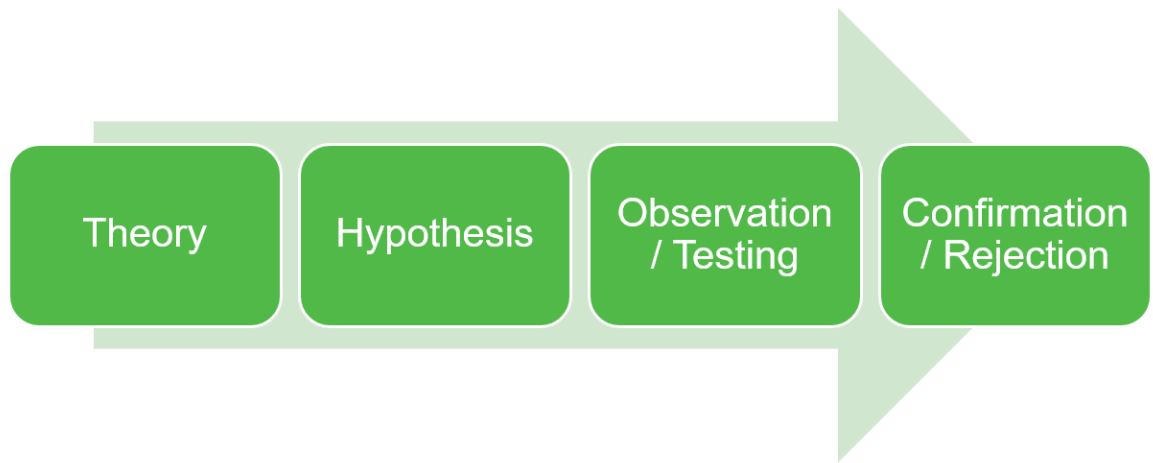


Figure 3. Deductive research approach

3.2 Action Research as Research Strategy

The chosen research method for the data collection in this research is action research. Since the target organization currently has sales tools but a comprehensive analysis needs to be executed to gain understanding on the development needs and implementation methods and plan. The focus in action research is to evaluate and analyse critically the observed practices to present improvement ideas and plan for the research target. (Research Methodology: <http://research-methodology.net/research-methods/action-research/>)

The main characteristics of action research, according to Dudovskiy on Research Methodology website article, are relating to collaboration between the researcher and members of the target organization to solve problems in the target organization (Research Methodology: <http://research-methodology.net/research-methods/action-research/>). Reason and Bradbury (2006, 4) point out that action research combines action, reflection, theory and practice in joint effort to come up with a practical solution to diagnosed problems in the target organization.

In action research, both the researcher and the research target are assumed being part of a social world that is constantly changing and they are also part of that change. (Research Methodology: <http://research-methodology.net/research-methods/action-research/>)

Action research process is based on creating an implementation or development plan, implementing the plan in action, evaluating the results and finally a critical analysis and reflection based on the analysis. The process is often described or illustrated as a cyclical process, like illustrated in Figure 4. The cycle is always initiated by an identified need for

change. Based on the reflection, new implementation or development plan is created and the cycle is repeated until desired result is reached. Through the action research cycles, very detailed and in-depth knowledge can be gained about the problem and the practical relevance for business research is high. However, lack of repeatability and rigour might weaken the trustworthiness of the research results. Also, action research requires time to repeat the cycle enough times to reach the desired outcome. However, not all change or development needs are necessarily action based research or require action research, for complete action research, research approach and cycle are required. It is also worth recognizing between action research and consulting, which does not include research, only action (Reason & Bradbury 2006, 1-2; Research Methodology: <http://research-methodology.net/research-methods/action-research/>)

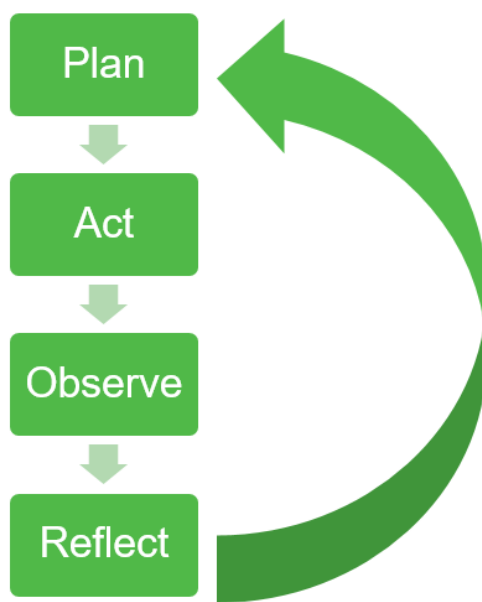


Figure 4. Action research cycle

Kananen adds also a development process dimension to the traditional cyclical process of action research. As well as the research process, the development process is also initiated by the identified need for change. Kananen's development cycle, Figure 5, includes the more traditional action research cycle, but defines the cycle in more detail. In the beginning the present state is analysed and the problems and factors affecting to it are clearly identified, also options for eliminating the problem are evaluated. If the present state and problem analysis are not properly done, the development cycle cannot be carried out accordingly and the change effort will not result in the expected outcome. (Kananen 2015, 42-43)

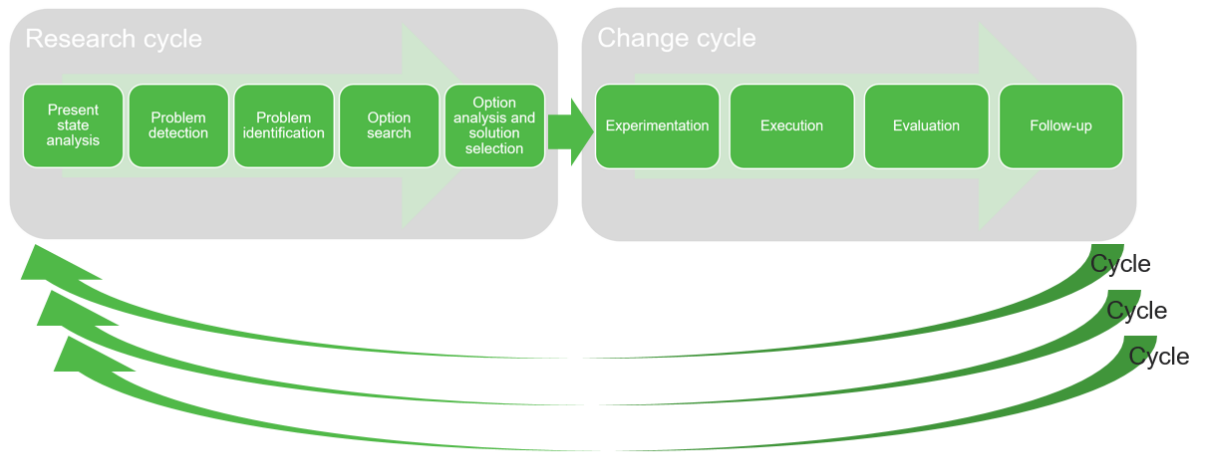


Figure 5. Development cycle by Kananen (2015, 42)

3.3 Data collection

A qualitative research aims to ensure deeper understanding on the specific topic and gain understanding on the phenomenon and form an interpretation of it. The research process is flexible and cyclical and it lacks the strictness of quantitative research as there are no predefined rules, methodological framework or guidance. The qualitative research uses words and sentences as well as different media to represent the data instead of numbers, like quantitative research. Often, qualitative research is done using mixed research strategy. (Kananen 2013, 31-32)

In this case study, interview and observation methods are used, so the data collection method can be described as multi-method qualitative research method. The research begins with unstructured interviews, or workshops, where many people are collected to discuss a specific topic over specified period of time. Based on the notes from the workshop a more detailed set of questions can be formed to address a smaller group of people on themed, semi-structured interviews.

3.3.1 Workshop, meetings and unstructured, in-depth interview

Unstructured interviews are informal interviews. They are used to explore the topic in a general, and therefore, they are also referred as 'in-depth interviews'. Very characteristics to unstructured interviews is that there is no predetermined list of questions, the conversation in the interview is free, so the interviewees can talk freely on the events, details and behaviour relating to the main topic of the interview. Therefore, the method is also called

non-directive interview, and informant interview. The interviewer or researcher might facilitate the conversation so that the conversation is kept within the topic in question. The unstructured interviews can take place as face-to-face meetings, or via virtual meetings on Skype or on video call. The interview method gives room for one-to-one interviews and group interviews as well. (Saunders et al. 2009, 320-321)

In this research, majority of the data collection happened during workshops and meetings, these events can be regarded as unstructured interviews, as there was no predefined set of questions for the workshops or meetings, rather the information was collected through different workshop methods, such as world café discussion groups, process walkthrough sessions and general discussion on the topic. Notes were taken by the facilitators and the notes were cross-checked after the workshops and meetings to capture all topics discussed during the workshops and meetings. Later, the notes were combined into one single memo for each of the workshop or meeting sessions and the memos were shared with the workshop and meeting participants and other interest groups. The memos were stored in Valmet's partner, Infor, project SharePoint site.

3.3.2 Theme interview in semi-structured way

Theme interview is usually an interview session between two persons, the interviewer and the interviewee where single topic or theme is discussed one by one. The themes and topics are selected by the interviewer. Researcher or interviewer has collected preliminary information on the topic or theme in beforehand and the interview questions are based on the information gathered. The theme interview can be structured or semi-structured; in structured interview a standard set of questions is gone through with each of the interviewees and are more relevant for quantitative research, whereas semi-structured interviews are more open and free format. In semi-structured interview the interviewer has a predefined set of themes and topics they wish to discuss during the interview, the themes and topics may vary depending on the interviewee. Semi-structured interview type of interview is commonly used in qualitative research. (Kananen 2014, 87; Saunders et al. 2009, 320-321)

The one-to-one discussions and meetings during the research on the topic can be considered as theme interviews. The discussion was focused on the topic and not only discussion took place during the interviews, but also hands on design work on the topic was conducted. The design drafts were photographed and documented, also meeting memos were written on the main topics discussed during the meeting or interview. The memos were shared with the participants and other interest groups. The memos were stored in

Valmet's partner, Infor, project SharePoint site. Scheduled meetings were organized on the following dates:

- January 31st, 2017. The Sales & Invoicing concepting team meeting with SME group. Discussion on the project status and follow-up on taskforce workgroup results and outcomes. Plan to move on with the mock-up versions of the frontline sales reports and dashboards was presented. Very minimal discussion, no comments on the presented plan. The meeting lasted for one hour, notes were taken by Ismo Kyllönen and stored into Leap Forward project workspace SharePoint site.
- February 14th, 2017. The Sales & Invoicing concepting team meeting with SME group. The frontline sales taskforce workgroup development suggestion was gone through in the meeting and the participants of the meeting agreed on the outcome results of the workgroup, however, some of the development points were not seen critical for the first phases of the ERP roll-out. The meeting lasted for an hour. Notes were taken by Ismo Kyllönen and stored into Leap Forward project workspace SharePoint site.
- March 16th, 2017. Ismo Kyllönen and Eva Guimaraes. Meeting on the proposed frontline sales dashboard and report mock-ups. The results of the meeting were recorded as changes to the proposed report and dashboard mock-up PowerPoint slides. Approval from Eva Guimaraes was given to proceed with the design based on the mock-ups.
- March 29th, 2017. Leap Forward Program Steering Board meeting. The mock-ups of the frontline sales dashboards and reports were presented in the meeting. Approval was given to move forward with the mock-ups as the examples for the design. Notes were taken by the program secretary and stored in the Leap Forward workspace SharePoint site.
- April 10th, 2017, Ismo Kyllönen, Eva Guimaraes and Pekka Moisio (Vice President of Process Management). The proposed frontline sales dashboards and report mock-ups were gone through. Notes were taken by Ismo Kyllönen and stored in Leap Forward workspace SharePoint site. Adjustments to the mock-up versions were made based on Pekka Moisio's feedback.
- April 10th, 2017, Ismo Kyllönen, Eva Guimaraes and Pentti Hämäläinen (Release Implementation Manager). The proposed frontline sales dashboards and report mock-ups were gone through. Notes were taken by Ismo Kyllönen and stored in Leap Forward workspace SharePoint site. Pentti Hämäläinen agreed on the approach based on the mock-ups.

Several ad hoc face-to-face and phone call meetings were also held on the topic and there are no notes taken down based on these meetings due to the nature of the meetings. Actions were taken based on the meetings and the actions are visible in the initial designs of the frontline sales dashboard and report mock-ups and more detailed functional design documents that are stored in the Leap Forward program workspace SharePoint site.

3.4 Reliability and validity of the research

According to Kananen (2014, 125), the correctness of research results is required of scientific research, a thesis, also, is a scientific study, so the same requirement can be applied to this study as well. The correctness of the study means, that the research results are correct, and they can be trusted. Gathering reliable information can be ensured by setting the research problem correctly and focusing to the topics relevant to the research problem, also research methods and measures should be used correctly. If the research is reliable, the same results can be achieved by other researches using the same methods in similar conditions. (Kananen 2014, 125; Dudovskiy 2016,120)

During the lifecycle of the thesis process, in the different stages of the thesis, the aim is always to make the correct solutions. The results of the actions and solutions can be evaluated using the credibility criteria. How the validity and reliability are in relation to the whole thesis process, is illustrated in the Figure 6. below. (Kananen 2013, 176)

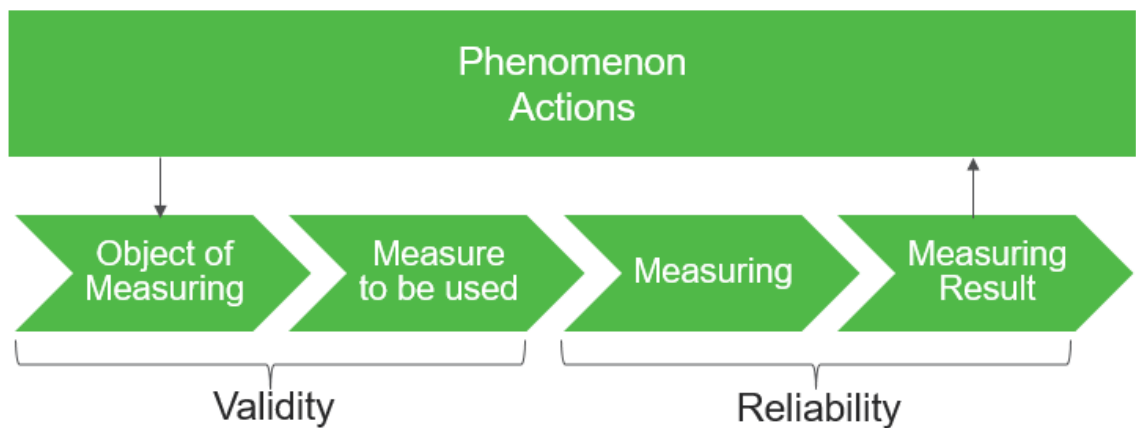


Figure 6. The thesis process and lifecycle in relation to validity and reliability of the study. (Kananen 2013, 176)

Qualitative research often is facing credibility issues, and therefore it is important to document the whole research process, proper research process documentation increases the credibility of the research. The documentation could include, for example, a research diary, in which actions taken during the research, are recorded. Also, the justifications for made decisions on research and interpretation methods need to be recorded in the documentation. However, errors and bad choices happen and even the proper documentation cannot help in these situations, if they occur. Through detailed enough documentation, other researchers can access the research process and evaluate the results of the research more in detail. (Kananen 2013, 189-190)

Other, important factors, that have an impact on the reliability are the consistency in research and in interpretation. If the research is consistent in all ways, it is also repeatable, transferrable and therefore comparable. (Kananen 2013, 190-191)

In this research, a research diary was used in a format of workshop and meeting memos. The memos were written by several persons and cross-checked by the workshop and meeting facilitators after the events. This way, all the facilitators had a chance to correct incorrect information on the memos and add information, in case, it was missing. The memos were also gone through with the workshop and meeting audience, in the next scheduled event with the same target audience. This was done to ensure the correctness of gathered information. During one-to-one interviews and discussions notes of the main discussion points were taken down. No recordings were made due to large number of audience in the workshops, recordings would have increased the reliability of the research, however, it was seen that transcribing 8-hour workshop with 30+ participant, was too big of an effort. Smaller meetings and one-to-one discussions were not recorded as the meetings were not specific on the topic but more general team or work group meetings with varied audience and the meetings usually lasted more than an hour. The nature of the research was more on-the-job and spontaneous meetings on the research topic occurred during coffee breaks and Skype instant message chats and calls. The main topics were noted down and verified by email with the target group.

In qualitative research, the researcher makes their own interpretations of the research results. It is crucial that the researcher represents the findings in the report in a way an outside can understand the topic, this way the reader of the report can understand how the research was conducted and how the researcher reached the outcome and conclusions. The way the researcher presents the findings and outcome of the research depends greatly in what kind of position the researcher is in relation to the target organization of the research. In this researcher, the researcher is part of the organizations and the researcher's daily work is closely related to the research topic. The researcher is relatively new to the target organization, so the research was done with no expectations of the outcome, also, the researcher was neutral, in what comes to selection of tools and processes.

What comes to the validity of this research, Kananen (2014, 126), mentions that validity is shortly put that the correct topics are being researched. Research validity is being ensured by using the correct research method, the correct measures to measure correct things, i.e. the researcher is able to measure with the selected method, what is meant to measure. (Kananen 2014, 126; Dudovskiy 2016,120)

To gain the outcome for the type of case as this research is dealing with, the only reasonable research method is action research. Also, a variation of action research, design research method, could have been used, but the research had been already progressed very far, until the design research method was discovered by the researcher. However, design research is not fully recognized by researchers and it has not established its footprint in the scientific forums. Also, the reliability and validity of design research have been greatly discussed. (Wikipedia: Design Research; Kananen 2013, 181-182)

The researcher has extensive experience in business process and tool development projects and implementations, the base thinking on the development plan does not begin from the basics but relies more on more advanced change management methods. Also, the persons who have been involved in the workshops and have been selected as the interviewees are so called Subject Matter Experts (SMEs) in their own respective field. Many of these persons have more than 30 years of work experience in the company and more in the industry, these persons know the current ways of working, processes and tools in use – so, they can also point out the development topics, but do not necessarily know how to transform them into reality and practical solutions. The research results and suggestions have been presented to the SMEs, and the findings have been accepted as basis for frontline sales processes and tools development. This validation with the SMEs increases the validity of the results.

The setting, research problem, the research process and findings of the research are described in detailed enough level, so that the readers of the research report can assess the transferability to their own setting and therefore compare the appropriateness to their own setting. Based on the above, the validity of the chosen methodology is confirmed and the findings of the research are credible.

4 Valmet and frontline sales

4.1 Valmet in a nutshell

Although, Valmet's history can be traced back up to 220 years, Valmet is still a fairly new company in its current form. In July 1999, Valmet Corporation and Rauma Corporation merged, to create a new company, called Metso Corporation. After the Metso Corporation was established it acquired Beloit Corporation's pulp and paper-making technology with related service operations in 2000, and in 2006, Metso acquired pulping and power businesses from Aker Kvaerner ASA. The last major acquisition was in 2009, when Metso acquired Tamfelt Corporation, one of the leading technical textile suppliers in the world. With these acquisitions, Metso strengthened its position as one of the main suppliers of paper, tissue and pulp machinery but was also able to respond to customers' needs to power and energy solutions.

On January 1st, 2014, Valmet was reborn as independent company, when paper, pulp and power business units demerged from Metso Corporation and formed Valmet Corporation, again. Later on Valmet acquired automation business from Metso, to have more comprehensive product and service offering for its customers.

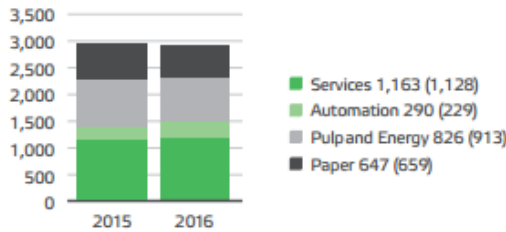
(<http://www.valmet.com/about-us/valmet-in-brief/history/>)

(<https://en.wikipedia.org/wiki/Valmet>)

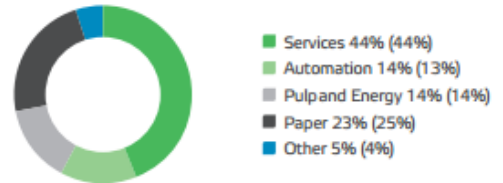
Now, in 2017, Valmet is a company with global presence and has approximately 12000 employees. Valmet headquarters are located in Espoo, Finland, and Valmet's net sales in 2016 was approximately 2.9 billion Euros, as illustrated in Figure 7. Majority of Valmet's operations are concentrated in Finland and Sweden, other major locations for Valmet are in the USA and in China. These locations cover approximately 80% of Valmet's employees.



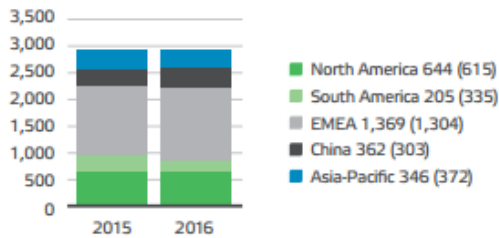
Net sales by business line, MEUR



Personnel by business line, %



Net sales by area, MEUR



Personnel by area, %

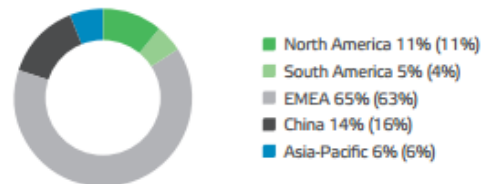


Figure 7, Valmet 2016 key figures (Valmet annual review 2016)

Valmet has operations on all continents, except Antarctica, Figure 8.

Valmet worldwide

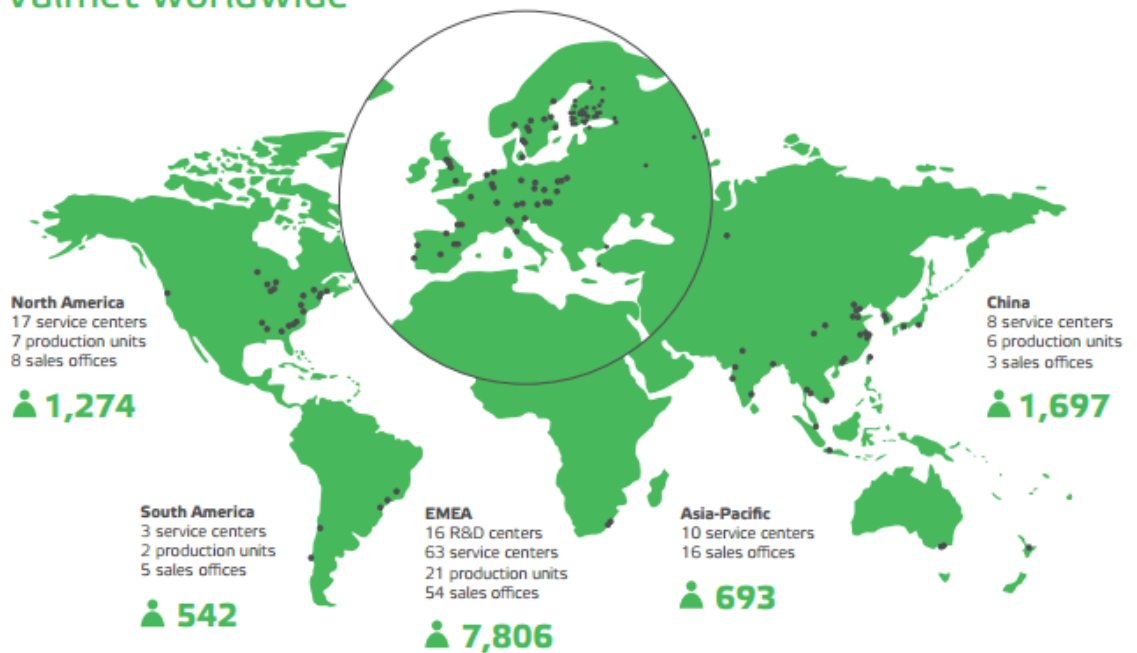


Figure 8. Valmet locations (Valmet annual review 2016)

The current Valmet is formed through mergers and acquisitions during the past two decades. This has resulted in very scattered ways of working that, for example, the Leap Forward program aims to harmonize.

Valmet values, Figure 9., are strongly present in the everyday lives of the employees and they lay the foundation on all activities at Valmet.

- Customer. We move our customers' performance forward
- Renewal. We promote new ideas to create the future
- Excellence. We improve every day to deliver results
- People. We work together to make a difference



CUSTOMERS
We move our customers' performance forward



RENEWAL
We promote new ideas to create the future



EXCELLENCE
We improve every day to deliver results



PEOPLE
We work together to make a difference

Figure 9. Valmet values (valmet.com)

4.2 Frontline sales current state at Valmet

During the Leap Forward program workshops in September 2016, frontline sales tools and processes, or rather, lack of them, emerged as one of the hottest topics for sales. In general, during the workshops, it was pointed out that the tools that are currently in use for frontline sales are not sufficient for sales to work efficiently and in a customer-centred way. Some of the pain points gathered from the workshop memos:

- Current CRM tool, CoMPass, is available only in company intranet and only online and can be used only with computers
- ERP connections are impossible during the sales visit at customer site
- Sales Managers need to spend considerable amount of time prior to the customer site visit to collect all the needed information from various systems and combine the data manually into Excel sheets and reports. The data is also not real time.
- Preparing a simple quote for the customer during the customer site visit is impossible as, for example, pricing information is not available offline.
- Tools that are used at frontline sales vary a lot depending on the country and business line.
- The two most used tool in frontline sales is Excel and Word, even CRM is used less.
- CRM is officially the tool for sales, but usage is very inconsistent and varies a lot depending on person, business line or team.
- Frontline sales or a person working in a customer interface has to be able to log a new lead or opportunity into CRM or ERP utilizing a mobile tool
- Offer or quotation creation capability with a mobile device or in off-line mode.

The above-mentioned challenges have resulted in extended opportunity and quotation lead times, based on comments from sales management this affects also the opportunity and quotation hit rate in a negative way, when the quotation preparation takes too much time when the quote cannot be prepared during the customer site visit.

4.3 Process and tool development for Valmet frontline sales

Implementing process and tool changes to Valmet frontline sales is a long-term effort. The overall business transformation relating to sales tools begins with the first roll-out of the new ERP system, in late 2017, for Services Business Line in Finland. It is estimated at this stage, that global coverage for the new ERP at Valmet will be reached in 2020. The high-level schedule illustrated in Figure 10.



Figure 10. Leap Forward Program high level schedule.

Valmet frontline sales is not a one single organization but rather a common nominator for sales persons across Valmet working in customer interface. So, the frontline sales persons represent multiple business units, business lines, technology units and product lines. Some of the persons sell all Valmet solutions, others very specific services or products – and they are spread across the globe. A very heterogeneous target group in multinational environment.

The journey for frontline sales topic improvement has been relatively short so far. The process and tool improvement needs are known by management and the operations, and the lack of tools and processes, or the incapability of processes and tools is a commonly accepted situation, like presented in chapter 4.1. There have been very little actions done, so far, on corporate level, to improve and harmonize the process and tool situation in frontline sales. This has resulted in a very scattered tool landscape as even individual teams have implemented tools of their own to cope with the daily tasks.

The Leap Forward program workshops were the first ever occasion during modern Valmet's history, when experts from around the globe and across business lines were gathered in one location to discuss about topics that concern everybody. The frontline sales tools and process incapability first came out and were identified as a development object during the Leap Forward Workshop 1, in late September 2016. The topic was widely discussed in the Leap Forward program and was presented as one of the identified development issues to the steering board. During the Workshop 2 in December 2016, the frontline sales process and tool development was raised up as one of the key gaps identified in the program as the topic concerns all business lines globally in the corporation. A specific

small workgroup, or Task Force workgroup, was established to define the key development points for frontline sales for Leap Forward and specifically for ERP development scope. The workgroup consisted of three representatives from different business lines; Bernhard Gilfberg from Paper business line, Mauri Lattunen from EMEA Sales, representing all business lines, and Hanna Niittyniemi representing Energy and Services business lines. The workgroup also included two members from Leap Forward core team; Eva Guimaraes, Global Process Owner for Sales and Invoicing, and Ismo Kyllönen, Concept Owner for Sales and Invoicing.

The workgroup met only once, on December 22nd, 2016, and the outcome of the workgroup was seen to fulfill the requirements the Leap Forward program has set for the Task Force workgroups. The discussion of the workgroup concentrated on the upcoming ERP tool implementation, and how the frontline sales could benefit on the new digital reporting platform that is going to be taken into use with the new ERP solution. As a result of the workgroup meeting a concrete list of business requirements was created on the topics business lines considered the most critical aspects and would like to have implemented for frontline sales usage in the new ERP in its first implementation release. Below, Figure 11., the one-slide presentation of the frontline sales requirements. For now, the requirements for off-line or mobile usage were put on hold.

INTERNAL

Infor LN for Front line sales

Reports, interfaces, access, information required online

- Status check of delivery time for items ordered by the customer (available for front line sales)
 - On line status of delivery (in time or are we expecting delays, Ming.le tool used and explaining reason for possible delay)
- Customer 360 view for MSM and front line sales (Corporate view for corporate KAM)
- Status check of claims under process
 - On line status of claim, mainly for MSMs
- Order acknowledgements available for review
 - Access to specific order acknowledgements, Ming.le tool used for explaining reason for possible reasons
- Valid contracts, previous contracts agreed with the customer
 - Previously signed contracts need to be available for review via LN
- Resource availability of inspectors or other service specialists/engineers
 - If the resources cannot be booked online, the availability is only informative and preliminary.
- Agreed price lists for specific customer available for front line sales (spare parts, components or hourly rates), MSM will benefit as well
- Reports for sales managers, reports or time schedules which can be shown to the customer
 - MSM reports: status report last year deliveries, OBL and estimated delivery time, open quotations, claims, sales report, late payments
- For clear items possibility to prepare a quotation (spare part, consumable) in front of the customer
 - Possibility to increase sales when quotations are prepared faster on the spot

Figure 11. Frontline sales Task Force workgroup report

After the Task Force work group meeting end report was approved to be sufficient for Leap Forward program purposes, the work group was closed and the Task Force work group report was handed over to the Leap Forward program for further analysis and development design.

4.4 Thesis process

The taskforce workgroup’s end report material was the initiator for this thesis, but the whole process leading to the workgroup’s end report began already during the autumn 2016 when the Leap Forward program was mobilized. The actual kick-off for the thesis happened in late January 2017, so the complete thesis process was intense. The thesis project timeline illustrated below in Figure 12.

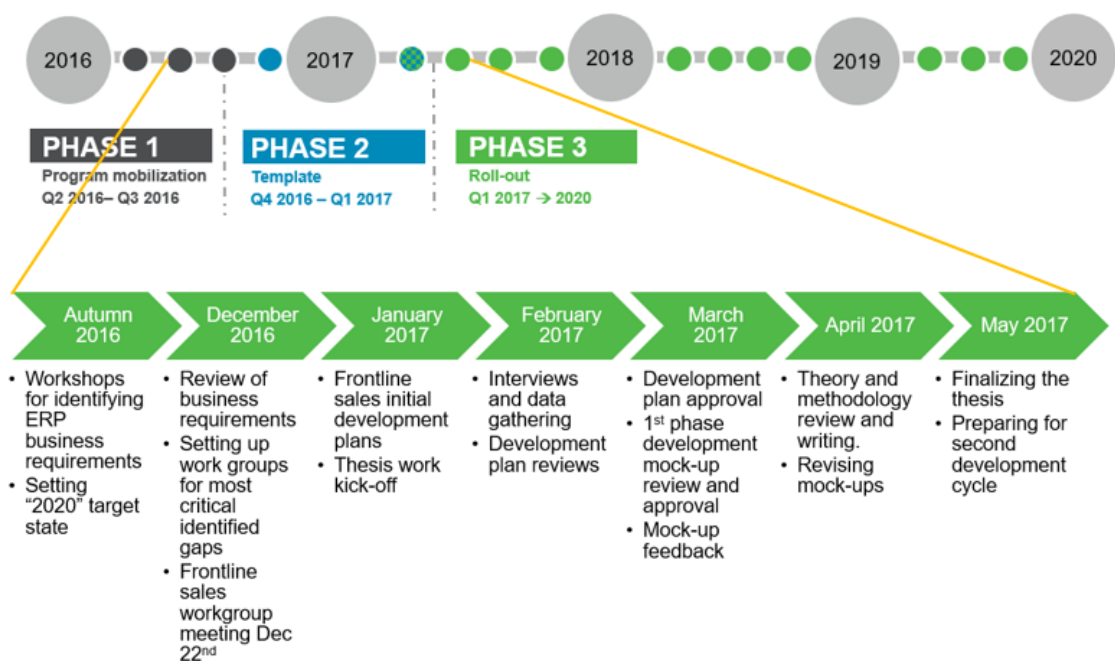


Figure 12. Thesis project time line

Processing of the memos from workshops that were held months earlier was eventually easier than thought as the researcher has insights on the topic, so the key words were picked up quickly and the target of the development plan was easy to develop based on the memos and the taskforce workgroup’s initial requirements. The initial development plan is presented in the Attachment 1.

After the development plan was reviewed and approved by the stakeholders in the Leap Forward program, the initial mock-ups of the dashboards and reports required by the frontline sales were done. Ideas for graphical illustration for the dashboards and reports

were collected from Infor’s marketing materials and the researchers previous experience on the matter was used to produce the mock-ups.

Both the development plan and mock-up creation followed the same iterative cycle, that was repeated until the desired outcome was reached. Below illustrated the development process, in Figure 13.

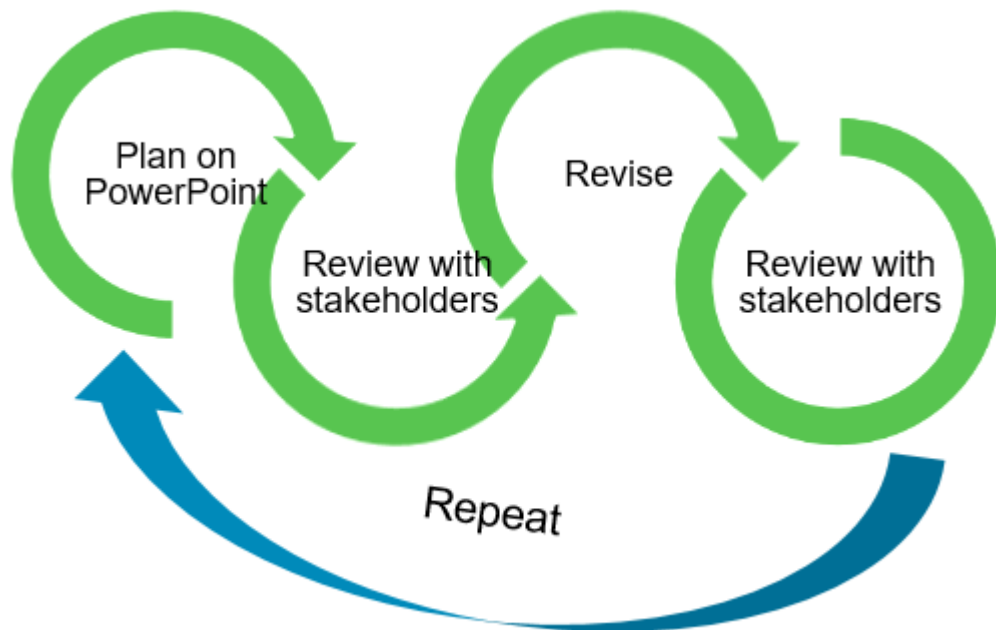


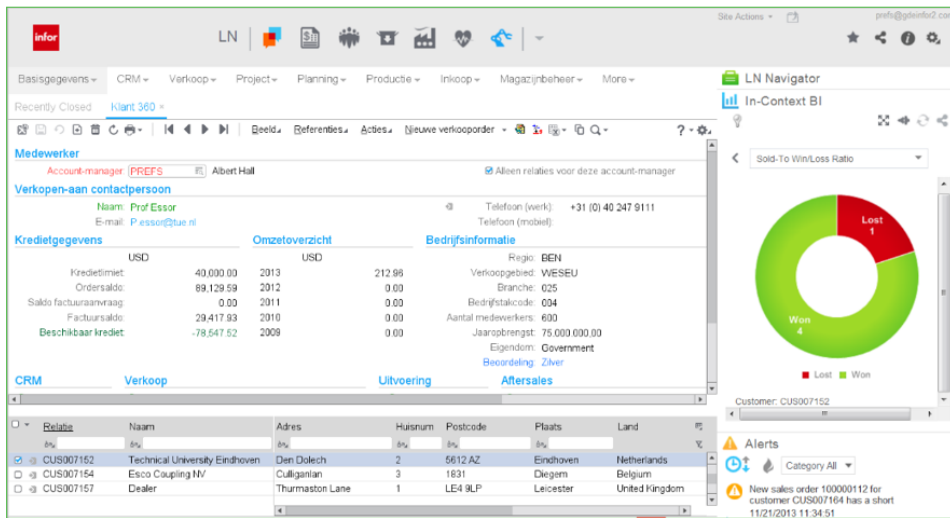
Figure 13. Iterative development cycle for development plan and mock-up creation

4.5 Designing the new frontline sales views for Release 1

After the Task Force workgroup handed over the report with requirements to the program for further analysis and development design, the topic was discussed during three Sales and Invoicing concepting team meetings in January and February 2017. The team identified that the requirements were partially overlapping with current CRM reporting scope and part the needed data was to be derived from utilizing BI tools, such as ClickView, in the first ERP roll-out phase. However, the requirements presented in the workgroup’s report are eligible for development within the ERP project scope. It was suggested that the design specification is started with a mock-up versions of the proposed reports. The mock-ups would be presented as Microsoft PowerPoint slides with illustrative content of the report. The report format would be a mixture of listing reports and related graphical reports; pie charts, column charts or similar, i.e. so called dashboard, like illustrated in Figure 14.

Infor LN + Ion Alerts + In-Context BI

- ION
- Workflow
- Alerts
- Integration



- Infor's enterprise release of industry-driven applications
- Infor middleware, social, mobile analytics and cloud solutions
- Modern, innovative technology to be collaborative, mobile, fast, smart and seamless

28 5-6.4.2017

L1 Foundation / Introduction to Leap Forward



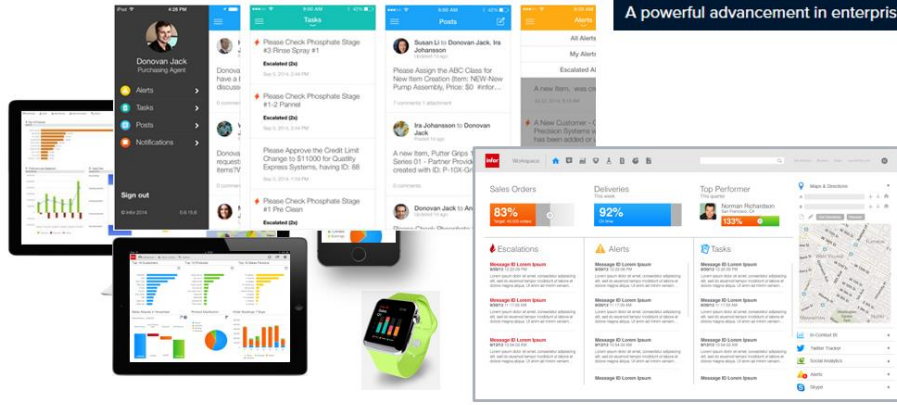
Figure 14. Infor LN ERP and Reporting tool report or dashboard examples

The Infor solution package offers a variety of digital tools to utilize for front line sales. Below a snapshot of the marketing material used to illustrate the different possibilities on different devices and technology platforms. Infor provides, for example, Apple iWatch applications for reporting purposes, but mostly concentrating in bringing the applications available in mobile devices and computers, illustrated in Figure 15.

Infor Xi

Connecting users. Ease of use

- Ming.ie
- ION
 - Workflow
 - Alerts
 - Integration



- Online Analysis
- Self Service
- In-Context
- Report Distribution
- Intuitive Collaboration
- Alerts, Workflow and Notifications

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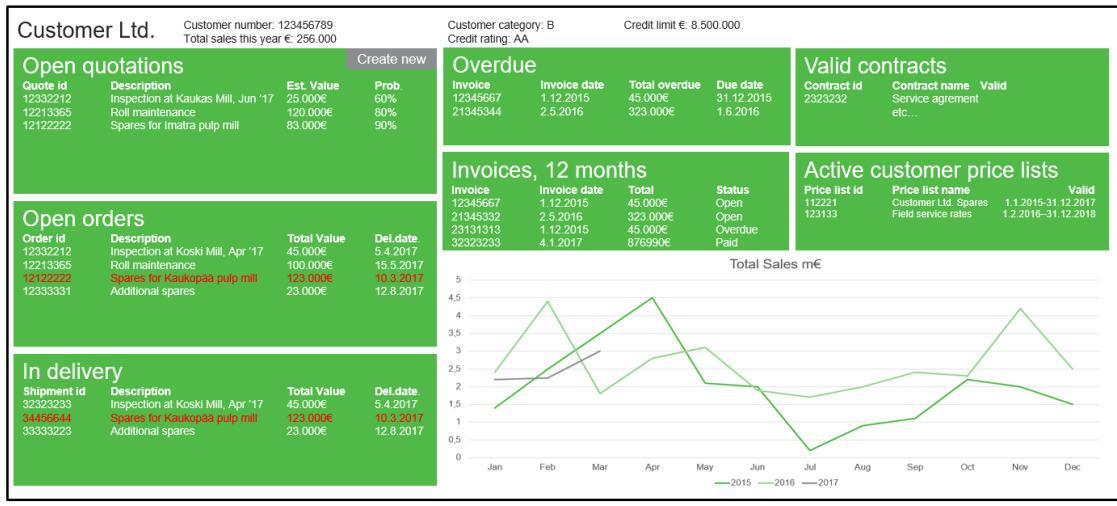


Figure 15. Infor LN data presentation capabilities illustration

The future frontline sales dashboards and reporting views were presented as PowerPoint slide mock-ups that illustrate the functionalities and data available in the views in the system. The draft mock-ups were created based on the taskforce workgroup’s requirements, however, fitting the designed features into the program’s Release 1 scope, that was frozen after the taskforce workgroup met and gave their report to the program.

INTERNAL

Sales Manager’s Sales Dashboard in LN – filtering by customer



2 © Valmet | Ismo Kylönen / Dashboard mock-ups



Figure 16. Proposed dashboard for Sales Manager use – mock-up

Graphical dashboards, that perhaps represent more CRM views, were also included in the mock-ups, illustrated in Figure 16 and 17.

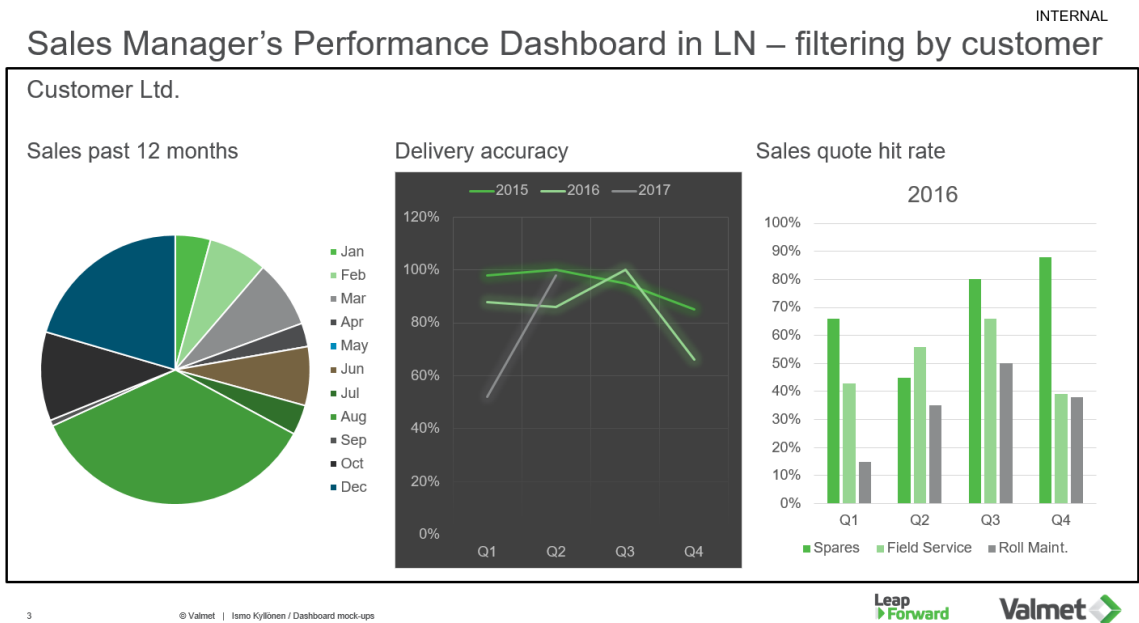
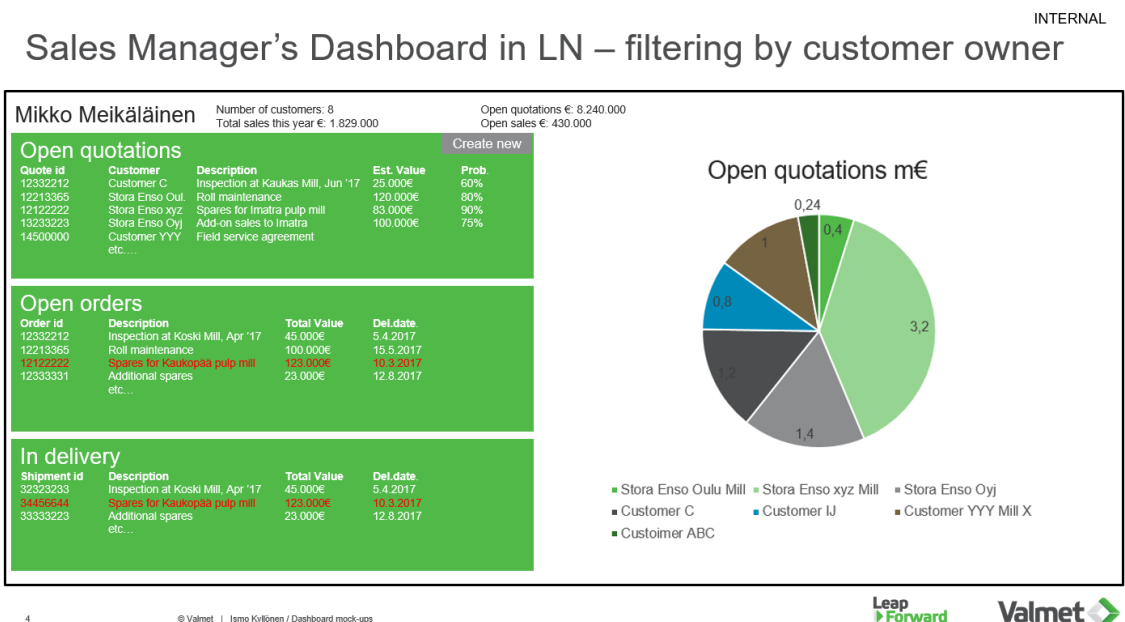


Figure 17. Proposed Performance dashboard for Sales Manager use

For frontline sales, it is important to be able to follow the as-is customer situation by different views. For example, the Sales Manager would like to see a combined summary view of their all customers in one dashboard screen. The view could be filtered by customer, for example, and the data in the screen would dynamically change according to the filters applied, like in Figure 18..



The proposed reporting or dashboard mock-ups were presented to the Leap Forward Steering Group in their meeting on March 29th, 2017. The proposed mock-ups of the reports and dashboards were approved by the Steering Group to be a good starting point for frontline sales reporting and data visibility improvement development. The same examples were also presented in EMEA Finland region sales strategy meeting on April 11th, 2017 and the Sales Managers and Sales management present in the meeting also saw the proposed example reports as a good starting point for development. The sales managers present told that they have been missing the kind of information the mock-up versions of the dashboard present, or getting similar kind of data has been result of many hours of manual work and combining several reports into one. A more comprehensive presentation on the mock-up screens that were also presented to the steering board can be seen in Appendix 2.

Later, the concepting team prepared functional design documents and the business requirement was handed over to technical team for technical design and work effort estimates. The target is to have the frontline sales relevant reports and dashboards included in the first implementation roll-out scope for November 2017.

4.6 Valmet frontline sales development plan

Valmet frontline sales process and tool development needs of course more than just couple of dashboards and reports to be able to function in an efficient way. The report examples and the development requirements presented in chapter 4.2 are just the very first attempts to bring modern digital processes and tools available for Valmet frontline sales. In the first phase of the ERP implementation only a fraction of Valmet's business will be moved to the new Infor LN ERP and therefore only a fraction on frontline sales will be utilizing the new reports and data visualization methods made possible by Infor LN solutions.

For some time, the frontline sales will be forced to live in two or more ERP and CRM system ecosystem, where one single view to customer situation is relatively difficult to achieve. There will be the new ERP solution, Infor LN, there will be still number of years many legacy ERP systems and there will be an CRM system and other sales related applications as well. Harmonizing the sales tools will be a long-term effort at Valmet and introducing a new ERP system with modern ways of displaying data in a visual and informative way, is just the first step in the journey.

The Infor LN implementation will take several years, and during that time the reporting capabilities of the ERP system will be constantly re-evaluated and constant development is expected as the implementation roll-out moves on from one region to another globally. Eventually, all Valmet sales for all business lines will be handled by one single ERP solution. However, ERP does not include CRM functionalities that forecast the expected sales – leads, opportunities and offers. This data is considered as CRM data and the full sales funnel cannot be seen from ERP – only realized sales will be 100% represented in ERP system. Only a fraction of total offer base will be handled in ERP, mainly offers relating to spare parts and consumables, as well as field service related offers. The main portion of offer base is handled and managed in CRM system and a complete 360-degree view on customer data is achieved only by combining data from CRM and ERP. The problem nowadays is also, that there is more than one CRM system in use at Valmet. There is one main CRM, CoMPass, but there are also other CRM solutions existing. Also, the CRM usage is not convergent across business lines and regions.

The current CRM system, CoMPass, is a tailor made and in-house made solution for Valmet. There has been a lot of discussion lately about moving to a CRM system that is based on a commercial platform, such as Salesforce.com or Microsoft Dynamics 365. Starting a discussion on a new CRM solution is, however, seen as a sensitive topic, and based on discussions with sales management, they are very committed to current CoMPass CRM usage and they see a great advantage in having the CRM in-house made and tailored to fit Valmet needs. However, discussions with IT management have provided another view on the topic, as for example, Salesforce.com is seen a very potential CRM tool for the future. The change effort is also seen as a big threat, as the ERP has a greater priority in current application development roadmap. It has been also pointed out that the change the new ERP will bring, will be a massive in scale, and people need time to adjust to the change the new ERP brings. Therefore, a new CRM solution is on the roadmap but in an unscheduled future. A high-level development plan presentation is available in Appendix 1.

4.7 Frontline sales process and tool implementation schedule

The Leap Forward ERP implementation is divided into several implementation releases, of which the first release is due to be implemented in November 2017, like visible in Figure 19. The first versions of the Sales Manager dashboard are scheduled to be implemented with the first implementation release. The mock-up versions of the dashboards were presented in chapter 4.2. As the further releases are being implemented, the scope of the

frontline sales processes and tools are being revised in the respective release fit gap analysis workshops.

Program Plan – Phase 1

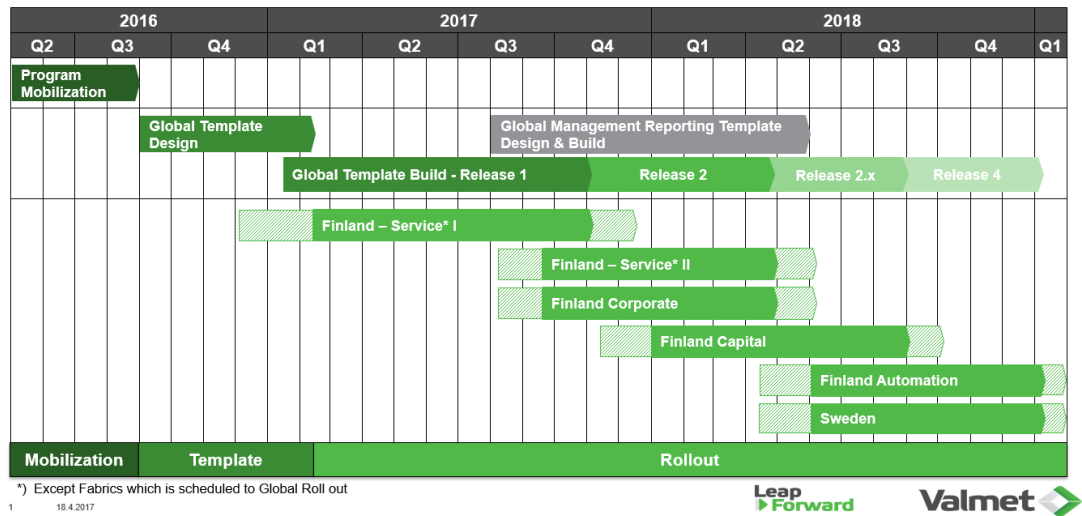


Figure 19. Leap Forward Program plan schedule, revised April 15th 2017

As developing the frontline sales processes and tools is action research in its purest form, the design and development process can take an action research cycle format, or a format that can be also called iterative development cycles, like illustrated below, in Figure 20.

Frontline sales processes and tools development cycles

Q1 = First year quarter (January – March)
 Q2 = Second year quarter (April – June)
 Q3 = Third year quarter (July – September)
 Q4 = Fourth year quarter (October – December)

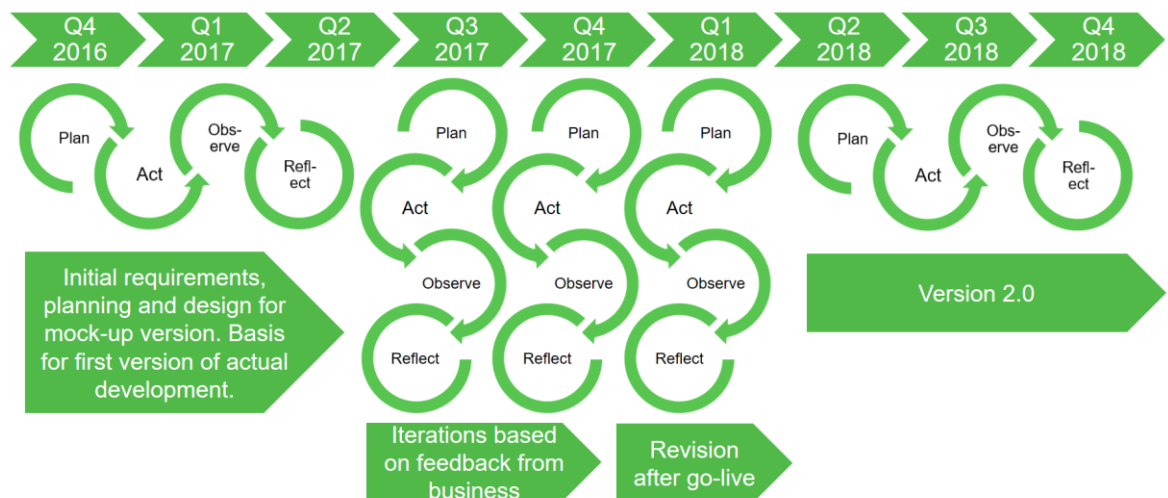


Figure 20. Frontline sales processes and tools development cycles illustrated

At the point of writing this thesis the first development cycle was completed, as the mock-ups of the frontline sales dashboards and reports were produced, gone through and the feedback was analysed and further development ideas were gathered from the feedback. The planning for the second iterative development cycle is due to begin, and the second cycle is planned to be completed within three months, so that another development cycle can still be completed before the Leap Forward Release 1 go-live in November 2017.

5 Conclusions and recommendations

5.1 Conclusions

The change effort at Valmet for digitalizing, harmonizing and modernizing the frontline sales process and tools is big in its entirety. The development and implementation task begins with a fairly limited target group scope in the organization, so this group can be considered as the guinea-pigs of the first version of the new process and tool set. Also, the first implementation of the new process and tool kit will be done in Finland, where the company headquarters and home base as well as majority of the employees are located, so cross-cultural aspects of change management play a smaller role in the implementation.

The target of this research like described in chapter 1.1. was to form a target state and a vision for Valmet wide front line sales processes and tools for first waves of new ERP implementation, up to the year 2020 and even beyond. Based on the target state and the vision, a development and implementation plan is created to describe the changes needed in the entire organization, processes and tool landscape to reach the target state. The target was reached, although some of the items on the frontline sales taskforce workgroup requirement list cannot be fulfilled yet in the release 1 of the implementation. Also, this research focused mainly in creating the foundation and giving ideas and vision for future development.

The development requirements from the taskforce workgroup's requirement list are mentioned below in Figure 21. and analysed if the requirement can be fulfilled by the current Infor LN ERP solution, or if the requirement will be fulfilled by other tools and when the probable implementation will occur. If the requirement has a green star marked in front of it, the requirement can be fulfilled for Release 1 implementation of Infor LN ERP solution. If the requirement has a red x in front of it, the requirement cannot be fulfilled for Release 1, due to scope changes in the Release 1, for example, claims are not part of the scope of Release 1, neither are mobility solutions. The 360 view is not possible, as only a fraction of the business will be considered in Release 1.

Infor LN for Front line sales

Reports, interfaces, access, information required online

- ★ • Status check of delivery time for items ordered by the customer (available for front line sales)
 - On line status of delivery (in time or are we expecting delays, Ming.le tool used and explaining reason for possible delay)
- ✘ • Customer 360 view for MSM and front line sales (Corporate view for corporate KAM)
- ✘ • Status check of claims under process
 - On line status of claim, mainly for MSMs
- ★ • Order acknowledgements available for review
 - Access to specific order acknowledgements, Ming.le tool used for explaining reason for possible reasons
- ★ • Valid contracts, previous contracts agreed with the customer
 - Previously signed contracts need to be available for review via LN
- ★ • Resource availability of inspectors or other service specialists/engineers
 - If the resources cannot be booked online, the availability is only informative and preliminary.
- ★ • Agreed price lists for specific customer available for front line sales (spare parts, components or hourly rates), MSM will benefit as well
- ★ • Reports for sales managers, reports or time schedules which can be shown to the customer
 - MSM reports: status report last year deliveries, OBL and estimated delivery time, open quotations, claims, sales report, late payments
- ✘ • For clear items possibility to prepare a quotation (spare part, consumable) in front of the customer
 - Possibility to increase sales when quotations are prepared faster on the spot

Figure 21. Analysis on frontline sales taskforce workgroup requirements

The challenge at Valmet is that there are many large-scale development projects going on at the same time, the biggest one being the Leap Forward that concentrates on ERP system renewal and implementation. Most likely, Leap Forward needs to incorporate CRM system renewal into its scope, since CRM and ERP functions at Valmet are so closely tied together and the company cannot live without either of the systems. The new CRM system implementation needs to be planned and timed carefully, since the whole company's application landscape could collapse or experience extensive malfunctions, if the current CRM system is taken offline.

The main tool for frontline sales is CRM. Therefore, the first phases of the new process and tool implementation offer only partial toolkit for frontline sales as the development is mainly done on top of ERP solution. However, increasing the usage of ERP amongst frontline sales persons, is in the target agenda of Leap Forward program. By offering an easy view to ERP, the frontline sales persons are introduced to ERP usage.

5.2 Vision for 2020 and beyond

Visioning for the future is always difficult. However, there have been indications from IT management, that, for example, Salesforce.com could be a potential tool to be considered for sales and marketing purposes. This aspect brings a totally new set of possibilities for the development team to consider, when designing the future tools for frontline sales and other functions at Valmet. This vision in Figure 22. is based on the assumption, that Valmet will take Salesforce.com CRM solution into use.

The five cornerstones of the vision are:

- Salesforce.com CRM solution
- Infor LN ERP solution
- Integration solution between CRM and ERP solution – the integration solution should also connect other surrounding systems to CRM and ERP
- Customer portal solution
- Frontline sales function at Valmet

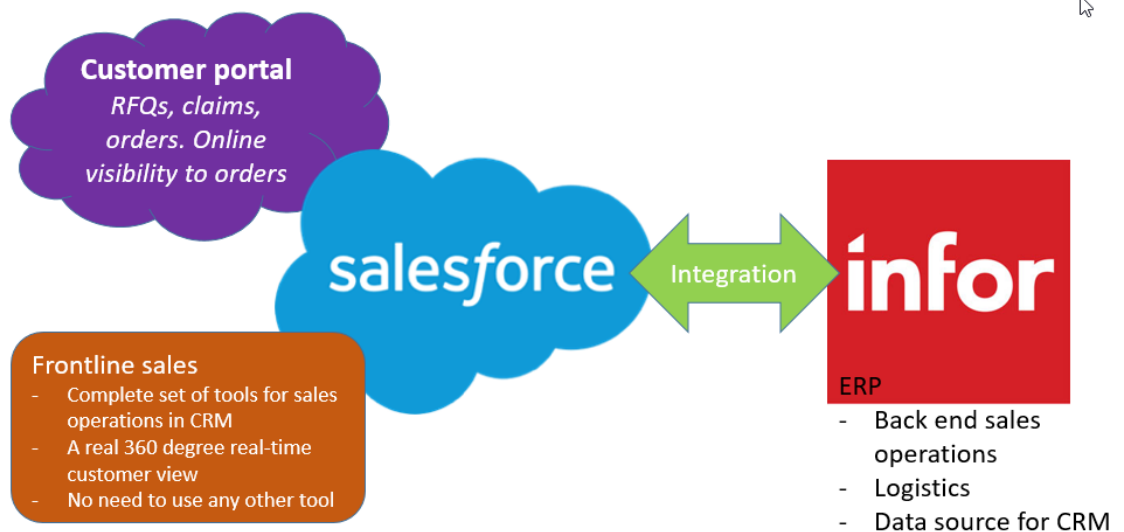


Figure 22. A simplified illustration of the future frontline sales application landscape

The Salesforce.com and Infor LN solutions create the backbone for the future vision. They complete each other, Salesforce.com CRM solution brings the flexible platform for those users who need mobility solutions and easily configurable solutions. ERP brings the more operational aspect to the picture and feeds CRM with data, so CRM users can follow-up on the progress of the production, for example

Customer portal brings the customer closer to Valmet. Customers could send Requests for Quotation through the portal, the requests could be processed and Quotations sent as

a reply to the RFQ within the portal or by other electronic means. Pricing, product, services and customer information would be available and up-to-date in the customer portal, as it would be part of the Salesforce.com CRM solution that gets its data from the Infor LN ERP solution. Customers could also create claims, service requests or send feedback through online channels in the customer portal.

For frontline sales, the Salesforce.com CRM solution would bring a totally new view to sales. All the information relating to the customer would be visible in one place, at one glance. The CRM solution would be ideally the only tool frontline sales would have to use in their daily lives with regards to customer interaction. Mobility solutions would bring the data literally to frontline sales' fingertips as Salesforce.com mobility solutions would be taken into use at Valmet. Quoting at customer site has never been easier. Also, the sales personnel would never have to spend hours preparing for reports and getting status updates, as the data would be available through the CRM solution.

5.3 Recommendations for further research on the topic

This research is just the first plan for the digitalization of frontline sales at Valmet. Valmet is taking its first steps as a newly founded company and the set of processes and tools in use in the company are various and vary from modern commercial digital tools to pen and paper. Based on the results and experiences from the first roll-out implementation in November 2017, further plans can be made for the frontline sales process and tool kit.

Currently the Valmet organization is going through a transformation period and change management plays a crucial role in the transformation. A more profound change management impact analysis needs to be conducted after the first roll-out implementation and development and implementation plans need to be adjusted accordingly. After the initial roll-out for new set of tools and processes, in November 2017, the new ERP and related applications implementation roll-out project is moving out from Finland to other regions. The cross-cultural aspects of change management need to be considered carefully when the project moves on out from Finland.

The traditional tools and processes, that have been in use for almost 20-30 years, are now being replaced by modern tools that enable more efficiency and flexibility. In the first wave of the change, only ERP application is affected, but, in the future, frontline sales will face more radical changes in the process and tool landscape, when Valmet begins their CRM renewal project. There is no timeline decided yet, but it is generally known that a commercial CRM tool will replace the current, self-made CoMPass CRM tool. It is known that many people are already waiting for the new CRM tool, but there is great resistance,

especially in the management, to change the CRM system. When Valmet makes the decision to invest in a new CRM solution, a profound sales process analysis needs to be conducted, to cover needed scenarios, but also the sales process needs to be streamlined and adaptable.

The next five years at Valmet will be a time of change, and there would be a lot of topics to conduct a research, however, like in this research, timing is crucial. The ERP implementation project is moving on relatively fast, so research has to be done in a fast paced and ever changing environment, which sets its own challenges to the research.

5.4 Self-reflection on the study

The idea for doing a research on the frontline processes and tools development came to realization in December 2016, after the steering board of the Leap Forward program pointed out that frontline sales development is one of the critical and most important topics the Leap Forward should concentrate on. The whole thesis process started in a very late phase, what comes to the researcher's own study schedule, the planned graduation was due just over a half a year away. The schedule was extremely tight, although, the time eventually needed for the actual research was relatively short, the actual thesis process with data collection, analysis and theory research, took more time than expected.

The objective of the research was met, however, a more detailed plan could have been achieved through more design oriented research method and, of course, if there was more time in disposal for the actual design work and for more iteration cycles for evaluating and developing the actual tools and related processes in the system.

Conducted research, however, will work as basis for the future processes and tools development at Valmet, so the researcher has a good basis for making suggestions. The research process itself provided the researcher a lot of new tools for the working life, in the format of action research and, the design research method, that the researcher discovered very late in the process. Change takes you forward, so embrace the change.

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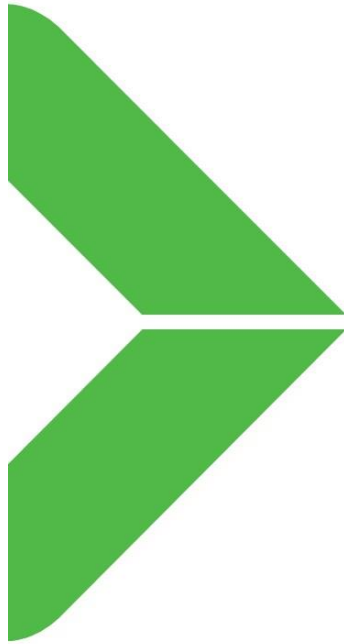
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Appendices

Appendix 1. Development plan for frontline sales tools and processes presentation

INTERNAL



Frontline sales development plan

Ismo Kyllönen

March, 2017

Leap
Forward

Valmet

INTERNAL

Current state of frontline sales

Points collected during Leap Forward workshops, autumn 2016

- CoMPass does not support frontline sales with offline tools
- No mobility solutions for sales available
- ERP connections during customer visits are impossible, and if they would be, no one would be using it as there are no proper reports or views that could be displayed to the customer directly without editing
- Quotation preparation in ERP or in CRM is not possible on-site at customer
- Combined offering between business lines is not possible in ERP
- Access to up-to-date pricing information is not possible when offline
- Tools in use vary depending on country and business line.

In short, more modern tools are needed and processes need to be harmonized across the company.

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Leap
Forward

Valmet

Leap Forward taskforce outcome, Dec 22, 2017

Reports, interfaces, access, information required online

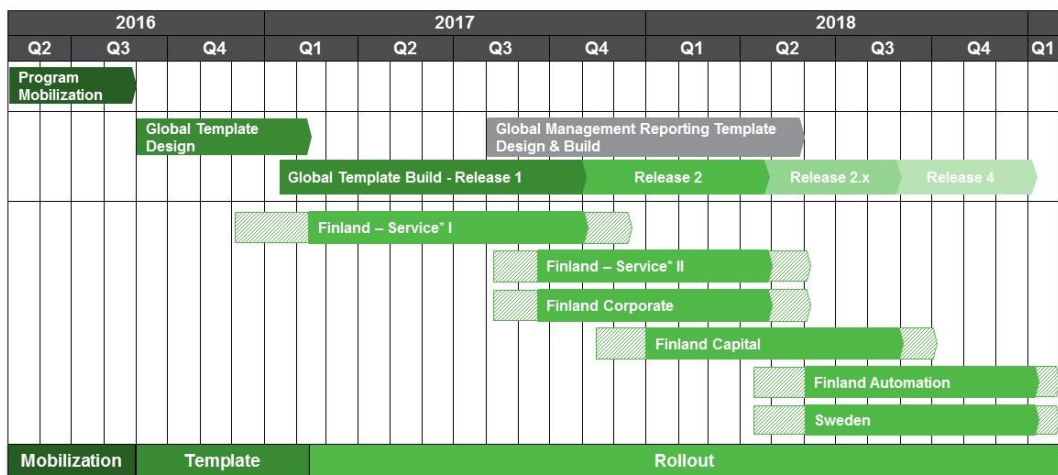
- Status check of delivery time for items ordered by the customer (available for front line sales)
 - On line status of delivery (in time or are we expecting delays, Ming.le tool used and explaining reason for possible delay)
- Customer 360 view for MSM and front line sales (Corporate view for corporate KAM)
- Status check of claims under process
 - On line status of claim, mainly for MSMS
- Order acknowledgements available for review
 - Access to specific order acknowledgements, Ming.le tool used for explaining reason for possible reasons
- Valid contracts, previous contracts agreed with the customer
 - Previously signed contracts need to be available for review via LN
- Resource availability of inspectors or other service specialists/engineers
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- For clear items possibility to prepare a quotation (spare part, consumable) in front of the customer
 - Possibility to increase sales when quotations are prepared faster on the spot

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Leap Forward timeline – Program Plan – Phase 1



*) Except Fabrics which is scheduled to Global Roll out

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Proposed Frontline sales functionalities

- Release 1 (Nov 2017)
 - Sales follow-up dashboards
 - Sales follow-up reports to support sales
 - First versions of Customer 360 views
 - Order acknowledgement availability
 - Contract 360 views
 - Resourcing views
 - Price list management and availability
 - Customer reports
- Release 2 (Apr/May 2018)
 - Spare part related reporting
 - Project reporting for capital projects
 - Quotation functionalities
- Future releases
 - Mobility solutions
 - CRM solutions

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Quoting – task to be done in ERP or CRM?*

- Currently spares and field service quotes are prepared in ERP.
- Also some light projects are quoted in ERP.
- Big projects and solution quotations are prepared outside ERP, recorded in CRM and documentation is stored in quote databases.
- Need to distinguish between operational high volume, transactional, business and large scale, one-time delivery projects or solutions.
 - High volume transactional quotations – continuous business
 - Need to be possible to enter quickly, and send quickly to the customer. Print out directly from the system.
 - Large scale quotations – solution sales
 - Quotation includes a lot of documentation, including pricing information. Takes up to weeks or months to complete.
- ERP provides currently tools to execute quoting for continuous business, CRM for solution sales. Could there be just one tool or solution to cover both scenarios?
 - ERP – very unlikely, would require massive development for Valmet purposes
 - CRM – yes, with some development and intelligent integrations with ERP

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* <http://aptus.com/blog/quote-salesforce-erp/>

CRM for frontline sales

- The current CRM solution, CoMPass, needs to be developed to meet Infor LN requirements. CoMPass needs to have two solutions for following up quotations, and for customer and supplier integrations for old ERPs and Infor LN.
- The old solution would be gradually phased out as Infor LN is implemented and old ERP solutions replaced by Infor LN.
- What is the point of time where old CoMPass solution maintenance is not feasible anymore?
- Frontline sales capabilities have not been yet developed in CoMPass – is it worth the effort to begin now?
- What would be the correct timeslot to begin new CRM planning?
 - Need to align with Leap Forward Infor LN implementation schedule
 - The new CRM would need to support several ERP solution integrations for some time, but this could be taken into consideration when designing the new solution.

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Timeline – comparison using CoMPass vs. implementing new CRM solution



★ = Infor LN implementation go-live

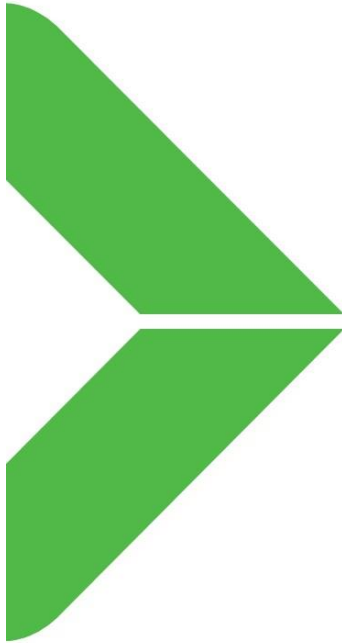
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Appendix 2. Frontline sales dashboard and report mock-up presentation

INTERNAL



Front line sales LN dashboard mock-up

Ismo Kyllönen 20.3.2017

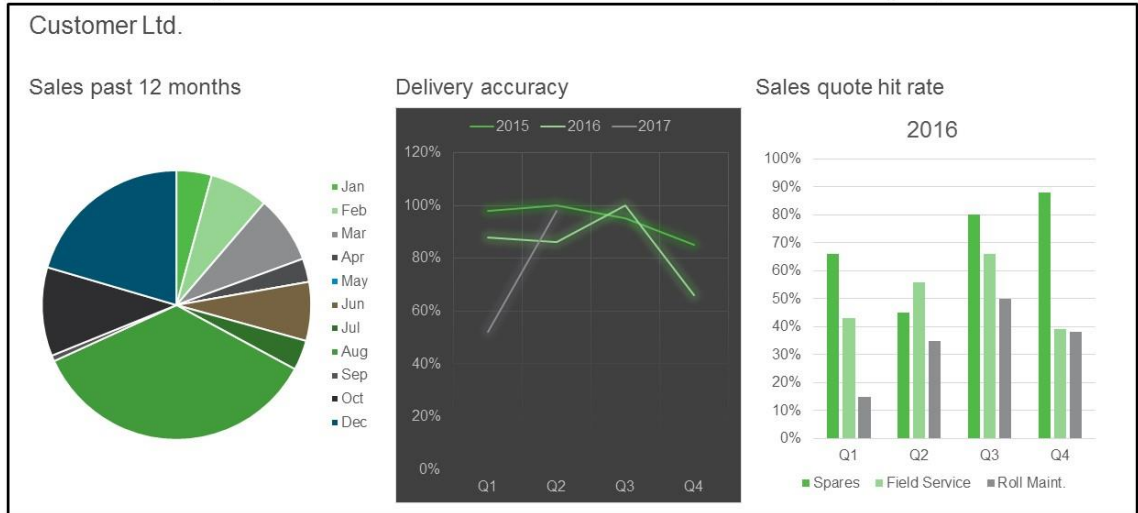


INTERNAL

Sales Manager's Sales Dashboard in LN – filtering by customer



Sales Manager's Performance Dashboard in LN – filtering by customer



3 18 May, 2017 @Valmet | Author / Title



Current Customer 360 view from Infor LN

Can be used as basis for extended 360 view

Filter

Account Manager:

Sold-to Contact

Name:

E-Mail:

Office:

Mobile:

Do not call

Graphs

Turnover

Business Information

Area:

Sales Territory:

Line of Business:

Industry Code:

Number of Employees:

Annual Revenue:

Ownership:

Rating:

Credit Information

EUR

Credit Limit:

Order Balance:

Invoice Balance:

Available Credit:

Presales

Opportunities, Quotations, Bids, Activities

Sales

Sales Order Intake, Sales Order Fulfillment, Sales Order History, Sales Contracts

Execution

Projects, Production Orders

After Sales

Service Calls, Installation Groups, Serialized Items, Service Contract Quotes

Miscellaneous

Service Quotes, Service Orders, Maintenance Sales Quotes, Invoicing 360, Accounts Receivable 360, Customer Call 360

Sales past 12 months

To be Verified	Business Partner	Search Key	Name	Address	House Number	ZIP Code	City	Country	Status	Parent Business Partner	Effective Date	Expiry Date	La
<input checked="" type="checkbox"/>	BP000001	ACME PLASTIC MAC	Acme Plastic Machinery Of Worcester	Mill Street	30	Q2151	Espoo	Finland	Active		1.1.2000	7.00	US

Utilize empty space, by adding new charts?

Sales Manager's Dashboard in LN – filtering by customer owner

Mikko Meikäläinen

Number of customers: 8
Total sales this year: 1.829.000

Open quotations: € 8.240.000
Open sales: € 430.000

Create new

Customer Owner	Value (m€)
Stora Enso Oulu Mill	3,2
Customer C	1,4
Customer IJ	0,8
Customer YYY Mill X	0,4
Stora Enso xyz Mill	0,24

Open quotations				
Quote id	Customer	Description	Est. Value	Prob.
12332212	Customer C	Inspection at Kaukas Mill, Jun '17	25.000€	60%
12213365	Stora Enso Oul	Roll maintenance	120.000€	80%
12122222	Stora Enso xyz	Spares for Imatra pulp mill	83.000€	90%
13233223	Stora Enso Oyj	Add-on sales to Imatra	100.000€	75%
14500000	Customer YYY	Field service agreement etc.....		

Open orders				
Order id	Description	Total Value	Del.date.	
12332212	Inspection at Koski Mill, Apr '17	45.000€	5.4.2017	
12213365	Roll maintenance	100.000€	15.5.2017	
12122222	Spares for Kaukopää pulp mill	123.000€	10.3.2017	
12333331	Additional spares etc...	23.000€	12.8.2017	

In delivery				
Shipment id	Description	Total Value	Del.date.	
32323233	Inspection at Koski Mill, Apr '17	45.000€	5.4.2017	
34456644	Spares for Kaukopää pulp mill	123.000€	10.3.2017	
33333223	Additional spares etc...	23.000€	12.8.2017	

Infor reporting example from Ming.le

Tomintäyttö
Virrat
Sosiaaliset kohteet

Seuraa sosiaalisia kohteita

Asiakirjan tyyppi:

Asiakirjan tunnus:

Laskentayksikkö:

Sijainti:

HAKU

