



Manufacturing Leader Connects Global Employees and Speeds Innovation

Overview

Country or Region: United States
Industry: Manufacturing

Customer Profile

Grapevine, Latrobe, Pennsylvania-based Kennametal is a material science and manufacturing company that develops solutions for use in the aerospace, earthworks, energy, transportation, engineering, and machine tool industries.

Business Situation

The company's 14,000 employees are spread across the globe, making cross-office communication and collaboration a challenge. Kennametal also sought to connect with its 5,000 factory workers.

Solution

Kennametal embraced Microsoft Office 365 and now makes information, people, and answers readily accessible from mobile devices used on the factory floor, at home, and on the road.

Benefits

- Connecting and empowering factory workers
- Sharing cross-company knowledge
- Continuous, anywhere access to information
- Greater responsiveness to customers and colleagues
- Enhanced flexibility, faster innovation

“Enabling workers across the company to use their mobile devices for ... immediate, effective collaboration helps us increase the productivity of our factories and employees.”

Steve Hanna, Chief Information Officer, Kennametal

Kennametal, a leading material science and manufacturing company, wanted to become a tighter-knit organization so that it could bring products to market more quickly, which is no small endeavor with 14,000 employees spread around the world. To extend communication and collaboration to factory workers and make it easier for all employees to share ideas and foster skills building, the company adopted Microsoft Office 365. Factory workers now access the company's intranet through their personal devices, which improves their ability to work together to resolve issues, stay up-to-date on corporate information, and contribute to the company's greater mission. Engineers, scientists, and other information workers collaborate across locations so that they can move forward more quickly with product development and promote innovation.



“We’re also able to better inform and engage our factory workers, such as using the Hub to deliver new product videos and prompting discussions about them on Yammer. And when we conduct interactive meetings, factory employees can access them and participate.”

Steve Hanna, Chief Information Officer,
Kennametal

Manufacturing Unity

For global organizations, finding ways to communicate and collaborate effectively is a challenge. That goes double for manufacturing companies, which also have to bridge the gap between their information workers and factory employees. Kennametal, a company that makes metalworking tools, mining products, powdered materials, and other manufactured goods, sought to overcome geographic and job-specific obstacles so that it could make the most of the company’s knowledge base and promote innovation, ultimately developing better products and getting them to market more quickly.

To do so, Kennametal needed a secure way to foster collaboration among its thousands of materials scientists and engineers spread from Germany to the United States to India. “Our teams wanted to be able to work together more effectively across time zones and geographical boundaries, which was particularly challenging with our highly technical projects,” says Lorrie Paul Crum, Vice President of Corporate Relations at Kennametal. “We were also determined to forge closer connections with our 5,000 factory workers, who mainly relied on their managers to print any product data and corporate information they might need.”

The company used IBM Notes (formerly Lotus Notes) for email, which was its primary means of communication, but Kennametal employees also did file sharing and instant messaging through multiple separate systems. “Our goal is to be 100 percent safe and have 100 percent quality, 100 percent customer satisfaction, and 100 percent employee engagement,” says Steve Hanna, Chief Information Officer at Kennametal. “Applying a more cohesive technology strategy would help us reach those results.”

Opportunity for Improvement

Kennametal reevaluated its technology infrastructure when the time came to upgrade

IBM Notes and the related servers. The company looked to the cloud to replace existing email and file-sharing methods and to add conferencing, data storage, and enterprise social networking to its capabilities, considering solutions from Google and Microsoft. “We spent quite a bit of time evaluating Google cloud offerings, and while we liked a lot of its technology, we felt that Google lacked tools that could handle the full range of our demands,” says Hanna. “It didn’t provide many executive administration functions that we need on a day-to-day basis, such as the ability to delegate calendars. At the same time, Microsoft Office 365 was nearing release, and we were excited about where it could take us.”

The Right Tools and People for the Job

In October 2011, Kennametal started to test Office 365 and deployed the solution companywide by January 2012. Binary Tree, a member of the Microsoft Partner Network with a Silver competency in Messaging, helped with the mail migration to Microsoft Exchange Online. Perficient assisted Kennametal in connecting Office 365 to the manufacturer’s Active Directory service. “We also had stellar support from the Office 365 engineering team, who made sure our transition was a smooth one,” says Hanna.

Connecting and Empowering Factory Workers

Now Kennametal factory workers use their mobile devices to instantly access the company intranet, known as the Hub, from anywhere. Based on Microsoft SharePoint Online, the Hub includes an integrated feed for Yammer, the company’s enterprise social network. Manufacturing technicians, managers, and other factory workers easily get to product specifications and other useful data, and they also participate in conversations on Yammer to report their own business issues and help solve others for colleagues.

“Our designers share drawings with customers and have valuable conversations through Lync. We don’t have to be in the same room to work closely with customers, which means we take care of their needs a lot faster now.”

Fred Patterson, Vice President of Product Engineering, Kennametal

For example, a factory supervisor in Tianjin, China, who encounters an equipment problem can create a private Yammer group to make it easier for his team members to work on the problem together. And they’re not limited to their own internal team expertise. Through Yammer, they can reach out for answers from Kennametal manufacturing technicians all over the globe who have faced a similar issue.

“Enabling workers across the company to use their mobile devices for this kind of immediate, effective collaboration helps us increase the productivity of our factories and employees,” says Hanna. “We’re also able to better inform and engage our factory workers, such as using the Hub to deliver new product videos and prompting discussions about them on Yammer. And when we conduct interactive meetings, factory employees can access them and participate, which was hard to do before.”

Cross-Company Knowledge Sharing

Of course, enterprise social networking isn’t just for the company’s factory workers. Kennametal has given all its employees incentives to complete their profiles on Yammer so that colleagues can make connections across locations. “We’ve never had a sophisticated system that could track our engineers’ and materials scientists’ areas of expertise and previous projects, but now, with Office 365, we’re able to establish a fully available knowledge-management resource,” says Crum.

Kennametal recently expedited its go-live process for a global engineering software deployment by using Yammer to post and resolve issues around the clock, and it uses Yammer for proactive knowledge sharing, too. “A new engineer who’s an expert at running CAD/CAM software creates movies to help our designers and engineers worldwide be more adept at using those tools,” says Fred Patterson, Vice President of Product Engineering at Kennametal. “He posts the

movies to Yammer and shares them on the Hub, which prompts Yammer conversations and helps colleagues build skills and accelerate their work pace.”

Enterprise-Class Capabilities

Kennametal appreciates having security-enabled, sophisticated tools that meet the needs of an international company. “Some cloud solutions are intended for more of a consumer audience and don’t have the built-in security and granular control that we get from Office 365,” says Hanna.

For example, Kennametal takes advantage of eDiscovery and Legal Hold capabilities. “Litigation has become an unfortunate reality for many companies, and having tools like eDiscovery and Legal Hold is critically important to us as an intellectual property-intensive business,” says Hanna. “We need to be able to track all our emails and documents without holding up either our engineers or our IT staff, and we can do that with Office 365.”

The company also appreciates that Office 365 includes executive administration functions and Enterprise Voice, which contribute to the manufacturer’s productivity. “An ice storm once kept our call center employees from getting to work, and we couldn’t route calls,” says Hanna. “With Office 365 Enterprise Voice, employees can answer calls from home, so we can maintain business as usual, regardless of the situation.”

Continuous Access to Information

Just as it’s important to connect people to each other, it’s equally important to connect them to data. Kennametal uses Microsoft OneDrive for Business to store and share documents that can be accessed from anywhere. “To conduct a performance review, for example, I used to send a review to the employee and that person’s boss, and then they’d both give me copies of their comments, which I had to put together,” says Hanna. “Now I just share the

“Instead of saying no to everything on the IT side, we’re able to responsibly say yes. We’ve opened up all sorts of possibilities for our employees by adopting Office 365.”

Steve Hanna, Chief Information Officer,
Kennametal

link to the review with them, and everybody comments on it in the same place at the same time. It’s a beautiful thing.”

Adds Crum, “In the corporate relations arena, we do a lot of drafting and need to get input from many different people. That input can be wildly divergent, so it’s such a benefit to be able to share and manage documents using OneDrive for Business. And I don’t have to remember to load the documents onto my laptop when I leave the office.”

Workers have access to more than just their own documents because the Hub is also the source for key performance indicators that offer expanded data analytics throughout the company. “Every plant knows its top-10 customers, its level of performance against our quality goals, its customer satisfaction ratings, and any other data that provides better vision into our status,” says Hanna. “Our on-time performance has improved by double digits over the last 14 months because employees could chart progress and focus on it as a goal. The net result is better revenue, better decisions, and better engineering designs. When you get everybody aligned in this company and give them visibility into our data, there isn’t anything we can’t accomplish.”

Greater Responsiveness to Customers and Colleagues

Kennametal employees use Office 365 to stay in touch with customers and colleagues alike. On custom engineering projects, for instance, designers might set up a Microsoft Lync Online videoconference instead of driving hundreds of miles to a customer’s location. “Our designers share drawings with customers and have valuable conversations through Lync,” says Patterson. “We don’t have to be in the same room to work closely with customers, which means we take care of their needs a lot faster now.”

Internally, Kennametal employees use Office 365 to collaborate more quickly. “For example, at 9:07 A.M., a German engineer who was developing a new product was worried that putting it on change notice would shut down the manufacturing line and posted the concern to Yammer,” says Patterson. “By 9:16 A.M., a fellow engineer in the United Kingdom had posted an answer about how to avoid the situation. Problem solved.”

The Flexibility to Innovate

By adopting Office 365, Kennametal has transformed into a company that gives its employees the freedom to work how they like to work. “Instead of saying no to everything on the IT side, we’re able to responsibly say yes,” says Hanna. “We’ve opened up all sorts of possibilities for our employees by adopting Office 365. Giving our different workers their choice of communication and collaboration mechanisms encourages them to brainstorm and share ideas about process improvements and new products. That’s essential in our business.”

As a company that specializes in innovation, Kennametal appreciates the technology advancements that it gets with Office 365. “One of the things I’ve been happiest with is how quickly Microsoft adds improvements to Office 365, both on the administration side and for users,” says Hanna. “I’ve seen Microsoft do an amazing job of delivering more business capability over a shorter period of time than any company I’ve worked with. As a result, we constantly have the latest and greatest tools for our employees, which puts them on a faster innovation path of their own.”

Technical Summary

Kennametal uses Microsoft Office 365 to give its 14,000 dispersed employees access to colleagues and information through their personal mobile devices and from kiosks on the factory floor. Employees use Microsoft Exchange Online for integrated messaging and

calendar capabilities, and they store everything from engineering specifications to performance reviews in the cloud using OneDrive for Business. They use Microsoft Office Online to read and comment on documents from anywhere on any device.

With Microsoft Lync Online and Enterprise Voice, they communicate effectively with each other through instant messaging, audio conferencing, and videoconferencing. Employees worldwide share best practices, impart wisdom, and help each other work through problems by using Yammer, the enterprise social network. The company ties its Microsoft SharePoint Online-based intranet to Yammer so that employees—including those in factories—can readily engage in problem-solving and brainstorming sessions. The company is embracing Enterprise Voice for modern, flexible telephony and Office 365 ProPlus for the latest versions of Office programs.

For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers in the United States and Canada who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to: www.microsoft.com

For more information about Binary Tree products and services, call (1) (212) 244-3635 or visit the website at: www.binarytree.com

For more information about Perficient products and services, call (617) 695-2654 or visit the website at: www.perficient.com

For more information about Kennametal products and services, call (800) 883-8895 or visit the website at: www.kennametal.com

Microsoft Office 365

The new Office provides anywhere access to your familiar Office applications—plus email, calendar, videoconferencing, and your most current documents—on almost any device, from PCs to smartphones to tablets.

For more information about Microsoft Office 365, go to: www.office365.com

Software and Services

- Microsoft Office 365
 - Microsoft Exchange Online
 - Microsoft Lync Online
 - Microsoft Office Online
 - Microsoft Office 365 ProPlus
 - Microsoft OneDrive for Business
 - Microsoft SharePoint Online
- Microsoft Lync Server 2013
- Yammer
- Technologies
 - Active Directory

Partners

- Binary Tree
- Perficient