

## A multiple viewpoint can find smiling faces

Learning from outside the ANA Group Yamatogokin Co., Ltd.

The results of our customer satisfaction survey (Customer Satisfaction Index = CSI) for the second half of 2009 showed that we achieved a customer satisfaction index of 88.0, which was higher than the original target which we set in order to achieve the number one position in the Asian region. This is clearly the result of the effort each individual has put in their own workplaces.

Furthermore, in order to "creating personal and human experiences with customers", both departments which are in direct contact with customers and those which are not need to put their efforts together and deepen the linkages between everyone in the ANA group, so that we could provide our customers with much better experiences. We want all the customers who choose ANA to have an experience that exceeds expectations from start to finish. In order to provide customers with these memorable, fulfilling experiences, we need to stop for a moment and think about what it is that we need to do.

In this feature, we will consider the need for having a "multiple viewpoint" in order to provide customers with that extra satisfaction. By examining cases from outside the company, we hope that all employees will be able to employ a "multiple viewpoint" which will help them build higher quality products. The two examples we have chosen are Yamatogokin Co., Ltd. Co., Ltd an aviation parts maker that supports safety and reliability in the aviation industry, and secondly Crastina, a furniture maker which uses of a diverse range of viewpoints and value systems to understand customer's potential needs.

### The key points of this special edition

1. Go beyond customer's expectations to provide them with a real memorable experience
2. To exceed customers' expectations, you need to have a "multiple viewpoint".
3. Having a "multiple viewpoint" allows you to anticipate potential customer needs.

### Being able to imagine all parts of the process is a strength that can produce new value

Yamatogokin Co., Ltd. have created a strong position for themselves in the niche market of special metal alloys. In particular, they are the world's number one supplier of the ultra-high strength new material NC alloy (a corson series copper alloy). The company's technological strength is supported by sales and development staff who have had a variety of experiences within the company which is why they can come together to meet customer needs.

We asked executive officer Gentaro Hagimoto what the company feels is important and we also asked Takashi Kido of the sales section about the efforts the company is making in the field.



#### Yamatogokin Co., Ltd. K.K.

The company was founded in 1941. Including factory workers it has total of 105 employees. As specialists in special metal alloys they take charge of all processes from the melting through forging and machining, which makes them an integrated development and production company. The company produces small volumes of very large numbers of different products that can meet very tight deadlines. The company's motto is to be inventive, fulfilling and hopeful. The company is far in front as a technical leader and is essentially a laboratory for copper alloys. For over 10 years, the company has steadily supplied the bushings required for the landing gear on Boeing aircraft used by ANA.

Material from Yamatogokin Co., Ltd. is processed into bushings and then attached to the ANA aircraft at ANA Nagasaki Engineering. There are over 1,000 bushings on each aircraft and they are responsible for maintaining safety. The company was awarded the grand prize at the "Bold Management Awards" which organized by the Tokyo Chamber of Commerce and Industry.

## What are the characteristics of Yamatogokin Co., Ltd.?

- A. In order to make sure each employee has a "multiple viewpoint", we use personnel rotation to make sure each employee experiences a number of different jobs.
- B. Having a "multiple viewpoint" allows us to see areas of customer needs which customers have not yet noticed.
- C. We continue to provide memorable experiences by providing products and services that go beyond customer expectations.

### Acquiring a "multiple viewpoint" by experiencing various departments

#### - Please tell us the reason why you regularly rotate personnel among departments.

**Hagino:** There are many benefits to be had from rotating personnel among departments. In our company, there are many jobs requiring craftsmanship and we can not do our work without such skilled personnel. Therefore, we try to ensure that our employees multi-skilled. Secondly, it is impossible to understand and meet customers' needs if you do not understand the processes which come before and after your own task. Moving personnel among departments is a very effective way of making sure everyone understands the entire company.

Since our company does all of its processes in house, employees have the opportunity to experience a number of tasks and see an integrated production line from start to finish. They learn to see the structure of the company from various viewpoints. Being able to see the company from various viewpoints is extremely beneficial when it comes to dealing with a wide range of customers.



Genjiro Hagino, Managing Director

### Making suggestions by thinking about your customers' customers.

#### - What benefits can your customers receive?

**Hagino:** When we start our sales activities, we try to provide the customer with accurate advice from the development stage. We suggest that "on anything to do with alloys, let us work together from the development process". If we are not able to do this, we think our company would lose its very *raison d'être*. That is how important we consider this to be.

To achieve this approach, we need to have our own basic proprietary technology, and our sales staff also need to understand it. That is why we regularly hold technical study meetings and research and development report meetings for our sales team. We hold technical meetings and study meetings for our development team to further brush up on their techniques and over the last few years we have, where possible, attended academic conferences. This is slow and steady work but reading academic papers and attending academic conferences is essential in helping us understand our position in relation to other companies and general trends in the industry.

In fact, the reason some of our development engineers are not here today is that they have gone to give a mid-term report to one of the government's research organizations on whether or not it will be possible to use some of our company's materials in a new thermonuclear fusion project being carried out in France. At the moment, we have many people coming to ask us for advice, and this is a situation we are very grateful for.

Customers may expect us simply to make the materials which they have ordered from us but we want to know how the customer will use the material. We just supply blocks of material but we are also perhaps a little bit nosy since we also want to know how the customer's customer will use the material. If this approach works very well then everyone can be extremely satisfied. Of course sometimes people shout back at us "that is not what we asked you to do" (laughs). But in the majority of cases I think that customers are satisfied and this leads to long, and in some instances indefinitely long, relationships.

### Supplying wear resistant material that lasts not just for more than four days but for more than one year.

#### - Have you ever been surprised by your customers?

**Hagino:** Once a major theme park was using aluminum alloy fins and asbestos as brakes for one of their most popular rides. However, when they became unable to use asbestos and switched over to an alternative material they found that the fins, which used to last three or four weeks wore out within two or three days. This meant that half a year's inventory of fins would be used up in no time at all and this would greatly affect the running of the theme park. That is why they decided to contact us.

Since the fins are used to brake and drive the linear motor they have to be able to conduct electricity but at the same time there have to be very strong against wear. These two requirements are slightly unclear but also in conflict with each other. Therefore, we proposed that the company used our newly developed material which both conducted electricity and was very strong.

When we made our proposal, the technical adviser at the theme park said that we will use your material if it lasts for four days or more. We did various tests during the night using sandbags to simulate the riders and as a result the decision was taken to use our company's material. In February 2007, they switched over all of the material to our company's materials and when they actually used the material they found that it did not just last for more than four days, it could actually be used for more than one year without any wear. Some changes had also been made to the braking mechanism but even though that was the case the durability of material surpassed the customer's expectations and the technical adviser at the company who selected our company apparently received some kind of award from his company president. There was nothing for us though (laughs). Furthermore, we did not receive any new orders for another two years. Looking back, we could have charged them three or four times the price and it still would have been cheap but perhaps we are not so good at doing business (laughs). However, the customer was extremely pleased so they did come to consult with us about some of the other rides which they have.

We also successfully developed and supplied material for a Honda Formula One engine that had to be able to reach 19,000 rpm without seizing up. This was well received by Honda but unfortunately last season Honda withdrew from Formula One.



Takashi Kido Sales Dept.

### Mr Kido's Career at Yamatogokin Co., Ltd.

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| <b>1<sup>st</sup> year at the company</b> ▶▶▶▶<br>Manufacturing section, responsible for sand mold casting<br>I just try hard to get through each day | <b>4<sup>th</sup> year at the company</b> ▶▶▶▶<br>Product quality assurance section<br>A feeling of togetherness through standardized activities at a JIS recognized plant | <b>11<sup>th</sup> year at the company</b> ▶▶▶▶<br>Manufacturing section, mold manufacturing, responsible for precision casting<br>From "product out" to "market in" | <b>14<sup>th</sup> year at the company</b><br>Sales section<br>Do not look only through fixed concepts, use that power of those around you |
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### "From tomorrow, join the sales department"

**- I hear that you were suddenly moved to sales in August of last year.**

**Kido:** One morning, President Shigeo Hagino suddenly called me to see him and said "from tomorrow you will be working in sales". It was a very sudden decision, but I was not scared. Since I had built up a lot of experience in the field, I knew that when I had to explain things to customers, I could take the stance of saying "please ask me anything".

Before moving to sales, I had worked for a long time in the mold manufacturing department which had been losing money. At that time, every day when I walked past the President he would look at me and saying "You, what are you doing?" I thought many times about leaving the company but once I asked the president "why do you always make such impossible requests?" He responded "What would be the point of making an obvious request? I make these requests because they are difficult. If I do not make these requests, then who is going to?" Then I suddenly realized what he had been saying.

I realized that if the president was making difficult requests to do this and do that I should consider it to be the voice of the market. At that time, I changed my way of thinking from "product out" to "market in". Since I looked like I understood what the president was saying, he stopped being angry with me after that.

From that time onwards, I have started to take note that we cannot try to expand our business if we become fixed in our ways. The copper alloys which we make can be used in a variety of ways as we finally adjust the composition. These uses include resistance welding electrodes, bushings for the aircraft landing gear, parts for molds and target materials for electromagnetic analysis devices. Therefore, it is always important for us to try and find information on products for which we might be able to stimulate a new demand. Particularly in the sales department, we do not just look at our materials and shift them from left to right, rather than trying change how we look at things and use the experience we have been able to build up in the field to see if we can find ways of making new proposals.

## **If we are asked a question, we try to go beyond the question in our answers.**

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### **- Have you ever experienced the feeling of being able to use lots of experience in your work?**

**Kido:** Once, at a particular automobile manufacturer, I made a proposal for a new way of using NC50, an alloy which we developed in-house, and my proposal was accepted. After we delivered the material, we did various testing and the customer's evaluation of the material rose considerably. Now in a certain department, they are beginning to use it in large quantities. Then, people began to ask numerous questions such as "can we use this alloy to such and such?" or "we want to have this kind of material, can you make it?". I had started off looking from the standpoint of the manufacturer using my experience to make proposals, and then I went on to meet customer needs. I finally reached a position of having customers come to consult with me and that was when I really felt that I was being able to use my experience.

However, to satisfy customers, we should not just respond to the questions they ask, we need to go beyond their questions in providing a response. That is something I try to work hard to achieve.

Although I am the one who goes to explain our materials to the customer, I also go to external study meetings to learn about technology and listen to the opinions in-house research and development and the voices of customers. Since the materials are produced by everyone in the company I can have the confidence to say "this is our technology" and "no one else has this technology". I think my work now is, with the support of those around me, to say proudly to our customers "do not worry, it will be fine!".

## **Aiming to the world number one: Once you have grabbed it, do not let go.**

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### **- Could you tell us about your current goal?**

**Kido:** Our aim is to increase the possibility that customers will say "first let us go and talk to Yamatogokin Co., Ltd.". There are many other companies in the same industry as us but there is nowhere else that has the flexibility to make fine adjustments to the alloy composition and employ our degree of technical skill. Our aim is that all of our customers should come and speak to us first whenever they have some questions about copper. We are aiming to become the world's number one company for special copper alloys. Even if we are not mass-producing parts, once we have captured a customer we will not let them go. From the customer's point of view also, we want to become the kind of company that customers always want to have close at hand. Even if we are a small company, we want our presence to be large.

We also think it is important to identify needs which customers have not yet identified themselves. That is why, we always try to change our way of thinking. We take nothing for granted, and always look at things from a new standpoint. In the future, I think that we have to listen carefully to what various people say, whoever they are, and whatever industry they may be in, in order to respond flexibly.