PLM Implementation Methodologies are Not Created Equal

by Richard Mizuno and Sajesh Murali

Today, the promise of product lifecycle management (PLM) applications extends beyond basic features and functions. It's about enabling a more innovative and higher-performing enterprise through new product development (NPD) and PLM. PLM implementations are complex, but a well-executed approach focused on driving business benefits will realize strong, lasting results – while simultaneously managing risks.

Most organizations are not taking advantage of the PLM capabilities that can optimize their NPD processes and increase the return on their PLM investment. Yes, implementing a PLM system can be a complex, demanding journey – but to paraphrase the old adage, an organization will get out what they put into it.

PLM implementation methodologies are not created equal. A deployment focused on the basic, check-the-box implementation activities will – at best – return basic results with a short shelf life. On the other hand, a well-executed approach that is focused on driving business benefits will realize better, lasting results – while simultaneously managing the risks of a major business change program.

There are as many PLM implementation methodologies as there are software solution providers, and approaches vary greatly. All PLM implementation methodologies can guide companies through the technical steps of configuring and testing the software, but few can provide a roadmap for process and performance improvement.

What truly distinguishes one methodology from another? There are three critical aspects that set a successful PLM implementation methodology apart from the pack – regardless of industry, company size or PLM maturity level:

1. A relentless pursuit of results that delivers real, sustained business benefits

2. An adaptive, rapid and iterative design method that engages end users with live prototypes instead of paper specifications

3. Project work that facilitates organizational change and enhances user adoption

Developing Your Roadmap to Evolve

Organizations face many market challenges today, including hiring top-quality product development talent, capturing knowledge and know-how from experienced personnel, scaling manufacturing to make any product at any plant, and keeping up with complex regulatory requirements.

To succeed, they are looking beyond the basic promises of PLM and expecting more out of their solutions, such as overcoming operating challenges and providing tangible bottom-line business results. Unfortunately, not all PLM implementation approaches are designed to achieve these types of results. The majority are instead designed to includetactical activities that demonstrate a basic focus on results, such as:

- Developing a business case for the project

- Establishing a cross-functional governance structure to guide the project

- Getting subject matter experts involved in defining requirements and system testing

- Conducting just-in-time end user training

While these activities are important, attaining sustainable results requires more than just checking the obvious boxes. It requires a mindset and commitment to pursuing business results – relentlessly. Your PLM implementation approach should establish the ground work for this.

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> Kalypso's Business-Driven PLM Implementation Methodology is explicitly engineered to increase an organization's ability to drive true enterprise-wide innovation and quickly extract real business value from PLM. Its proven, leading practice-based approach is the result of continual insights and lessons learned from hundreds of PLM implementations.
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Four Essential Principles for the Relentless Pursuit of Results

To develop the mindset and commitment necessary to pursue relentless results within your organization, we recommend building a foundation on the following four principles:

1. **Go-live is just the start**

Like products, PLM systems have their own lifecycle. What happens after go-live is just as important as what happens before. Go-live is the launch point for having the capability to effectively manage products and product data over their entire lifecycle. Therefore, the implementation approach must include the work steps for establishing long-term user support processes, global governance of NPD and innovation processes, and continuous improvement and system maintenance so these capabilities don't stagnate and die.

2. **It's about benefits capture, not just a benefits case**

Virtually all companies require a business case as part of the authorization for PLM funding. Too often these documents are put in a drawer and never referenced again. Very few companies take the additional steps required to diligently measure results and make course adjustments to ensure business goals and benefits are attained. Value attainment and the relentless pursuit of results is an ongoing process, not simply a check in the business case box.

3. **Change leadership is more than being "on board"**

Most organizations don't like change. Executives must lead their organizations through the change and adoption process, communicating the intent in word and actions. It takes more than just executive sponsorship and small doses of leadership to achieve real results. Recent research indicates that projects with excellent organizational change management (OCM) processes in place are six times more likely to achieve objectives, 4.5 times

more likely to meet project timeframes and 2 times more likely to stay on budget1. PLM programs that include little or no formal OCM leave much to be desired in the way of results.

4. Performance advantage is achieved through rigorous, repeatable deployment processes

Effective deployment of your PLM solution is a process and requires rigor and discipline. Deployment is not as simple as training a few folks and converting data:

DEPLOYMENT ≠
End user training
Data conversion
Setup of user profiles
Hope for the best..

Kalypso's PLM implementation methodology, Rapid Results, is designed to facilitate the process described here. The Rapid Results methodology is explicitly engineered to increase an organization's ability to drive true enterprise-wide innovation and quickly extract real business value from PLM. Its proven, leading practice-based approach is the result of continual insights and lessons learned from hundreds of PLM implementations.

For more information, contact us at **RapidResults@kalypso.com** or visit **kalypso.com/RapidResults**

If your organization is looking to extract real business value from PLM, a "just slam it in" or "check-the-box" software deployment approach will not work. Adopting and executing a PLM implementation methodology that combines business value, organizational change and technology will.

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