PLM for the Rest of Us

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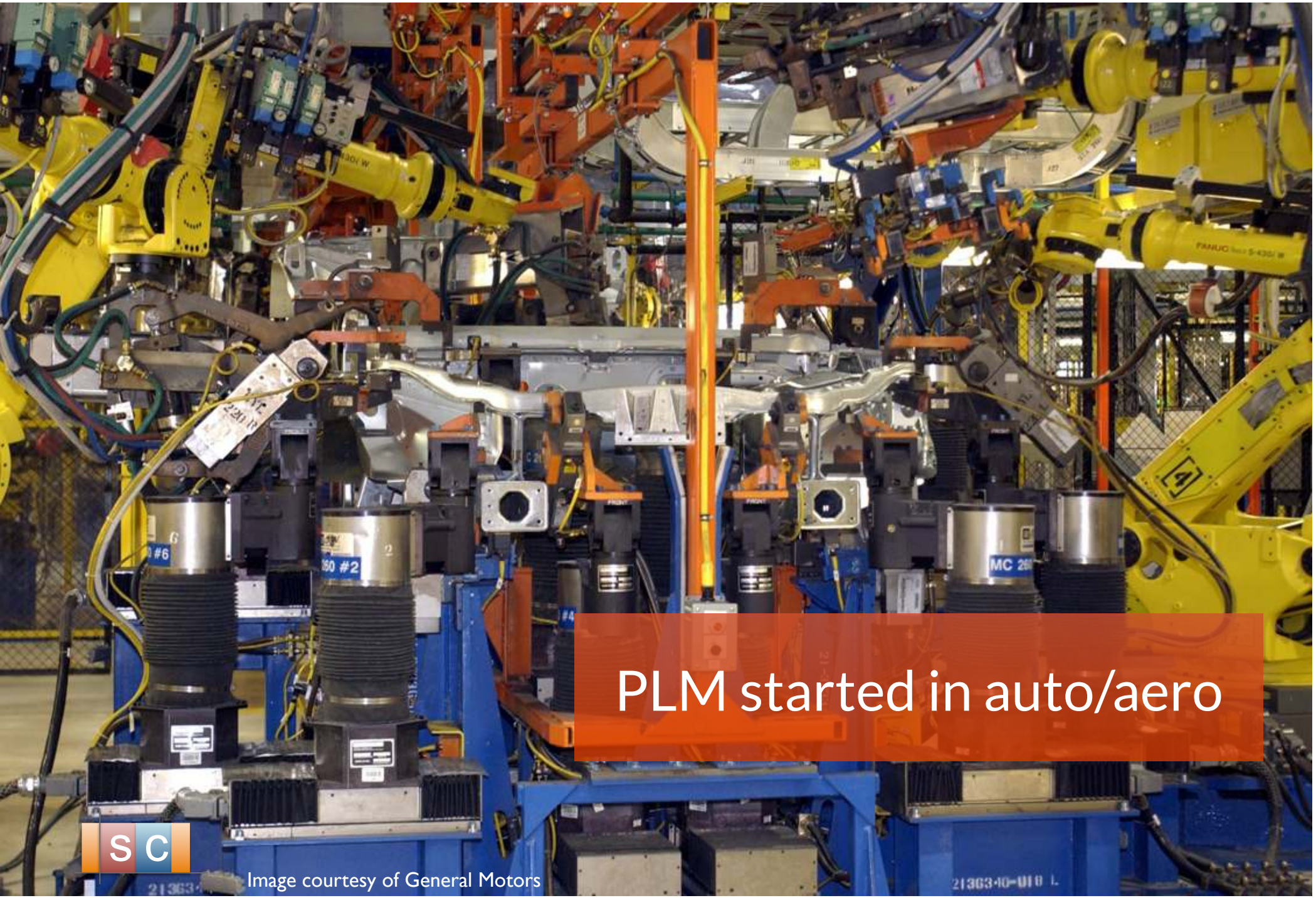
PLM Innovation Americas 2012

PLM started in auto/aero



PLM started in auto/aero

Image courtesy of General Motors


Now broadly applicable

Need to get control!

Business realities

- Faster cycle time
- No spare resources
- Reinventing costs more
- i-device expectations

...

Data realities

- Too much information!
- Time wasted, looking
- Which is right?
- Structured & unstructured

...

Three imperatives

Strategic: Do the right things

Tactical: Do things right

Operational: Get the right things done

- and know that things are OK!

Establish Order

Gather Intelligence

Run a Business

What is PLM?

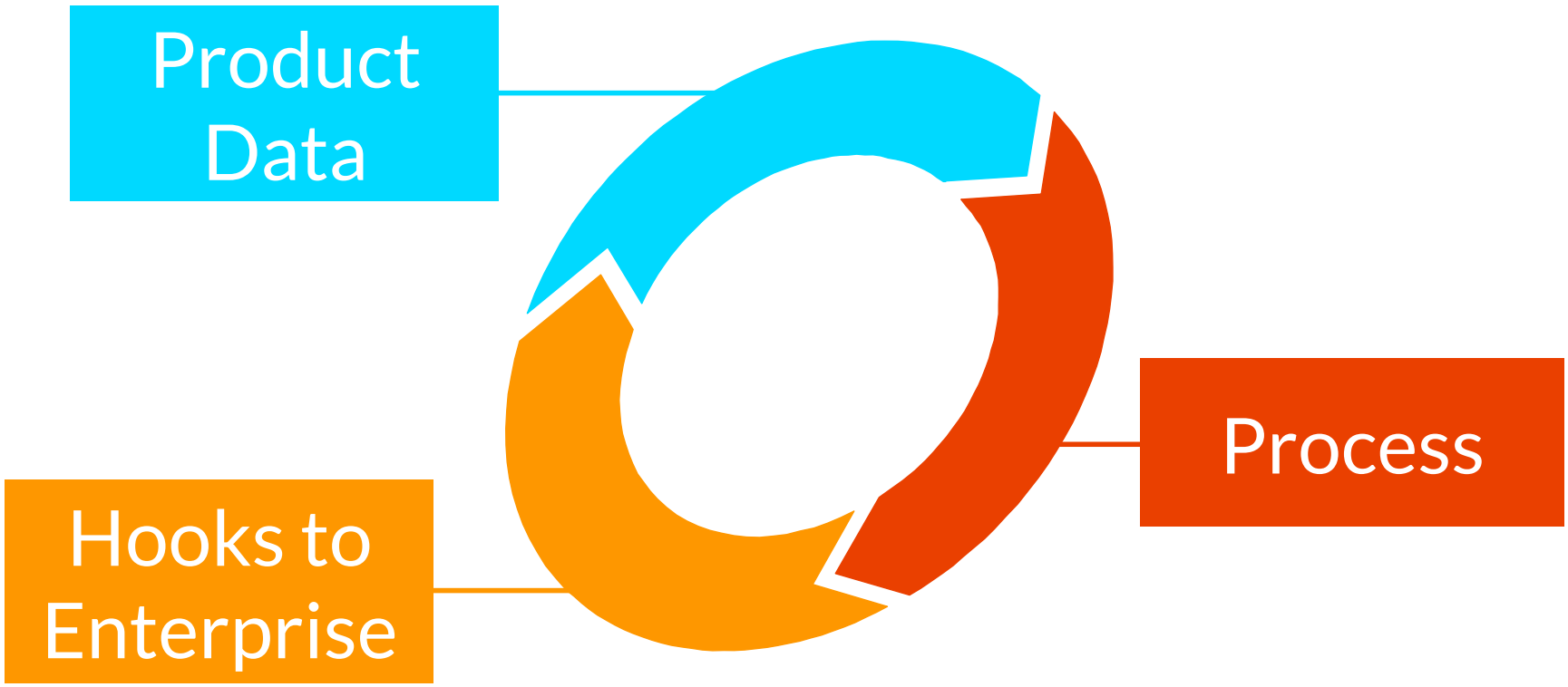
Technologies & practices whose goal is to

Increase Revenue

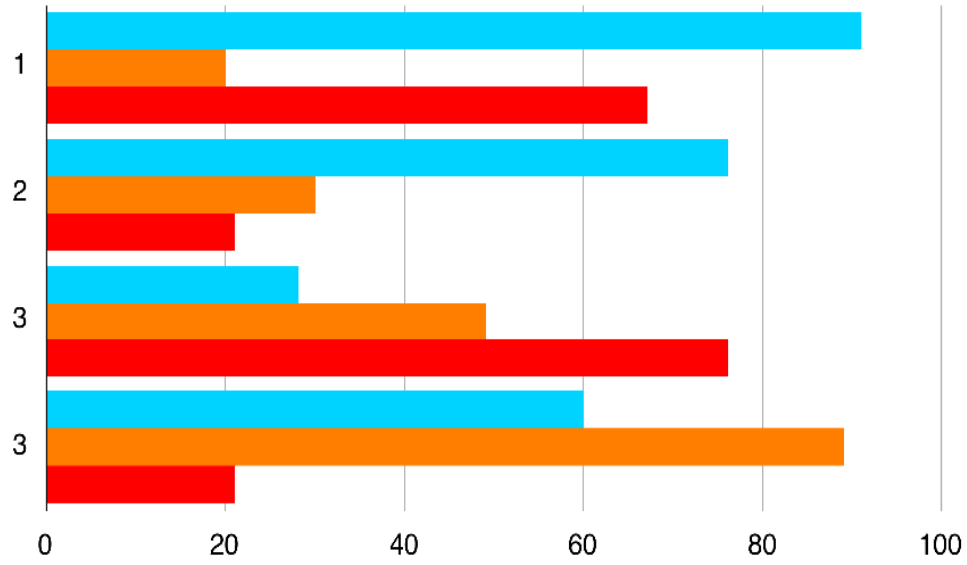
Reduce Costs

Involve Enterprise

What is PLM?



The benefits are real



- Greater visibility & control
- Better communication
- Reduced time to market
- Fewer/better iterations
- Lower prototype costs
- Easier compliance

-- and far beyond design/engineering/manufacturing

PDM vs PLM

Manages	Product Data	Product Processes
Facilitates	Finding Information	Broad Collaboration
Used in	Design/Engineering	Extended Enterprise
Integrated with	Collaboration	ERP, Warranty, etc.

Where to start?

1. Is PLM for us?

- Why are we considering this?
- Do we need more than PDM?
- Do we want to solve business problems outside design/engineering/manufacturing?
- Do we have the organizational will?
- How will we measure success?

Where to start?

2. How do we evaluate our options?

More, *better* options than ever before

- Process-focused or data-focused?
- Templates or custom?
- Same as corporate, partner or main customer?
- Specific functional need? Industry focus?

Evaluate based on your needs

Where to start?

3. How do we make the case for investing?

- Smoother communication?
- Better internal controls?
- Improved product quality?
- Planned innovation?
- Faster time to market?

Internal controls

- Fewer manual, ad hoc processes --> fewer errors
- Better visibility --> easier oversight, compliance
- Gather, systematize --> changing workforce
- Improved efficiency --> lower costs

Benefit = Avoided cost due to poor communication

- Cost of Implementation

Product quality

- Fewer warranty issues --> lower cost, risk
- Improved communication --> faster cycle time
- Better control over supply chain --> lower costs
- Higher customer satisfaction --> loyalty

Benefit = Avoided warranty exposure
+ Lower parts, other costs
- Cost of Implementation

Planned innovation

- Standardized process --> more repeatable
- Involve more stakeholders --> anticipate issues
- Close loop w/ requirements --> meet market need
- Find opportunities --> beat competition

Benefit = Profit from new product intros

- Cost of Implementation

Faster time to market

- First mover --> first revenue (may not be profit)
- Tight control over supply chain --> rapid response
- Targeted product iterations --> faster cycles
- Delivering on schedule --> virtuous cycle

Benefit = Profit from first mover advantage
+ Lower parts cost – speed penalty
- Cost of Implementation

Making the case


Benefit

=


Impact

-


Cost

Making the case

4. OK, Now what?

- Manage, communicate, engage
- Plan, involve all stakeholders
- Don’t try to fix too much, too fast
- Quantify success & publicize it
- Go for as much out-of-the-box as possible

PLM for the rest of us

Increase Revenue

Reduce Costs

Involve Enterprise

- PLM's benefits are real, vary for each implementation
- Making the case depends on the objective
- New licensing models offer attractive pricing
- The time is right -- cloud, devices, role-based access ...