Getting to a Business Transformation Strategy (with an Emphasis on Product Innovation)

Achieving Long-Term Transformational Success with PLM in Life Sciences, Part 10

by Dave Hadfield

In this series, we have considered why life sciences companies aren’t achieving the full value of PLM. We have looked at common problems, considered the enormous value of the opportunity, and recognized that the technology is maturing to the point of being truly viable to pioneers looking to make a real transformational leap.

Now we’re talking about practical starting points. In the last entry, I introduced the notion of starting by building a business transformation team. This team is focused on business outcomes, not technological implementation outcomes. They are not afraid to look holistically at the problem. In addition, while they understand that PLM provides an amazing opportunity to integrate many currently disparate, stand-alone processes across the full set of good manufacturing practices into a web of smart and integrated capabilities, they recognize that this must be done in the context of a larger business transformation strategy.

The foundation of this strategy should be built on a solid understanding of the product delivery engine. Ideally, this includes performing the following steps:

1. **Strategic Initiatives Assessment**: Understand the strategic initiatives that have been defined for the business by the executive team and why. Respect their wisdom and provide feedback during development of the business transformation strategy.

2. **Innovation Results Analysis**: Study past product development projects to find what worked well and what failed. When did we get the in-market results we expected and when did we fall short and why?

3. **Product Lifecycle Cartography**: Map how products are made from concept through obsolescence and what tools (technologies/databases) are used to get there. Catalog all processes for conceiving, designing, developing, testing, manufacturing and servicing a product. Characterize each one and consider how they fit together. Build an interface chart that shows which processes interact with each other and how strong those connection points are (how often they are hit throughout the lifecycle). This map clarifies the context by which business decisions should be made.

4. **Organizational Assessment**: Implementing a business transformation strategy - and in turn PLM - requires considerable organizational upheaval. Ensure the right skills within product delivery project teams to achieve the desired results. In this early stage, it’s critical to understand who the key stakeholders are and how supportive they are for a transformation. Do they want to do everything the old way, or are they ready to embrace improved processes and tools?

5. **Technology Assessment**: Catalog the entire list of automation tools (much of this will happen in step two), with the help of IT to understand what tools are used to manage product or product related information. A full technology assessment will identify hundreds, sometimes thousands of tools – ranging from spreadsheets to simple databases to very sophisticated implementations — and the integrations between them. This assessment shows how the information flow is fragmented.

With these steps complete, we can talk seriously about business transformation (and eventually transformation with PLM) in the context of product innovation. We now have a good understanding of the strategic landscape, people, processes and tools that drive innovation and what results we achieved or how we failed. Now we can strategically recommend multiple projects or actions to transform the business. One of those programs most likely will include using PLM and this can often start immediately. Others could be people-focused (training or coaching), or process-focused (re-engineering). Often these initiatives can be woven together, with PLM adoption as a catalyst to drive more fundamental change.

In the next few entries, we will cover the development of the PLM strategy.

More In This Series

- The Missed Opportunity and How We Can Overcome It
- PLM, the Great Missed Opportunity in Life Sciences
- PLM Pioneers
Adoption Obstacles

It's Time to Get Excited About PLM in Life Sciences

The Business Benefits
- Risk Reduction
- Cost Reduction
- Innovation Enablement

The Basics of Technology and Strategy
- Technology Choices
- The "PLM Program" is Where We Went Wrong
- Getting to a Business Transformation Strategy (with an Emphasis on Product Innovation)

PLM Strategy
- Setting the Stage and First Release
- Beyond the First Release
- Automation Initiative Prioritization and Grouping

Solving Coming PLM Strategy Problems
- Time and Cost
- Upgrades
- To Build or To Buy?
- Vendor First or Strategy First?

Making it Real – People, Governance and Methodology
- Transformational PLM is Hard – It's Time to Rally the Troops
- Amazing PLM Governance
- Ten Traits any PLM Team Must Have
- Three Characteristics of a Successful Implementation Methodology

Originally published on July 8th, 2015

What's your view? Add your question or comment
About the Author

Dave Hadfield
dave.hadfield@kalypso.com
Dave brings over 17 years of experience in product lifecycle management (PLM) to Kalypso's clients, with deep expertise in the medical device industry.