Leading Practices that Accelerate PLM Benefits & ROI in Hard Goods

by Vipin Goyal and Traci Stapleton

With diverse product categories, endlessly changing consumer preferences, fast-moving seasonal trends and constant innovation, companies that develop hard goods often struggle to launch winning products. Along with this complexity, companies must compete around price, quality and consumer experience. Product lifecycle management (PLM) can help support and transform product development for hard goods companies and multi-category retailers, helping with:

- Faster development cycle and time to market
- Enhanced collaboration with vendors, suppliers and customers
- Improved product quality
- Reduced product cost
- Improved design productivity
- Improved data access and accuracy

But for many hard goods companies in the early stages of exploring PLM, the time and effort required to implement is daunting, and more questions come to mind than answers. Companies often wonder:

- “Where do I start my PLM journey?”
- “How long will it take before I see results?”
- “How have others done it?”
- “How different are we from everyone else?”
- “What about change impact on my people?”
- “We work very closely with our vendors - how will that work in PLM?”

To answer these questions, and ultimately achieve faster time to value with PLM, retailers should reference leading practices around industry business processes and implementation approach.

Leading Industry Practices

PLM implementation timelines typically range from nine months to a few years. It’s a substantial investment of time to complete project planning, requirements gathering, process and application design workshops, testing, training and rollout to different business groups regionally and globally. However, leveraging leading industry processes can accelerate the PLM journey and reduce the time it takes to realize benefits in as little as four to five months.

Foundational PLM Capabilities

The first step is to quickly establish a solid PLM foundation. Companies need a robust platform that supports leading industry practices around business processes and master data management covering the foundational PLM capabilities:

The above set of PLM capabilities will result in immediate benefits, including improved data integrity, support for a single version of the truth, elimination of duplication of data, better role clarity, and higher visibility to track end to end product development. It is also very important in the hard goods industry to be able to support foundational PLM capabilities for both in-house development and vendor-driven development paths. Factory compliance and audit capabilities further support the very tight vendor collaboration and partnership needs in this industry.

The key to getting these foundational capabilities in place and achieving value quickly, is to avoid starting the PLM journey from scratch by leveraging business processes and functional requirements based on industry leading practices for product planning, design, development and sourcing processes.

For example, when planning a line assortment, the design or product development role should not be acting in a silo. The line plan should be a collaborative effort between the design, product development and merchant teams to define the product placeholders that will be built out for the season. The requirements – including aesthetic or trend direction, functional or performance characteristics, target retail prices and
Leading Implementation Practices

One important point to consider is that PLM is not ERP when it comes to implementation and the corresponding business transformation. The differences between ERP and PLM are significant. Treating implementations the same way will slow the PLM journey, marginalize its potential and limit its ability to achieve the initial strategic objectives.

Companies need to understand leading implementation practices in three areas:

1. **PLM Tool Knowledge**: Consider using an experienced team who knows the PLM technology and has implemented the system across hard goods as well as other product categories. This will greatly reduce the time needed to invest in designing and configuring the solution. When implementing PLM for the first time, learn as much as possible from those that have previously implemented – whether similar or different product types. Take the best and leave the rest.

2. **Business/User Engagement and Collaboration**: Be sure that the project team is equipped to engage the business users, so that the business contribution is relevant and valuable and that their time is utilized efficiently. There are decisions to make around process and system design (even for light configurations) that can be anticipated and tested out in prototype form before decisions must be finalized. With good planning, tools and templates, the project team can help the business team understand the context, benefits and risks associated with each decision prior to determining their path.

3. **Data Migration Experience**: Use tried-and-true tools for data migration or conversion to reduce risk of error and increase data migration speed. These tools can take existing structured and unstructured data, and make the data meaningful in the new PLM system.

The hard goods industry is a rapidly changing, fiercely competitive market. PLM can be transformational for hard goods companies, and those that accelerate their PLM implementations typically see the following benefits:

- Reduced implementation cost and risk
- Faster time to deploy with “production-ready” software system, pre-defined security model
- Minimized configuration effort
- Pre-defined, reusable attributes and workflows
- Pre-developed utilities to enhance user experience
- Improved user adoption leveraging out-of-the-box and pre-configured capabilities
- Faster realization of business objectives, benefits and ROI

**Learn More about Accel for Hard Goods**

Accel for Hard Goods is a pre-configured PLM solution, developed by Kalypso, designed for rapid implementation, enabling organizations to deploy foundational PLM capabilities as quickly as four months. The goal is to reduce the complexity, time and effort to roll out the PLM solution so that you realize the returns on your investment much faster than otherwise possible. [Click here to learn how companies can quickly and cost-effectively realize the benefits of PLM.](https://www.kalypso.com/solutions/accel-hard-goods/)

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