

Time and Cost

Achieving Long-Term Transformational Success with PLM in Life Sciences, Part 14

by Dave Hadfield

In this series, we have considered why life sciences companies aren't achieving the full value of PLM. For those of you that have read all my posts so far, we've reached an interesting point. We now have a basic [roadmap and strategy](#) around how we wish to proceed to embrace the [business benefits of PLM](#). But it's not realistic to expect this strategy to solve all our problems perfectly or immediately. I wish I had all the answers for the more challenging problems. I don't even have all the right questions (yet), but I have learned a lot from implementing PLM for almost two decades. In this entry, we deal with two of the most common PLM strategy problems - time and cost.

How should we handle processes slated for far out releases?

Most likely, the PLM roadmap will indicate some capabilities that are years away, and some process owners may feel short changed by this. They will likely want to go buy a dedicated solution that automates just their process. We know that [pioneering life sciences companies](#) should generally avoid dedicated or point solutions, because these usually impede the cleanest possible flow of product data throughout the lifecycle (not to mention lower complexity and cost). But we must also be pragmatic.

Some processes need at least some basic automation and while they may exist separately from the system of record, isolated automation can often be much better than a manual approach, even though it's still inferior to integrated automation. My recommendation is that if the PLM roadmap suggests something is more than three years out, it's probably worth considering point solutions very selectively and carefully. In many cases, the best point solutions might be simple cloud software and using office applications like Microsoft Excel, Word and Project.

If you don't believe in spending money on any kind of automation until it's time to do it in PLM, then at the very least, the process owner must ensure their manual process produces compliant outcomes in the leanest possible way.

What if the roadmap seems too long?

I recommend not trying to implement more than five to seven capabilities at any given time, but there are many variables that can influence this threshold. This would be a good number for a division that has a single, standardized quality system. When bringing multiple quality systems together from multiple divisions, the number may be lower. Two or three capabilities would be a lot to harmonize at once.

One approach would be to segregate the product lifecycle into groups where coupling is rather loose between the groups and runs in parallel. This is challenging but I have seen it done.

Otherwise, patience will have to be the price of attaining greatness. Measure your success by extracting business value at each release, using the prioritization methods previously described, instead of the quantity of features you implement.

So just how much is this going to cost?

I see PLM investment heading in two seemingly disparate directions. On one hand, I know of PLM programs for a few very large companies that start to rival ERP in terms of cost. On the other hand, I see a growing number of PLM implementations delivered with much lower cost and time required than in the past.

Regardless, I have always been a believer in pay as you go. In other words, don't ask for the big budget all up front. Plan for and acquire enough to cover what's needed for the next release or two (one year out plus likely support and maintenance). Then, in your implementation, please have a relentless focus on meaningful business metrics (something that is sadly overlooked in many projects). Use the business metrics as a way to demonstrate success at each phase. The resulting returns from well executed early phase PLM efforts should be more than enough to cover subsequent year investments.

In many ways, PLM is becoming more cost-effective. But to [make it out west](#) with PLM (and to reach the potential I have formerly discussed), it still requires a significant investment in people and process change. If done right, every penny invested will be returned multiple times over.

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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.