

To Build or To Buy?

Achieving Long-Term Transformational Success with PLM in Life Sciences, Part 16

by Dave Hadfield

In this series, we have considered why life sciences companies aren't achieving full value from their PLM implementations. If you've been following along to this point, you know you need to have a [roadmap](#). Perhaps you have planned to automate a dozen or so process areas over the first five years. Now you need to decide if you will buy the process-focused add-on-module (capability) offered by your vendor, or if you will build it yourself on top of the PLM platform.

Even asking this question is controversial. It reminds me of how people daren't speak Voldermort's name in Harry Potter. It really annoys and surprises some people to even consider strategies that might bypass vendor capabilities. Common arguments center around support and cost – that there won't be adequate support or upgrades, and that it will cost a lot more in the long run. A majority of time, these concerns are valid; however, there are cases where the benefits of building your own can outweigh the downside. There are also two middle ground options: you can partner with the vendor to build out the capability you need, or you can start with what they have and heavily extend it.

When Should you Build Your Own Capability?

First, you must have a flexible and extensible PLM platform (some are built to only work as the vendor recommends), and at least one of the following situations must apply:

- The capability is not offered, is not on the vendor's roadmap, or is in a distant release.
- The capability provided is superficial, or not aligned with your requirements.
- The capability exists, but your vendor doesn't emphasize it. Ask your vendor tough questions about the number of clients who've installed this capability in production. If the vendor has low demand, the capability probably won't have the features you want and you will end up extending it anyway. Why waste time changing your process if the vendor approach is going to be abandoned?
- The capability is not easy to use, poorly designed, designed in a lab with no real world experience, or exceptionally unfriendly, clicky, or impractical to use.
- The vendor has the capability, but it was based on an acquisition and isn't properly integrated into the core platform (or the vendor doesn't provide clear guidance on when they will integrate this capability into the core platform).

None of these conditions are sufficient to immediately conclude you need to build this capability on your own. Meet with the vendor. Help them understand your business need and their opportunity to capture a greater share of your business. If they're willing to reprioritize their offerings to meet your business needs, and your industry (you don't want them to write a solution just for you, even if you are big enough) then go with them. Otherwise, you'll need to think carefully about building it on your own.

For example, just because your vendor has a CAPA capability, it might not meet your all your CAPA needs. I reviewed such a module from a vendor a few years back. It was designed as a standalone point solution and lacked integration to other processes. The capability was immature and demonstrated an amateur understanding of CAPA. This doesn't mean I wouldn't have recommended it to my client, but I know we would have had to do extensive work building what we needed on top. This brings me to another point; don't just look at bells and whistles within the capability.

This is a common mistake made by departmental buyers who are given decision authority from a PLM champion with little understanding of process integration and enterprise architecture constraints. You must consider the process-to-process integration requirements as well as your company's enterprise architecture principles around complexity, change, and cost.

The life sciences industry (including medical device manufacturers) is still not a core industry for most PLM vendors. They've implemented some capabilities very well, but many times lack both depth and breadth of their offerings. So in all reality, some build-out is needed if you want to get the full value of smart, integrated processes. Conducting an objective assessment of each vendor's capabilities requires deep implementation experience with each platform you're considering, or a partner that has successfully implemented each of the platforms you're considering in large life sciences companies and can provide an objective view of each platform. Don't rely on just a vendor demo and RFP response.

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 August 20th, 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.