

# The “PLM Program” is Where We Went Wrong

## Achieving Long-Term Transformational Success with PLM in Life Sciences, Part 9

by Dave Hadfield

In this series, I am looking at why life sciences companies aren't getting the full benefit of PLM, and what they can do about it. So far I've covered some of the industry-specific challenges, the potential benefits, and the evolution of the technology to support the unique life science product lifecycle. Now let's talk about how we frame a PLM project to maximize organizational acceptance and impact.

When undertaking an initiative that includes PLM, many companies will frame the PLM component as a “PLM Program.” This is perhaps one of the biggest ways companies set themselves up for failure. As much as I can geek out about PLM, not just the overall program, but every PLM project must deliver clear, material business results.

While many consultants (and admittedly myself earlier in my career) have approached PLM programs without a clear and compelling business case, our job is to help our clients draw a clear line from their overall business drivers to specific quantitative and qualitative metrics where PLM can make a material impact on the business.

Let's go back to our [pioneer](#) metaphor. Think of PLM like the wagon (our enabling vehicle). The pioneer is probably very interested in their wagon; the quality and sturdiness, the capabilities and features. But what they really care about is getting out West. This means they also need to understand how to survive in the elements. They need to know how to defend themselves if attacked. They probably need to know how to hunt and fish. They probably could use a map and an understanding of what places to avoid and which towns might be friendly to the weary traveler. Only when we bring all the right pieces together do our pioneers stand a real chance of making a successful journey. Poor planning and execution, without considering all these aspects, most likely equals failure, even death.

Instead of forming a PLM team (which is often IT focused), form a business transformation team (which is business focused) dedicated to results. This team can look at adopting PLM (with capabilities deployed in phases) as part of their integrated business transformation plan.

This team should start by understanding what business transformations are needed. When I study 10-K reports, I can almost always find ways that we can meaningfully impact many (say 75%) of the drivers cited in the “risks” section with PLM as part of the equation. Not too shabby! We can't help much with currency fluctuations, but we can meaningfully enable time-to-market, cost, quality, compliance, risk, ROA, improved access to global markets, strategic growth, innovation and many other things.

Framing the initiative as a business transformation means selecting which one to three drivers provide the greatest impact for a specific client, and then ensuring that every project delivers measurable benefits to those specific drivers. Only when companies understand the value they will realize from every PLM project do they overcome many of obstacles I've covered in this series.

In order for companies to realize the business results from their PLM project, they must follow a well-defined phase gate methodology, and gate reviews must have teeth and proper metrics. PLM can help facilitate much of this, but a tool (no matter how smart and integrated might be) is not the only aspect of the equation. It's a combination of strategy, people, process and tools.

No matter where you are in your PLM transformation journey, it's not too late to step back and reframe your initiative on business results. It's okay to have a PLM team, but that team must report into a business transformation team.

In the next entry we will consider how we reframe our program and start by developing a business transformation strategy. Then we will see how a web of smartly integrated PLM processes can be truly differentiating (compared to the competition) as an enabler of that strategy.

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The Missed Opportunity and How We Can Overcome It

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- [It's Time to Get Excited About PLM in Life Sciences](#)

## The Business Benefits

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## The Basics of Technology and Strategy

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## About the Author



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