

# Organizational Change Management for PLM Success



## Maximize success and minimize business disruption with OCM specifically designed to address the unique challenges of PLM transformation

The benefits of Product Lifecycle Management are well known, but even the best technology can only be as successful as its adoption. This is not a surprise, given Gartner's assessment that seven out of ten large technology implementations end in failure. What might be surprising is that PLM, while a game-changer when embraced and used properly, can be even more challenging to implement successfully. To assess your PLM project organizational exposure, consider these questions:



- How silo-ed are your user and managing communities?
- Do you have a few critical "Keepers of core IP"?
- How entrenched is your existing flow of information?
- How long have your existing product processes gone unchallenged?
- Does your PLM initiative have strong support from both leadership and middle management?

Capgemini's PLM Organizational Change Management (OCM) is a comprehensive service that offers solutions to the adoption challenges represented by questions such as these.

You may already agree with the importance of OCM to PLM adoption, but wonder if any OCM service will suffice. It is true that PLM success is predicated on organizational change. What is not understood is that most OCM is not just poorly suited to PLM but actually requires a reversed application from traditional technical implementations.

## Why Capgemini's OCM Services for PLM?

Capgemini recognizes that PLM success depends on a new way of thinking; a new operating model. PLM implementation requires a project approach different from traditional waterfall, with discovery extending beyond design into development. OCM is similarly different for PLM.

**OCM is bottom-up.** Yes, you still need an executive champion, but the need for adoption mandates that change efforts begin with those using and impacted by PLM. Frankly, there is simply too much change required to expect a top-down mandate to ensure true adoption.

**The Keeper of Core IP is critical.** Every organization has someone who, either through nomination, inheritance or disposition has become the go-to person for all key intellectual property data. While the Keeper's support during the implementation of PLM is critical, ironically it will significantly reduce or eliminate that person's power. So special attention needs to be paid to the Keeper's care to ensure support.

**Power and politics follow information flow.** Enhanced version control and re-use of design data will alter traditional flows of information. The lines of power and politics in your organization are a reflection of that flow. Without a carefully considered and executed change program, intractable pockets of resistance can emerge seemingly overnight.

**Changed processes demand changed roles and responsibilities.** While Product Development is likely the most impacted by the introduction of PLM, multiple other upstream and downstream processes will change as well. If these go unaddressed, PLM value can be mitigated at best. Unchecked, your single source of the truth can degrade to splintered truths. Duplication of activities and gaps can extend change cycles to the point of increasing, not decreasing cycle time. To put it another way, if you do not need to change roles and responsibilities, you are likely leaving a lot of value on the table. PLM should challenge and change existing ways of doing business. When that occurs, R&R must change with it.

**Interdependency impacts are magnified.** The value of PLM is that it enables close collaboration between heretofore silo-ed groups. These benefits only accrue if the value chain collaborates. That is a challenge. Engineers are quite happy to collaborate with other engineers, especially to solve intractable problems. Across the value chain, however, collaboration can seem like more distraction than value-add.

Sharing of product data, a foundation of PLM success, can become impossible to achieve, especially if you extend the application of PLM to service lifecycle. Users of and contributors to product data can revert to functional boundaries. The increase in accessibility due to ease of use and mobility increases this trend.

## Successful adoption of Enterprise PLM

Henry Ford said "Coming together is a beginning; keeping together is progress; working together is success." Capgemini's OCM service accelerates your organization's ability to work together, built on the foundation of PLM. Here is how our approach is different from traditional OCM.

**Reducing Surprise:** PLM projects are filled with potential land mines. The value chain is a rich, interwoven environment with functional and business dependencies



**Leading analysts agree that PLM applications are amongst the most vital for accelerating delivery and supporting new innovative products, but also rank among the most complex to implement and adopt."**



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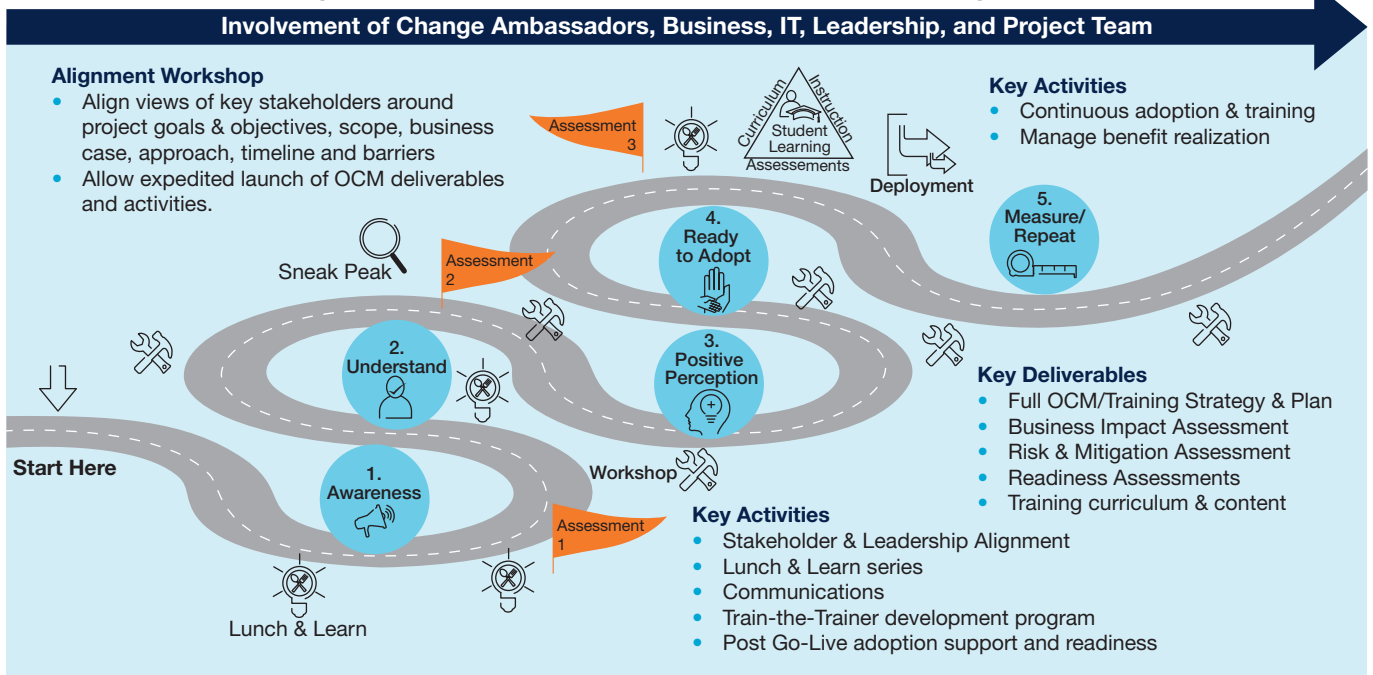
that can result in unexpected consequences. The dramatic changes to roles and responsibilities only add to this risk.

Capgemini conducts penetrating impact assessments that inform the change strategy and plan, communications, change activities and training. We prepare Risk Mitigation assessment that not only highlights the likely pitfalls, but suggested intervention as well. The result is a much smoother implementation, with far higher probability of success.

**Enhancing Communications:** Sending communications is easy; achieving communications is tough! The typical inbox gets 120 emails per day. For stakeholders who are agnostic or even antagonistic to PLM, yours will be the first to go to trash. In fact, those most likely to read your communications will be your project team, hardly your high priority target.

Capgemini professionals are adept at designing high impact communications designed to be consumed, even by those who don't want to change. After all, if you cannot get them to listen, how will you get them to adopt?

## Capgemini's Techniques – Adoption and Training Journey



**Sustained Alignment:** It is hard to improve your value chain when each link in the chain is pulling in a different direction. Too many OCM practitioners confuse support for the concept of PLM with true alignment, only to be surprised by discord three months into implementation.

Capgemini OCM does not stop at 30,000 ft. alignment. We work with your key stakeholders to gain alignment, not just on the concept of PLM, but on its reality. The result is a deeper, more durable support even when your project hits an inevitable bump.

**Role & Responsibility Support:** PLM success comes not from using new technology, but from using new technology in new ways. If the work does not change, the value is not realized. It is OCM's job, not to simply prepare your staff to accept the new technology, but to perceive and practice product lifecycle management in ways that changes engrained habits, processes, policies and beliefs.

Capgemini OCM works with your HR group to assess how your PLM solution will impact roles and responsibilities, create a migration path and if needed, create new job descriptions that align with your PLM future.

**Adoption Training:** Most PLM training is an event, a culmination of many months of defining, refining and transforming your lifecycle. It may seem logical to cap this activity with extensive training. For maximum learning, however, do you really want to introduce new processes, roles, responsibilities, information flow, decision making and technology at the same time? Yes, you can teach it, but what exactly is being absorbed? What is your confidence that much change and content can be operationalized? If not, you have not only wasted time and money, but ensured your new PLM solution will suffer from non-use at best, misuse at worst.

Capgemini OCM delivers PLM training in phases, designed to evolve your staff's understanding of the changes as they are defined. This not only reduces the learning burden at the tail end of your project, but provides an increased understanding of the context of PLM changes prior to introducing the new technology. The result is greater understanding, greater acceptance, and most important, substantially improved use of your PLM solution once training is done.

**Sustained Success:** No matter how carefully you craft your change program and execute your training, we need to recognize that altering established habits is not easy to do, and even more difficult to sustain. While many PLM projects establish KPIs against which project success is measured, by the time your program has gained sufficient momentum to be measured, you may have gone too far off the tracks to easily correct.

Capgemini OCM naturally supports project KPIs, but we are the only global practice that establishes adoption KPIs as well. Why? If your PLM solution is not being used right, it is reasonable to expect you will not get the value you expected. Adoption metrics provide early warning, showing where we need to fine tune before value gets impacted. We track such metrics as data collaboration, usage, design sharing and BOM management to keep your project on track, with minimum disruption to your business.

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## About Capgemini

With more than 180,000 people in over 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2015 global revenues of EUR 11.9 billion.

Together with its clients, Capgemini creates and delivers business, technology and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness.

A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

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