Getting the Most from PLM

PLM Drives Tangible Business Value
PLM and Business Value

Product lifecycle management (PLM) drives significant business improvements that show up in investor calls and annual reports. PLM implementations enable important improvements, but the value is tactical and limited to improved efficiency and reduced cost. While these are worthwhile improvements (and often pay for the whole initiative), they fail to exploit the full potential of PLM.

PLM can drive innovation, improve differentiation and lead to significant revenue growth. But most PLM implementations fall short of this. Why?

Who Gets the Most Out of PLM?

A recent survey of over 100 companies finds that some companies get much higher strategic value from PLM. This eBook explains how they do it and shares practical tips for how you can drive real business value from PLM in your business.
All PLM Initiatives Are Not Equal

Most of the companies surveyed report that PLM helped improve their top line and drive higher margins. But some did better than others. To find out why, we looked at the companies that rated themselves the highest on revenue growth, profit margin growth and percent of sales from new products (less than three years old) – the “Top Performers.”

**Top Performers grew revenue almost twice as much as others** while growing profit margins 29 percent more. This is a significant difference on the bottom line.

Top Performers also grew revenue from new products more than Others, indicating better innovation and product development performance.

- **Revenue Growth**: 18.6% for Top Performers vs. 9.6% for Others
- **Profit Margin Growth**: 15.5% for Top Performers vs. 12.2% for Others
- **Percent Revenue from New Products (<3 years)**: 18% for Top Performers vs. 14% for Others
Achieve More Value from Your PLM

Knowing which companies are in the top performance band allows us to analyze what they do differently than others, allowing us to draw conclusions and make recommendations on what other companies can do to improve their performance.

Based on our findings, we recommend organizations:

1. Get started with PLM to drive business value
2. Set strategic goals for PLM
3. Go beyond the basics to implement more (and more advanced) PLM capabilities
4. Continue to expand usage over time to gain additional benefits
5. Make sure to pick a PLM solution that will grow with you
Regardless of existing processes, technical maturity or business objectives, Kalypso partners collaboratively with organizations to facilitate, guide and support them through all phases of the PLM implementation process to achieve more value from PLM.

Learn more at kalypso.com/PLM

*This summary is an abbreviated version of the report and does not contain the full content. A link to download the full report is available on the Tech-Clarity website: [www.tech-clarity.com](http://www.tech-clarity.com).

If you have difficulty obtaining a copy of the report, please contact the author at jimbrown@tech-clarity.com.

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