PLM ⌡ Product Lifecycle Management Journal

The Journal of the PLM Interest Group.
Circulated to members and subscribers each calendar month.

WELCOME

Welcome to the first issue of the Journal of the Product Lifecycle Management Interest Group (PLMIG). The Journal will be circulated each month to subscribers and to members of the PLMIG.

The objective of the PLMIG is to assist its members as far as possible with the specific issues that most affect them in PLM.

As its name suggests, the PLMIG is an *Interest* Group, and it must therefore be active in a way that ensures that interest is maintained.

How the PLMJ works
Every month the PLMJ will carry the latest news, relevant articles, visit reports, case studies and reader feedback. These will be incorporated into the members area of www.plmig.com in the following month, to add to the Forums and the general base of information. At the end of the month the next issue of the PLMJ will be published, and the process will continue.

Themes
Many interesting subjects will be addressed within the PLMIG, and the *PLM Journal* will encourage this process by running themed articles and discussions that will start the ball rolling. This month we outline some of the

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In the PLM ⌡ this Month:

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many activities that have already been proposed, and look at the issues surrounding the 'Definition of PLM' (should the PLMIG attempt to define PLM; is it necessary?).

Future issues of the PLMJ will address the issues that members find important, but some of the ideas in the pipeline include '20-20 PLM' (what PLM may be like in 16 years' time); 'Wide Wide World' (contrasting PLM issues and developments in Europe and beyond); and 'The Hard Life of the PLM Administrator'.

Feedback
Feedback from members will be the lifeblood of the *PLM Journal* and of the PLMIG itself.

Articles in the PLMJ will include links so that members can reply with comments or questions. Depending on member feedback, there may be a 'Letters Page' to encourage more in-depth discussion.

What Next?
The PLM Interest Group will develop throughout 2004 as new members join, discussions develop, and activities start. The *PLM Journal* will develop with it, in terms both of format and content. In the meantime, we hope you enjoy reading this issue.

About the PLMIG

PLMIG and PLMJ are new acronyms in an area that is already crowded. For those who did not get to the Oxford and Frankfurt meetings, here is some background information.

WHERE DID THE PLMIG COME FROM?

The Product Lifecycle Management Interest Group (PLMIG) was established in December 2003 with the input of 32 organisations from 13 countries who travelled to formation meetings in Oxford, UK and Frankfurt, Germany.

The original idea had been to form an Interest Group for Europe. However, the meetings soon decided that PLM within a European boundary makes no sense. PLM is a global activity.

The meetings also determined that PLM is not just for the manufacturing industry. The building/construction, pharmaceutical, banking, finance and many other industries have similar issues once their 'products' have been defined.

Geography and industry are therefore no criteria for membership. The PLM Interest Group is a Group for everyone who is seriously interested in PLM.

Objective of the PLMIG
It's worth repeating that the primary objective of the PLMIG is to assist its members as far as possible with the specific issues that most affect them in PLM. In other words, the PLMIG aims to help its members with the PLM problems they are facing in their organisations.

We expect that everyone who joins the Group will have different reasons for doing so. Some may join to learn more about PLM. Some may want to meet other PLM practitioners similar to themselves in order to exchange experience and ideas. Whatever their motivation, the PLMIG aims to help members meet their objectives and make a genuine and continuing impact on the world of PLM.

Role of the PLM Journal
The PLMIG needs a respected journal or house magazine to bring news and topical issues to its members each month.

For 14 years the *Engineering Data Management Newsletter* has fulfilled a similar function for its subscribers in many of the world's leading PLM users and vendors.

Since January 1, 2004 the *Engineering Data Management Newsletter* has been relaunched as the Product Lifecycle Management Journal, and is now the official journal of the PLMIG (www.plmig.com).

For PLMIG members, this means they receive high quality PLM material every month. For subscribers, it means that in addition to receiving the journal by e-mail, their subscription will cover other services such as access to the PLMIG portal and participation in PLMIG events.

Development of the PLMIG
The PLMIG provides the means for people from different organisations to meet, virtually and physically, and to work together constructively and effectively on PLM in a positive and non-competitive environment.

The Product Lifecycle Management Journal will develop the ideas for services and activities every month and promote the debate that will shape the direction of the PLMIG.

In this Issue of the PLM Journal

It is a policy of the PLMIG that its detailed proceedings and published material remain confidential to members. Information that is released outside the Group must be in a non-attributable format.

This issue of the PLM Journal is therefore an extract of the full January 2004 issue, circulated to members, whose contents were as described on the front page.

We hope it will give you an insight into the PLMIG and persuade you to find out more about the Group, via info@plmig.com

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Visit Report: Views on Benchmarking

We went to Munich to ask a major Tier 1 manufacturing organisation, and Corporate Member of the PLMIG, for some practical views on PLM benchmarking.

The environment is PTC for CAD applications and (Metaphase-based) UGS TeamCenter for PLM. Company management requires all activities to be benchmarked, and PLM is no exception.

The company already has a year's experience of benchmarking with two close trading partners, which aimed to establish and compare the internal charges for PLM support. This would answer the top management questions "why is support so expensive?", "what are other organisations paying?" and "are we spending too much?".

The initial results were not of great benefit because the basis of the numbers turned out to be completely different. Time had to be spent to find out why this was so (and hence to establish a common base).

They found the differences lay in factors such as the comparative age of their respective equipment. If one company's server is new, and the other's is three years old, then there will be a difference in assigned costs due to amortisation or depreciation.

Once these issues had been resolved, the company found its performance was pretty good so now that question is no longer asked. Now they are talking of introducing an ongoing benchmark, and deciding which measures would be good for this.

The management questions have now become "why do we have so many people supporting PLM?"; "why is PLM support so much more labour-intensive than office support?", and "is this true for other organisations?". This points to using measures such as the number of cases or calls, and the time to answer and resolve them.

Another major factor is that the company has PLM users on several sites, supported centrally. In contrast, one of the benchmarking partners has chosen to place at least one IT person at each location. Reconciling such differences may be difficult, though the resulting figures might shed light on the effectiveness of each policy.

So far, benchmarking has been made easier because all of the participants have the same systems, but the type of system is not seen as the most important factor. It should be possible to benchmark with other organisations that have PLM from a different vendor. However, it would probably be very difficult to benchmark with organisations in a totally different industry.

It is important always to remember that benchmarking requires *effort*. You need to benchmark to your own measures, which means that you must first decide what is important. The benefits, however, go well beyond the comparison of numbers. The information that is uncovered while preparing the benchmark and while reconciling the differences in the results afterwards is just as informative and useful as the numbers themselves.

Last year's benchmarking was organised in a relatively informal way, by email correspondence between the participants. This year it will be formalised with written specifications and definitions. Looking ahead, the PLMIG could play a role in developing PLM benchmarking in its widest sense.

With its mix of vendors, integrators and users from a wide range of industries, the PLMIG could address the differences that affect PLM benchmarking and provide a platform for some form of standardisation and extrapolation. This would allow a much wider comparison to show how an organisation performs in terms of such things as costs, process coverage, or the number of documents managed by their system.

It might be possible for the PLMIG to run a one- or two-day seminar, with a comparatively small number of PLM managers attending, at which they could present their own benchmarking methods and work together to develop common measures and a framework of parameters to use. These could then be compiled and presented in meaningful charts or methodologies. The managers would expose themselves to critique while they presented but the feedback is always valuable and worthwhile.

benchmarking_jan04@plmig.com

Proposed PLMIG Activities

At the Oxford Forum Event and the Frankfurt Charter Meeting, many possible activities were proposed. Here's a brief review.

10 ACTIVITIES PROPOSED

These are the top 10 activities that members of the PLMIG are likely to support.

PLM Benchmarking
PLM Benchmarking is a technique used to compare different companies' PLM performance. It helps them to understand how effective their PLM implementation is compared to that of others, and how they can improve. They can then set themselves realistic performance targets and develop an improvement plan.

Benefits Model
Two types of benefits model have been identified by members. The business benefit model is oriented towards the needs of management. The user benefit model is more focused on the benefits for individual users in particular functions.

Capability/Maturity Model
For various reasons it's helpful to have a way of describing the level that a PLM implementation has achieved. Most mature in similar ways, so by looking at a more mature implementation it's possible to see how a less mature implementation will probably evolve – and then plan this evolution.

PLM at C-Level
Most people who attended the meetings in Oxford and Frankfurt mentioned the difficulty of explaining the need for PLM to C-level managers such as the CEO and the CFO. They pointed out that it would be useful if the PLMIG could develop and make available the material to help them do this.

Definition of PLM
Some members mentioned the difficulty they have in discussing PLM with managers as there is no generally agreed definition of PLM. Others pointed out the danger that it might not be possible to develop a definition of PLM that fits all industries and countries.

Implementation Guidelines
These are early days for PLM, and many members have found that they are PLM trend-setters. Although there are benefits in being a trend-setter, there are also disadvantages. In particular, nobody has gone before to set out the route to follow to achieve PLM. Some implementation guidelines would be of help.

Metrics
Metrics are the system of measurement that characterises an entity - be it a company, a product or a PLM implementation. Metrics are not easy to define for a new area such as PLM, but they are a basic building block that will be of use in other activities such as PLM Benchmarking.

PLM Processes and Lifecycle Stages
Some companies have started to define their Product Lifecycle Management processes. This is not an easy task. One of the problems they see is that PLM brings together many previously separate processes which have already been defined – but for which the definitions will now have to change.

Security
PLM seems an ideal way to benefit from the value of the information resource. With PLM in place, companies can have a single controlled source for all product information. However there are dangers is such an approach. Potentially a thief could gain access to all the data, very easily. In the past it wasn't so easy, when data was spread out round the company.

Standards
Thousands of people have tried to develop solutions for CAD data exchange over the last thirty years. For PLM, the situation is much more complex. It is not only standards for data that are needed, but also standards for processes.

Next Steps
We hope that by April it will be possible to start the first activity. If you would like to send us your views about any of the topics then please reply to activities_jan04@plmig.com

Defining PLM

Could we? Should we?   John Stark assesses the options.

THE NEED FOR A DEFINITION...

It seems likely that an Interest Group with 'Product Lifecycle Management' in its name will be expected, at some time, to tell people what Product Lifecycle Management is. The need may come in a meeting, at a Conference, or for a magazine article. It seems prudent to prepare an answer before the question is asked. Otherwise we may look rather ill-prepared.

People within companies intending to use Product Lifecycle Management will need a definition of PLM. It is difficult to imagine a CEO not asking "What is PLM?". Nobody would want to be in the position of having to reply "I don't know, but this company certainly needs it". Nobody would want to tell their CIO: "I don't know, but I want to select a PLM system".

The danger of a definition

While the arguments for the need to define PLM seem overwhelming, there are also some reasons not to define PLM. For example, by providing a very restrictive definition of PLM we may discourage people from joining the PLMIG.

By defining what PLM is, we also define what it is not, and in an area as wide as PLM that is perhaps a brave thing to do. If you consider the many viewpoints of people who work in the PLM space then contradictions abound. Most obviously, some see PLM mainly in terms of its lifecycle aspects, while for others the issues are those of collaborative product development.

My industry, or yours?

It is agreed that PLM is wider than any geographical area (such as Europe). At the second Oxford Forum it was also pointed out that PLM is not just for manufacturing industry. Pharmaceuticals, cars, ... can a definition be found that applies to all of these?

Can it hold water?

Some industry experts have already produced definitions of PLM, but often these are applicable only to their particular field of interest. Would such a definition be acceptable to all PLMIG members? Probably not, since it is unlikely it would address all the PLM issues that were of such interest to participants in Oxford and Frankfurt.

And in conclusion?

The objective of the PLMIG is to help its members meet their PLM aims. Many have already expressed the hope that the PLMIG will come up with a definition of PLM. It is very likely that this drive will continue and that members will organise themselves, informally or formally, around this subject. It may turn out that a single definition is impossible to reach, and that it breaks out into a structured array of different definitions for different types of organisation and industry. The exercise will surely be valuable to those who take part. Let us know your views on
definition_jan04@plmig.com

Your Feedback

The Product Lifecycle Management Journal aims to carry articles that are of interest to all PLMIG members, but it doesn't end there. We hope that when you agree, or disagree, with what you are reading you will let us know by replying via the links at the end of each article.

Technical Contributions

PLMIG members will have a wealth of specialist experience that could be shared within the Group. Member-contributed articles will be welcome within the overall editorial framework of the Journal. They could be on any aspect of PLM: people, processes, technology, industry views, vendor strategies, or user experiences.

Visit Reports

The January edition of the PLM Journal contains articles based on visits to Munich and Oxford. As we travel around Europe in the course of developing the PLMIG we would like to do more of these. Face-to-face meetings always repay the effort. And the link for this topic? feedback@plmig.com