

DRIVING PLM ADOPTION:

What Works and Why



A strong foundation comprised of three elements — sound change management strategies, flexible technology developed with an eye toward fashion industry requirements and methodologies and a responsive vendor partner — can put organizations firmly on the road to PLM adoption.

The potential to reap such benefits as accelerated speed to market, enhanced product innovation, and reduced product costs — especially in an increasingly competitive industry — makes product lifecycle management (PLM) a critical component of the technology toolboxes leveraged by apparel, footwear, accessories, home fashions, and other soft goods retailers, brands and wholesalers. Yet, fully realizing these advantages necessitates that companies achieve complete or nearly complete PLM “buy-in” in all departments and at all organizational levels.

“Without buy-in, even the best technology in the world is of limited value,” says Nancy Johnson, founder, president and CEO of advisory firm Optimize LLC. “New processes are followed only minimally, software sits unused, work is duplicated, errors continue to be introduced, and anticipated improvements in performance simply do not come to fruition.” But “with buy-in, PLM’s rewards” are infinite, she says.

Change Management Essentials

Driving PLM adoption begins internally, with an organized change management methodology. Through initiatives driven by their senior executives, companies must clearly communicate to all parties concerned why a PLM solution is being implemented, what they and the organization as a whole will gain from using it and how it will impact or alter existing business processes and procedures. “An executive champion or executive sponsor needs to initiate communication; without that type of leadership, it is difficult to embrace change no matter what,” observes Robert Kaufman, a partner at retail consultancy Parker Avery Group.

The solution must be presented as a tool for supporting growth, rather than as a piece of software, and the amount of time and effort required to learn the intricacies of the system before being able to fully harness it, as well as any expected challenges, merit discussion. “Companies frequently conduct business analyses to ‘vet’ PLM, yet many fail to consider and discuss with their departments what will be required of them as a result of the change,” Johnson states. The more uninformed employees remain, the more they will push back against PLM adoption.

Affording every department input into which PLM solution will be deployed, the features of that solution and how the rollout will be organized (with such “needs” and “wants” factored in to the highest permissible degree given finan-

cial and practical considerations) indeed helps to form a strong foundation for buy-in. Randa Accessories, which in collaboration with 75 brands designs, manufactures and markets men’s belts, wallets, neckwear, small leather goods, backpacks, business cases, footwear and gifts (and is the world’s largest men’s accessory company), adhered to such a strategy.

One individual, product merchandiser Robyn Howard, was appointed PLM manager and team leader, a position she continues to hold today. In this role, Howard conducted meetings with members of Randa’s merchandising, design and packaging groups to create what she deems their PLM “wish lists” and to determine how and in what capacity they would use the system daily.

Once employees of the various departments noted that their preferences were indeed being considered, and that many would be reflected in the final product as well as in any PLM procedures, they became markedly more amenable to the idea of utilizing the new technology.

“Getting users ‘in’ on the PLM product, so to speak, convinces them it is for them and their benefit, to simplify and support processes rather than to complicate” matters, Howard asserts.

Inviting certain employees to participate in the actual design of a PLM solution can yield equally effective results. Li & Fung, a multi-national consumer goods export and logistics group whose business includes, but is not limited to, designing, developing and sourcing consumer goods for retailers worldwide, enlisted such a strategy, a move its principals believe to have been instrumental in driving adoption. Groups of prospective end-users engaged in a cooperative effort with the PLM vendor’s product development team and chief solution architect to brainstorm and review proposed features and capabilities. User workshops and demonstrations upped the excitement ante.

“There was a lot of dialog and exchange of ideas, which led to a positive outcome because our people felt vested in the system,” observes Mark Cuocolo, Li & Fung’s vice president of operations.

A comprehensive training program is also an essential element of change management. Some companies rationalize offering only minimal education in this regard, assuring themselves that the technology is not complicated and that all will be well if a few individuals are trained and subsequently charged with showing other employees, en masse,

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how the product operates. However, this is a short-sighted approach. Just as the true advantages of PLM cannot be realized without all-encompassing employee buy-in, the latter cannot be accomplished unless a concerted training effort — preferably one that involves individualized training broken down by end-user role along with assistance from an expert vendor — is undertaken. When training is inadequate, companies face the same problems encountered when employee adoption has not occurred — e.g., continued error rates and duplicative work, coupled with a tendency among team members to ignore the technology and any new processes developed to harness it.

Encouraging members of the organization to embrace PLM becomes even easier when deployment occurs gradually, with individual brands, functions or processes brought on board one by one rather than in a single, all-encompassing initiative. Randa Accessories elected to follow such an approach, a move Howard deems instrumental in cultivating team member engagement with the product because training was more efficiently conducted in, and the benefits of PLM more easily conveyed to, smaller groups.

“For many companies, proceeding in small ‘chunks’ is the right approach; it makes the entire process of change

more easily digestible,”Kaufman notes. “Even sponsorship is simpler this way.”

Moreover, the most effective change management strategies call for continued involvement from representatives in all departments even after the PLM solution has been implemented. Often, end users identify the opportunity or need to modify a product once they have begun to leverage it. Their inclination toward continued and full-fledged PLM use — as well as toward “selling” their colleagues on the virtues of the system —increases exponentially as their suggestions for modifications are solicited and, where appropriate, executed.

Randa Accessories has made modifications to its PLM system in response to end user requests and feedback, in turn facilitating ongoing usage. For example, a sample-tracking feature was re-configured to generate reports indicating whether individual suppliers have downloaded tech packs and other attachments sent to them via the system. The fact that the reports are organized by vendor rather than by style, as was originally the case, eliminates confusion as team members attempt to keep tabs on samples.

EXECUTIVE INSIGHT:

An interview with Bill Brewster, Vice President of Global Sales & Marketing for Gerber Technology’s Yunique Solutions Business



Q: How should PLM be positioned to drive PLM adoption?

BILL BREWSTER: In the stages that precede implementation as well as during and after deployment, PLM needs to be showcased as a tool that supports business processes, creative and otherwise. It’s not, ‘Here’s this piece of software, and here’s what it does. It’s, ‘Here’s a valuable tool that will make your job easier and improve our business by allowing you to create and modify, collaborate more easily, track processes, create less waste and deliver a better product to stores on time and at a lower cost.’ It’s about the big picture, not the small picture.

Q: What type of implementation methodology is critical to efficiently move PLM deployment forward?

BREWSTER: The best implementation methodology is well-defined rather than loosely configured. It takes into account all of the risks and challenges inherent in deploying a PLM solution, whether a project is a small-

scale initiative or a large-scale global project. It leverages the skills of a highly experienced implementation team. The end-result is significantly improved predictability where cost, resources and timing are concerned — and a firm foundation for PLM deployment. Gerber has, over the years, developed such a disciplined project management methodology for its YuniquePLM solution. As part of that methodology, our implementation management team includes individuals who have extensive experience in fashion merchandising and design. Many have had important roles in the IT departments of leading fashion companies.

Q: What role should the PLM vendor play beyond the implementation stage if a company’s constituents are truly going to embrace PLM?

Systems must accommodate fluid, dynamic creative processes rather than the rigid engineering practices that are found elsewhere and do not exist in the apparel industry.

Technology Imperatives

But change management is only one catalyst for driving PLM adoption; the attributes of the technology itself significantly impact whether or not it garners acceptance. The latter is, to a significant degree, contingent upon whether the solution is engaging, intuitive and visually oriented — in short, how well it supports the creative process. “It’s not about spreadsheets and rows of numbers; it’s about how designs are created and how collections come together,” Johnson asserts.

PLM solutions with the greatest potential to be embraced throughout a fashion organization are built to reflect an understanding that the requirements and capabilities needed in the apparel sector vary considerably from those of aerospace, electronics, industrial equipment, and other types of discrete manufacturing. Systems must accommodate fluid, dynamic creative processes rather than the rigid engineering practices that are found elsewhere and do not exist in the apparel industry. Their configuration must reflect that in contrast to businesses that produce a limited roster of items in extended development cycles, fashion companies manufacture hundreds of items and execute frequent product changes within rapid development cycles; require real-

time visibility into multiple collections and multi-dimensional bills of material to effectively interact with vendors; and create multi-level merchandise, financial, and sales plans that take into account seasons, divisions, categories, lines, channels, and other business attributes.

Additionally, highly adoptable PLM products accommodate the extreme degree of collaboration required to design apparel and related soft goods. Because aesthetics are a critical and indispensable element of the fashion process, development teams and suppliers must routinely share images whose accuracy is impeccable in terms of color, fabric, drape and fit. When such preciseness is lacking, these constituents will see little reason or value to using the technology.

Whether or not a PLM application will garner enterprise-wide acceptance also increases when it easily integrates with other tools. For example, designers working in Adobe are far more apt to utilize PLM when integration creates an invisible “link” between the two solutions. Integration allows content entered into Adobe to flow seamlessly to the PLM and through the value chain, without needless repetition of steps.

The ability of a PLM product to integrate with computer-aided design (CAD) solutions drives adoption as well, in

BREWSTER: The vendor needs to continue to ask for feedback, on a one-on-one basis as well as within the context of user conferences and the like. That feedback needs to be seriously considered and applied, so as to better meet the needs of end-users and to effect customization where necessary. It is important to remember that this is a living organism, not a static product that cannot and should not be improved upon.

Q: How, specifically, should the risks and challenges presented by PLM solutions be managed to support acceptance?

BREWSTER: Potential risk should be identified not in the middle or toward the end of a project, but rather early in the lifecycle. The highest risks are the ones that go unidentified. Experienced project managers should be made responsible for uncovering hidden project risks, as well for providing practical, proven

approaches to mitigate those risks. This is where a deep understanding of fashion product development and related business processes by your PLM provider is invaluable.

Q: How can business process optimization be leveraged to contribute to a positive PLM adoption outcome?

BREWSTER: The vendor should work with those individuals in the end-user organization who are most knowledgeable about its unique processes, so as to identify and map existing processes in the product development lifecycle. Once ‘current state’ processes have been identified, a knowledge of industry best practices should be applied to the development of practical ‘future state’ processes that will work best with the organization’s systems and staff resources. This strategy, which we apply across the board, is very effective.

While neither data accuracy nor easy collaboration can be guaranteed when disparate data from myriad sources is input into separate data silos, PLM/CAD integration renders both entirely possible.

large part by affording end-users myriad benefits they would be unable to reap in its absence. Specifically, the typical fashion product lifecycle involves data entry by several different departments within the company, along with data entry by multiple suppliers and manufacturers. Accurate information is essential to creating a unified version of the “truth” and achieving effective collaboration between all of these parties. While neither data accuracy nor easy collaboration can be guaranteed when disparate data from myriad sources is input into separate data silos, PLM/CAD integration renders both entirely possible.

Moreover, through collaboration, brand owners and manufacturers will make revisions to patterns and want those changes to be seamlessly and quickly communicated to all parties in the process. If CAD is not integrated, information on material yields needed for costing, points of measure required for specifications and more are not communicated across the organization.

With an integrated PLM/CAD, no such challenges exist.

Key Vendor Attributes

The final push for moving PLM adoption forward in any fashion organization lies in the vendor and its approach to working with customers. As previously stated, a PLM solution, in order to be valuable and hence, deemed worth embracing by constituents throughout the enterprise, must

cater to the specific and diverse needs of multiple end-users. However, building such a solution generally proves impossible unless the vendor possesses a deep understanding of the client’s overall operation and business and creative processes, as well as of its objectives in boarding the PLM train.

In addition to having in place an implementation team with such an understanding, the vendor must take a partnership stance rather than a dictatorial one. Accordingly, there should be no touting of system “bells” and “whistles,” but instead frank discussion of and clear recommendations regarding features and functionality, along with a willingness to support client-initiated solution enhancements.

“It is much like a marriage,” Cuocolo says. He adds that Li & Fung’s PLM vendor supported the company’s creation of a workflow module for the design of licensed apparel, from concept and pre-production to final product approval.

Clearly, a viable PLM solution is a must for apparel companies of all sizes. Investing in such a system can pay off handsomely, but only when fully embraced on an enterprise-wide basis rather than a piecemeal one. A strong foundation comprised of three elements — sound change management strategies, flexible technology developed with an eye toward fashion industry requirements and methodologies and a good vendor partner — should put organizations firmly on the road to PLM adoption.