



## Webinar 1: Identify Your Company's Competitive Advantage



# Agenda

1. Introduction
2. What is Competitive Advantage?
3. Where Does Competitive Advantage Come From?
4. What are Value Activities?
5. Identify Value Activities
6. Creating Competitive Advantage with PLM
7. Questions

# Our Advisors

## Andreas Lindenthal - Managing Partner

- Over 25 years of practical, international experience in innovation, product development, PLM, business management and consulting
- Former partner at Kalypso, leading the PLM, A&D and Automotive practices
- Co-founder and president of Metafore, an independent PLM solution provider
- Former executive at Siemens PLM/UGS in Switzerland and the US
- Former head of new product development at Sulzer AG in Switzerland
- MBA in Entrepreneurship from Pepperdine University in Malibu, CA
- BSME degree with emphasis in CIM from the Zurich University of Applied Sciences in Switzerland
- Author of numerous articles, publications and blogs in the area of innovation, NPD and PLM
- Select clients and projects:
  - Apple (HT&E): Supply chain integration and PLM implementation
  - Applied Materials (HT&E): PLM selection
  - American Medical Systems (MD): Process optimization, PLM selection and implementation
  - Edwards Lifesciences (MD): Process optimization and PLM implementation
  - HGST (HT&E): PLM strategy, selection and business case
  - Hunter Industries (I&PE): PLM C&M assessment, NPD assessment and process transformation
  - Nexteer (Auto): PLM C&M assessment and recommendation
  - Thales (A&D): Process optimization, PLM selection and implementation
  - Topcon (Mfg): PLM implementation



# PLM advisors



- We provide unbiased consulting and advisory services in
  - **Product lifecycle management (PLM).**
  - **New product development (NPD)**
  - **Innovation**
- We help clients to define and optimize their strategies, practices, processes and technologies
- We are strictly vendor independent and technology neutral
- We do not sell software and do not have strategic partnerships with software vendors
- We implement and support all major and many smaller PLM systems
- Services we offer include
  - Education & awareness
  - Assessments & diagnostics
  - Strategy & roadmap development
  - Business case development
  - Software evaluations & selection
  - Process design & optimization
  - Project management and recovery
  - Organizational change management & leadership

# What is Competitive Advantage?

"Competitive advantage arises from the many ways a firm can achieve lower costs than its rivals or offer something unique in value to customers that rivals cannot."

Prof. Michael E. Porter; Harvard Business School; The Competitive Advantage, 1985

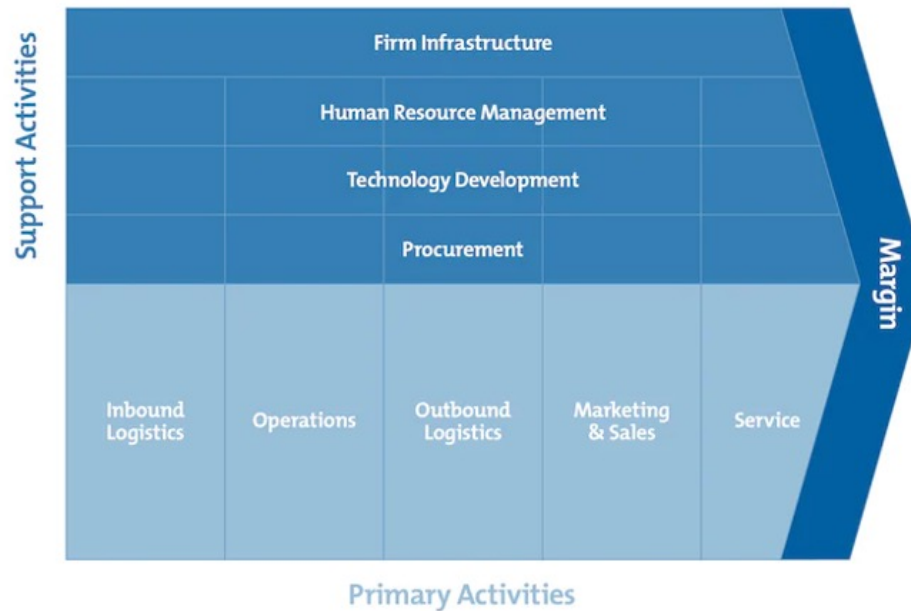
Examples:

- Apple – Product integration and ease of use
- Southwest Airlines – One aircraft type and direct connections
- Tesla – Electric vehicles and large charging network
- Volkswagen – Product platforms and standardization across multiple brands

Competitive advantage is temporary and can change at any moment with new products, competitors, consumer preferences, organizational changes, etc.

What is your company's competitive advantage?

# Where Does Competitive Advantage Come From?



Source: Prof. Michael E. Porter; Harvard Business School; The Competitive Advantage, 1985

- Competitive advantage comes from a company's value activities across the entire value chain
- Value activities are categorized in these 9 areas

# What are Value Activities?

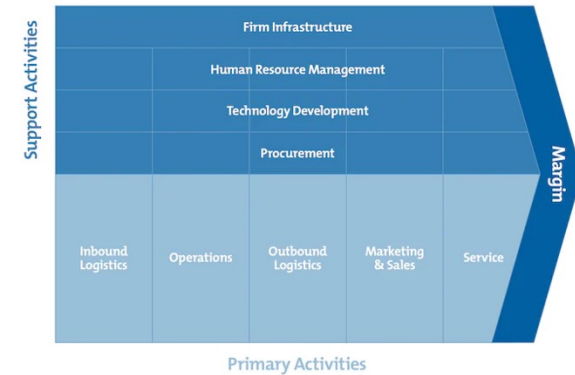
- Activities that a business needs to perform to create value and make money  
→ Unique offering, lower cost
- The basis for a company's competitive advantage
- **Different for every company (!)**

## Examples:

- Create customer proposal (Marketing & Sales)
- Receive customer order (Marketing & Sales)
- Configure customer specific product (Marketing & Sales)
- Design customer specific product (Operations)
- Manufacture customer specific product (Operations)
- Develop new product line (Technology Development)
- Extend existing product line (Technology Development)
- Source components (Procurement)
- Order parts for customer project (Procurement)

## Value activities?

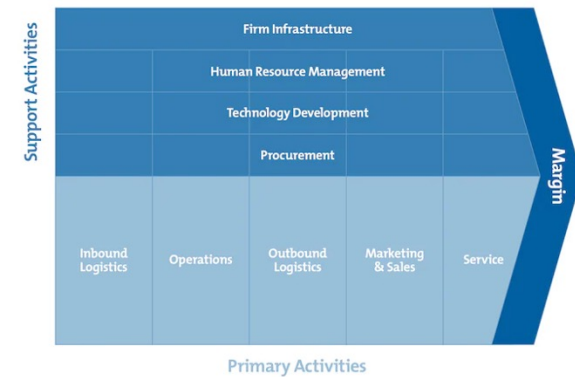
- CAD data management
  - Change management
- } Often the focus of PLM, but may not provide a competitive advantage



# Identify Value Activities

## 1. Identify all value activities

- It may not be obvious immediately which ones can be improved with PLM
- Cross functional team with representatives from all business functions across the entire value chain



## 2. Identify **Input, Process and Output** for each value activity

- Input: What is required to perform the activity, where does it come from (from what other value activity) and in what format is it?
- Process: What steps or sub-activities need to be performed to complete the value activity? What tools are used to perform the sub-activities?
- Output: What needs to be created as part of performing the value activity, who needs it (which subsequent value activities) and in what format do they need it?

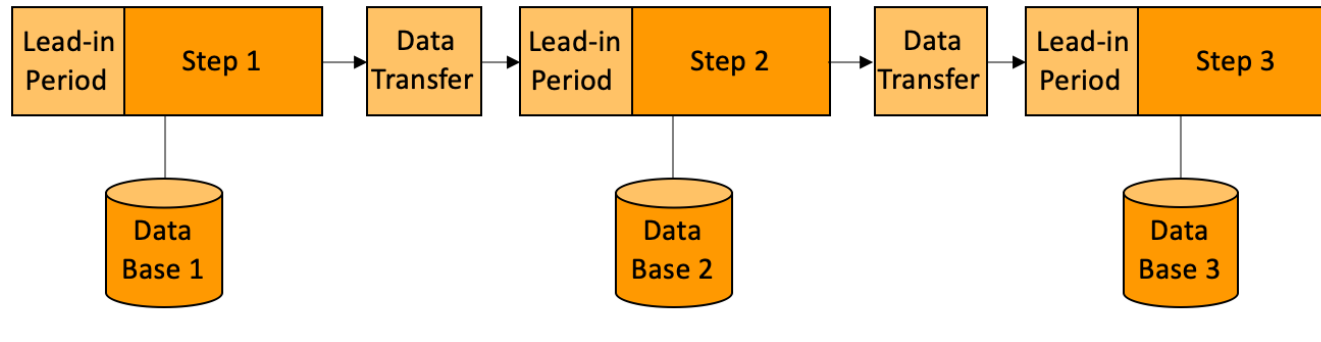
## 3. Identify the value activities that can be improved with PLM

- Which inputs and outputs can be managed with PLM?
- Which processes in each value activity can be **integrated and improved with PLM?**
- Involve someone who has experience with the application of PLM across the entire value chain



# Creating Competitive Advantage with PLM

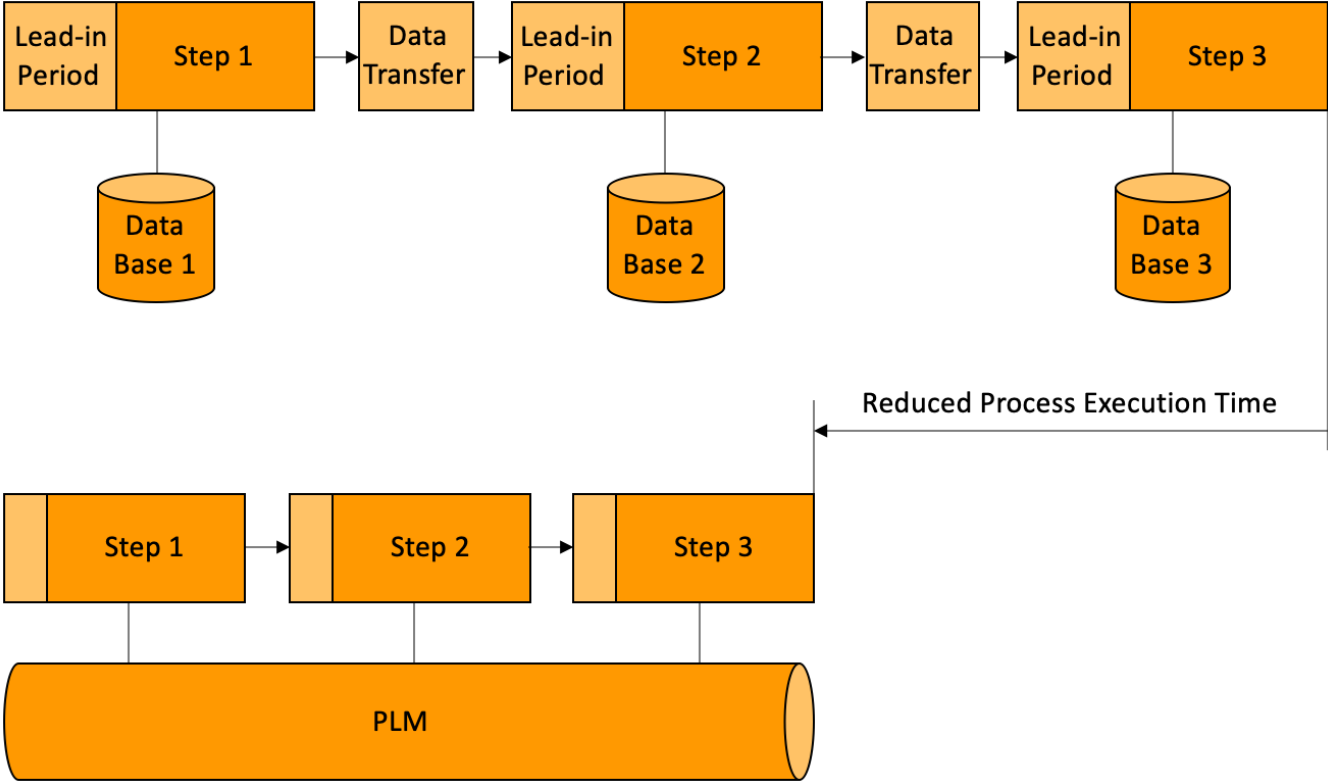
Common situation in many companies today



- Processes are not integrated
- Every process step uses its own tool/data repository
- Lots of non-value added work for lead-in activities and data transfer between the different tools/data repositories

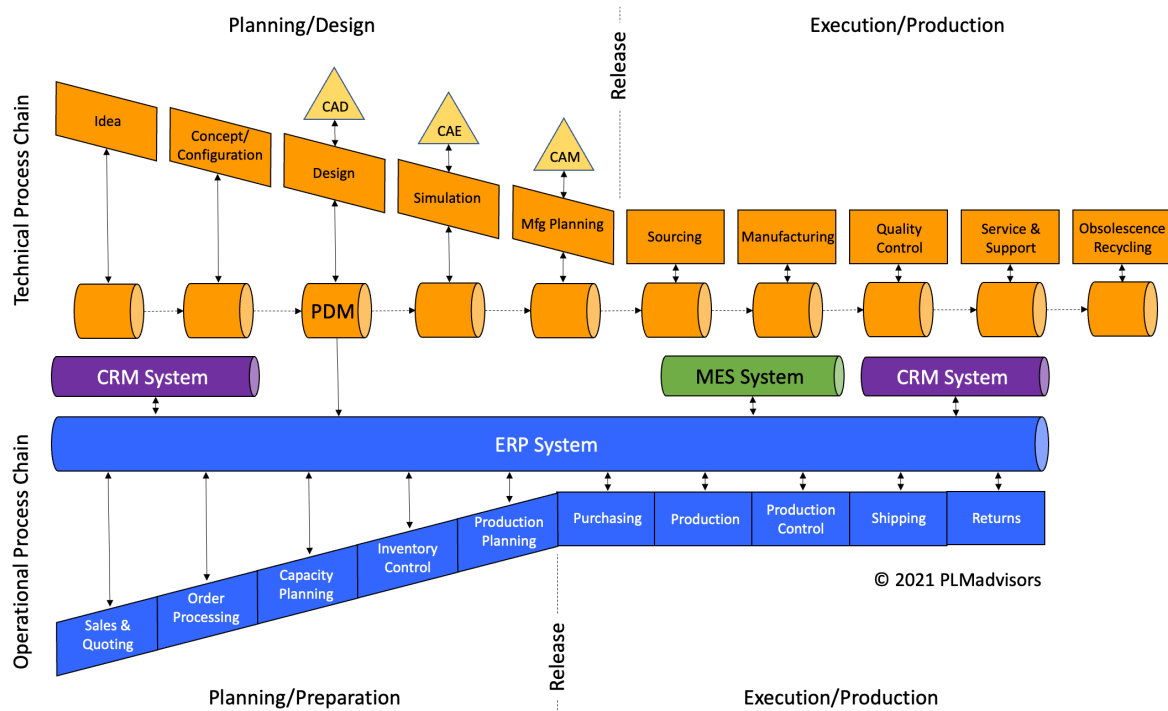
# Creating Competitive Advantage with PLM

Integrating business processes



# Creating Competitive Advantage with PLM

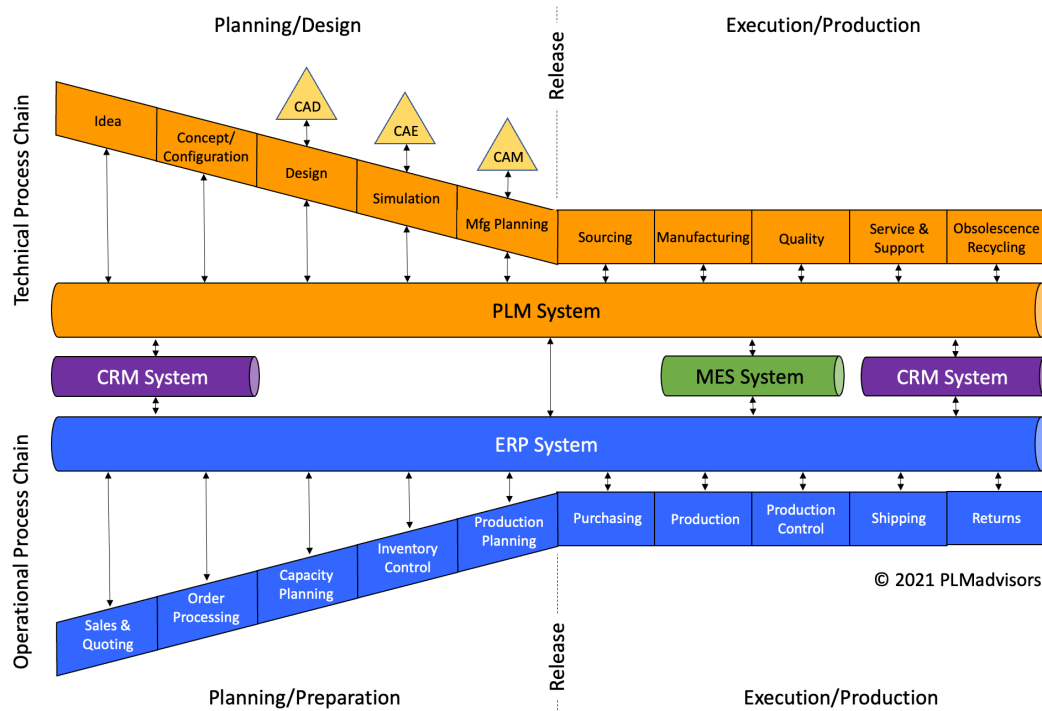
Common situation in many companies today



- Value activities are not integrated
- Every value activity step uses its own tool/data repository
- Lots of non-value added work for data transfers between the different value activities and their tools/data repositories

# Creating Competitive Advantage with PLM

## Integrating value activities



**PLM can make every value activity in itself and the entire technical value chain more efficient and hence improve a company's competitive advantage**

The full value of PLM comes from integrating the entire value chain

# Creating Competitive Advantage with PLM

## Summary

1. Identify all your company's value activities
2. Identify Input, Process, Tools and Output for each value activity
  - There may be several processes in one value activity (for example, Technology Development may have a new product development process, a requirements management process, a BOM management process, one or several engineering change management processes, etc)
  - There may be processes that span across several value activities (such as engineering change management, configuration management, requirements management, etc)
3. Identify the value activities and processes that can be improved with PLM
  - Involve someone who really understands how PLM can improve value activities and business process across the entire technical value chain
4. Optimize processes within each value activity for PLM
5. Integrate processes and value activities with PLM

# Creating Competitive Advantage with PLM

# Questions?

# Webinar Series: Using PLM to Gain a Competitive Advantage

Join us for our webinar series where we will explore how your company can gain a competitive advantage with PLM.

## Webinar 1: Identify your company's competitive advantage

Thursday, September 7, 2023; 8 AM Pacific time.

## Webinar 2: Plan your competitive advantage beyond PDM

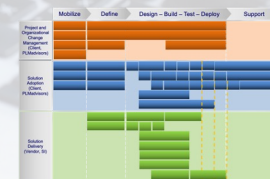
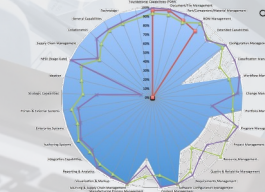
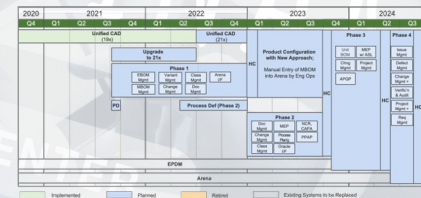
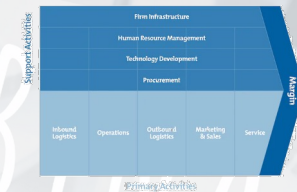
Thursday, September 14, 2023; 8 AM Pacific time.

## Webinar 3: Find the right technology to enable your competitive advantage

Thursday, September 21, 2023; 8 AM Pacific time.

## Webinar 4: Realize your competitive advantage

Thursday, September 28, 2023; 8 AM Pacific time.





Better Processes. Better Technology. Better Results.



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