



Considering PLM? Don't Forget the Integration

Integration of Processes and Information Speeds Time to Benefit

By Rick Ludolph, President, Productive Solutions LLC

PLM software remains high on the list of IT projects of many fashion companies. This is not surprising given its promise to, among other things, reduce product development cycles, enhance product innovation and quality, and reduce errors and rework. Compelling benefits indeed, especially in a time when innovation and speed are in such great demand. We see PLM as one of few truly game-changing technologies for our industry, and expect it to continue as one of the hottest software categories into the foreseeable future.

In our work of helping fashion companies assess, select, and implement PLM, we are often reminded of the importance for PLM buyers to consider the challenges and opportunities of systems integration early-on in the evaluation. Why is this so important in the PLM evaluation? With the goal of managing the product lifecycle from concept to consumer, the integration of processes and information across the enterprise, supply chain, and with customers is a key enabler of PLM.

PLM is much more than software. It is, in fact, an end-to-end business strategy that involves various technologies. To fully deliver on its promise, PLM must work with ERP and other software systems. Similarly, integration is much more than managing data. Integration involves both software and processes. The overall focus of the integration project must be on enabling cross-functional business processes rather than simply moving data from one system to another.

Considering the speed and efficiency demands of our industry, the importance of systems integration is obvious. Fashion companies must continually evolve in order to innovate and deliver products that meet or create consumer demand. Product development has become a corporate-wide activity. Inconsistency in design, development, sourcing, and production data generally results in increased delivery time and cost. Transparency and collaboration across the enterprise and supply chain is essential to success. Identifying the integration opportunities specific to your business should be a part of your PLM evaluation process. Of course, you will also want to avoid any integration projects that lack clear business value.

The integration of PLM and ERP is complicated by the significant cultural differences that exist between the design/development and sourcing/production functions. PLM relies on flexibility and loosely structured information to enable innovation. ERP enables control by relying on discipline and structure. As most companies have learned, the level of control required to manage a global supply chain is usually not appropriate for the product innovation environment. When integrating these processes, it is important not to pollute ERP with experimental information that may never be used again, while also avoiding too much ERP overhead in the development process. This is an important consideration as the primary integration points in fashion involve bill of materials items and information that flows bi-directionally between PLM and ERP.

Even though integration with ERP may not be an immediate goal, we encourage PLM buyers to give special attention to this matter in their evaluation of a new PLM system. Seeking out PLM software that exhibits quality data exchange and association will make the inevitable integration much less challenging. To be sure, you will need to understand each software vendor's integration capabilities in detail. Gather evidence of relevant integration successes for each of the products you evaluate. Learn what pre-configured integration tools or vendor alliances exist that can save you time and money in the integration process.

Of course, PLM buyers must stay focused on the best-fit capabilities to their business needs. While selecting a single, integrated system may appear to be the easiest option, you may find that a best-of-breed PLM solution provides more of the PLM capabilities required in your business. Whichever route you choose, considering integration upfront in your buying process may significantly reduce total cost of ownership and accelerate your speed-to-benefit with your new PLM system.

Productive Solutions, LLC is a boutique consulting services firm specializing in the fashion industry's concept-to-delivery processes and enabling technologies. It brings a uniquely focused and personalized approach to an international client base of retailers, brands, manufacturers and vendors. Contact Rick Ludolph at r.ludolph@productivesol.com or visit www.productivesol.com.