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Targeting SMBs

Every product goes through a lifecycle and has its own IT support requirements at each stage of this cycle. Right from conceptualization to product development, maturity and, finally, retirement; a product undergoes a set of processes typical and pertinent to each and every stage. Product Lifecycle Management (PLM) addresses each of these requirements facilitating process execution throughout the lifecycle of a product. PLM applications also allow organizations to access all the information generated during and throughout a product's lifecycle.

For example, an automotive company or aerospace manufacturer could accelerate the launch of new models in several ways. First, product engineers could use PLM to quicken the pace of executing and reviewing engineering modifications across an extensive design chain. Meanwhile, purchasing agents can collaborate more effectively with suppliers to finalize parts procurement. Executives can gain a bird's eye view of all pertinent product information, from specifics about the manufacturing line to parts failure rates gathered from warranty data.

In brief, PLM improves the overall operations during the product life cycle by reducing time to market, cost of producing prototypes and improving product quality and many such product related Key Performance Indicators (KPIs).

The market size of PLM in India is approximately $100 to $250 million per year. The growth or rather the adoption prospects of PLM are immense across verticals and industry segments be it automotive, aerospace & defense, Industrial or SMB. With India poised to become a global manufacturing hub as well as an emerging destination for outsourced design engineering the market growth looks positive.
While the SMBs are perceived to be slow adopters of technology, in the PLM space, they seem to be quick movers. PLM drives competitive advantage for SMBs, owing to which vendors are bullish about this segment.

GV Kumar, MD & CEO, said, "SMBs are big adopters of PLM as they are highly focused on having a competitive advantage. Often they are forced to adopt PLM as they fall in the supply chain of other enterprises forcing them to adopt PLM." However, Kumar believes that the PLM market in India is still at a nascent stage. Megasoft clearly targets enterprises as they feel that it's difficult for small businesses to deploy PLM owing to the high level of complexities involved in the same.

Yanna Dharmasthira, Research Director, Gartner opined, "Although demand was initially driven from larger enterprises, there has been focus on SMBs as well, specifically as mid-sized organizations are facing the same issues as larger enterprise due to globalization (in which case they need to meet the same standards and face stiffer regional and global competition)."
"Some major vendors have come up with mid-sized packages, as well as provided alternative delivery via SaaS. In any case, the same is true of other packages and SaaS offerings which target the mid-market, vendors will need to rely on mass volume to reap larger profits," she added.
In case of SMBs their approach to PLM could be different. SMBs typically would not like to adopt PLM in a Big Bang approach while they embark upon any new initiative. Patni has designed an innovative solution whereby an SMB can adopt PLM in a step-wise manner based on the maturity level of its product development process.

Suman Bose, Country Director, Dassault Systemes India said, "For us, the SMB segment plays a strategic role globally as it fuels a lot of upstream innovation and constitute a large market segment. The SME market in India recognizes the need to move to PLM; however, it has constraints on the time or human resources required for having the right PLM implementation. The SME market appreciates solutions that are easy to deploy and specific to industry requirements."
Dassault Systemes has reshaped its portfolio to make it easier to understand, simpler to deploy, affordable and powerful by providing the right tools for the right people when they need.

PLM trends
A huge number of incredibly varied products are created using 3D design and simulation software, everything from shampoo bottles to satellites, from planes and cars to cellphones. Before they emerged in the physical world, all these products had a virtual existence with a 3D representation. These virtual representations make it possible to imagine, to share design and production processes, to simulate and anticipate problems, to manage resources and much more, all before making an actual physical model. Many companies have already begun to embrace this broader PLM concept, enjoying remarkable results. The technology has the power to transform and streamline enterprise activities and work methods.
Kumar observed, "Previously organizations were deploying a lot of solutions in-house. However, there an increasing number of organizations are now looking for specialized skills and have started buying PLM solutions from specialized vendors."
Considerations for successful deployments
Dharmasthira explained, "Initially successful deployment of projects will need to be supported not only by a strong implementation partner, but also by excellent after sales support services. Based on Gartner's user survey, India respondents choose 'better record of after sales service' as the most important criteria for choosing an enterprise application vendor."
Rajeev Phadke, Senior Solutions Architect, Manufacturing BU, Patni explained how Patni adopts a systematic approach to the deployment of PLM applications. "The first step while approaching any PLM implementation is assessing the customer's requirements in terms of product life cycle. It is important to understand at what stage is the PLM deployment required for, whether it is conception stage, designing stage or for maintenance or support. The next step is to understand the legacy IT systems already present in the customer's organization. Legacy systems sometimes can be potentially problematic. These systems are often hard to maintain, improve, and expand because there is a general lack of understanding of the system."

"A thorough check of the Hardware-software-middleware trio systems of the customer is done to ensure compatibility of the systems with the PLM application. This understanding also helps us to develop PLM applications that are suited or compatible to the current systems of the customer. Post PLM implementation, regular reviews and KRA assessment of the system is done to eliminate any glitches that might crop up while running the service," he added.

"Deployment of PLM is a strategic management decision. Diligent understanding of PLM cost-benefit tradeoffs is required at highest management levels in order to secure long term benefits for a company. Technology spend is really a great cost-out and revenue-up opportunity. A delayed decision can severely diminish the utility of the same," Bose concluded.