

Kenesto: A Cloud (PLM) Collaboration Platform for SMBs

CIMdata Commentary

Key takeaways:

- *Small to medium-sized businesses (SMBs) generally avoided traditional product lifecycle management (PLM) solutions, perceiving them to be rigid in processes and governance, high in cost, and neither consistent with nor supportive of the entrepreneurial mindset that helped SMBs become successful in the first place*
- *SMBs often either use ad hoc approaches such as email and network drives for product lifecycle processes, or adopt solutions of their larger enterprise partners—both approaches put SMBs at a disadvantage in the marketplace*
- *Kenesto's hybrid cloud-desktop platform addresses SMBs' key technology and business needs*
- *In Kenesto, project teams and users are in control of their documents and designs with anytime, anywhere access; an accessible and customizable personal dashboard, allows users to collaborate fluidly with their teams and supply chain partners, managing their files, projects, and tasks while staying in compliance with quality assurance and regulatory requirements*
- *By enhancing their solution to include an innovative intersection of cloud-based file management and data sharing with traditional PDM vaulting, as well as offering support for design tool file types, Kenesto is now firmly in the product data management market, and should be considered as an option for mainstream SMBs*

Introduction

The contribution of SMBs to the US and global economies is huge. According to 2011 United States Census Bureau data, there were 5.68 million employer firms in the US, and firms with fewer than 500 workers accounted for 99.7% of those businesses. Among all US manufacturers that exported goods in 2011, nearly 97% were SMBs.¹ Globally SMBs account for one third of the world's labor force.²

Even though SMBs are faced with the same data management and collaboration problems as large firms, they have historically avoided PLM solutions in favor of lower-cost ad hoc approaches. SMBs perceived traditional PLM solutions to be cost-prohibitive and rigid in processes and governance, as typically required by the larger enterprises, and feared that the PLM solutions would be counterproductive to the entrepreneurial culture that helped them become successful in the first place. SMBs' fears are not totally unfounded. PLM solution providers originally targeted their solutions for larger enterprises, and typically the central governance groups in these organizations required rigid processes and standards to be implemented for them to manage and scale their PLM solutions more productively.

Large PLM vendors tried to serve SMBs by scaling down their solutions. Yet these "simpler" offerings still required a rigid IT infrastructure and more cost than SMBs were able to afford.

¹ Small Business Facts and Data at SBE Council, <http://www.sbecouncil.org/about-us/facts-and-data/>

² Report by IFC, <http://www.ifc.org/wps/wcm/connect/9ae1dd80495860d6a482b519583b6d16/MSME-CI-AnalysisNote.pdf?MOD=AJPERES>

Some new entrants also tried to provide special applications for SMBs, but the market still remained fragmented. As a result, many SMBs continued using ad hoc approaches such as email, FTP file sharing, and storage in network drives. These approaches created issues in document and design version control, change management, efficiency of information sharing and retrieval, and compliance with quality assurance and regulatory requirements—putting an additional burden on already resource-starved SMBs.

SMBs are often Tier I and Tier II suppliers to larger firms. In the absence of simpler, flexible solutions that meet their technology and business needs, SMBs are sometimes required to adopt solutions used by their large enterprise partners—despite their aforementioned concerns about the solutions. This can slow their responses to new value chain partners that can be critical to long-term growth. In the end, both using ad hoc approaches and being forced to adopt large-scale solutions puts SMBs at a distinct disadvantage in the marketplace. For the collaboration and PLM solutions to effectively serve SMBs, they need to deliver four critical elements: solutions must 1) be easy to implement, use, and maintain, 2) have process flexibility and interoperability with common document types and design solutions, 3) provide fast and reliable performance across many devices, and 4) provide a very low total cost of ownership. Cloud offerings can address several of these elements. They can be rapidly provisioned and scaled at reasonable cost, and often can be tailored by adopting companies. With its hybrid cloud-desktop implementation, Kenesto provides a collaboration platform that may address all of these critical elements for many SMBs.

Kenesto

Kenesto is a recent entrant into the data- and process-management market. Kenesto was founded in 2011 by Mike Payne, who previously had a hand in establishing several other leading PLM companies. Kenesto is staffed with other well-known PLM industry veterans who have embraced the cloud. They recently briefed CIMdata about their philosophy and approach, and demonstrated some of their platform’s key features, including collaboration on office documents and design files, vaulted sharing and version control, cloud-to-desktop “intelligent” synchronization, and project and task management functionalities.

The Kenesto solution is a secure, hybrid, cloud-desktop collaboration platform where product development and delivery teams can collaborate using discussion threads, or by co-authoring documents and design files, with anytime, anywhere access. Kenesto puts a broad range of capabilities at the fingertips of product delivery teams to organize and manage their programs, products, and projects. Teams can create their workspaces with people, workflow, forms, data, and reports—including bills of materials, change requests, and purchasing forms—and be kept on the same page with Kenesto’s proprietary intelligent synchronization approach. Each user is provided with a dashboard that can be customized to personal preferences.

An important feature in Kenesto is that users are always in full control of their documents and designs. A user can permit their teammates to view, mark-up, or edit their documents and designs and can collaborate with them in real time or asynchronously. Common document types supported in Kenesto include the Microsoft Office suite and designs created in a variety of CAD solutions including Creo, Solid Edge, SolidWorks, SpaceClaim, and Revit. By enhancing their solution to include an intersection of cloud-based file management and sharing with traditional vaulting, as well as including support for design-tool file types, Kenesto is now firmly in the product data management market. Another appealing feature is the range of work approaches supported by Kenesto, from ad hoc discussions, to

collaboration on work documents, to workflow process management, to vaulting with check-in and check-out processes designed to maintain compliance with quality assurance and regulatory requirements.

Kenesto also offers a flexible subscription model that is considerably lower in cost than traditional PLM solutions, and arguably lower in cost than the collective ad hoc approaches often used by SMBs. Users can get instant access to Kenesto, and have their teams join based on pre-defined “number of users per month” packages. Another benefit is that the external supply chain partners, i.e., customers and suppliers involved in users’ projects, can review, markup, or edit documents and designs based on user-defined security rules, without the partner having to have to create a Kenesto account or subscription.

The initial results for Kenesto have been promising. They already have customers from diverse industries receiving a range of benefits. CIMdata’s assessment is that Kenesto offers an attractive option for SMBs that want to provide a better collaboration experience to their project teams and their supply chain partners.

Conclusion

With their hybrid cloud-desktop implementation, with intelligent synchronization and a user-centric, flexible approach to collaboration and work process management, combined with low cost of ownership, Kenesto seems to have addressed key SMB technology and business needs. In addition, their enhancements to support design-tool file types places Kenesto firmly in the product data management market. Kenesto offers an attractive option for mainstream SMBs looking to improve file and task management and collaboration within their project teams and with supply chain partners.

About CIMdata

CIMdata, an independent worldwide firm, provides strategic management consulting to maximize an enterprise’s ability to design and deliver innovative products and services through the application of Product Lifecycle Management (PLM). CIMdata provides world-class knowledge, expertise, and best-practice methods on PLM. CIMdata also offers research, subscription services, publications, and education through international conferences. To learn more about CIMdata’s services, visit our website at <http://www.CIMdata.com> or contact CIMdata at: 3909 Research Park Drive, Ann Arbor, MI 48108, USA. Tel: +1 734.668.9922. Fax: +1 734.668.1957; or at Oogststraat 20, 6004 CV Weert, The Netherlands. Tel: +31 (0) 495.533.666.