PLM Benefits Appraisal & ROI Workshop
A Rapid Path to Understanding PLM’s Benefits for Your Organization

Measure the Benefits and Costs of PLM Solutions:
A survey at a recent conference found that the main obstacles to investing in PLM solutions are:
1. Difficulty in producing a cost/benefit analysis
2. Management understanding of PLM
3. Management commitment to PLM
CIMdata offers the PLM Benefits Appraisal Workshop to accelerate the financial justification of your PLM solutions. The workshop helps organizations that are actively exploring their options for PLM, or are planning to implement or expand a PLM solution as well as those who have implemented PLM and want to understand its impact on their business.

Leverage CIMdata’s Experience and Knowledge—Save Your Organization Time and Money:
Understanding PLM benefits helps identify your needs, the PLM functionality and solutions best suited to support your requirements, and how PLM should be applied in your organization. The goals of the workshop are to:
- Help your PLM team understand the business benefits of PLM
- Teach your team how to execute a benefits appraisal
- Estimate your organization’s main PLM costs and benefits
- Produce a return on investment (ROI) summary for your management
To do this, we work with your team to identify appropriate benefits and complete an extensive spreadsheet model to produce a PLM Benefits Appraisal.

The Benefits Appraisal Workshop

Accelerate the Appraisal Process:
The Benefits Appraisal Workshop is a two-day interactive work session that is facilitated by CIMdata consultants with active participation of your company’s PLM project team. The workshop includes handouts of presentation materials, one copy of the current edition of CIMdata’s PLM Benefits Appraisal Guide, and a copy of CIMdata’s multiple spreadsheet ROI and benefits assessment model. This allows you to continue to use the model to refine and test your results or to execute additional appraisals. The Workshop progresses through the following steps:
1. Presentation on the purpose of benefits appraisals—an overview of why cost/benefits appraisals are important and how they can help justify a solution to management.
2. Presentation on typical benefits of PLM—outlines the types of benefits that can be expected from PLM solutions.
3. Presentation on typical costs of PLM—describes the costs that are typically associated with PLM solutions.
4. Work session on your current situation—a discussion of your products, your data management issues, and PLM needs.
5. Presentation on CIMdata’s PLM Benefits Appraisal methodology—describes the methodology that CIMdata has developed for doing PLM benefits appraisals.
6. Presentation on costs/benefits, ROI, and metrics—a general overview of some financial concepts that are used in the methodology and model.
7. Presentation of real benefits examples—a number of actual benefits from companies that have implemented PLM solutions.
8. Work session to identify your prime benefits—the consultants work with your team to identify and review your prime PLM benefits and investigate ways of estimating their magnitude.
9. Introduction to the PLM Benefits Appraisal model—a detailed explanation and demonstration of CIMdata’s PLM Benefits Appraisal model. We show you how to set and interpret the input parameters that control the analysis.
10. Work session to model your PLM situation—the consultants help your team build the PLM cost model, and to use the full model to gain conclusions from the Benefits Appraisal. These are likely to include a prioritized list of main needs, the PLM functions required,
key business benefits with a first estimate of their scale, an estimate for the cost of a phased system implementation, and the cost/benefit results. We also suggest ways in which you can carry out “what-if” analyses to test the sensitivity of the results to changes in input parameters.

11. Wrap-up and next steps—a review of the workshop results and identification of follow-up activities.

Optional Introduction to PLM: If you wish, you can add an optional day before the Benefits Appraisal Workshop for a CIMdata seminar that provides an introduction to PLM technology and solutions, PLM functions, and applications. This may be attended by a larger group of people than would participate in the Benefits Appraisal. Please call CIMdata for price and details.

The PLM Benefits Appraisal Methodology Helps Validate and Justify PLM Solutions:
The methodology helps you model the productivity improvements likely to be achieved through the improved visibility and management of data that result from using PLM. Sub-models calculate the benefits arising from improvements in product development productivity, data reuse, engineering change, collaboration, manufacturing engineering, sales & service, and other areas. For many metrics, CIMdata provides high and low estimated savings based on actual, measured industrial experiences. These provide guidance against which you can evaluate your company’s benefits and project future savings.

A benefits scheduling sub-model calculates the benefits arising from the multiplicity of expected product developments in your company across several years of PLM deployment. The model is open-ended, allowing you to include many types of measurable benefits.

A cost model helps you estimate the year-by-year cost of owning and operating the PLM solution including the cost of both internal and external resources. Next, a classic discounted cash flow analysis is undertaken. This yields the net present value of the investment, payback period and Internal Rate of Return (IRR). It also reports the cost of the missed reports opportunity if you delay the PLM implementation.

Cumulative Discounted Cash Flows—Just One Output of the Model

For a customized quote for the PLM Benefits Appraisal Workshop, please contact CIMdata.

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) solutions. Since its founding over thirty years ago, CIMdata has delivered world-class knowledge, expertise, and best-practice methods on PLM solutions. These solutions incorporate both business processes and a wide-ranging set of PLM-enabling technologies.

CIMdata works with both industrial organizations and solution providers of technologies and services seeking competitive advantage in the global economy. CIMdata helps industrial organizations establish effective PLM strategies, assists in the identification of requirements and selection of PLM technologies, helps organizations optimize their operational structure and processes to implement solutions, and assists in the deployment of these solutions.

For PLM solution providers, CIMdata helps define business and market strategies, delivers worldwide market information and analyses, provides education and support for internal sales and marketing teams, as well as overall support at all stages of business and product programs to make them optimally effective in their markets.

In addition to consulting, CIMdata conducts research, provides PLM-focused subscription services, and produces several commercial publications. The company also provides industry education through PLM certificate programs, seminars, and conferences worldwide. CIMdata serves clients around the world from offices in North America, Europe, and Asia-Pacific.

To learn more about CIMdata’s services, visit our website at 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.