



PRODUCT DEVELOPMENT SYSTEM ASSESSMENT

The way to an improved product development system

THE QUESTION ISN'T WHETHER YOUR PRODUCT DEVELOPMENT SYSTEM COULD BE IMPROVED. **THE QUESTION IS, ARE YOU READY TO COMMIT TO IMPROVING IT?**

IT'S A SYSTEM

We believe Product Development is a system and that when truly analyzed, the Product Development System is fundamentally broken in most organizations.

People have learned to live with the under-performing, contentious environment that is characteristic of product development organizations. The truth is, you don't have to live with a chronically under-productive system.

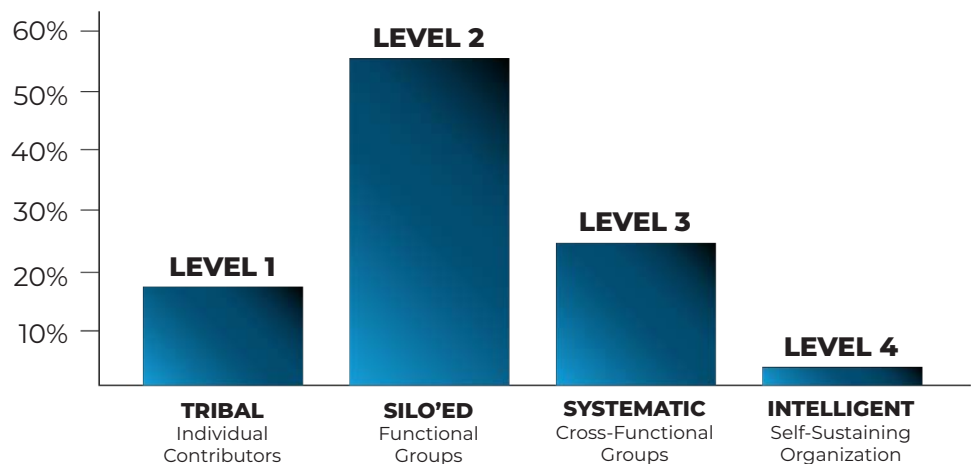
Our mission is to improve the way you design, manufacture, connect to, and service your products. We believe it starts with aligning your People, Process, Team and Technology.

FOUR LEVELS OF SYSTEM MATURITY

Most organizations are considered a level 2

Strive for level 3
(Systematic Organization)

Most organizations we investigate operate as a siloed organization, or a Level 2 on the maturity scale. Like the majority of the country, your organization probably falls within this category - disparate functional groups operating individually with little understanding or interest in other departmental goals or initiatives.

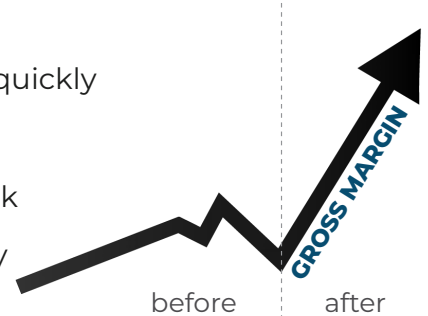


HOW CAN SYSTEMS THINKING AFFECT ME?

Customers that participate in assessments and commit to changing the way they develop products have uncovered dramatic opportunities to increase gross margin.

By adopting a Systems Thinking approach to developing your products, you are able to:

- Quote more business
- Respond to customers more quickly
- Expedite time-to-market
- Reduce manufacturing rework
- Increase engineering capacity



DO WE HAVE YOUR ATTENTION YET? **GOOD. KEEP READING. IT'S WORTH IT!**

LEARN FIRST.

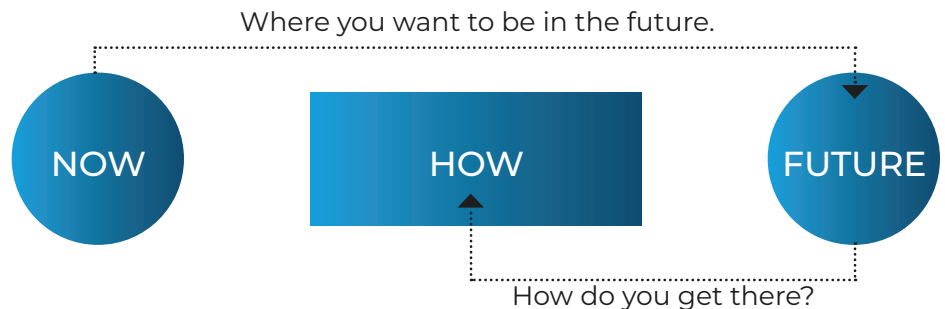


We knew our product development processes could improve – we just didn't know where to start.”

Julie Ryan, VP of Marketing
Thermos

We believe that to get better, you must understand the source of the pain before proposing a remedy. This assessment helps your organization understand root cause problems.

We call this learning event a **Product Development System Assessment**, or **PDSA** for short. After all, there is no improvement without a benchmark.



PRODUCT DEVELOPMENT SYSTEM ASSESSMENT

This EAC provided service evaluates the overall state of your product development system. It gives broad organizational visibility to the improvement initiative and establishes a roadmap to improve the operation of your Product Development System.

YOUR COMMITMENT

3 hours per person distributed over a 2 week period to minimize the impact on your operations

We generally engage 10+ people from across your Product Development organization and hierarchical structure. Each person will commit a total of 3 hours of time over a two week period. It is important to include members from different functional groups. These may include engineering, manufacturing, purchasing, marketing, etc.

HOW IT WORKS.

PDSA FORMAT

Divided into 3 Parts



EAC has opened our eyes. They challenged us to think differently about PD.

Mike Zacharias, President
Extreme Tool & Engineering Inc.



QUESTIONNAIRE

30 Minutes



INTERVIEW

1 Hour



RESULTS PRESENTATION

1.5 Hours

STEP ONE

QUESTIONNAIRE

Submitted individually
(Approx. 30 minutes)

The questionnaire takes roughly 30 minutes to complete and is to be submitted individually. Answers are kept confidential to ensure honest feedback.

One important purpose of the questionnaire is to tie the individual's day to day activities to your total business strategy. The questionnaire focuses on four business focuses:

■ Strategy

■ Initiatives

■ Process

■ Capabilities

STEP TWO

INTERVIEW

Individual face-to-face
interview with EAC
(Approx. 1 hour)

Each person who filled out a questionnaire meets face-to-face with EAC team members. EAC uses the interviews to test the hypotheses they form while analyzing the questionnaire data. The meeting is a safe, closed door environment for individuals to openly talk about business challenges they encounter within their business function. Like the questionnaire, the conversations are kept confidential.

STEP THREE

RESULTS PRESENTATION

All participants invited
Stakeholders also attend
(Approx. 1.5 hours)

In addition to the executive team and stake-holders most, if not all, of the participants are usually invited to attend the presentation. It builds trust within the organization and allows participants to recognize how their input influences the results. It is also the first time that many people in the room will fully understand the strategic direction of the organization as a whole.



When people participate in the definition of change, it makes it more palatable.

Kevin Caskey, Business Director of Branded Products
MGK



WHAT YOU GET.

DELIVERABLES

The Results Presentation includes:

- Strategy
- Vision (Future State)
- Current State
- Roadmap

STRATEGIC GOALS

Results compiled from questionnaire answers

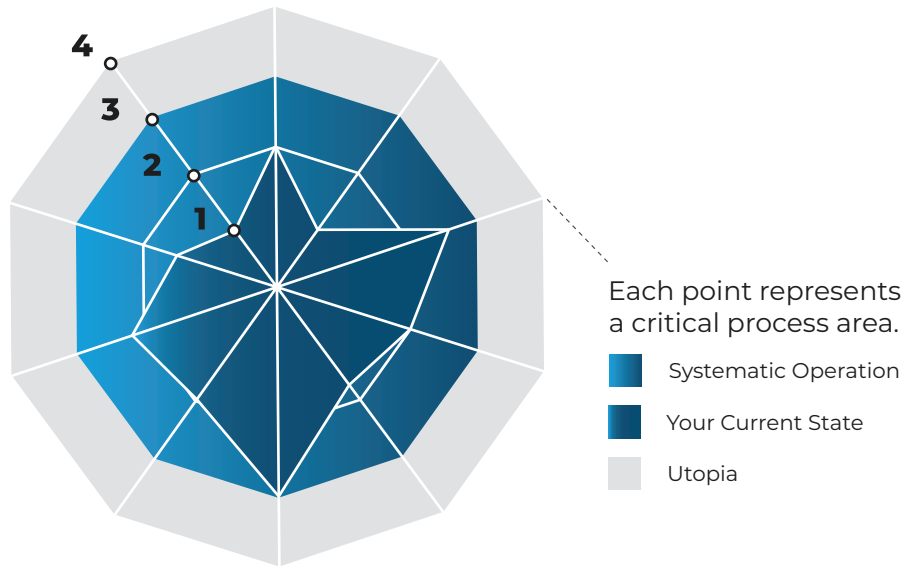
Clearly identifies if strategic goals of the organization are shared and understood by all.

- 8.2** Grow Market Share
- 7.3** Grow Through Innovation
- 6.7** Grow and Profit from Brand Equity
- 6.5** Profit from Efficient Use of Asset Base
- 6.1** Grow Aftermarket
- 5.9** Profit from Product Cost Efficiencies

PROCESS MATURITY

Identifies maturity level of your process areas

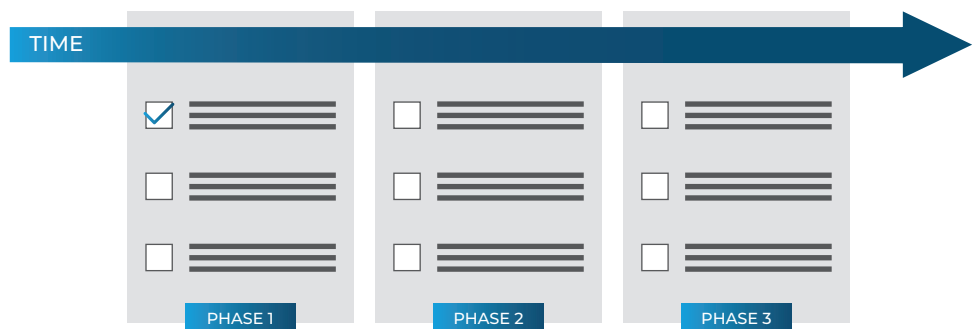
The process maturity analysis maps the perceived performance of your critical processes. Of the 22 process areas we investigate, we analyze 10 that contribute to your strategic goals.



MORE OF WHAT YOU GET

ROADMAP

YOU own this Road Map
No obligation to EAC



There are a million problems worth solving, the key is to focus on ones that have strategic impact and produce the most valuable result.

Your Road Map is a proposed course of action over a period of time. It breaks up initiatives into digestible chunks to ensure that you reach your goal of getting to your desired future state. It is a map that you own, and is unique to your business.

There is no obligation to engage EAC for any of the suggested deliverables on your Road Map, although, we'd sure appreciate the opportunity to win your business and become your trusted advisor along the way.

FINANCIAL IMPACT

The financial impact of implementing your unique Road Map can be astronomical. Customers that commit to changing the way they develop products have uncovered dramatic opportunities to increase gross margin.

Note: The table above represents the potential financial impact of a company with an annual revenue of \$50,000,000.

COMPANY REVENUE \$50,000,000	Benefits Per Year	
	MINIMUM	MAXIMUM
Direct Cost Benefits	\$500,000	\$1,500,000
Productivity Benefits	\$600,000	\$1,800,000
Proposed Additional Profit	\$2,500,000	\$4,200,000

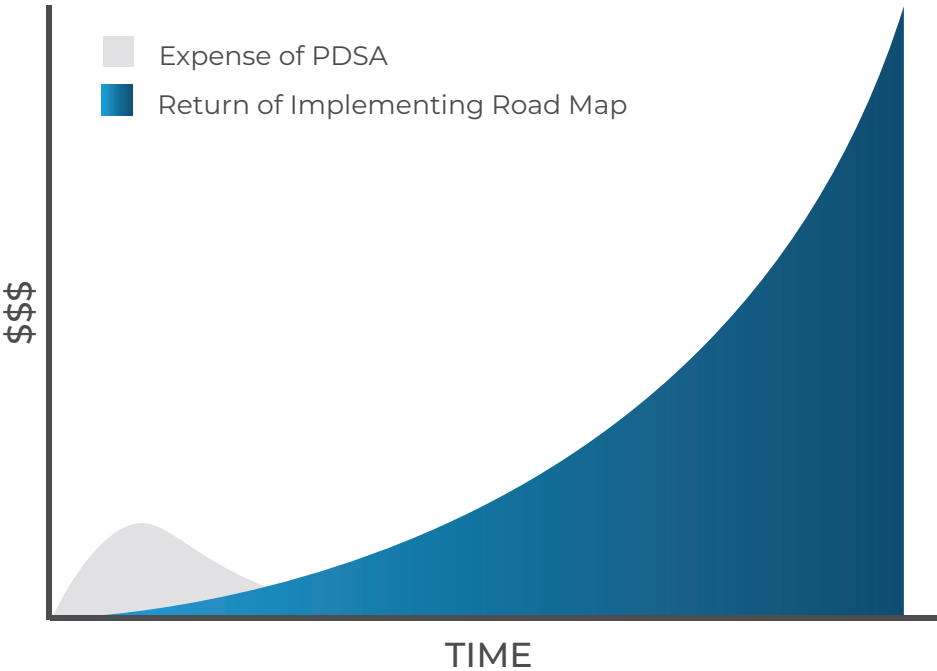


SO, YOU NOW BELIEVE IN SYSTEMS THINKING. LET’S TALK ABOUT **COST** VERSUS **VALUE**.

COST

The cost of EAC’s Product Development System Assessment (PDSA) can vary depending on the size and scope of your organization and specific needs.

EAC has completed more than 100 assessments in companies of all sizes. Most organizations quickly justify the cost when compared to the proposed financial impact of implementing the Roadmap.





The assessment process provided real value to our company.

Brian Paulin, President
Engine Power, Inc.



OUR GUARANTEE

At the end of the PDSA engagement, if you don't feel the value you've received surpasses the cost, pay only what you feel is appropriate. Guaranteed.

ASSESSMENT VARIATIONS.

Depending on your company's specific needs, we do offer different variations of the PDSA. It is our goal to provide an assessment that makes the most sense for you. That's why we will adjust the scope and cost of the assessment until it best aligns with your organization. Here are some of the most common assessment variations to get you started.

01

Foundational Product Development System Assessment

02

Product Development Value Stream Mapping Assessment

03

Streamlined Product Development System Assessment

04

Functional Group Assessment

A PRODUCT DEVELOPMENT SYSTEM ASSESSMENT

As we've outlined previously in this document, this assessment is for companies who realize they could improve their product development system, but lack the business case to drive the effort at their company at all levels.

This assessment will include:

- Coordination to select participants to plan and schedule the execution of the assessment
- Questionnaires where participants individually complete a four-part questionnaire

- Individual interviews with participants who filled out the questionnaire
- Results presentation that includes the documentation of your current state, the improved future state that your organization aspires to, and a roadmap showcasing the best steps to advance towards your future desired state.

A STREAMLINED PRODUCT DEVELOPMENT SYSTEM ASSESSMENT

This is an event that focuses on the interviews and direct inputs from your team members. This is similar to the functional PDSA, but doesn't include an on-line survey and corresponding metric output.

This assessment is typically for companies that have already decided to optimize their product development system, have the approval to proceed, but are unsure of where to start or what to focus on first.

This assessment will include:

- Coordination to select participants to plan and schedule the execution of the assessment
- Individual interviews with participants involved in the assessment
- Results presentation that includes the documentation of your current state, the improved future state that your organization aspires to, and a roadmap showcasing the best steps to advance towards your future desired state.

A PRODUCT DEVELOPMENT VALUE STREAM MAPPING ASSESSMENT

This is the most robust assessment offering your company a complete product development system. This event is typically completed by companies who want to do a deep dive into their complete product development system and are looking for recommendations on improving both their systems and business processes.

During this event, we will review and document your current state product development systems and processes end-to-end.

This assessment will include:

- An in-depth evaluation of your current product development system and processes during a value stream mapping workshop

- Documentation of your current processes, optimizing opportunities, and capturing metrics of the defined challenges
- Designing your future state system and the processes for achieving the optimization opportunities
- Development of strategic roadmaps to achieve these optimizations

A FUNCTIONAL GROUP ASSESSMENT

This event is completed by companies who are looking to improve the skill level of their team while increasing the utilization of available functionality of their current software toolset.

During this event, we look to help you analyze your user's methods of utilizing PTC software tools such as Creo and Windchill.

This assessment will include:

- Evaluations in group workshops and over-the-shoulder sessions
- EAC identifying areas where our team can help your users to improve their utilization of the tools, as well as, suggesting functionality you could be taking advantage of that you're not currently utilizing

Please contact EAC to define what assessment variation is best for you and your company.

**IT WORKS!
AND WE
CAN PROVE
IT!**

Systems Thinking really does work – across industries and across geographies! You just need to commit to improve. These are just a few of our customers that have adopted Systems Thinking and share our belief in a better way to develop products.



ENGINE

POWER





Contact an EAC Expert to learn more about how our unique technology portfolio can help you to unlock the value created at the convergence of the physical and digital worlds through the digital thread.