

# The PTC® Value Roadmap

## Identifying and Realizing Value In Product Development

Many manufacturers are struggling to link strategy with operations, and as a result, great plans often remain just that—plans—and not great products. Yet a few standout companies find a way to cross this divide and create robust and regular pipelines of successful products. By studying the traits of these winners, PTC has created the PTC Value Roadmap—a unique tool to help manufacturers find and unlock the value within product development.

### What is the Premise?

PTC believes that great products make great companies. After all, it's the product that defines a manufacturing company in the eyes of the customer. It's the product that creates enthusiasm and loyalty in the marketplace.

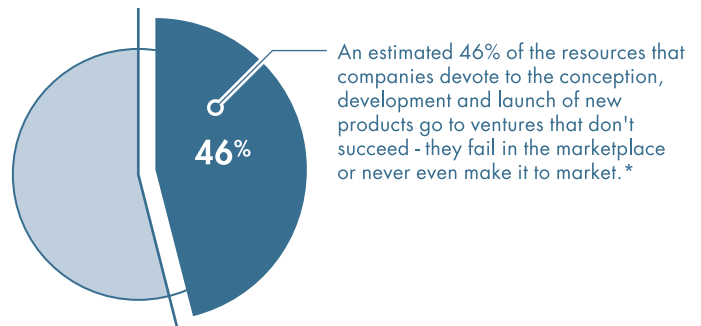
Such a philosophy places product at the center of business strategy, creating an adaptable framework for leveraging other business imperatives, such as building customer relationships, optimizing the supply chain, and efficiently allocating resources. When the mission of building and sustaining great products is at the core of everything a company does, significant value will be created.

But creating that value is challenging. Some estimates indicate that nearly half of product development resources are spent on products that fail.\* For those manufacturers who are committed to putting products at the center of their businesses, PTC has created a tool to help them lay their plans and plot a course. That tool is the PTC Value Roadmap.

### Why a Roadmap?

The PTC Value Roadmap is designed to make this focus of developing great products actionable: it's one thing to say that a company should place products at the center of everything it does, but it's another to actually make that vision a reality.

The PTC Value Roadmap is a flexible tool and thus it does not prescribe just a single course of action. Instead, it's designed to help customers create their own plan for achieving success.



### Where Did the PTC Value Roadmap Come From?

Using the language of our manufacturing customers, we built a comprehensive framework that links engineers—our traditional customer base—to senior executives. Likewise, the PTC Value Roadmap demonstrates to senior executives that their corporate strategy can be directly influenced by improvements made in product development. By identifying and highlighting the concerns felt at multiple levels within our customers' organizations, we are able to speak directly, not only to our software users, but also to the senior managers who drive broad product development initiatives.

Our twenty years in the product development business enabled us to develop a comprehensive list of customer initiatives. From that base, we then launched an exhaustive review of external product development resources, including product development thought leaders both in academia (Harvard and MIT) and business, plus interviews with over 900 manufacturing companies, reviews of published media articles, and more.

The resulting PTC Value Roadmap was a logical organization of deep intellectual property, arranged to allow discussion at any organizational level. Built as a software application, the PTC Value Roadmap allows for industry-specific, guided discussions, beginning from a top-level, value-based starting point, to a discussion about capabilities, or anywhere in between. Because the PTC Value Roadmap is not a static document, but instead a user-driven tool, it considers specific company issues, and delivers a dynamically created custom report detailing the relevant initiatives, processes, and potential solutions for each unique customer.

If you're finding that your great product ideas are dying on the vine, then maybe it's time to look at the PTC Value Roadmap, and discover the most direct way to realizing value in product development.

## The PTC Value Roadmap Framework

The fundamental premise of the PTC Value Roadmap is that value (e.g., total enterprise value, equity plus debt, market capitalization, stock price, etc.) is driven by earnings, which are most directly influenced by growth and profitability.

To understand how product development can influence both growth and profitability, PTC articulated the following framework, which is comprised of four primary components:

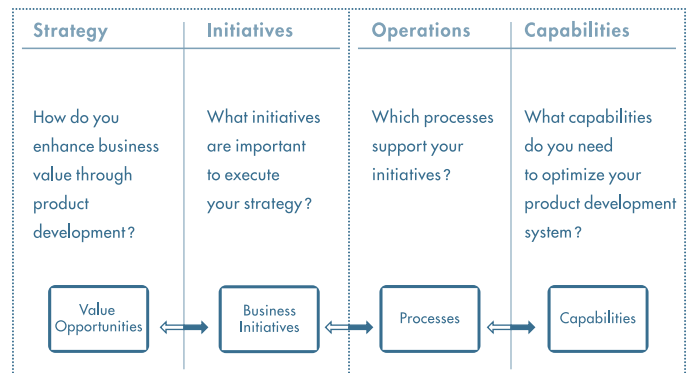
- Strategy–Product development strategy capitalizes on opportunities to enhance business value by driving growth and/or profitability.
- Initiatives–Business initiatives are the 'actions' required to achieve your strategy, and they often necessitate a change in people, process, and/or technology.
- Operations–Your business initiatives will, no doubt, impact specific product development processes such as detailed design, technical publications, and change and configuration management.
- Capabilities–Lastly, a company must implement the necessary capabilities to provide a solid foundation for the entire framework. Capabilities include: capturing all forms of product-related intellectual property in digital formats, establishing a single source of product data, and conducting virtual design reviews.

## What's Next?

If you're finding that many of your great product ideas are dying on the vine, then maybe it's time to look at the PTC Value Roadmap, and discover the most direct way to realizing value in your product development organization. The Roadmap is particularly effective if you are:

- Considering a Product Lifecycle Management (PLM) initiative;
- Trying to figure out whether PLM is right for your company;
- Wondering just what PLM is; or
- Trying to build a return-on-investment business case for PLM

No matter what your ultimate goal, the PTC Value Roadmap can be your guide. We invite you to schedule a complimentary consultation by calling 888-782-3776 (North America) or by visiting [www.ptc.com/go/roadmap1](http://www.ptc.com/go/roadmap1).



Using the above framework, the PTC Value Roadmap links strategy to operations.

**“If you can't describe what you are doing as a process, you don't know what you're doing.”**

– W. Edwards Deming