

21st Century Success:

Business Brief 5 – Fix-All Delusion



The Technology “Fix All” Delusion

The 20th century brought us technology that was often presented as a “fix all” solution. The reality is technology can be an incredible waste of effort, money, and time. Frankly, it’s not just the manufacturers who are guilty of buying into these ideas. Many organizations—including our schools—follow the belief that newer, faster, bigger, flashier, and more expensive technology will increase learning, reduce risks, increase productivity, decrease costs, increase quality, and so on.

In fact, over the last 25 years or so, manufacturers have purchased and implemented powerful and expensive CAD and PDM/PLM systems for their engineering groups to use. But the majority of their extended enterprise’s information workers and their departments were left out. True, some organizations attempted to include some of these groups of people but with little success. Why is this? The answer is three-fold: cost, rigidity, and complexity. Consider the following points:

- (1) Only 40% of engineers (or 4% of a company)¹ actually require a full CAD/PDM/PLM system—
 - a. The remaining 60% only require graphical viewing and mark-up.
- (2) Powerful CAD/PDM/PLM systems are designed to meet the demanding requirements of engineering—
 - a. This power equates to complex software and expensive equipment to run the licenses;
 - b. Additional personnel specialized in supporting these systems are needed;
 - c. Considerable training is required to make users knowledgeable and proficient;
 - d. Cash is spent to acquire, install, and continually maintain these systems.
- (3) These systems are not out-of-the-box applications—
 - a. Considerable amounts of pre-configuration is required to meet engineering specifications/needs;
 - b. The resulting rigidity means adjustments can’t be done on the fly;
 - c. Additional IT and departmental resources must be used to make adjustments;
 - d. The organization experiences a bottleneck;
 - e. Meanwhile, everyone waits.

Negative Effects from Lack of User Adoption

Because of all these reasons, and others not mentioned here, it is not uncommon to find an extremely low rate of user adoption (other than those select few inside engineering). The scenario is far too common. First, redundancy runs rampant throughout the organization; valuable resources are wasted. The information workers are frustrated with their inability to create, innovate, and collaborate in the ways they have become accustomed to in other areas of their lives. They become disappointed with their overall work experience. Productivity decreases and the rate of employee turnover increases. The entire enterprise suffers from the resulting missteps and in some cases stagnation sets in. Meanwhile, valuable time is lost. It’s a vicious cycle. And frankly, the market doesn’t wait. In the end, the financial statements do not see the expected improvements and leaders are left to explain what went wrong.

¹ Source: U.S. Bureau of Labor Statistics



Business Brief

The Business Brief provided is a section from Actify's white paper series called 21st Century Success. The white paper series details the business obstacles and impact manufacturers face related to innovation, collaboration and automating processes. For more information or to obtain one of the white papers, you can contact the representative below or visit the websites listed.

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