

Deliver and Measure Sustainable Innovation with Innovation Management: Case Study Q&A

with Barbara Schick & Lee Peterman

You just finished assisting a client with the implementation of Oracle's new Innovation Management solution. Tell us more about why the client chose to implement this solution.

Our client, a leading health and wellness and nutraceuticals manufacturer, has over 22,000 products in their portfolio, and a significant presence in virtually every major vitamin, mineral, herb and supplement product category. They are known for a strong commitment to quality products, which include tablets, capsules, softgels, powders, gummies, liquids and bars.

The company is vertically integrated with more than 20 manufacturing facilities, and they go to market through wholesale, retail, and direct channels.

The company has been leading an enterprise-wide business transformation initiative to enable growth through speed, quality and innovation. As part of this initiative, they recently completed a large effort to improve product data and development processes enabled by Oracle's product data management applications. With these solutions in place, focus has shifted to strengthening their innovation strategy to drive growth from innovation in new and existing markets. With Kalypso's assistance, the company has rebranded how they approach innovation. They are **developing the capabilities required to deliver measureable and sustainable results and evaluate how their innovation portfolio aligns to their strategy.**

Based on the recent success of the product lifecycle management (PLM) and product data hub (PDH) solution implementations, **the company recognized the value of a supporting technology platform to enable data-driven decision making for project and portfolio management within their new and refined innovation processes.** These informed decisions will accelerate their ability to achieve their growth goals.

The client selected Oracle's Innovation Management solution because it integrates directly with their existing PLM platform. Innovation Management has the capabilities they need to support their innovation goals, including:

- 1 Providing the internal capabilities required to deliver **measureable and sustainable results from Innovation.**
- 2 Enabling the set of measures and leading indicators to **evaluate the alignment of the innovation portfolio to strategy.**
- 3 Supporting data-driven decision making for project and portfolio management using information systems.

Innovation Management is a new solution and this was the first implementation of the application. Tell us more about the implementation experience and software readiness

The Innovation Management solution is new and ground-breaking on many levels, so Oracle is investing to help with many of the initial implementations. They are also using the learnings from these early implementations to make the implementation process and the tool better for everyone. As an example, during this first implementation of the Innovation Management solution, Kalypso stayed in close collaboration with Oracle's product support, product development, and product strategy teams to ensure that the design effectively used existing capabilities while keeping in mind those features that would be coming in the future. The collaboration also helped Oracle understand which functionality is viewed most valuable by customers so they could prioritize the product roadmap accordingly.

Oracle has also created a new role called the **Oracle Implementation Success Manager**, designed to support implementations of Oracle cloud applications. This person makes sure that the project stays on track to hit each key milestone while addressing any issues that arise. The Implementation Success Manager assigned to our project was able to quickly get the attention and support we needed to assure that no dates would slip and that the client would be pleased with the final solution.

This is one of Oracle's cloud products – how was it different implementing a cloud application than traditional on premise?

Cloud solutions offer a lower cost of entry and quicker timeline to go-live than traditional on premise solutions. Users also experience reduced ongoing maintenance due to a regular patch and upgrade schedule. These benefits noted, companies should be mindful of the non-technical efforts required to ensure success when rolling out a new technology. Companies still need to address change management just as much as – if not more than – with traditional on premise implementations.

Cloud applications are exciting because solution prototypes and proof of concepts can be developed much faster than with traditional enterprise software, allowing companies to validate their requirements quicker and launch better solutions in less time. To further expedite the solution design process, organizations should consider leveraging pre-built industry leading practices, avoiding long requirements gathering and alignment cycles.

What demand do you see for this product in the market?

We have already seen and heard a great deal of interest in Innovation Management capabilities. We have an implementation in progress with another client and are working with a few others who have already purchased the solution to develop their implementation plans.

Innovation Management's capabilities apply to many industries. We have seen interest from clients in consumer packaged goods, retail, industrial manufacturing and life sciences. **The exciting thing about Innovation Management is that it can support not just traditional business needs for innovation and new product development portfolio management, but can also directly benefit information technology (IT) and other departments by capturing their ideas and building out IT portfolio and project management.**

Are there other similar solutions in the market? How is Oracle's offering different?

There are a variety of software tools that provide point solutions with similar capabilities to those found in Oracle's Innovation Management. However, with the introduction of Innovation Management and the rest of its PLM Cloud application suite, **Oracle now offers an integrated platform that can support companies across the entire innovation process – from ideation to commercialization – enabling companies to achieve a more holistic view of innovation.**

While a number of point solutions could be tied together to accomplish the same thing, there is no other solution in the market that offers the benefit of an integrated platform that supports innovation strategy and processes from ideas through product development to the launch of profitable new products and services.

What advice would you give to other companies considering an innovation management solution?

Innovation is complex and requires more than a strong tool to ensure success. Implementation approaches can range from an accelerated model that gets results quickly, to a customized design tailored to individual needs. Companies should look beyond the technology and focus on innovation strategy and approach so they can use any tool to its greatest advantage.

Companies that are considering an innovation management solution to help achieve their innovation goals should:

- **Assess the organization's capabilities** before starting. Many companies do not have the internal knowledge or experience to launch an effective innovation program and will need help from external parties.
- **Cultivate executive alignment** and support before starting. This is critical to achieve significant improvements in innovation capabilities.
- **Follow a structured approach** to make sure the critical innovation strategy elements are in place to support the program. For example, trying to manage your innovation project portfolio without a clear business strategy will result in confusion and lack of alignment around priorities.
- **Start with the capabilities** that will enable greatest business benefits in the shortest period of time. Similar to PLM implementations, organizations don't have to deploy everything at once. Start by solving the most pressing business need to deliver quick results. This will also help with user adoption.
- **Leverage solution pilots** to evaluate pre-built capabilities, validate business requirements, and drive user adoption. Cloud technologies make solution pilots more easily attainable than traditional on premise enterprise solutions. Take advantage of that.
- **Evaluate** if a pre-built accelerator or a more traditional implementation approach is **the right methodology** for the organization.

We're Here to Help

For more information on how Kalypso can help you deliver and measure sustainable innovation with Innovation Management, visit kalypso.com/innovationmanagement.

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