Commonality in Enterprise Product Development Processes

Key Question
What is the right level of process variation and how can we manage it?

Current Situation
- A common product development process (standard process) for the entire enterprise often does not exactly fit the needs of every business unit or project within the enterprise.
- The different business units and their projects within the business units tailor the standard process, creating process variants to meet local requirements.
- In this manner there is a proliferation of process variants.
- The variants are often substantially similar.

Problem and Approach
- A standard process allows compatibility, reuse, and easier process management.
- A process variant is locally efficient, results in increased employee confidence and process usage.
- What is ideally needed is a standard process that is flexible and adaptable to different situations.

What is a useful way to think about making these tradeoffs?

Process Platforms - the application of methods and tools developed for product platforms to manage enterprise PD processes.

A modular process architecture with ‘platform and variants’

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<th>Pros</th>
<th>Cons</th>
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<td>- Variant is tailored exactly to situation at hand, is directly applicable - process efficiency is increased.</td>
<td>- Tailoring takes a lot of valuable time and effort.</td>
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<td>- Employee confidence in process is increased, likely resulting in increased process usage.</td>
<td>- Different process variants may produce incompatible outputs at process interfaces and handoffs.</td>
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<td>- Employees may also feel more empowered when they have the chance to tailor the process and artifacts to their needs.</td>
<td>- Process diversity makes it far more difficult to monitor and manage.</td>
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<td>- Individual process elements all require and create own trainings and supporting infrastructure, consuming valuable enterprise resources.</td>
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Hypothesis
Effective management of product development processes using the Process Platform framework will enable an enterprise to harness the benefits of both standard and variant processes at minimal cost.

These benefits might include:
1) reduced time/cost to produce a process variant
2) increased likelihood that a variant is compatible with existing processes
3) reduced coordination costs across functional and enterprise boundaries (i.e. benefits of standardization) while being adaptive to local requirements
4) more rapid evolution of PD process capabilities as skill is developed in modifying standard processes in experimental (i.e., scientific) ways.

We therefore suggest that by improving the architecture of the product development process, an enterprise can move towards becoming a more efficient learning organization.