Align Innovation and Strategy for New Product Development Success
Chasing Innovation

Today’s fast-paced, digital world has put a premium on new product development. More than ever, customers expect their needs to be met quickly — through upgrades to existing products or quick access to new ones. Organizations that can rapidly identify and adjust product development priorities have a clear advantage.

Yet for many, delivering high-value products consistently and at top speed is nearly impossible given current constraints:

- The ideation-to-development process lags due to an inability to collect and select the right ideas to commercialize.
- Microsoft Excel and other spreadsheets and systems used for project and portfolio management operate in isolation, requiring a costly manual effort to communicate changes and perform updates.
- No metrics are available to either qualify the probability of overall solution success or quantify expected financial results, so resources can continue to be allocated to bad projects.
- Inefficient, disjointed tracking and reporting impairs decision-making and contributes to missed deadlines.

With customer and shareholder satisfaction at stake, you need a better way to support new product development initiatives.

Ineffective PPM Sidelines Innovation

Managing all the moving parts associated with new product development is the job of a project and portfolio management (PPM) solution. To do so effectively, it must improve the underlying processes involved with project selection and management, promoting competitive and resource alignment from start to finish. Otherwise, you could go out of scope, be late to market or miss the mark entirely.
Execute with Visibility and Control

As you work to translate market requirements into innovative offerings, you need tangible guidance and support for the direction you ultimately take.

CA Project and Portfolio Management (CA PPM) helps you gain increased visibility into projects and pipeline value for improved decision-making and centralized control over new product development efforts. Specifically, CA PPM allows you to seamlessly manage related services, projects, people and financials throughout the product development lifecycle.

Employing its robust tools and capabilities, you can more easily determine:

- What customers really want and how to address their demands through new products and features
- Which potential solutions align with your business strategy and offer the best chance for success
- How you should allocate resources so that products can be delivered with the capabilities expected on time and within budget

In the end, your organization will be positioned to more effectively, cost-efficiently and predictably deliver the products your customers want while boosting profitability and market share.

Through an integrated, collaborative, end-to-end approach, CA PPM helps you select and develop the right products — applying the right resources at the right time to streamline product development.
Invest in what Meets Market Needs and Fits Your Business

Successfully bringing new products to market requires tapping into your organization’s collective knowledge and insights. It also takes comprehensive analysis capabilities that amplify your ability to make smarter, more strategic product development decisions.

CA PPM strengthens your decision-making process by helping you to:

- Easily employ standard evaluation criteria, or add your own, so you can later create, prioritize, and evaluate investments
- Quickly inventory your current and proposed investments — creating multiple and even interlinked portfolios — and then evaluate them against selected criteria
- Engage in “what-if” scenario planning so you can understand the potential results of decisions related to your investment mix, project selection, timing and sourcing, regardless of the execution technique

As a result, you can act more swiftly on customer demands — making fact-based decisions about which investments to fund — and in what strategic order to execute them — to maximize your revenue potential.
Jump-start and Nurture Strategic Innovation

Good ideas can get lost in the shuffle or be overlooked by more vocal proponents with other agendas. To avoid this loss of intellectual capital, and its possible financial benefits, you need an objective way to collect project portfolio data and evaluate and manage ideas from internal and external sources.

The optional Kalypso Nova for PPM solution works with CA PPM to address this issue through integrated industry best practices and related business rules for ideation, analysis and governance. By leveraging the Nova for PPM model, you can cultivate and fast-track innovation while gaining a laser-like focus on the investments that make the most strategic sense for your business.
Improve Portfolio Performance to Yield Strategic Results

Without proper governance and controls, your portfolio could fall steadily out of alignment with customer requirements and your organization’s business objectives alike. When that happens, the revenue contribution from your product development investments erodes as well.

However, by continually analyzing and optimizing your portfolio, the products you roll out will be poised to meet with both more receptive customers and greater financial success. For that reason, we’ve integrated the NOVA by Kalypso Product Development Methodology into our CA PPM offering to provide you with the metrics, reports and valuation techniques to facilitate this process.

This includes the ability to more objectively analyze and accurately assess your investment portfolio against a number of industry-proven evaluation criteria:

<table>
<thead>
<tr>
<th>Quantitative</th>
<th>Qualitative</th>
<th>Advanced Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net present value (NPV)</td>
<td>Probability of technical success</td>
<td>Expected commercial value (ECV)</td>
</tr>
<tr>
<td>Volume (new product)</td>
<td>Probability of commercial success</td>
<td>“Bang-for-buck” ratios</td>
</tr>
<tr>
<td>Incremental revenue or sales</td>
<td>Fit to strategy</td>
<td></td>
</tr>
<tr>
<td>Operating profit, gross profit or earnings before income tax (EBIT)</td>
<td>Operational leverage</td>
<td></td>
</tr>
<tr>
<td>Margin (%) or project impact to base margin</td>
<td>Competitive advantage</td>
<td></td>
</tr>
</tbody>
</table>

Constraints Inform Portfolio Planning

Understanding the impact of key constraints on portfolio planning can help you assess which products will provide the greatest benefit compared to the financial or staffing resources you’ve invested in them.

For example, the **remaining investment cost to launch** metric tracks the capital costs involved in launching a project (ignoring sunk costs), while the **remaining people resources to launch** metric shows which projects are consuming the most full-time employees.
Deliver on Time and Within Budget

When you’ve made a significant investment in fostering innovation, you don’t want to undercut it by an inability to deliver projects quickly, reliably and within budget. Instead, you need to empower your development efforts and enhance productivity through an approach that integrates project requirements, resources and cost accounting activities for reduced project management complexity and costs.

Through powerful capabilities and improved oversight, CA PPM helps you to execute projects more predictably and effectively:

- Create a simple project plan that tracks key milestones, as well as detailed plans that capture all related information about complex projects
- Leverage best practices and templates to build project plans using a pre-packaged methodology or a traditional, Agile or hybrid approach
- Improve scheduling and staffing by scheduling project plans based on available resources versus task duration
- Systematically manage risk by capturing, evaluating and scoring risks and then focusing on those that have the biggest potential impact
- Enhance the management of large programs with top-down budgeting and forecasting and drill-down capabilities into subprojects
- Enhance business insights from multiple disciplines with embedded business intelligence driving integrated thinking and better decision making

From initial assessment stages to in-process project tracking, CA PPM gives you intuitive dashboard reporting capabilities to help determine what’s needed to achieve successful product development outcomes.
Customer Success, Analyst Kudos

Mapping a New Route to Success

How does a global provider of digital map products continue to successfully innovate and retain its leadership position? NAVTEQ®, which manages hundreds of navigation projects in more than 70 countries, knew that the improved selection and execution of new product development initiatives was key to achieving this goal.

Working with CA Technologies, they deployed CA PPM to enhance decision-making, optimize resource allocation and enable continuous project tracking throughout the product development lifecycle.

CA Technologies Designated a “Leader” in Gartner Magic Quadrant for IT Project and Portfolio Management Software Applications, Worldwide

According to the report, “Most Leaders can demonstrate a strong market presence, combined with a higher-than-usual level of frequency in sales activity and execution. Leaders are growing the number of their installed bases, and their average number of end users per deal is steadily increasing year over year. Leaders can verify their longevity and stability as on-premises and cloud-hosted providers in the IT PPM market. They also demonstrate an evolving cloud strategy from a historical and well-established on premises business model. The results have been a stronger cloud-hosted architecture and the ability to push software release out to customers in an iterative or agile mode.”

The value of effective project and portfolio management can’t be understated. It impacts every aspect of your organization, improving your ability to build, sustain and profit from innovation. See how CA PPM can help you make the most of your new product development efforts and investments.

Experience the Benefits

Understand what the market wants
Have a defined product investment portfolio
Leverage industry-proven criteria to evaluate and decide on new product investments
Ensure the products you produce match your investment decisions
Deliver your products on time and on budget

Promote new product development success through CA PPM.
To learn more about our market-leading technology solutions — and how they can help you innovate and drive successful new product development, contact us today.

www.ca.com/ppm