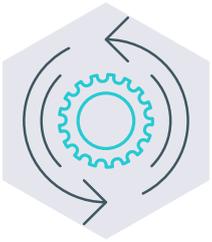


Lifecycle Management

You would use this approach as a fundamental part of how you think about and manage your products and processes.

Projected performance gain



Introduce

- A process to manage products through their production lives from introduction to demise.

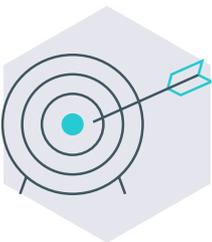


Improved

- Sales and profitability
- Decision making about product portfolio.

What investment is needed to understand the concept?

DIFFICULTY



Medium

Requires some reading around the subject and a structured approach.

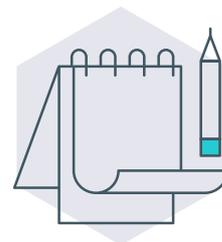
ACTIVITY



Team

Best results come from a team of design, procurement, engineers and assembly operators.

EQUIPMENT



None

No equipment is needed.

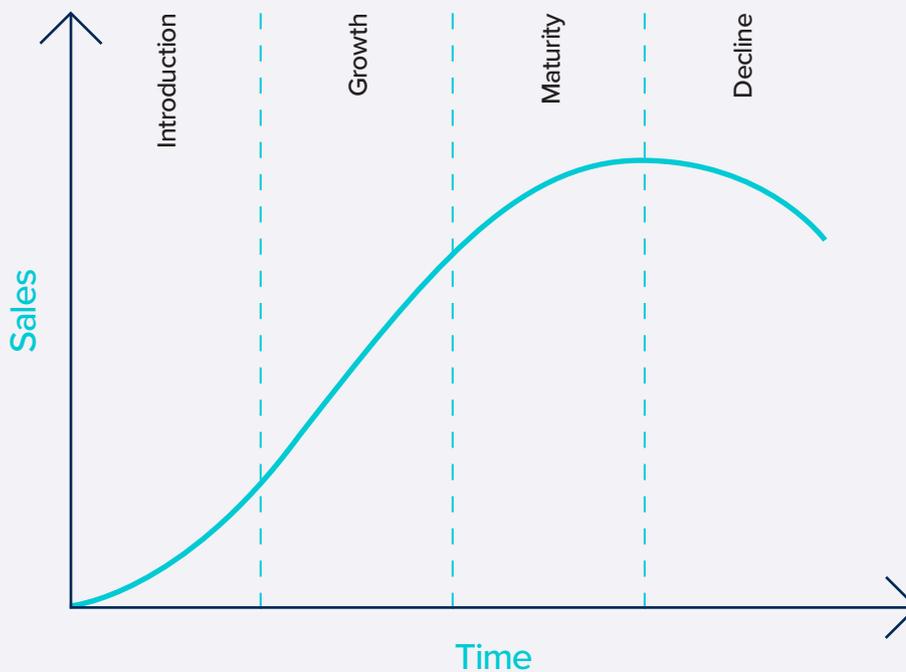
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Explanation of the concept

In general, products move through a number of phases during their lives:

- Design and Development
- New Product Introduction (NPI)
- Ramp to Volume
- Volume Manufacture (including re-spins / refresh / cost out)
- Product Demise.

PRODUCT LIFECYCLE CURVE



The idea behind Lifecycle Management is to plan around each phase of the product lifecycle to ensure that each phase delivers what the business needs.

As an example, perceived wisdom is that 70% of the manufacturing cost of a product becomes fixed during the design and development phase. As such, there needs to be a clear focus on Value Engineering and manufacturing process selection at this point.

The NPI and Ramp to Volume phase is where the production process is developed and tested with input from all process stakeholders.

During volume manufacture the opportunity is to focus on the production process to improve efficiencies and reduce production costs. There is also an opportunity to re-spin / re-design / cost out during the product mid lifecycle to drive up profitability.

Deciding when to demise a product will require a number of inputs such as decrease in sales volumes, reduction in profitability, product portfolio, customer input, availability of a replacement etc.

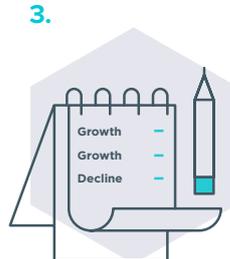
What action should I take?



Gather a team of design, procurement, engineers and assembly operators.



Explain the concepts behind Lifecycle Management.



Pick a product or range of products and categorise them in terms of their lifecycle status.

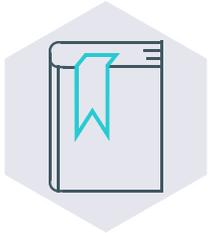


Consider their performance and identify actions that will deliver benefits through managing their lifecycles more closely.



Establish a regular Lifecycle Management review.

Recommended reading



Bicheno, J. (2004). The New Lean Toolbox. Piccie Books. ISBN 0 9541 2441 3



[GC BGH Manufacturing Factsheet 37: New Process Development](#)

[GC BGH Manufacturing Factsheet 44: Process FMEA](#)

Glossary

Value Engineering: A method to improve the value of products by examining the function.

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