

New Product Development Master Learning

Controlling NPD Uncertainty

Assessing Risks, Forecasting Revenues and Keeping Projects on Schedules



KEY LEARNING BENEFITS:

- ◆ Learn how to measure different risks affecting an NPD project
- ◆ Learn how estimate diffusion rates for new products in new markets
- ◆ Learn how to use project management practices combined with uncertainty measurements to keep projects ahead of schedule.
- ◆ Learn how to forecast sales and product costs so that the numbers are real

October 19-20, 2009 Atlanta, GA

THE **ADEPT** GROUP

Dear Product Development Professional,

The art and science of managing the development of new products can be a struggle. It calls for management skills in leadership, teaming, and coaching, as well as an understanding of underlying product and manufacturing technologies. But the most difficult aspect of NPD management is dealing with the uncertainties of the product, the market and of the project.

Leading a new product development project requires a strong grasp of managing risks, forecasting revenue and costs, and keeping projects on schedule.

Undoubtedly, many products fail. And many projects are delayed as teams take "corrective" actions to match product attributes with market needs. Yet, few product development managers and fewer team members truly understand the risks and uncertainties nor the recourse to the risks and uncertainties that surround their projects. Teams execute against the knowledge they have. A detailed and collective understanding of risk and project uncertainties, unfortunately, is not often within this knowledge.

Join Us To Learn

The purpose of this master learning workshop is to help those who manage, guide or contribute to the development of new products by bringing each participant up to speed on practical and doable methods for:

1. Assessing and mitigating NPD risks,
2. Conducting smart revenue and cost forecasts, and
3. Keeping projects on schedule.

Throughout the two-day learning experience, we will emphasize practicality: *how to get things done in real-life.*

Please call with any questions. I look forward to seeing your organization represented at the workshop.

My Best Regards,



This workshop is recognized by PDMA for credit toward NPDP certification renewal. Attendees earn 16 Product Development Hours.

Paul O'Connor, NPDP

Managing Director,
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To Register:

call **1-904-273-5319** email: **workshop@adept-plm.com** web: **www.adept-plm.com/RiskandForecastingWorkshop.htm**

"The future is uncertain... but this uncertainty is at the very heart of human creativity."

- Ilya Prigogine

"... and bloody smart product development"

- Adept Group

DAY ONE

◆ NPD Uncertainty: See it, Measure it, Deal with it.

Being oblivious to NPD uncertainty serves no organization well. The start of the workshop takes a quick look at the dimensions of uncertainty and the consequences of approaches toward it. This opening session sets the stage for developing a strong understanding of our topic.

◆ Risks, Forecasts, and Schedules

This first probe into controlling and managing NPD uncertainties takes participants through an overview of the what's, why's and how's of controlling and managing new product development risks, revenue forecasts and project schedules. These three areas create the foundation to intelligent NPD project management.

◆ New Product Risks Assessment Approaches for Positive Project Performance

Managers have many choices as to how they may assess the risks inherent to their new product development projects. We will examine several group processes, mathematical models, simulations and estimates. More importantly, we will address the economics and practicality of which to do, when and why.

◆ Case Study: The Many Faces of Risk

This quick, yet insightful case study, enables participants to explore the underpinnings of factors that contribute to NPD project risk. Participants will work, with assistance from the instructor, to analyze a new product development project and to lay out a project plan that addresses critical risks elements, whether related to market, quality, functionality, pricing, organizational, strategic or competitive factors.

◆ Risks, Task Uncertainties and Project Timing

Project management for new product development is totally different than that for construction or civil engineering. In NPD, we must lay out plans yet not know the outcome of tasks (if I knew the outcome of the market research, I would not do it). At the same time, the duration of the same task in different NPD projects can be highly varied. These factors encumber NPD projects with much uncertainty. Nonetheless, careers can be at stake for keeping projects on schedule and meeting launch deadlines. In this session, we will explore good project management techniques for keeping projects on schedule. Participants learn what to do, and what the best-of-the-best do. Methods, processes and advanced systems-based techniques will be explored and explained.

→ [CAPTURE ALL SUMMARIES](#)

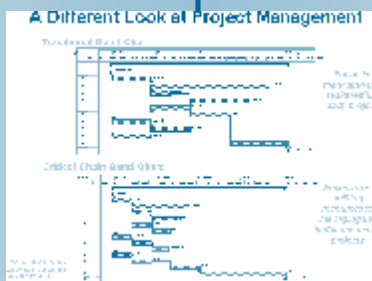
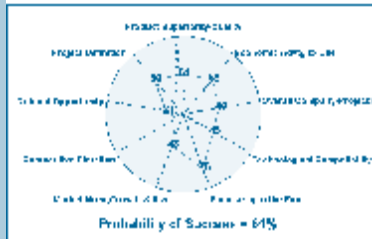
DAY TWO

◆ New Product Diffusion and Market Behaviors

A common theme of Dilbert cartoons has always been about managers submitting "wild" numbers to justify projects. Nonetheless, nearly every organization has embarked on NPD projects justified with meaningless guesses at future cash flows. Making matters worse, these numbers become the basis for investments and the rationale for product line strategies.

The heart of forecasting revenue is not spreadsheet templates with embedded macros. Rather, it is a deep understanding of market behaviors and diffusion rates. In this very important session, participants will learn practical approaches to predicting market behaviors and determining diffusion rates. This session provides real-world approaches to achieving smart revenue forecasts.

NPD Project Risk Assessment



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◆ **Forecasting Revenues and Product Delivery Costs**

In this important session, our world-class instructor will facilitate participants in hands-on exploration of market diffusion rate estimates, revenue forecasting and expected cost analysis. The session will emphasize techniques and methods that are sensible and doable and will shun the theoretical. Participants will gain feedback on potential approaches that can be adapted to fit their organization.

◆ **The “Common Focus”:
Aggregating, Creating, and Managing**

Superb NPD project management requires more than just aligning resources and tasks to generate “staged” deliverables. During this section of the workshop, participants will learn why and how to create a single, “Common Focus” from insights about product risks, project timeline uncertainties and revenue forecasts. Establishing this “Common Focus” is the primary challenge of strong NPD team performance and the basis successful new products.

◆ **Implementing against NPD Project Madness and Stupid Behaviors**

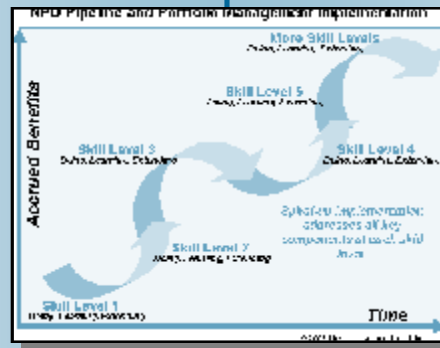
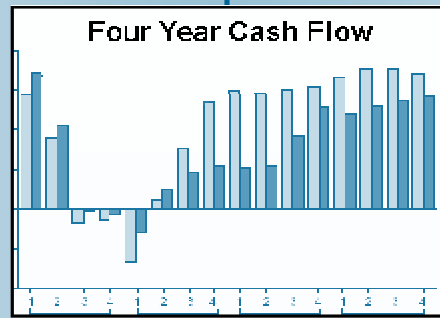
Knowing what to do is very much different than getting a team or an organization to do it. Working with groups of people within unique business cultures is seldom as straight forward as the Nike phrase “Just Do It.” This session addresses organizational and people behaviors related to improving NPD project practices. Participants will learn to recognize and understand the fundamentals of positive and negative behavioral forces, and to set in motion those activities that will create substantial gains.

◆ **IT Supports in Controlling and Managing NPD Uncertainty**

Experts agree that IT support to NPD project management will greatly improve NPD productivity. There is no longer a question of whether an organization will invest in software and systems that support pipeline and portfolio management. Rather, it is a question of when and how. In this session participants will learn precursors to IT systems and what companies are using to manage and control NPD uncertainties. Integrated systems and point solutions are Forecasting, risk assessment and project management will be explored, along with what it takes to use them.

◆ **Feedback and Close**

In this closing session, participants will provide each other summary thoughts on controlling and managing uncertainty in NPD within their organizations. Particular emphasis will be place on sharing how each individual and their organizations may adapt and adopt the key learnings and new knowledge from the workshop.



Follow up

Following all Master Learning Workshop, The Adept Group readily supports participants. We understand that when workshop participants get back to their organizations, reality can set in and “those people back at the office” can make employ-

ing new learning look different than it did in the workshop. At the participant’s discretion, The Adept Group will conduct one-on-one follow-up telephone sessions to support putting the new knowledge to work for the benefit of their NPD projects.

Key Learnings

You will learn:

- How to apply best practices so that NPD projects realize speed and impact;
- How to forecast market diffusion rates so that they reflect reality;
- How to develop a "Common Focus" that drives toward successful NPD project delivery.
- How to measure the market-related, technology-related, project-related and competitive risks associated with your NPD projects
- How to recognize and respond to the risks that a NPD project from "down-the-hall" puts on your NPD projects;
- How to gain control over the most significant impacts on the performance of NPD projects (and portfolios);
- How to use certain project management techniques to address the cascading effect of task uncertainty
- How to establish the best predictive metrics and project forecasts to match your organization's decision requirements;
- How to develop a meaningful value proposition and a business case for a specific NPD project.
- How to increase the likelihood of delivering your projects on or ahead of schedule.
- How to deploy practices so as to speed benefits to your projects
- Which team and organizational behaviors will increase project uncertainty and which will mitigate uncertainty.
- How some spreadsheet model techniques actually hurt, while others help the control of NPD uncertainty
- Which software and systems support make sense for your organization
- How to receive follow up support to assure your projects realize improved performance.

Some of the companies that have previously attended Adept Group NPD Workshops taught by Mr. O'Connor:

Access Business Group, Affymetrix, AgResearch Ltd, Amway, Appleton, Arch Chemicals, AT&T, BASF, Battelle, Bush Brothers, Cargil, Cerner, Chevron, Coca Cola, Cointstar, Dofasco, DuPont, EquiStar, ExxonMobil, FPL Energy Services, Herman Miller, Hewlett-Packard, Hollister, Honeywell, ICI Chemicals, Intel, Kimberly-Clark, Leggett and Platt, Lucent Technologies, Molex, Motorola, Novartis, O.C. Tanner, Porter-Cable, Praxair, Procter & Gamble, SAP, Sara Lee, SC Johnson, Smith & Nephew, Sprint, Telefonica del Peru, Swagelok, Tellabs, Timken, Velux, and Wrigley.

Registration

Registration Fee*

The fee for Product Line Roadmapping and Innovation Planning training is \$1,995US for the first person attending from each organization. The fee is \$1,495US for the second person from each organization, and \$1,295US for each person thereafter. Please add \$295US per participant for European workshops. Class size is purposely limited.

Payments

Payment is due upon registration. We can accept checks, Visa, MasterCard, and American Express. Make checks payable to "The Adept Group Limited, Inc."



Venue

October 19-20, 2009 Atlanta, GA

All classes are limited to just 15 participants.

Registered participants will be contacted via email with workshop logistics.

Start Time is 9:30AM

End Time is 4:30PM

*Cancellations

Cancellations must be made at least 30 days in advance of the workshop. Credit will apply toward future workshop. If preferred, full refunds, less a \$450 fee, will be mailed to you via check. No refunds or credits will be made if cancellation is received less than 30 days prior.

Register Online:

www.adept-plm.com/RiskandForecastingWorkshop.htm

On-site Training: This course is offered for on-site training, customized for individual organizations. Fees are \$15,700US plus \$450 per attendee beyond a count of 10, plus normal out of pocket expenses.

Course Leader



Paul O'Connor is an expert in the field of New Product Development Productivity. He consults on process implementations and improving NPD performance. His article in the Journal of Product Innovation Management entitled "Implementing a Stage-Gate Process: A Multi-Company Perspective" has been cited by numerous authors and is used as a teaching

aid in several MBA programs. He is a contributing author on "Implementing Product Development Process" in The Handbook of New Product Development. (1996, update 2004) as well as on "Spiral-Up Implementation of Portfolio and Pipeline Management" in The PDMA ToolBook (2004). Mr. O'Connor is a certified New Product Development Professional. and is also a Past-President of PDMA.



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