

Remote Collaborative Product Development – A Landmark Survey

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Abstract

The competitive nature of global markets is causing firms to accelerate their product development activities. Companies are utilizing remote collaborative product development (RCPD) to harness time in multiple dimensions—across their own firms and with partners—to build competitive advantages by leveraging expertise, sharing knowledge, and mitigating risk. Companies are expanding their product development capabilities to anticipate customer demands for mass customizations by sharing core competencies among partners. The degree to which information is shared and communications are synchronized, not the distance separating partners, is the chief distinguishing characteristic of RCPD. The primary driver is the ability to harness diverse specialized resources and compress time so as to reduce the *time-to-profit*. The metric is a combination of cycle time, return on investment, knowledge turns, and quality measures. Operationally, this reduction in time-to-profit is achieved by leveraging every means available to shorten every aspect of the product development cycle. In the spring and summer of 2001, 23 companies engaged in remote collaborative product development participated in a benchmark study designed to examine the benefits, obstacles, and enablers to adopting this new method of doing business. The results of this benchmark study are reported and analyzed, and a new theoretical model of the RCPD environment is presented to describe the interconnectivity among the mutually dependent supporting elements and independent partner activities. Finally, managerial implications and a set of best practices for use in any remote collaborative situation are discussed.

