

# Growth Must Come From New Products

## Industrial Products

### CHALLENGE:

When a gas fittings company analyzed the best opportunities for growth, new product development (NPD) was the clear choice. But the increased importance of NPD would require more consistent success from new products and a clear vision of how to achieve it.

### SOLUTION:

Kepner-Tregoe (KT) was asked to help develop an improvement plan to accelerate NPD and increase new product success rates. The plan had to work in concert with the ongoing implementation of the organization's DMAIC/Six Sigma initiative.

When the upgrade was first undertaken, there had been no new products in two years. Now, between five and ten new product introductions were projected for each of the next two years with products divided among the company's major markets. To pursue a strategy of growth through NPD, company leadership wanted to streamline and accelerate NPD with a consistent process that was accepted and used by everyone involved.

KT collaborated with a cross-functional NPD team drawn from Sales, Marketing, Manufacturing, Project Engineering, and Operations to fully understand the existing process and then design process improvements. Improvements were made from innovation through commercialization. These included alignment of projects with the company's strategy and markets, a formalized Stage-Gate® framework, and protocols that prevent pursuit of NPD projects outside the process. Attention was given to designing and creating Stage-Gate criteria for products that were derivative, new to the company, or new to the industry. The new NPD process was structured to address metrics and culture change that will support continuous and consistent monitoring and application of the process. KT Project Management, and Problem Solving and Decision Making methods were integrated to help streamline the process and make it adaptable to changes in technology, competition, priorities, and performance. A key component of the process improvement project's success was a detailed plan for implementing the changes.

### RESULTS:

Implementation is underway. A focused portfolio of projects is moving through a well-defined pipeline and work is on track to develop the new products needed for continued growth.



### RESULTS SCORECARD

- Implementation is underway and the process has brought new confidence that NPD goals can be met.
- Early indicators of future success include:
  - Projects that don't meet established criteria have been cancelled or postponed
  - Project managers have improved their project skills through training and coaching
  - People working in projects understand their roles and responsibilities