

Business Value with CA

“CA Clarity™ enables us to make sure that the good ideas that come up in hallway conversations, via e-mail and over the phone are not lost. We now have a system in place for capturing and leveraging these ideas, organization wide, across business units and R&D teams, even across disciplines. For example, we’ve had situations where the Six Sigma team was able to use process ideas originally devised by NPD. The fact that this information is so easily accessible via CA Clarity makes this level of collaboration possible.”

Mark Young,
Director, PMO,
Armstrong World Industries



Armstrong

Armstrong Manages Complete Product Innovation Lifecycle With CA Clarity™

Customer Profile:

(November 2006)



Armstrong World Industries, Inc.
Lancaster, Pennsylvania
armstrong.com

Industry:

Construction Materials

Annual Revenue:

Over \$3 billion

Employees:

Over 14,000

CA Product:

- CA Clarity™

Key Benefits:

- Reduced product development lifecycle by 50%
- Improved innovation by capturing ideas across organization
- Standardized product development process across business units and product lines
- Increased visibility into resource demand and utilization

Company Summary

The tagline for Armstrong World Industries, Inc. (Armstrong) says it all: “Your Ideas Become Reality.” For this global leader in the design and manufacture of floors, ceilings and cabinets, new product development (NPD) is the lifeblood of the organization, and speeding innovation is a top priority. Armstrong’s new product initiatives span dozens of product lines, more than 30 project teams, 42 plants and multiple business units worldwide.

Business Challenge

Armstrong’s three major business units include its floor, ceiling and cabinet divisions, with multiple subdivisions within each unit responsible for products ranging from hardwood, tile and laminate floors to acoustical ceiling and suspension systems for commercial and residential applications. Customer demand is constantly shifting as factors ranging from cost, durability, color and even the use of “green” materials impact buying behavior. As a result, it is critical for Armstrong to be able to bring new innovations to market both quickly and cost effectively, requiring a highly coordinated yet flexible NPD process.

But with hundreds of new products in development at any given time — and plants, R&D resources and suppliers spread across four continents — Armstrong found it challenging to set priorities, share information, facilitate collaboration and balance resources company-wide. Critical process and design information was siloed within specific units and product groups, many relying on manual spreadsheets and proprietary information solutions to collect and track project data. From a management perspective, this disjointed view of product development activity increased the risk of overbooked resources, missed customer deadlines and opportunities lost when the right information didn’t get into the right hands, at the right time.

Armstrong wanted to be able to standardize product development processes, streamline communication and leverage innovation and people across its multiple business units, so that good ideas could benefit the entire organization, rather than just a single product line or R&D group. Says Mark Young, Director of Program Management at Armstrong, “We’ve always had great people and resources at our disposal, but needed a better system to manage these resources, effectively balance the needs of our entire portfolio of NPD projects and reliably meet customer demand.”

CA Advantages:

- Ability to manage complete product lifecycle from ideation to launch
- Configurable web application to support multiple business units, suppliers, product lines and geographies
- Deep resource management capabilities, including what-if scenario analysis

Key CA Clarity Features:

- Web-based functionality to capture, categorize and rank ideas
- Resource capacity planning analysis based on role, geography, business unit and project type
- Deep project management and time tracking capabilities

Solution

In 2004, Armstrong implemented CA Clarity™ to more effectively manage its complete product innovation lifecycle — from idea generation through capacity planning, project collaboration, portfolio management, production and delivery. Today, CA Clarity serves as Armstrong's system of record through which all aspects of new product development are administered.

Armstrong's first goal in leveraging CA Clarity for NPD was to institute a standard process methodology across business units so that project teams could use the same system for information sharing, time tracking, project management and reporting whether they were at the company's corporate headquarters in Pennsylvania or a plant floor in Australia.

"A standard process and central information repository is so important, because it takes an incredible amount of time to reconcile information when different business units are using different systems," says Young. "With CA Clarity in place, our people can spend more time on innovation and less time on information management, which is a great benefit."

The system is also fostering innovation by serving as a pipeline through which new product ideas can be funneled, shared and capitalized on throughout the company. CA Clarity captures ideas in a centrally managed, web-enabled application so that Armstrong can easily categorize, rank and select the most innovative including new product concepts, design and materials enhancements on existing lines, or process improvements.

Additionally CA Clarity helps Armstrong evaluate and prioritize each potential new project by providing real-time visibility into available capacity and resources. CA Clarity gives Armstrong a bird's eye view of where and how time and resources are being deployed across the entire project portfolio, so that decision makers can put together accurate delivery forecasts when it comes to new initiatives, and manage changes in demand and exceptions with confidence.

The capacity planning feature of CA Clarity enables Armstrong to instantly see how overall demand compares with overall resource availability — and look at capacity breakdowns by a number of parameters including geography, business unit, project type and resource roles. Armstrong can even conduct "what if" type resource analyses on project portfolios to see how demand shifts and other factors (the exclusion of low priority projects, for example) will impact the bigger picture.

"Prior to CA Clarity, we had to use the 'knock and beg' approach if extra capacity was needed in a pinch," says Tim Rawlins, manager of Armstrong's Project Management Office. "Now, if something comes up unexpectedly — a flooring design change requiring a different type of wood, for instance — we can quickly look to CA Clarity to see where resources might be available to help. This eliminates a lot of phone calls and e-mails."

"Maximizing resource utilization is critical to keeping projects on track and costs in check," adds Young. "With CA Clarity, we now have a tool to help us more efficiently manage the company's most valuable asset — our people."

Finally, Armstrong uses CA Clarity to track key project milestones as well as time spent on specific initiatives. Time management is important, as Armstrong requires that business units charge back every hour spent on NPD. Armstrong has even given outsourced suppliers and contractors access to the system, so that these important business partners can enter their time directly into CA Clarity. Project dashboards help Armstrong keep tabs on key milestones and quickly respond if bottlenecks are detected. "This is helping us see where we need to streamline our processes to improve cycle times," says Rawlins.

"Basically, CA Clarity empowers our people and helps them do their jobs better," says Young. "We've got a lot of talented people working for us, and now we have a system to make the most of this talent, organization wide."

Key Business Processes:

- Standardization of best practices and terminology across business units
- Idea management for new product concepts, design and materials enhancements, and process improvements
- Oversight of global development resources
- Tracking supplier and contractor activity with product development

Benefit

With CA Clarity, Armstrong World Industries has been able to:

- Standardize product development processes and streamline collaboration across the organization.
- More effectively allocate resources to deliver the most innovative new products to customers on time and on budget.
- Slash the average new product project lifecycle in half in less than a year.
- Quickly capture, assess, prioritize and execute new product ideas.

The Future

To date, six major Armstrong business units are using CA Clarity for NPD, with four more scheduled to be up and running in the coming months. In the future, Armstrong plans to roll out the CA Clarity solution to even more manufacturing sites worldwide. As Armstrong continues its mission of turning “ideas into reality,” the goal is complete NPD process standardization and visibility across every business unit in the organization.

For more information, visit ca.com

