

Coloplast is moving faster

Coloplast has halved the development-time of new products. New products must hit the market at regular intervals so the business continues to stand firm against global competition.

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Successful companies come up with ideas and develop groundbreaking products before everyone else. Awareness of this has made the Danish company Coloplast – which produces medical supplies – speed up product development and halve development time of new products, from four years to a new maximum of two.

The fact that the products used to take several years to develop was of no benefit to anyone, according to Senior Vice President John Raabo Nielsen from Global R&D.

The tighter time schedule works because the whole organisation has accepted new conditions and is working purposefully together. This applies to everything from the marketing department to developers, as well as the part of production still left at headquarters in Humlebæk, north of Copenhagen. The rest of the production department has moved to China and Hungary where work can be done cheaper. Nielsen says all the development skills are thus gathered in Denmark, in an ambitious, innovative campaign.

"We've set a maximum of two years to develop a new product," he says. "With this time limit we then need to determine what is possible. Our aim is to achieve even more within the two years, and the two years are not up for discussion."

Tight deadline is working

The ambitious deadlines force the company to review every single process and make them more flexible. The company is working on clear success criteria and equally clear limitations, and this makes it easier for employees to be creative and develop new products within the defined frameworks.

Nielsen believes Coloplast has proved that creativity and serious time constraints can easily go hand in hand, as long as the focus on time and money has no effect on creativity and ambitions.

Quick access to the right decision makers is also crucial. Where there used to be many steering committees leading the projects, there is now just one, made up of people from senior management. (A steering committee makes decisions about the potential of a new product, and whether it must live or die as early as the concept phase.)

"Lots of the wasted time used to be with decision making, and this slowed our momentum," Nielsen says. "This is why we created a set management structure to make faster decisions so that the projects didn't have to wait. The decision makers must be present whenever the projects need them."

Open culture

Coloplast has a long tradition of involving users and experts in product development. For example, each year 700-800 nurses worldwide are asked how they think existing products can be improved. Forums have been set up on the Internet where developers can learn from users' knowledge and experience, and vice versa.

This is all a huge advantage when new solutions have to be created, and it also means that the company needs to be faster at launching new products – because even though non-disclosure agreements are made, it is easy for competitors to nose out what is happening when so many people are involved worldwide.

"We don't check if a user in a community is actually a user or possibly a competitor," Nielsen says. "This is why it is easy for a competitor to register and gain access, although the openness is necessary for us to get the best ideas.

"On the other hand, it is even more important for us to be very fast, because if we work this fast it doesn't matter much if others know what we are doing. They still couldn't bring it to the market before us."