



**material handling**  **logistics conference**  
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# Developing A Lifecycle Management Plan For Technology Assets

Track 4 Session 2



Supply Chain  **Forward.**

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# Abstract

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- ▶ **Buying and owning are two different things. Happy owners plan for the future, monitor performance, and continually improve. This tutorial will guide the owner of material handling and logistics technology through the planning, budgeting and measurement steps of long-term lifecycle management.**

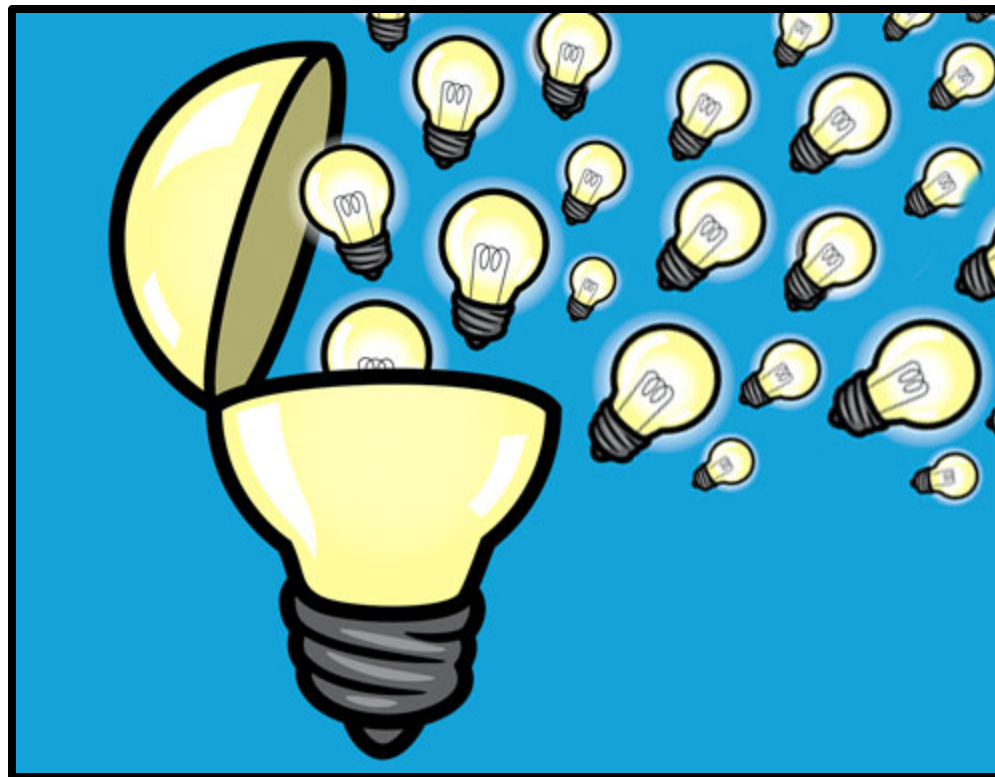
# Agenda

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- ▶ **The Excitement of Great Ideas**
- ▶ **Being a Better Buyer**
  - ◆ **The STEPS Model**
  - ◆ **Making a Lifecycle-Based Business Case**
  - ◆ **Negotiating Better Contracts**
- ▶ **Being a Better Owner**
  - ◆ **Successful Implementation**
  - ◆ **The Importance of Maintenance**
  - ◆ **Upgrades**
  - ◆ **Monitoring Business Change**
- ▶ **Key Takeaways**
- ▶ **Questions**

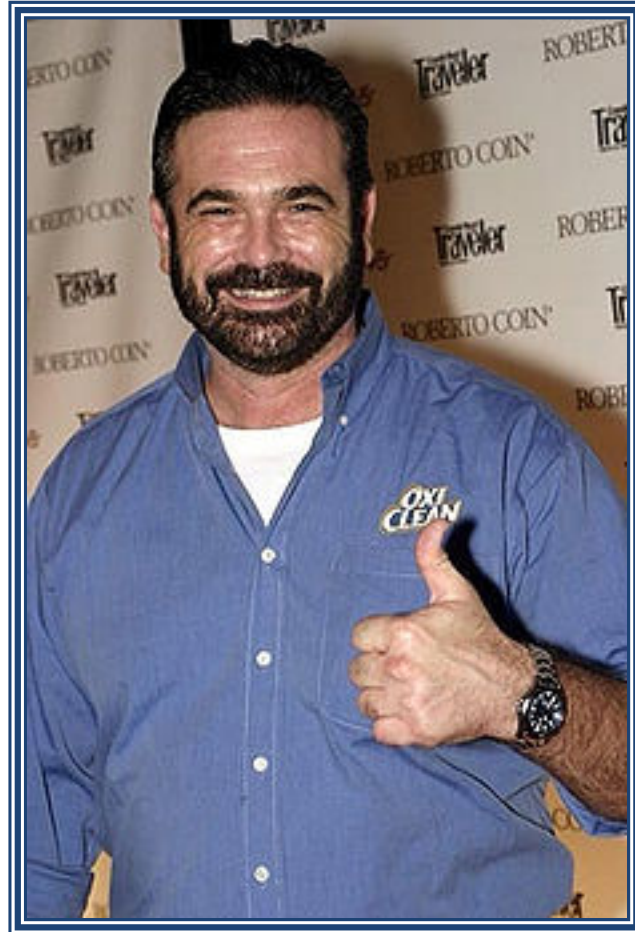
# The Excitement of Great Ideas

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# Send in the Dogs & Ponies

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# It Seemed Like a Good Idea

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# Being a Better Buyer

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Sustain

Prove

Experiment

Think

See

# An Effective Business Case

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*Lifecycle Costs & Benefits*

# Negotiate a Better Contract

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# Being a Better Owner

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**MIT**

Massachusetts  
Institute of Technology

Spring 1991

Volume 32  
Number 3

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W. Bruce Chew,  
Dorothy Leonard-Barton &  
Roger E. Bohm

**SLOAN**

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**Management Review**

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**Beating Murphy's Law**

# Beating Murphy's Law

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*Implementation as R&D*

# Beating Murphy's Law

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***Ask, "What made it hard?"***

# Beating Murphy's Law

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*Learn in many ways at once*

# Beating Murphy's Law

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*Simulate & prototype everything*

# Beating Murphy's Law

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*“Everything” includes the organization*

# Beating Murphy's Law

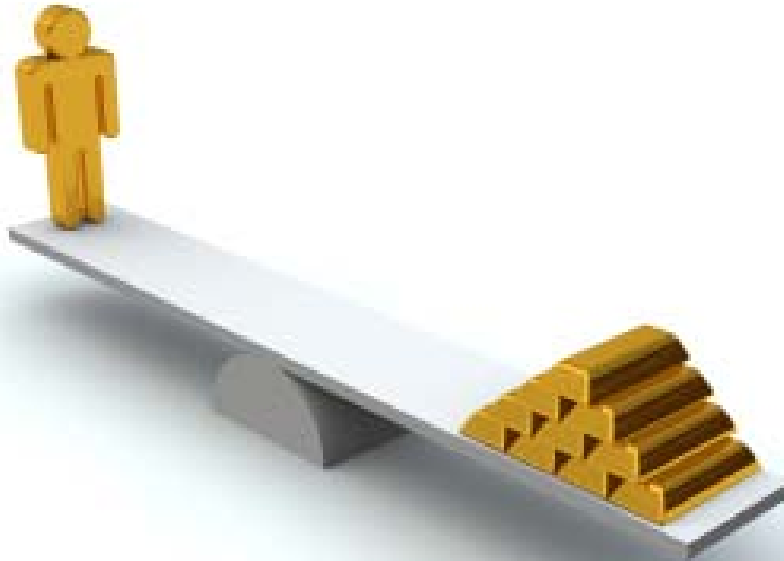
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*Follow Lewis & Clark*

# Beating Murphy's Law

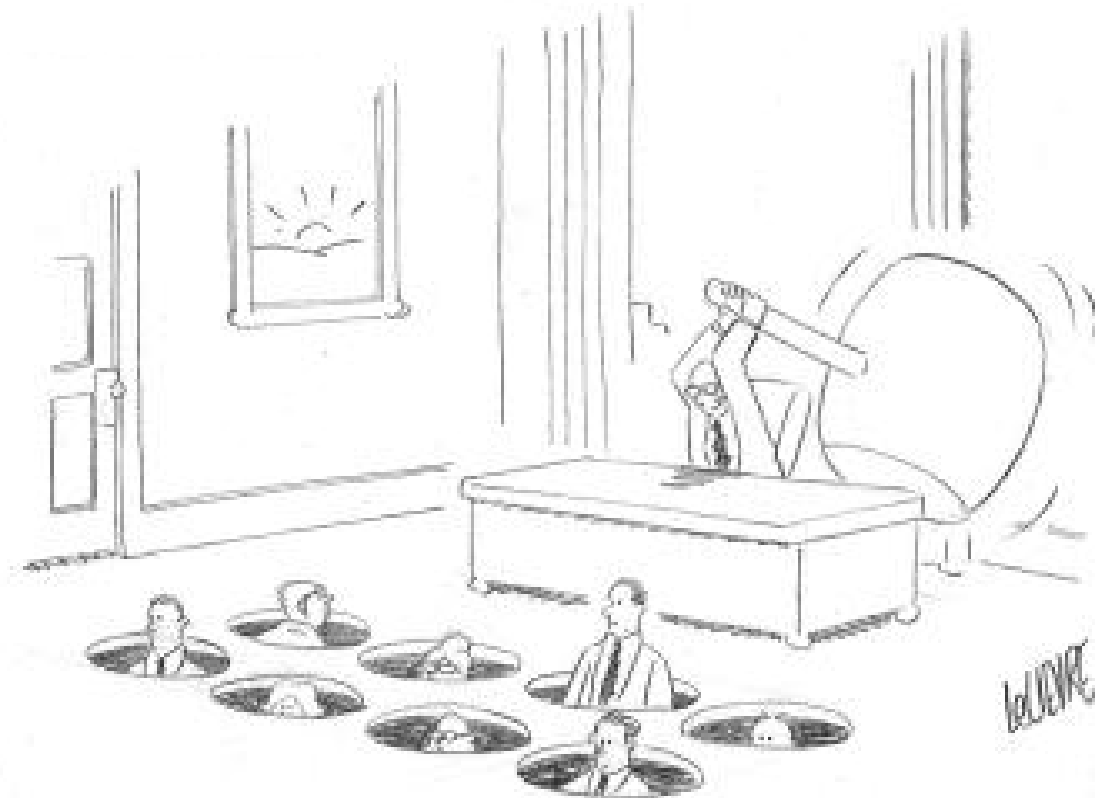
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*Two outputs:  
products & knowledge*

# Don't Stop Learning

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# Maintenance

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# Total Productive Maintenance

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*Making maintenance a vital part  
of the business*

# Upgrades

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## *Budget & Schedule*

# Upgrades – A Cure

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*I'll have a pound of prevention.*

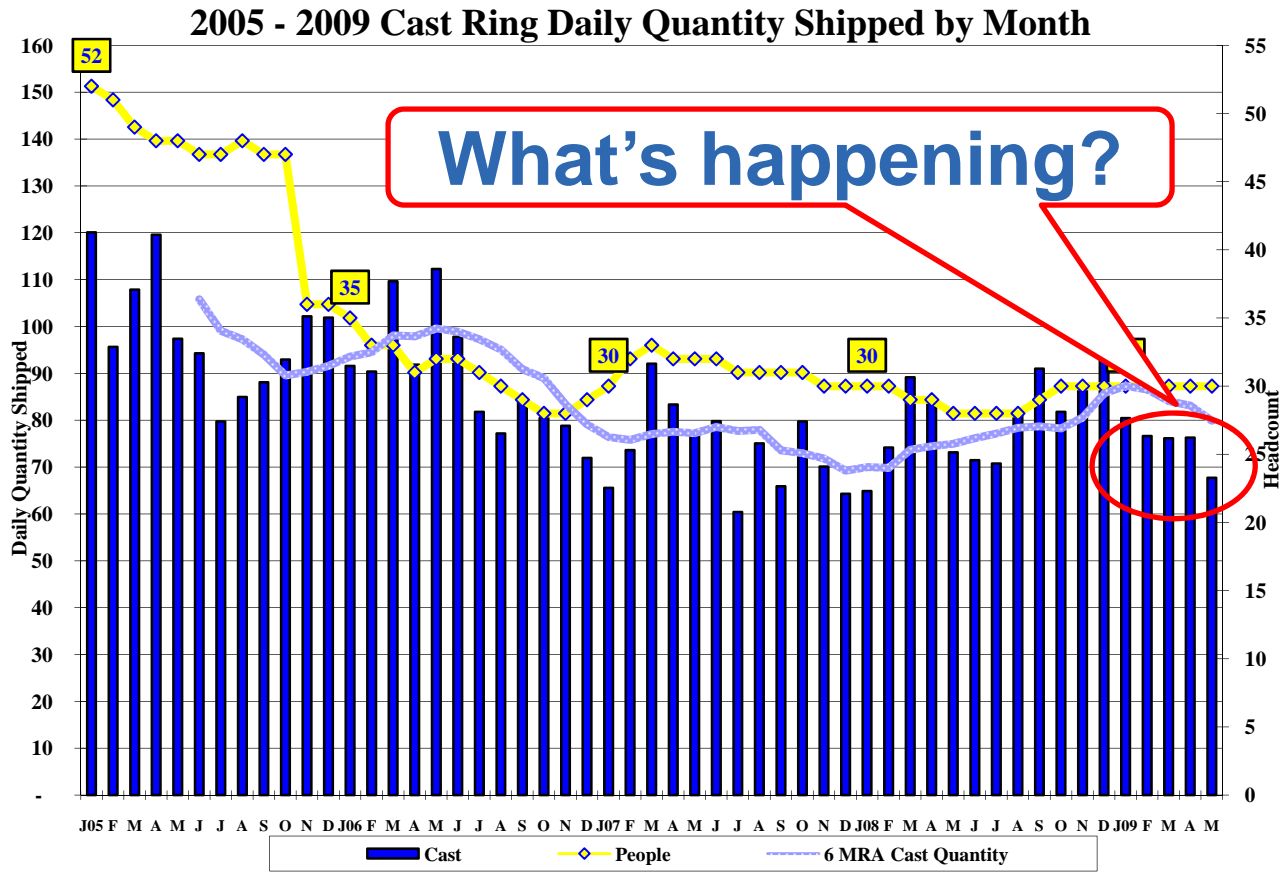
# Monitor Business Changes

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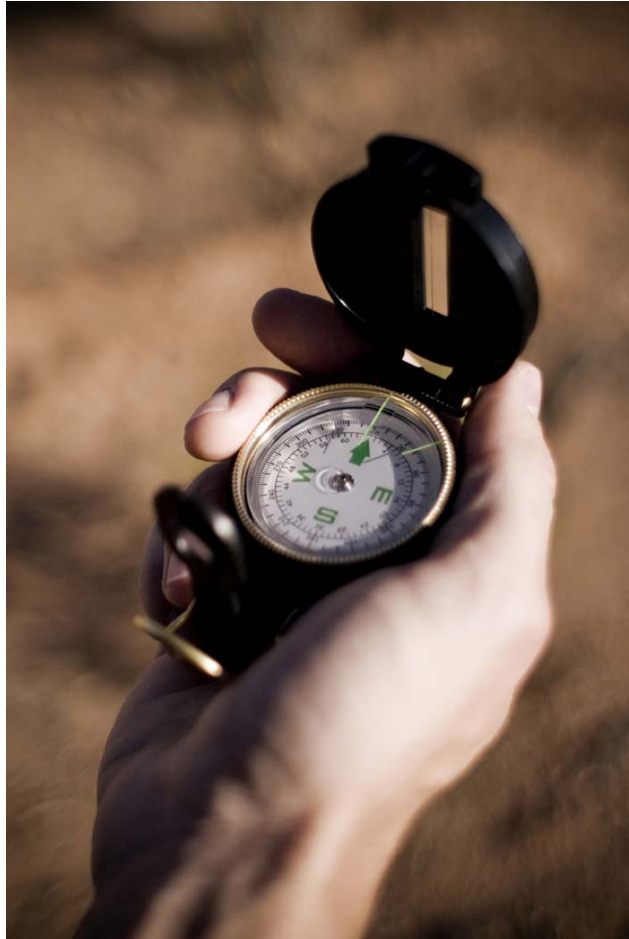
***Change happens!***

# Capacity Planning Council



# Respond to Business Change

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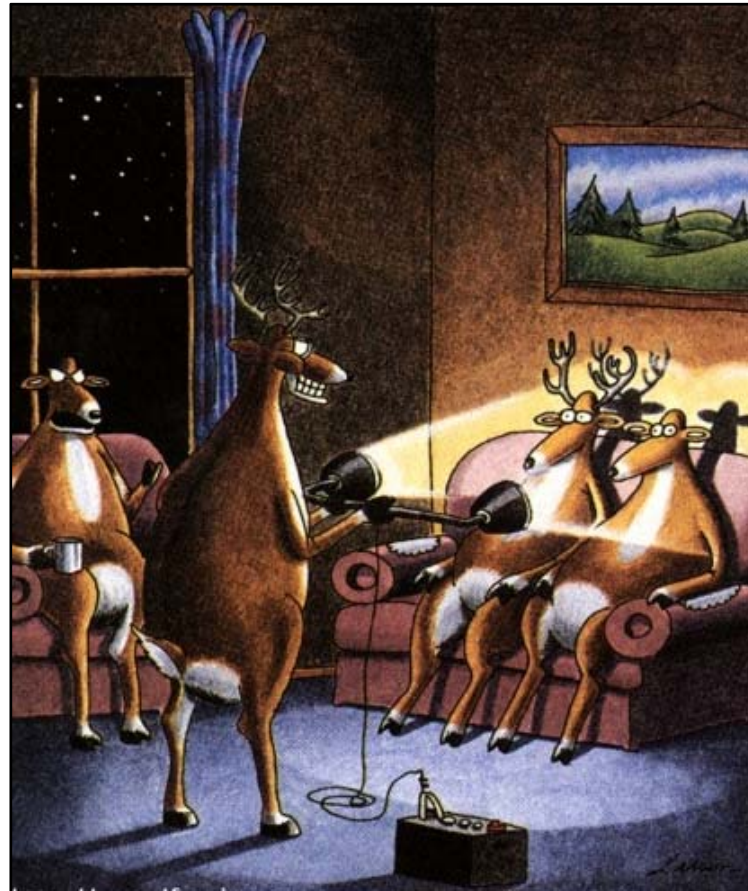


**Policy  
Deployment**

# Manage the Lifecycle

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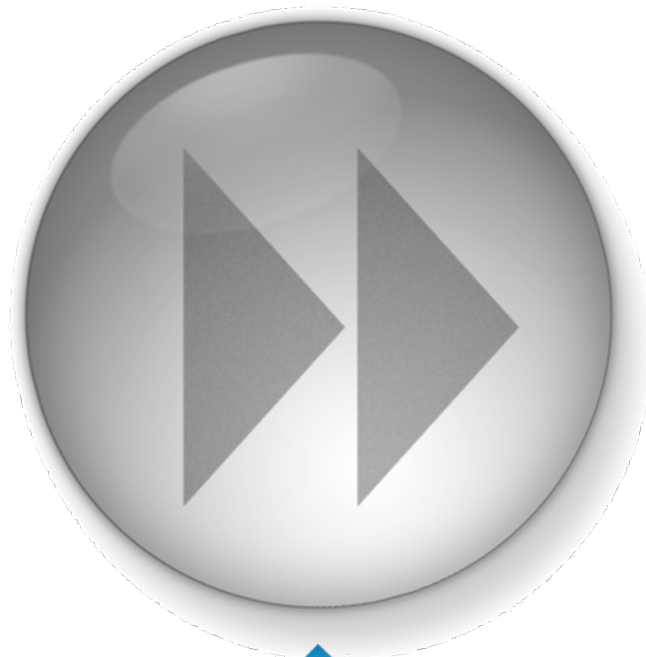
*Get away  
from those  
headlights!*



# Key Takeaways

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- ▶ **Some ideas are better than others**
- ▶ **STEPS – A learning model**
- ▶ **Budget the lifecycle**
- ▶ **Benefits-tied contracts**
- ▶ **Beat Murphy!**
- ▶ **Upgrades - An ounce of prevention**
- ▶ **Change happens – respond to it!**
- ▶ **Get away from those headlights**



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Questions?