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Modularity:
A World of Possibilities
Transcript

From industrial equipment, to consumer goods and services, to technology, virtually every industry is seeking new niches for growth while competing in increasingly fragmented markets. Companies are under relentless pressure to increase product content and develop more variants faster while trying to balance competing demands from government regulations and competing customer wants and shareholder demands.

Companies are struggling to figure out: how do they meet such diverging demands, how do they scale up with scarce scale and resources, how do they achieve step improvements in productivity where traditional approaches are no longer sufficient?

Now, leading companies are meeting these challenges with a renewed focus on modularity. Modularity is a simple but powerful concept. It is a key element of Product Lifecycle Management. In fact, many companies believe they already have it but its simplicity is counterintuitive. At its core, modularity seeks to understand customer wants, then, selectively defines functional modules and interfaces around them so the modules can easily be reused or replaced to create a large number of product variants with lower complexity, faster and at lower cost with better quality. But to achieve its full potential, companies must align product definitions, organizations, processes and technology around modularity. In collaboration with the governance of people, culture and metrics.

Accenture is the ideal partner for implementing true modularity because we have years of proven experience. For example, a commercial vehicle manufacturer was struggling to manage his product portfolio due to low cost-product commonality and poor economies of scale. Accenture's modularity approach enabled the company to lower parts count by over 65% and improve manufacturability with over 50% reduction in assembly time. Our research reveals that clients can see a 20-30% reduction in engineering hours, over 20% reduction in unit costs and a 25-75% increase in commonality.

In today's increasingly competitive business environment, modularity is an effective lever executives have to drive value across the company and generate profitable growth to seize the opportunity in a world of possibilities.

About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 293,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$28.6 billion for the fiscal year ended Aug. 31, 2013. Its home page is www.accenture.com.