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Post-Launch Reviews Improve New Product Performance

There are two fundamental categories of post-launch reviews. The first, "Team Self-Assessment Project Reviews," primarily lets product developers explore lessons learned from a just completed project. The second, "Management Business Reviews of New Products," are for managers to explore the financial and marketplace results of a new product and contrast the results to those promised when the project was approved.

Ideally, there is minimal overlap in the content of the two review categories. However, and this is especially true when the team that created the product stays together to enhance and service the product during its life cycle, much of what should be covered in structured Management reviews is done in Team reviews. To breathe a bit more life into this statement, consider that management makes the business decisions. They could invest scarce R&D funds in many places. They choose to invest in a certain project because of a business plan presented to them. If management does not subsequently compare the promised vs. actual results, they diminish their capability to "see" similar or analogous estimating shortfalls in future business plans and decisions. The learning loop does not get closed for management.

Manufacturing and operations professionals in just about every company have achieved closed-loop decision-making. The opportunity to do the same is still on the table for most executives who direct engineering and product development professionals.

A "project" is a temporary organization vehicle used to develop new products. Companies don't sell projects; they sell products that result from projects. Team reviews should have a heavy project emphasis. Management reviews should have a heavy product emphasis. Of course there is overlap, but it is not that difficult to draw a fairly clean line of what in a product should be part of a project review and vice versa.

The Team's success at making product specifications a reality is part of a project review. Similarly, Management cannot do product reviews without project information such as development costs and any slippages in project schedule that may affect return on investment. Teams should include technical aspects of product achievement in project reviews. Management should include financial aspects of project achievement in product reviews. With those guidelines, clean lines can be drawn.

Team Self-Assessment Project Reviews: Team reviews are typically done within six months of a project completing. It is best to wait until some level of commercialization has occurred, as many avoidable errors are discovered by company customers, not the company's test suite. Until the marketplace vets the product, the project review will be incomplete.

Team reviews often take place many months after launch, often more than a year or more. This is problematic because as soon as a product is launched, new forces take effect as enhancements are requested and tailoring begins. These post-launch forces were not part of the original project and they introduce change. It soon becomes challenging to distinguish between avoidable changes that should have been caught by the team and unavoidable changes that originate when customers want more from the product. If too much time has passed between launch and the Team Self-Assessment Project Review, the Team loses the ability to clearly see what was avoidable, along with the opportunity to best close the learning loop for a project it undertook.

Management Business Reviews of New Products: The primary goal of these reviews is to compare the business plan's estimates with actual results. If a business plan contained aggregated financial forecasts for one and then three years, then post-launch reviews should be conducted at those two points to compare promised to actual. The first review is the most important in most companies. Many companies have "hockey stick" commercialization results (MD, January 2015). Usually a business plan does not show near-zero projected revenues in the first year. If the organization knows management will not conduct a serious first-year review, the likelihood of hockey-stick results increase. The hockey-stick result then effects subsequent years as the marketplace sees that adoption of the new product is slow. Customers conclude there must be something wrong with the slowly adopted product. If a product is launched fast and decisively, as policed by a first-year review, the three or five-year review usually does not disappoint. md