

The Deloitte logo, consisting of the word "Deloitte" in a white, sans-serif font with a small green dot at the end of the "e".

Deloitte.

THE RIPPLE EFFECT

Stories of purpose and lasting impact

Can the current big thing get in the next big thing's way?

A MedTech company assesses its R&D capabilities and explores a strategy for further innovation.

WITHOUT **FORWARD ACTION**, FORWARD THINKING IS JUST ... **STANDING STILL**.

THE SITUATION

The MedTech industry is evolving rapidly and becoming more digital—and researchers, health care providers, and patients need that to continue. Established medical device companies strive to keep pace but increasingly grapple with a common dilemma: how to build emerging skill sets to help drive innovation and product development and balance them with “classic” capabilities that enabled the successful introduction and sustainability of current products that are changing patients’ lives.

Research and development (R&D) was at the core of one mid-sized MedTech company, and its leaders had invested in key skills ascending to the company’s current state. As R&D leaders looked to the company’s future, they recognized a need to expand digital capabilities—especially in emerging areas, such as artificial intelligence, data integration, and analytics—to help stay ahead of the innovation curve ... and competitors. They wanted to focus on developing what’s next while maintaining the company’s commitment to sustaining what’s now.

Innovation and product development (I&PD) can be costly. MedTech companies compete with one another for top talent and face further competition from the tech sector. Leaders wanted to identify which emerging skill sets the company should invest in growing internally vs. those that could be shifted externally for cost savings. To maintain a competitive advantage, leaders also wanted insight into capabilities peers were building. Was there an efficient and effective way to understand how current resources and capabilities measured up alongside competitors and better position the company for future growth?



THE SOLVE

The R&D leaders engaged professionals from [Deloitte's MedTech practice](#) to help assess the company's capabilities and advise on gaps that could have an impact on their product map. Deloitte collaborates with AdvaMed to collect data from MedTech companies that can facilitate [peer-to-peer benchmarking](#), and we complemented those insights by interviewing internal stakeholders to identify opportunities around innovation, product development, and performance.

Our Deloitte Human Capital Data Lake served as a valuable tool to highlight what skills peers were building. The proprietary database comprises extensive information about roles companies across a variety of industries are actively filling, along with skills in highest demand. This helped uncover skill sets, such as data science, cybersecurity, and cloud, that could be augmented within the organization.

These tools helped us demonstrate how high-level shifts to the operating model and culture, given the cross-functional nature of I&PD, could accelerate bringing new products to market. We followed this broad view with a closer look at gaps around individual capabilities and suggested ways to fill them, whether through upskilling current resources, investing in new skills, partnerships, or outsourcing.

As businesses across industries develop and launch offerings that leverage connectivity, machine learning/artificial intelligence for new experiences, software as a medical device, and digital twins, competition for top tech talent intensifies, and Deloitte's [Product Engineering Services](#) (PES) team can bring deep MedTech industry domain and technology acumen to help companies accelerate product development and commercialization. Our PES offering has a range of engagement services—from capacity building and outcome-based projects to establishing global development centers based on build-operate-transfer models. Deloitte is an industry leader in collaborating with clients on assessing and launching modern engineering practices, quality processes, and hardware/software product development in new, agile ways.

Our client envisioned an ambitious journey, and we delivered a comprehensive, data-driven assessment designed to optimize its road map for success.

A POWERFUL SYNERGY BETWEEN **INNOVATION**
AND PRACTICAL PRODUCTIVITY

THE IMPACT

The R&D leaders were pleased with our findings and recommendations. The strategy we outlined is driven by quantitative and qualitative data and lays a foundation for building emerging skill sets and supporting future growth through organic innovation. Our tools helped our client see how its organization could improve while also demonstrating the potential value of those improvements. If implemented, we believe the cost of product development and time to market could potentially be reduced by 30–50%.

As demand grows for enhanced digital skills and capabilities, smaller to mid-sized companies can benefit from access to engineering resources in low-cost jurisdictions, such as our PES offering, which is engineered for flexibility and continued improvement. And when a business has a clearer understanding of its starting point, it can be better positioned for more rapid implementation of emerging technologies, streamlined processes, and new ways to collaborate.



**DRIVING INNOVATION DOESN'T ALWAYS MEAN
REINVENTING THE WHEEL.**

LET'S CONNECT.

Do these challenges sound familiar?



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