Empowered Product Teams

Build the right thing, the first time.

$\mathbf{\checkmark}$

Who's this talk for?

- Founders
- Product Managers
- Product Owners**
- Product Designers
- Product Marketers
- Project Managers or Business Analysts
- Developers



All the types of "Agile" we often hear...

- Lean
- Agile
- Scrum
- Kanban
- ScrumBan
- SAFe
- Some Spotify Model?

Hello! <u>I'm Partho G</u>hosh

- Head of Product, Bananatag
- Lead Instructor, Product Management & Agile Development, Brainstation

Formerly:

 Director of Product & Lead Product Manager at companies such as: Unbounce, Glance Pay, MEC & Staples



glance pay



Connect with me on Twitter: @productpartho



Agenda

- What are Empowered Product Teams?
- Empowered Product Team frameworks
- Product Management & Product Ownership in Agile teams
- Different types of Product Teams
- Lean Idea Validation & Discovery
- Interactive Session: MVP or Not MVP?
- 0&A



Elephant in the room...

Product Manager = Product Owner

(& vice-versa, in my opinion)

If you're a <u>partial Product Owner</u>, not doing the full spectrum of Product Management from Ideation, Discovery, Validation, Delivery & Post-Release Analysis, you may not like the rest of this presentation.

https://www.mindtheproduct.com/how-to-spot-a-partial-product-manager/

What, Why & Who are Empowered Product Teams for?



What are Empowered Product Teams?

- Product-centric teams that are long-lived, empowered and able to move on their own based on <u>objectives set by the team</u> that align to company objectives (including OKRs) or a product roadmap.
- Empowered Product Teams have become a staple of the Product-Led-Growth (PLG) model which has become synonymous within Valley-based tech startups, SaaS companies and high-growth product companies as a whole.
- The output of great Product Teams are exactly that, great products that succeed in the market place and not feature-factories that ruin customer experiences.
- Marty Cagan proposes: The purpose of a product team is to solve problems in ways our customers love, yet work for our business.



What are Empowered Product Teams?

- Empowered Product Teams typically either own an <u>entire Product</u> or <u>a segment of a Product</u> that can wholly be responsible for its own learnings, measurement & development. Segments can be:
 - Owning a part of a Customer Journey
 - Owning a specific Vertical
 - Owning a particular theme or value stream of a Roadmap
- Empowered Product Teams are <u>not</u>:
 - Teams that work on specific features only
 - Get stood-up for a single project and then torn down
 - Teams that work together due to a Tech-Stack or Code-Base



Empowered Product Teams are Modern Teams

#1

AN OLD-FASHIONED COMPANY is founded on steady growth through prescriptive management and controls, and is subject to tremendous pressure to perform in short-term intervals such as quarterly reports.

A MODERN COMPANY is founded on sustained impact via continuous innovation, and is focused on long-term results.

ERIC RIES - THE STARTUP WAY

www.thestartupway.com

#2

AN OLD-FASHIONED COMPANY is made up of experts in specialized functional silos, between which work passes in a stage-gate or waterfall process that sends projects from function to function with specific milestones tied to each handover.

A MODERN COMPANY is made up of cross-functional teams that work together to serve customers through hightly iterative and scientific processes.

ERIC RIES - THE STARTUP WAY

www.thestartupway.com

#3 AN OLD-FASHIONED COMPANY tends to operate huge

programs.

A MODERN COMPANY operates rapid experiments.

ERIC RIES - THE STARTUP WAY

www.thestartupway.com

Who is it for?

Any team working on a long-lived Product that needs to continuously deliver value incrementally



Empowered Product Teams aren't for everyone

- There are many cases where building a team structure around "Empowered Product Teams" may not make sense for your company.
- While "Empowered Product Teams" is the mecca for many Product Managers & Owners, it may not be useful for these types of companies:
 - Service-Based Companies such as Digital Agencies
 - Organizations with a large emphasis on Professional Services
 - Sales-led organizations with Reactive Roadmaps***
 - Incubators with many "1.0's"

Why?

80% of customers only use 20% of your Product today. &

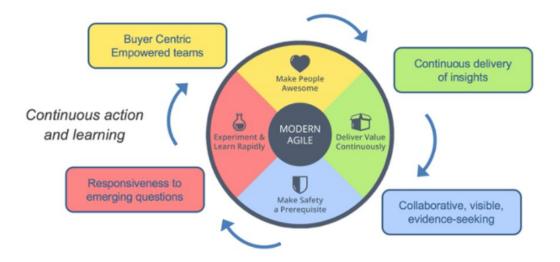
90% of Products & Startups fail within their first year

There has to be a better way.

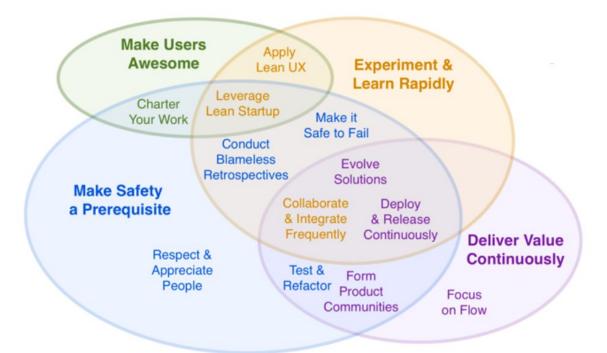
How can build Empowered Product Teams?



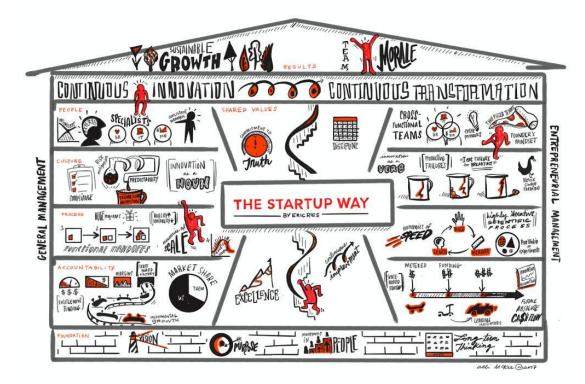
There have been models and frameworks looking to help build out Empowered Product Teams but they aren't nearly as popular as they should be.

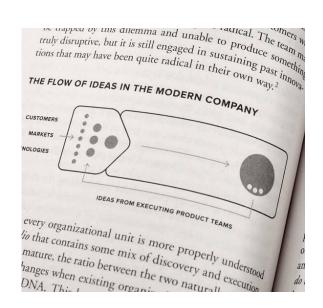








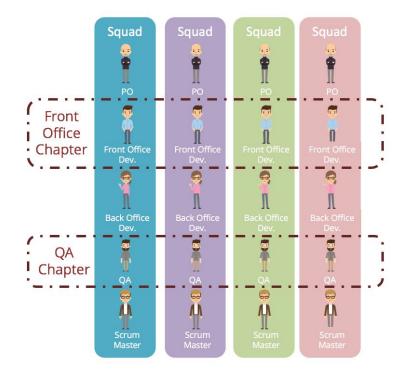






rmation	Sustainable Growth · Team Morale us Innovation · Continuous Transfo	RESOLIS
PEOPLE	SHARED VALUES	PEOPLE
Cross-functional teams - Two-pizza teams Entrepreneurs - Founder's mindset	Commitment to Truth	Experts Optimizers Consistent Managers Specialists
CULTURE	Discipline	CULTURE "Failute is not an option" - Risk mitigation
Black swan' farming - stnovation as a verb	1	Predictability
PROCESS	THE STARTUP WAY	PROCESS
Highly Iterative, scientific process Build, measure, team - Economies of speed Portfolio of rapid experiments	Excellence	Functional hand-offs - Huge programs Duality through reduction of vierability Economies of scale - Statistical process control
ACCOUNTABILITY	/	ACCOUNTABLITY
Innovation Accounting - Leading indicators Future absolute cashflow - Metered funding	Continuous Improvement	ROF Cost reduction Market share Margins Incremental growth Entitlement funding





What do these Squads / Teams work on?



- To empower anyone, we need to be able to hold them *accountable*.
- How can we hold teams accountable?
- Question: On a Scrum team, if the wrong idea or wrong product is built, who's held accountable?
- Second Question: On a Scrum team, if the project is delayed or the team's velocity is regressing, who's held accountable?
- There needs to be a better way to hold *teams* to account of their own work and moreover, how much time is wasted on low-value work.
- Product Teams can be empowered by providing them with **clear objectives** and a **singular focus** that can be aligned to a **KPI & a team North-Star Metric**



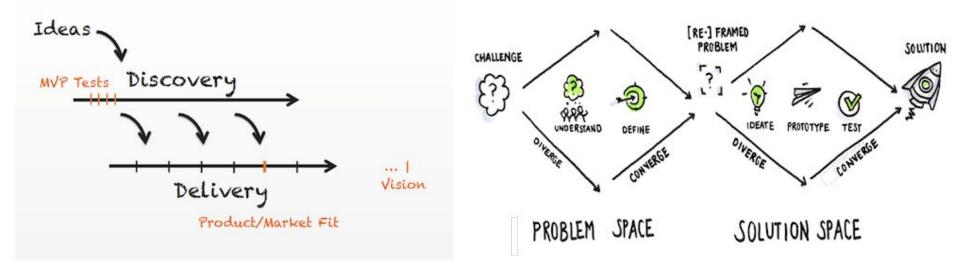
Empowered Product Teams need to be able to analyze & make decisions for their Product/Segment around these 4 risks:

- Value risk (will people buy it, or choose to use it?)
- **Usability** risk (can users figure out how to use it?)
- **Feasibility** risk (can we build it with the time, skills, and technology we have?)
- **Business Viability** risk (will this solution work for the various dimensions of our business?)



- Product Managers & Owners are <u>not</u> the only ones responsible for the 4 risks. **Building Product is a Team-Effort!**
- To ensure a balance of "power", most Empowered Teams will have some form of a Trio/TPD:
 - Tech Lead
 - Product Lead (partnered with a Product Marketer)
 - Design Lead
- The hope is that this "team-leadership" group can allow the team to make decisions around the 4 risks mentioned previously instead of a command & control, hierarchical company.





Dual Track Agile

Different Types of Product Development Teams



Different kinds of Product Teams

Let's clear some confusion that will no doubt upset some of you. There are typically 3 types of "**product teams**" today and some of you may think you live on an "Empowered Product Team" but you'd be wrong. Instead most of these teams are a form of one of the following:

- Delivery Teams
- Feature Teams
- Product Teams



Delivery Teams

- **Delivery teams** (also referred to as dev-teams, scrum teams, engineering teams etc).
- Typically have some number of developers/QA, maybe a Scrum Master if running Scrum and a product owner.
 - The Product Owner in this instance is typically a "backlog administrator" in this role. While someone does need to help with this administrative work, the team is simply all about delivering output and velocity, rather than value.
 - It has very little to do with consistent innovation and valuable products to customers.
- Frameworks like SAFe promote this behaviour. Sorry!

\checkmark

Feature Teams

- Sometimes known as "Squads" from the Spotify model
- Cross-functional teams with product, design & engineering
- Built to serve the business
- Typically provided a list of Features or Projects to be built via a Roadmap not curated by the team or the team's PM/PO.
- Looks and feels like an Empowered Product Team but isn't, particularly when it comes to the PM/PO role.
- Typically **not customer-obsessed**.
- Typically can lead to **feature-factories**.



Feature Teams vs. Product Teams

- In a Product Team, the Product Manager/Owner is explicitly responsible for ensuring **value** and **viability**
- In a Product Team, the Designer is responsible for ensuring **usability**
- In a Product Team, the Tech Lead is responsible for ensuring **feasibility**
- This work is not done up-front by a management group or exec team, but rather by the team themselves.
- The team does this by truly collaborating in an intense, give and take, in order to discover a solution that work for all of us.
- Product Teams are there to serve the business by solving problems in ways customers love and work for the business.
 - Customer-Obsessed teams



Feature Teams vs. Product Teams

- However, in a feature team, you still (hopefully) have a designer to ensure usability, and you have engineers to ensure feasibility, but, and this is critical to understand: the value and business viability are the responsibility of the stakeholder or executive that requested the feature on the roadmap, not the Product Manager / Owner.
- If they say they need you to build feature x, then they <u>believe</u> feature x will deliver some amount of value, and they believe that feature x is something that is viable for the business. Most of this is **unvalidated.**
- This doesn't protect companies from their most precious resource: **Opportunity Cost of Developers**



Product Role on Product Teams

- Product Manager = Product Owner
- Great Product Management = Great Product Ownership
- The role of a Product Manager on a Product Team, where they need to ensure **value** and **viability**, requires:
 - Deep knowledge of the customer
 - Data around market, industry, technology etc
 - Complete understanding of the business from sales, marketing, finance, support, legal etc.
 - This may include P&L statements!
- This is essential and non-negotiable in Product Teams.



Product Role on Product Teams Cont.

- On feature teams, most of this **knowledge is dispersed amongst different stakeholders and execs** outside of the team.
- The role of a Product Manager becomes about *facilitation* and *"herding cats"* to get a feature designed and delivered.
- Controversially, this can be boiled down to the role being much closer to a Project Manager than a Product role.
- Product Discovery on these teams are typically a bit of design and usability testing to determine if a customer likes the predetermined solution stakeholders created for them.
- **This is not empowerment** for the Product or Design role and not for Technical role, as creativity and problem-solving is thrown out the window.



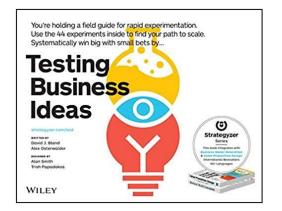
How can we get Product Teams to be Empowered?

- As we stated before, to be empowered, we need to feel we hold account to our team's focus.
- This means not being beholden to *only* exec or stakeholder demands but rather customer needs.
- The team needs to be closer to the customer and the Product Manager needs to be able to understand the business, the market, the customer and company's objectives wholeheartedly.
- To do this, we also need to learn how to validate ideas earlier and often in a Lean manner.
 - Often times, Idea Validation & Product Discovery models can look downright "Waterfall"
- In the end, to truly gain trust and empowerment, we need to be able to build successful products and callout failures MUCH EARLIER THAN WE DO TODAY!
- Fail Fast, Learn Fast. Experiment Fast, Succeed Faster.



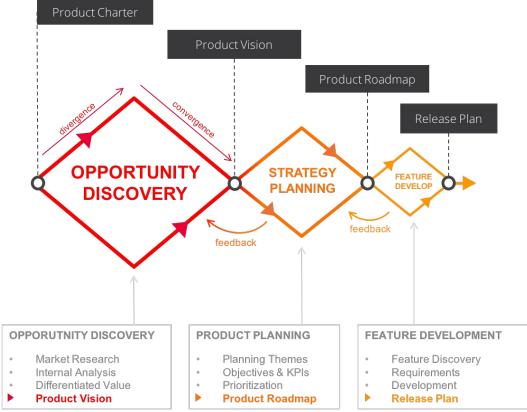
Idea Validation & Product Discovery Frameworks

There are too many different Idea Validation and Product Discovery frameworks for this presentation. Most Product Management training focuses on how to validate ideas early and often.





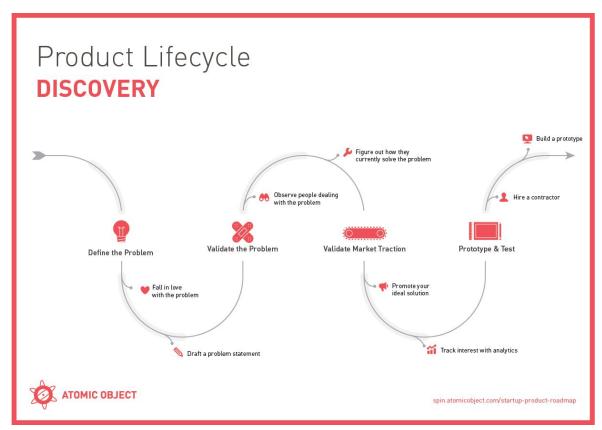
Idea Validation & Product Discovery Frameworks



©Cabage 2019



Idea Validation & Product Discovery Frameworks



"Product Management (and thus, Ownership) should be the **lifecycle function** of determining what is the right thing to build/buy/partner with next in a fashion that minimizes risk for the entire company."

... -Me

In a Scrum team, agility and continuous development is simple... <u>if you know what to do next.</u>

... Opportunity Cost is extremely expensive and typically as a PM, your investor is your own company.

So how can we validate what the right thing to build is in a continuous manner that increases trust in the Product Development process?

Answer: Improve our MVP's and the definition of MVP's

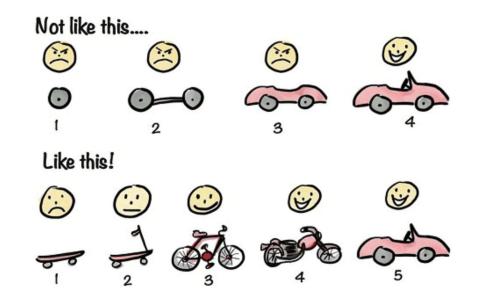
Lean Idea Validation & MVP's

"As you consider building your own minimum viable product, let this simple rule suffice: remove any feature, process, or effort that does not contribute directly to the learning you seek."

Eric Ries, author of Lean Startup & Startup Way

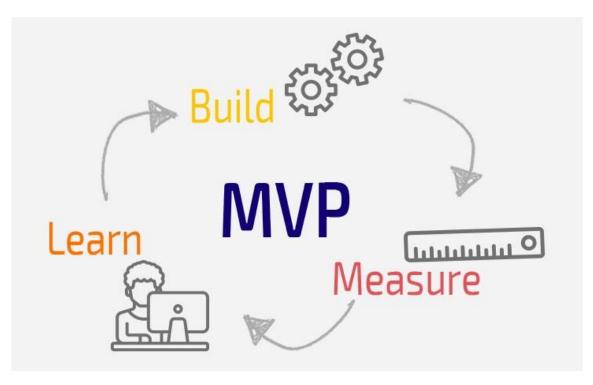


This ruined everything





So did this...



Why is "building" something, automatically translated "develop software"?



Confusion of the Product in MVP

The 'P' in MVP has really made MVP a dirty word at every company.

Because the term includes "Product", we automatically think it needs to be something tangible and sellable. However, Frank Robinson (coined the term) and Eric Ries (popularized MVP in Lean Startup) really talk about MVP's being more of an evaluation tool to validate **value** and **viability** of an idea.

They have even apologized for the confusion this has created!

Wikipedia defines a product as:

"A **product** is an object or system made available for consumer use; it is anything that can be offered to a market to satisfy the desire or need of a customer."

An MVP can be an evaluation of whether a Product can be viable in the Market.

MVP Game

- **1.** Understand scenario
- **2.** Review the product
- **3.** Answer whether the product is an MVP or not



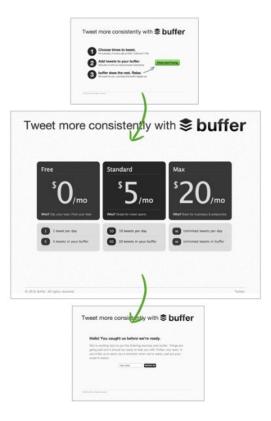
Product Idea: Dropbox





Product Idea: Hootsuite Competitor

	t more consistently with S buffer
0	Choose times to tweet. For example, 3 times a day at 9:30, 13:30 and 17:30.
2	Add tweets to your buffer. Manually or with our handy browser extensions.
3	buffer does the rest. Relax. We treast for you. Just keep that buffer topped up!
0.2010 Suffer, M	ngina suurmud.
)
	K
Tweet	more consistently with S buffe
Hello	You caught us before we're ready.
going v you'd	working hard to put the finishing touches onto buffer. Things are well and it should be ready to help you with Twitter very soon, if like us to send you a reminder when we're ready, just put your n below:
	Your small Renind me



Summary

"Product Management (and thus, Ownership) should be the **lifecycle function** of determining what is the right thing to build/buy/partner with next in a fashion that minimizes risk for the entire company."

Product Idea: The Point



If you can't do it alone, you can do it with The Point.



Get people to pledge to give money or do something collectively









Members join, but do or give nothing until the campaign reaches a "tipping point" of support



Once the campaign tips, members take action, confident that they will actually make a difference



Product Idea: AirBed&Breakfast

AirBed & Breakfast					Sign Up / Sign In Post a Room		
2	Check in 08/18/2008	Check out 08/20/2008	Guests	Search			
1	Lay Be	Medere					
\$10		Bringen Ungelbien Data field		and a			
\$25	Saunito .	No.					
\$50	ų į	111	12	6.			
\$50		11	1		- F		
\$50			1.1	N.K.	B		
\$50		Dedict you?	Mode	rn - \$99	E		
\$80	Car Course	Addan	29		Alam		
\$85	Deates	a San					
\$90				þ			
		creat He					
	Forget hotels.	Sto Sto \$50 \$50	Stop Stop \$50 \$50	Storget hotels. Stor Stor <	Check in Check out Guests 09/18/2008 04/20/2008 0 \$10 25 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 550 \$50 560 \$50 580 \$50 580 \$50 580 \$50 580 \$50 580 \$50 580 \$50 580 \$50 580 \$50 580 \$50 580 \$50 590 \$50 590 \$50 590 \$50 590 \$50 590		

.

Resources

- Inspired v2, Marty Cagan
- The Startup Way & Lean Startup, Eric Ries
 - 13 Startup Way Principles 0
- Value-Proposition Design, Alex Osterwalder
- Testing New Business Ideas, David Bland
- User Story Mapping, Jeff Patton



Testing

Ideas

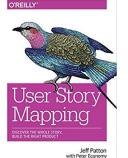
David J. Bland

Alon Smith

WILEY







Forewords by Martin Fowler,

Alan Cooper, and Marty Cagan



How Modern Companies Use Entrepreneurial Management to Transform Culture & Drive Long-Term Growth

Interested in learning more?

Check out Brainstation's Product Management or Agile Development courses!







Internal Communications Platform

https://bananatag.com

Thank you.

Q&A