

How Pitney Bowes built a Product Management Council

Host: Chad McAllister, PhD

Guest: Felicia Anderson

CHAD: Hi, this is Chad. I want to remind you of a webinar that Charles Du is facilitating this Wed, March 29, 2017. Charles was my guest last week and was discussing a topic I frequently get asked about -- how does someone become a product manager and get into product management. He is having a webinar for us to continue discussing the topic. To register for the webinar, go to productcharles.com/eip331. And of course, that link will be in the show notes of this episode, which are at www.TheEverydayInnovator.com/117.

I expect you'll find the discussion coming up in this episode to be really valuable. I took notice when Pitney Bowes created a Product Management Council and I wanted to learn what they are doing with this council. Anytime an organization puts a focus on their product development and management capability, I expect good things to come of it. That's because products are the revenue engine of organizations and the better job we as product managers and innovators can do creating products that provide customers value, the better it is for our organization.

To find out about this focus that Pitney Bowes has placed on product, I spoke with Felicia Anderson. She is the Senior Director of the Product Management Council and Launch Management at Pitney Bowes. She helps product managers build their skills to increase product launch success and deliver greater business impact.

I hope you enjoy the discussion as much as I did.

CHAD: Hi, Felicia. Thank you so much for joining the Everyday Innovator podcast.

FELICIA: Thank you for having me. I'm glad to be here.

CHAD: You are one of my favorite types of guests, which is, you were a listener to the podcast and then I found out about the kind of work you're doing and went, oh, you would be a great guest to be on the podcast too. I appreciate you being part of the listening community of The Everyday Innovators and also joining us today.

FELICIA: Absolutely.

CHAD: You have had some really interesting experiences that led you to Pitney Bowes not all that long ago and you're at Pitney Bowes in this role of the product management council, director, which is what I want to dive into a little bit. Just give us some context on Pitney Bowes. What is the business of Pitney Bowes these days?

FELICIA: At Pitney, we help our clients combine both physical technologies and digital technologies to conduct commerce. So as we like to say, we're the craftsmen of commerce.

CHAD: The craftsmen of commerce. Pitney Bowes has been around like 90 years. I remember my first engineering job out of college, we had in our little...the room...I don't even know what you call this. I guess the mail room; we were a small group. The place where we mailed everything from, the little Pitney Bowes meter. This is how you got postage onto an envelope, which was so cool, because you didn't have to go to the post office and I thought, how does this thing work that you can buy postage ahead of time and this was intriguing to me. That's kind of my view of Pitney Bowes and when I was looking at your website and just kind of getting some background, when you talk about commerce,

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there are these other dimensions involved, too, like providing data to help businesses do a better job of marketing to their customers.

FELICIA: Yeah, actually we do, you're exactly right. We started kind of in that area and a lot of people know us from the mail meter business. But we've expanded out and we now see commerce as sort of five steps to commerce. Identify is the first step, where if you're selling something or you're trying to sell something, you have to identify your prospects, then we locate the prospects, so you find some information about them, a piece of that may be their geography but also other pieces of information. Communicate is the next step we see, which is you want to get the right information at the right time to that potential buyer to help them in the buying journey. The shipping, which obviously is where a lot of people have experience with us, and then even the payment. So we have information about the billing, the amount it's going to cost, including tariffs and so forth, and even financing in some cases, for the payment of it. So we see this whole spectrum now, of the commerce cycle, and we actually have expanded to include solutions in all those five areas.

CHAD: Very good. I appreciate that context a little bit. As you said, I'm sure there are other listeners like me who think of Pitney Bowes as the postage metering company, and it really has expanded. Part of that must be some drive towards a new focus on innovation, I'm assuming, which is the connection with this product management council, which I think just started, what, 2016?

FELICIA: Yeah, that is the time frame, in the summertime last summer.

CHAD: Can you share the charter, the purpose of that council?

FELICIA: Yeah. Our focus, our vision, is to help our product managers increase their capabilities so that they can have a greater business impact. So we really believe product management is essential to fueling the growth of the company and increasing the innovation that we're able to bring to market.

CHAD: I like that. So the greater business impact of the product management team. Has there been a strong emphasis on product management at Pitney Bowes?

FELICIA: Historically, clearly product management has been important and we had a broad set of product managers. I think at Pitney and in other places, product management is often distributed throughout the organization and what we're trying to do with this product management council initiative is to bring that together so that we see each other as a community and we have a place to have a voice jointly.

CHAD: Okay. Were there some events, some things that were going on, that kind of led up to the creation of this council? Your background is you started in this role, you joined Pitney Bowes in this role, so you may not have the full context there, but I'm just curious, you kind of just alluded to, that product management was maybe in different business units and this was an effort to kind of unify the actions. What was the context pre-council? What were the things that kind of brought this together?

FELICIA: Right. I guess it was about last Spring, which was before I had joined, our CEO was talking to his executive team and he asked the question, "Who's responsible for the care and feeding of the product managers?" Because they are distributed in the BUs and even in the lines of business within the BUs, there wasn't really a single person or a single set of people who were responsible for the care and

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feeding of product management. As a result of those discussions, and discussions that ensued, came this idea of establishing a product management council.

CHAD: So that it had official visibility in the organization, it sounds like, and someone taking care of product managers and how we're effectively using them in the organization. I suspect part of that means what are their skills and how can we just help everyone do a better job.

FELICIA: Exactly.

CHAD: So my role, my path, actually, to product management came through project management. The lines blurred a lot for me because I was doing product management work as a project manager and just didn't really recognize that this thing called product management existed for a long time, which apparently happens to a lot of us. So I'm kind of used to that project management background and larger organizations will often put in a project management office, a PMO, to help unify what's going on under project management and when I first saw what was going on with the council, I kind of made that leap. I thought this sounds a lot like a PMO for product managers. I don't know if that's really the case or not. How is the council structured?

FELICIA: In our case, it's not exactly like that. We do have a PMO that handles certain processes that product teams go through and that exists already, but the product management council initiative is separate from that. So there are really two pieces to the product management council initiative. One is the product management leadership team. That's our executive sponsors and basically the leaders of each of the five BUs; the most senior person in each of the five BUs that have product management under them, and some other key stakeholders. So we have a product management leadership team of about 22 people and we meet monthly and discuss the issues that are at top of mind regarding product management. That's one piece. The second piece, of course, is the broader community itself. It's the 200 or 225 people throughout the organization that comprise the product management community. Most of them are product managers, that's product managers and their management, but also related stakeholders. So we have 30 or 35 people from marketing, product marketing managers as well. And some other key stakeholders, like learning and development in HR, so we have about 225 members of the product management community and together these two pieces comprise the product management community initiative.

CHAD: Okay. So we have the leadership team and you said they meet once a month to discuss kind of top of mind issues. Can you share any examples of what those are? What has come up, kind of top of mind? I'm just curious what are the key things that that leadership team is dealing with.

FELICIA: Each year or each period we agree at the top level there what are our focus areas? So obviously we have a broad set of product managers and they're dealing with a broad set of issues and focus areas, but as a team we want the program to have some focus and some structure. So we look at, and we happened to a time allocation survey recently, so we looked at the survey of what are our PMs spending time on, what are they saying they want to spend more time on, combined with our experience of how the product teams are doing, and then we, for instance, pick the focus areas for this coming year.

CHAD: I'm curious if you heard the same thing, which I often hear from product managers, and it tends to show up in the surveys, too, which is we all want to spend more time on understanding the customer.

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It seems like there are these fires that come up in our lives that draw our attention away from where we really want to have our emphasis, which is what's that customer problem, how can we provide them value.

FELICIA: Yes, that was definitely one of the areas. We asked them, what are the areas that you feel you provide the most value in and then what are the areas you'd like to do less of and what are the areas you'd like to do more of? Well, our product managers, by and large, do indeed feel understanding their customers, understanding the market is one of the areas they provide the most value in. However, when we asked how much time they're spending on it, they're not spending as much time as they feel they should and it's an area where they want to spend more time. So very consistent with your experience.

CHAD: Yep, good to hear. When it comes to that structure, so you have that monthly meeting with the leaders, what are the kinds of events or programs you've put in place to help with this council?

FELICIA: As a member of the community, what does the program feel like? So we have different components. Probably the gemstone of it is once a year we get all of our product managers, in fact, everybody in the product management community, in person, face to face, for a two-day meeting. We just happened to have that PM summit last week, so we had our first annual PM summit last week. So that's a very visible, very impactful piece of the program.

CHAD: Since you brought that up, we have to hear some highlights. What was shared at that two-day summit? What were you trying to accomplish?

FELICIA: Well, we definitely got some feedback beforehand, but we did have these focus areas, so we had some external, some fantastic external speakers sharing some best practices, we had some internal speakers sharing case studies, and we had a good deal of interactive sessions, because one of the things we really wanted to foster is cross BU, cross team interaction. We've got about 150 product managers in the company and with that many, you simply can't know all of your peers. You know people maybe in your business unit or the people managing products that your product integrates with, but there are so many cool things going on in other parts of the company, that we had a lot of activities where we were trying to mix people together where they could talk about their products and share information and brainstorm on things they might want to do.

CHAD: That opportunity to build collaboration is so important. I give you great credit for bringing that summit together to make that happen. As you know, as we've talked before, I do these what I call the Integrated Study Groups, for companies at times, and it's virtual training that takes place over a few weeks for the product managers and product teams to really dive into some concepts. What I find that comes out of those so often is people from one aspect of product management in one area of the company are interacting with people in another aspect and they hear things that they have never heard before. They hear about one team doing something that sounds valuable that they've never thought about and there's just so much learning, not just about the concepts and how to apply them where they work, but about what's already going on and working inside the company.

FELICIA: Exactly. We've already gotten some feedback about how that was a powerful part of being face to face for two days with peers. So that's one of the key values we want to get out of our PM summits.

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CHAD: Are there plans for a second annual summit?

FELICIA: Absolutely. It will be an annual event. We had a half-day kind of warm up summit in the Fall, in September, but then that was to prepare us for this one in February, and we will repeat this annually. It's kind of the gemstone or the capstone of the PMCI initiative that we're doing. But there's more.

CHAD: I was going to say, are there other events going on here? I don't know if you're doing a monthly thing, or lunch-and-learn things or something.

FELICIA: Yes, we absolutely do. We have a monthly PM community call, so this is like a WebEx or conference call and the main focus of those areas are we share internal experiences, case studies, both success stories and also lessons learned, so we foster a little bit of that cross team communication in those meetings. We also highlight resources that are available to the product management teams that product managers can use as they expand their products. So we have a lot of shared services and not all the product managers have detailed information, so we have a team, for instance, that will do usability studies for product teams. It's a great service that we have within the company, but not all product managers were aware of the details of the service or how they get connected. That's just an example where we show resources they can use and we highlight those on the monthly meetings.

CHAD: Very good. Part of those resources, like one of the questions I get a lot from listeners, is what are the tools product managers are using? Which is frankly an episode I need to dive into here pretty soon. But is that part of the shared resources, too, just to be aware of, you know, here's the suite of tools that we like to use.

FELICIA: Yes, we will highlight things like that as well. For instance, I mentioned, we have a PMO that handles our gate process. We call it an IPMT process, but it's basically a gate process. As we expand that, we'll often use these monthly sessions to sort of highlight something new or something we've gotten a lot of questions on. We've recently added to our competitive analysis suite of tools the Frances Frei competitive analysis model. So we got some questions on that, we gave a little overview in one of these sessions.

CHAD: Great. What a great way to share information. So the key elements of that for your product management community so far were the annual summit you've started, you just had your first one, and then these monthly web meetings. I just want to make sure I'm not leaving out any big pieces. Anything else that you're using to help structure this council?

FELICIA: Yeah, we also have periodically we bring in external speakers, external experts to do skill-builder webinars. We'll highlight those, we'll have those as well. That's another piece and then we have built an internal Yammer site for our PM community, trying to make it very easy for one PM to just ask a quick question out to the PM community and so we have that as well. So you put all those pieces together and it sort of comprises our product management council initiative from a I'm a PM, what do I see out of the program.

CHAD: I would expect, given this focus with the council coming to life last summer, and now that you've had your half-day summit and then this full two-day summit, and then what you're doing with the monthly different meetings and that Yammer community site, I would think is invaluable to product

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managers. I would expect overall that the product managers are feeling a whole lot more valued in the organization. I would think this would be really empowering to people related to product management. Are you hearing anything about that?

FELICIA: Yeah, we are hearing that. We get two kinds of feedback. Some people feel like they just love getting the reminders about things they should be doing and sort of the skill builder aspects, but we also get it was so great to hear that all of our executives are supporting us and sometimes even to hear that all the executives are hearing from these outside experts the value of product management, how important it is. All of that I think helps to build...we've gotten very good positive response in general to our initiative here.

CHAD: I think that's great. You mentioned executives. In most organizations, and I can put some benchmarks on this, but in most organizations, our executive team isn't real aware of what actually goes on in product management. Yet, when you look at the surveys, the numbers for is innovation important to us, CEOs and executive teams will always say yes, top of the list. But when it comes to actual action on it, it's actually much lower. I think a lot of that is simply because many executives don't grow up through product management ranks. Proctor and Gamble is a good exception. They always do. But most executives don't have that background and experience. I expect, just because of these activities that you've put in place, you're also helping the executive team have better insights into what product management's about.

FELICIA: Exactly. It's always been a mystery to me that product management doesn't naturally get more air time in most companies. It's a delight to be at Pitney where it is actually seen as a critical success factor, but in a lot of companies, that is not such the case. I actually think it's because part of it is because product management is so distributed throughout. There's no single place where you see product management. They're so diffusely distributed that it's harder for executives to see that as a separate function, as a separate entity.

CHAD: Glad all these things are in place. I want to ask a slightly different question and we may end up at exactly the same place where we just talked about. But, going back to where you started, and this is for listeners that might be thinking about how do we put more emphasis on our product management capabilities as an organization? So back when you started in this role, what were kind of those first tasks that you did? Those first objectives that you said you wanted to tackle and come about as part of the council?

FELICIA: Well, the first thing we had to do is get kind of crisp on what we wanted to focus on. There's a lot of different ways you could take a product management council, so we had to dig in a little bit and say what do we see as our vision for this thing? We did end up settling on we really wanted to build and enhance the product management capability within the company so that product management could have a greater business impact. We had to figure out what we're not. So, for instance, we don't see ourselves as a governance board. Things don't pop up to us and we say, you shall use this tool or this process, so we're much more focused on enhancing our product management effectiveness and business impact. So that was the first thing we had to get clear, is exactly what do we feel like we want to focus on, and then as tactical as it seems, kind of the second thing we had to do is figure out who are the members of the community. It wasn't as obvious as you might think, because again, our product

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managers live where the products live, so they are not only distributed across the BUs, but they're in the lines of business within the BUs. So we had to go about constructing who are the members of the community and that kind of evolves even now as people hear about what we're doing, more related stakeholders want to get involved, but we had to at least start out with that first list and so that was a piece we had to do. Then of course, when we knew who we were going to speak to, then we introduced the whole concept to the community in terms of the kickoff call to share the vision, to share the pieces of the program, and then we started up with our monthly cadence of our monthly meetings.

CHAD: Those are good concrete steps for listeners who are interested in this sort of thing. The vision, I like that you included what you are not. What's the focus for our organization, this council, then there are often assumptions about what that also might include and being explicit about what we are not is really helpful. Then identifying who are the members and I don't know if Pitney Bowes, in many organizations, product managers go by lots of different titles. It depends on the organization entirely even if we have product managers or is that really lying on project managers or business analysts or different places. So who's involved, and then just getting that vision out and starting the momentum of the monthly meetings. Very good. So we're not quite a year into this yet. Do you have any success stories that have come out of the council's work?

FELICIA: Yes, I'd say so, although it kind of involves how you measure success. We've had to kind of take baby steps as we go along. So the first way we try to see if it's successful, all of our activities, by the way, are voluntary. So we're not mandating that people must participate. If they find it helpful then they're going to show up and if they don't find it helpful, then they probably won't show up. So our first cut at this was, are people showing up to the meetings? We do see that well over 95% of our community has shown up to at least one of our activities and most of them show up to many of them. That was our first cut of are we hitting the mark. The second thing we looked at was after every event, even just a one-hour webinar, we always ask a quick polling question: How useful do you find this activity? Depending on the activity, because we have a bunch of them, actually, we see it range from about the low 80% to a high of about 97% of the attendees will say it was very useful or useful. So that's another measure that we're hitting the mark. We're providing information and content and opportunities that the attendees are finding useful.

CHAD: Those are good metrics.

FELICIA: Yeah, well now we want to move to another phase where we want to see how effectively we're changing behavior. So that's a little harder to measure, but we know if we're going to have a greater impact, this year than last year, we're going to have to do things differently this year than we did last year. So we just had the summit last week and one of the questions in the post-event survey is: How likely are you to do something differently as a result of what you've learned at the event? Now, the survey's still open and the results are preliminary, but we are seeing like 95% of the responders saying they are either very likely or likely to do something differently, so that's the next measure of are we having an impact. I wholeheartedly believe that if PMs increase their skills, that is going to flow to better products, better pipeline, better revenue, but there's a stepwise process to see if we're getting there. You just can't go from having a summit and connect the dots to \$25 million of additional revenue because we had that summit. These are the ways we're kind of taking steps to see are we having an impact.

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CHAD: I'm sure there's some desire by any executive team that would be looking at doing a council like this, to figure out metrics for where does this come in terms of revenue, right? I fully expect just the increased collaboration and the knowledge that people are learning over time, will make that happen. But you can't discount the value of that increased collaboration. There may be stories that are really hard to kind of dissect, how a product came to life just because people who weren't used to talking to each other started talking to each other. Those ideas that would never have happened that are now happening.

FELICIA: Exactly. I will go out to the community this year because this is our next initiative, to ask them to capture those when they identify that it's happening. So I will get actual case studies where we did create this feature, enhance this value, talk to this customer, and it resulted in some revenue. Because I believe they will be there, even though it will be tricky to measure, but when we can, that will be a very powerful story or set of stories and justification for continuing the program.

CHAD: I'm very excited to hear about all this. I would think as a product manager in a company as old as Pitney Bowes, 90 years, which has probably a traditional kind of image, that this has brought a new life into what it means to be a product manager in that organization and a desire to really be innovative in bringing new value to customers. I would be excited as a product manager to have the opportunity to interact with other product managers and people in my space in new ways that I haven't had before. That's just really...what I'm getting to is too often inside organizations, product managers tend to be kind of a siloed individual. We're really cross-functional but we don't tend to bump into other product managers a lot. It can kind of feel lonely in that sense, even though we're so cross-functional. I'm sure there are Everyday Innovators listening that are in organizations that would like to tap into some aspect of this. Even if it's just starting with a once a month webinar, lunch and learn sort of thing, start building some collaboration, maybe start setting up that Yammer or Slack site or something for sharing questions and getting some feedback. Since you've been doing this, let's ask you for some advice to share for listeners on steps to maybe what first to think about and steps to get started with something like this.

FELICIA: Well, I would say as soon as, as a product manager, you can't actually list off the top of your head, the other product managers in the organization, then that's a good signal that you'll get some value out of creating this kind of initiative. It doesn't have to be as formal as we have at Pitney. Kind of what you said, you can just reach out to one of your product managers that you know in another business unit or another group and say, "Hey, I'm thinking of starting up maybe a monthly meeting where we talk about issues that we're facing as product managers." If you can get a handful of those folks interested, you can make it pretty lightweight on yourself if you say, "You take two meetings a year, you take two meetings a year, you take two meetings a year, and together we'll start up this monthly meeting." And see if you get traction. I think you will get traction. My experience is, like I said, everything we do here is voluntary in terms of the product managers are not forced to show up at any of these, but there is a thirst to know what are the other product managers doing to share information across it, so you'll probably get pretty good uptake.

CHAD: I think it's a good place to start.

FELICIA: If you do start a program, I would encourage you after you get a little bit of traction, find yourself an executive sponsor. The executives...actually I think you'll find pretty good reception to the

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idea, because once you've explained what you're trying to do, we're trying to have a greater business impact and we think product management is a key function to do that, and just explain product management is right there between the technology, the customer and the business case and so we're very uniquely positioned to have a huge impact. The return you get on the investment is out of all proportion, I think, to the investment because of where product management sits. You couch it in that way and executives tend to want to listen. If you've already gotten a little bit of traction, you just get a huge benefit. So I would say get a little traction, find a friendly executive, say can we get on your calendar once a quarter, we want to talk about what we're doing here, and I think you'll really get the ball rolling. You can do this from the ground up. Of course it's wonderful when you get it from the top down and you can bring it all together, but I believe you can definitely start an initiative here grass roots.

CHAD: That's good advice and I like that you specified how to use that executive sponsor. In the beginning, maybe it's just let's meet once a quarter and we'll talk about what we've been doing and kind of build up that rapport and support over time. I want to piggy back on the suggestion to get that meeting together once a month or whatever works and explore some topics and just for anyone listening, I would be glad to be a virtual guest and share product management framework and help out for any listeners to get started with that sort of thing, too. Obviously, for Pitney Bowes, too. Sometimes it's just hard to get started but there are a lot of us who are glad to help companies have those kinds of discussions. I just find it fun. I always learn about what companies are doing and get to do what I love, which is help people with product management. Thank you for sharing some of those tips on getting started. I always ask guests about innovation quotes, as you know, since you listen to the podcast. What quote did you bring, and just give us some context for why you like that one.

FELICIA: Yeah, my quote is from Rich Mirnov I'm sure you probably know Rich. He's a well-known thought leader in product management. He's been around product management for a long time. One of the things he says that always resonates with me, is "There's nothing more wasteful than brilliantly engineering a product that doesn't sell." I love it because it keeps us in balance. As product managers, we love our products. We love to love our products and we think they're so cool. And we can get kind of distracted in the cool product part and sometimes not focus as much on does it sell. Why are we building this really cool product? He very succinctly keeps that all in balance. I always think of that expression. It stays with me.

CHAD: Yeah, I like that one from Rich. There's a similar one from Ash Maurya that did Scaling Lean and before that was Building Lean in the Lean Startup series, which is simply, don't build products no one wants. We're both engineers by background and I think more times than not, I'll speak for myself, we get engineers can get enamored with the solution that we're building and kind of lose track over time of what the actual problem is we're solving. Thank you for sharing that quote with us. Just in terms of wrap-up here, what do you want to leave listeners with for key points here?

FELICIA: For me, this would be a huge win if some of your listeners actually do start up some kind of initiative, whether it's just that monthly meeting or it builds into a product management council like we have. I believe in this initiative, I believe in product management, and if this inspires some companies to do some of that in their organization then this is a super win.

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CHAD: I think it's great advice. As you shared before, this doesn't have to be at the full scale of a council, this is just let's start collaborating and talking about product management.

FELICIA: Exactly.

CHAD: Felicia, I so appreciate your time and I thank you for listening to this podcast and more so, today, for being a guest of this podcast and I wish you all the best there with what you're doing for product management at Pitney Bowes.

FELICIA: Thank you so much. It's been great.

CHAD: Thanks for listening. Please tell other product managers and innovators about this podcast. I make that easy - just go to the shownotes for the summary of the discussion with Felicia and you'll find links at the top of the page to share it on your favorite social media site. All that and more is at www.TheEverydayInnovator.com/117.

Keep innovating!