Product-Centric Transformation in a Nutshell

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In a rapidly evolving market, adaptability and the ability to quickly pivot are key. Change is constant and uncertainty is high. Transforming your organization into a product-centric company empowers you to tackle present and future challenges.

Why my organization must be product-centric?

Product orientation aims at focusing on true customer needs, improving innovation and agility, promoting better use of resources and talent and providing a clear focus and accountability for product teams.

Definition

Product orientation is an approach which focuses on organizing around its products and services, with stable, empowered and accountable teams that manage these end-to-end throughout the complete lifecycle, from inception to production to evolution to decommissioning, including the compliance, costs, quality, technical excellence and client experience associated with their perimeter of responsibility.

Benefits

- Increased ownership, accountability and people motivation by creating multidisciplinary teams which are fully oriented towards customer value.
- Increased efficiency, productivity and quality.
- Reduced time-to-market time from the conception of a product or feature until it is released through a drastic reduction of silos.
- Increased customer and employee satisfaction.

PROJECT		PRODUCT
Fixed end date		No end date
One team for each project		Long-term teams
Predictive planning	VS	Adaptive planning
Single result		Gradual value delivery
Fixed requirements		Adaptation to changing customer needs
Investment according to ROI and scope based		Value-driven and achievement-based investment

How do I deploy this transformation? Changes span three critical models:

Operational model
- Product mindset
- Product principles
- Product maturity model
- Team autonomy
- Business-driven OKR's
- New ways of working
- Aligned ecosystem of providers
- Governance by lean committees
- Proactive dependecy management

Technology model
- Platform orientation
- Cloud
- Continuous integration and continuous delivery
- Hyper-automation
- Architecture convergence
- Data driven strategy
- APIfication

Financial model
- Quarterly Business Reviews
- Pay per use
- Total cost of ownership
- FinOps
- Fund value streams and measure value

What are my drivers/levers?

Renew the organization

Organize around products and their value chains to reduce silos and dependencies. Implement a transparent relationship model among organizational elements to ensure agility and flexibility.

Prioritize by impact

Align business strategy with execution by prioritizing product needs by impact on strategic objectives. Use Quarterly Business Reviews connected to Objectives and Key Results that allow strategy to flow bidirectionally to products, services and their teams.

Deploy new ways of working

Use new ways of working combined with multidisciplinary teams responsible for the product and service complete lifecycle, with a client vision. These teams are self-organized and autonomous.

Align incentives

Design a people and team performance model that fosters the alignment of business strategic and product objectives with team results.

Deploy tools and technology

Deploy appropriate tooling to support the new processes, including automation and cloud enablement.

Align providers

Ensure that sourcing strategy and contracts are aligned with both strategic and product objectives by sharing risks and rewards with partners, and by measuring them by output and outcomes.

Manage change

Evolve the culture by creating a compelling purpose, through co-creation of key organizational elements, failing fast, servant leadership and the development of new capabilities. Communicate constantly and transparently.