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The
Product Ops
Playbook

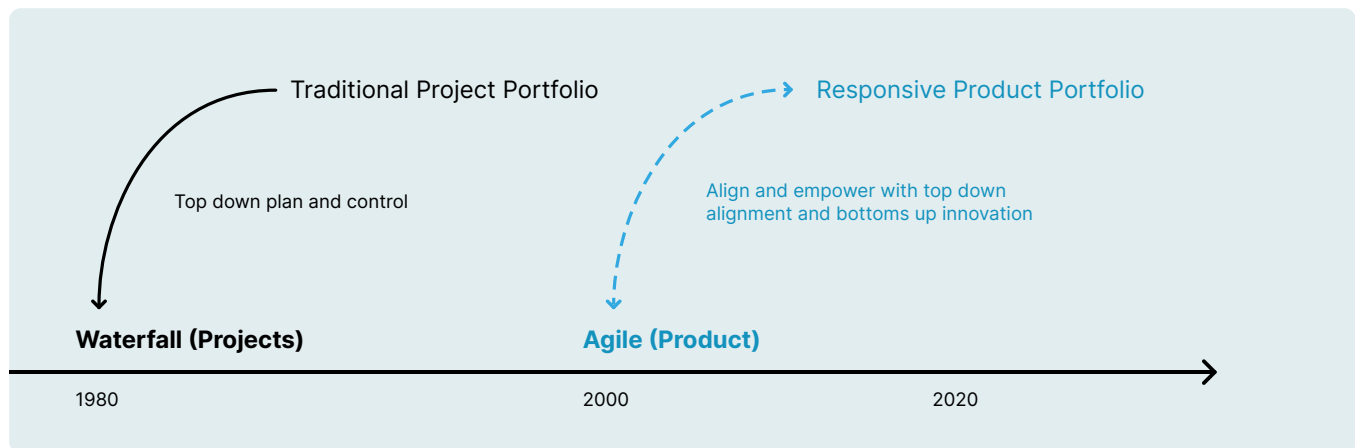## A Complete Guide for Outcome-Focused Teams

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Introduction

Today, product operations (product ops) is a role that's spreading like wildfire within product-centric organizations because, when done correctly, it's the secret weapon for keeping multiple product teams aligned and truly outcome-driven. But, how did we get here?

In the era of waterfall product management, decision-making was very top-down and one-directional, with top executives calling the shots and little to no team involvement. Over the years, product teams have become more empowered and outcome-driven.

Traditional Project Portfolio   Responsive Product Portfolio

Top down plan and control

Align and empower with top down alignment and bottoms up innovation

Waterfall (Projects)   **Agile (Product)**

1980   2000   2020

The role of product has evolved from delivering projects to delivering customer delight and accelerating outcomes.

As scaling companies become more product-centric, misalignment, lack of visibility, dependency management, and communication challenges rise exponentially. As things change, it's critical to have a holistic view of product. This requires leaders to think of the product itself over individual features. Viewing products in a product portfolio perspective rather than individual products will be beneficial in the long run. 'This is where the role of product ops comes into play.

Product ops is the golden thread connecting product, engineering, and customer success in order to accelerate portfolio outcomes.

While more companies are hiring product ops professionals than ever, the role itself is not as new as many would think. The skills of product operations have always been critical to a scaling product organization, but it's been called many things in the past.

> " Product operations drove cultural transformation for the ~400 person global product organization to become a more disciplined, data-driven team. "
>
> **Angela Song**, VP Product Operations, PayPal

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What's the Mission of Product Operations?

Product operations' aim is to enable an effective, outcome-focused product organization, and broadly speaking, a product-centric company, to achieve the best customer, business, and portfolio outcomes.

What does an effective product org look like?

You'll find that it has:

01 The ability to scale without the business-damaging chaos

02 Clarity on strategy across all levels

03 Data-informed, customer-inspired decision making

04 Responsive execution that delivers commitments

05 A balance of long-term vision and short-term outcomes to win in the current and future market

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How Can Teams Build a Strong Foundation for Product Ops?

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Before building your product ops function, make sure to have these key elements in place to ensure its success:

Outcome-Driven Culture

Responsive Product Portfolio Management

Three Essential Pillars

1. Foster an Outcome-Driven Culture

What does it mean to be outcome-driven (as opposed to feature-focused) and why does it matter?

After reaching product-market fit, teams that are outcome-driven avoid relying too heavily on customer feedback to inform their roadmaps as it rarely encourages breakthrough product concepts needed to achieve market leadership.

Outcome-driven organizations allocate resources to not only the short-term, incremental product improvements, but also to their long-term goals that are cross-functional in nature. These are the collaborative bets that could help the company to transform, keep its competitive edge, and grow radically. Most importantly, success is measured by the progress made toward desired outcomes rather than output.

Since product ops' mission is to accelerate portfolio outcomes, they must be able to work within a company culture that is outcome-focused or help to lead the transition with the support of a change agent, for example, the Chief Product Officer.

"
You can't take your old organization based on feature teams, roadmaps, and passive managers, then overlay a technique from a radically different culture and expect that will work or change anything. *"*

Marty Cagan, Empowered: Ordinary People, Extraordinary Products

2. Implement Responsive Product Portfolio Management

As outcome-focused teams scale, it's important that they manage their product(s) as a portfolio. This is due to the fact that modern software can't be built by a single team and unlike a project, a software product is never considered "done."

> "If you are planning quarter by quarter, team by team, or feature by feature, as opposed to thinking about multi-quarter, multi-team initiatives, you are in serious need of adopting portfolio management."

Rachel Weston Rowell,
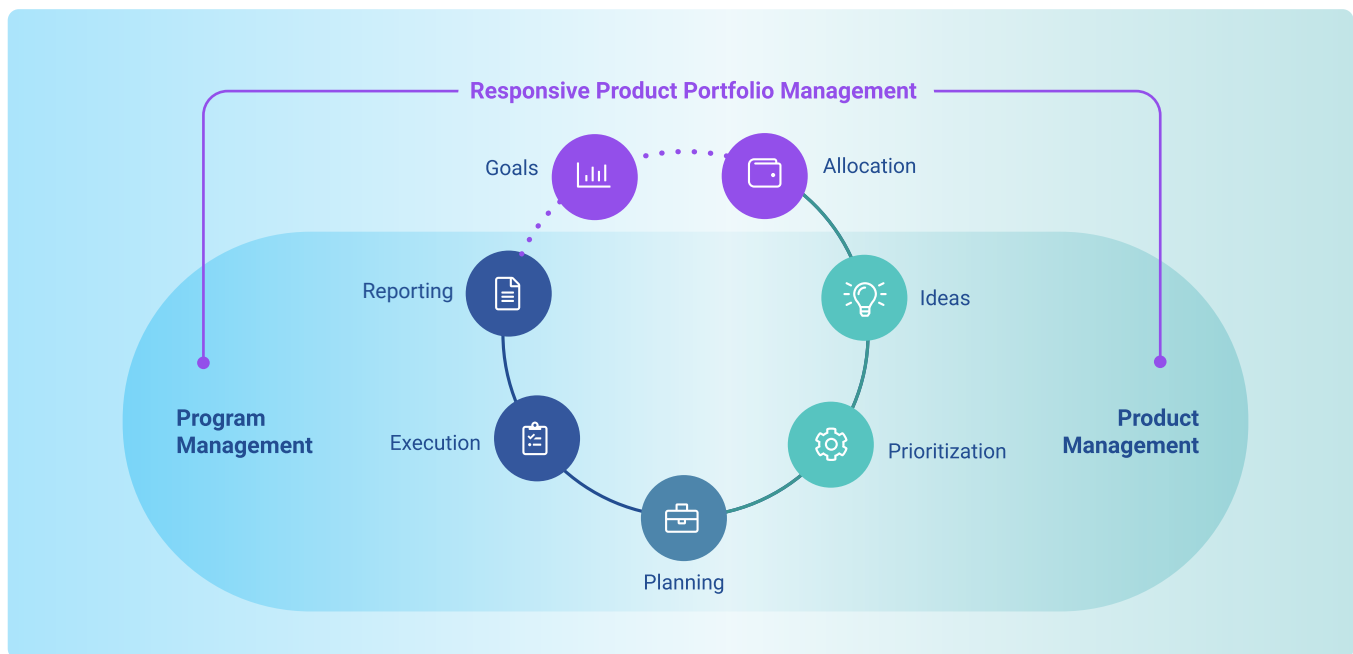SVP, Product & Technology COE at Insight Partners

Responsive Product Portfolio Management ("Responsive PPM") is a framework for product-led organizations that dynamically connects objectives, customer needs, products, and resources with execution to accelerate outcomes while remaining responsive to the state of the organization and the market.

Responsive PPM enables tech leaders to align strategies and allocate resources from the top and provide progress visibility from the bottom. The bi-directional collaboration allows the entire organization to work together to achieve true agility.

Sushila Nair,
Security Services, NTT Data Services

> "Companies need to take a portfolio product management approach to ensure that not only the individual product or service meets the company needs, but that the business is prioritizing service development in line with their business goals."

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Responsive Product Portfolio Management

Goals · Allocation · Ideas · Prioritization · Planning · Execution · Reporting

Program Management · Product Management

Responsive Product Portfolio Management is the solution to running a modern, outcome-driven product organization built to scale.

Many product, program and engineering leaders have already been following the Responsive PPM method at innovative companies such as Netfllix, Spotify, Amazon and PayPal. However, this best practice — until now — was carried out via a trial and error approach using a myriad of spreadsheets, hallway chats, and whiteboard sessions.

Fast forward to today, Dragonboat is the first comprehensive solution to be built upon the responsive PPM framework to enable a consistent practice with automated workflows. It gives organizations a single source-of-truth for strategy and execution, allowing leaders to align people and ideas to goals, forecast and adjust staffing needs, automatically update and predict progress, and enable clarity and visibility across portfolios.

Without having the right tool, product ops would struggle to help the team have the visibility it needs to run itself effectively.

3. Develop Three Essential Pillars of Product Ops

With a strong base formed by an outcome-driven culture and a platform for responsive product portfolio management, product ops can start building up its three essential pillars (we will cover these more in-depth in the product ops roadmap to success):

- **Enabling teams** through efficiency and consistency

- **Facilitating vertical alignment** with top-down goals and bottom-up innovation

- **Orchestrating cross-team collaboration** with product teams and stakeholders

Here is a way to visualize all of these elements coming together:

**Accelerate
Portfolio Outcomes**

**Enabling
teams**

**Facilitating
vertical
alignment**

**Orchestrating
cross-team
collaboration**

Outcome Driven Culture

Responsive Product Portfolio Platform

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What Does Product Operations Do?

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Now that we know the basics of how to build a product ops foundation, let's take a greater look at the day-to-day activities.

The product ops leader is the right-hand to the CPO, helping them access the right information that they need to be an effective executive at all times. As such, **product ops runs the strategic operations of a product organization** and their responsibilities tie directly to enabling an effective, outcome-focused product organization.

The 8 Areas of Responsibility for Product Ops

Product and Portfolio Processes and Tooling

01

A modern product organization should run entirely on a product portfolio process, both for the product teams and for all stakeholders interacting with them. Setting the right foundation and adapting responsively to changes is one of the most impactful areas of product operations.

This includes portfolio-level planning and tracking, as well as product management and agile development process and tooling optimization, integration, and best practices.

Therefore product ops evaluates, owns, and manages portfolio tooling, such as Dragonboat, to enable a single source-of-truth that can then be accessible to the entire company as appropriate. They're the guardian of product portfolio management best practices for the entire product organization.

> We are growing fast and need the right solution for portfolio management to connect roadmaps with OKRs and run our quarterly planning and tracking. After I evaluated 25 tools, I finally found Dragonboat - the only tool that suits all our use cases and is flexible to fit our ways of working, not forcing us to follow the predefined framework. Finally, we can get rid of tons of tools and formats to keep all our product portfolio data transparent and up-to-date.
>
> **Anton Zhvakin**,
> Senior Manager of Product Dev Ops at Miro

Strategic and Portfolio Planning

02

Strategic Planning

Strategic operations start with aligning strategies at the executive level, along with a relevant headcount, budget and allocation. This is often carried out as strategic planning. To facilitate this, product ops lead strategic offsites, quarterly planning, and OKR alignment with both product executives and product teams.

Portfolio Planning

In addition, product ops is proficient at applying product portfolio management best practices so that teams can navigate and balance:

01. Multiple goals
02. Competing stakeholder and customer requests
03. Prioritization best practices
04. Short term OKRs and the long term product vision

One of the most important keys to product ops' success in portfolio planning is managing dependencies since they stall 90% of product teams at some point. Product ops plays a key role in portfolio planning and collaboration to help identify, plan and track cross-team prioritization and dependencies. This often takes place during quarterly planning and sets up the portfolio for success.

> 90% of product teams have been stalled by dependencies.

Portfolio Visibility and Stakeholder Engagement

03

A common challenge that product leaders face is effective stakeholder engagement. Product ops plays a pivotal role in defining effective interaction and communication cadences through all levels of the organization, including with executive leadership, within product organizations, and with cross-functional teams e.g. sales, marketing, etc.

Customer and User Engagement

04

For individual product managers, it is often time-consuming to collect user insights, correlate different data points, or try to recruit various customers/ target users for interviews and feedback sessions. Product operations helps to form processes around users and customer engagement, allowing product teams to be customer-centric.

Product ops also helps define and evolve the engagement model and communication cadences between product and other teams that are customer facing such as support, sales, marketing, etc.

If a product org doesn't have a user research team, product ops often takes on the task of helping product teams to recruit and manage user interviews or vendors for user research.

Product Analytics, Experimentation and Launch Planning

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Analytics
In organizations where data may be scattered across various platforms or there is a need to work with dedicated data teams for reporting, product ops may help to standardize data definition. This way, they help ensure apple-to-apple consistency for values across systems. Product ops may aid in building and improving the data, access and definition processes for product teams.

Experimentation
Product ops may own the experimentation calendar to coordinate various product experiments and A/B tests. They can manage the planning holistically to ensure the quality of data and prevent conflicts.

Launch Planning
Product operations often acts as product's liaison with the go-to-market team to define the timing and scope of various GTM plans and activities reflecting product delivery scope and schedule.

Financial/Headcount Planning and Tracking

06

In partnership with product leaders, finance teams, and vendors, many product ops teams are tasked with owning the product org's budget, headcount, and financial planning and tracking.

Not only that but product ops executives often play a key role in advising product leaders on organizational design, career roadmapping, mentorship, training, and other "people-related" topics.

Product Tools and Vendor Management

07

As product-centric companies grow and new product teams are added into the mix, it's important that they build with the same toolset. When different teams all have their own tools for various tasks, it becomes increasingly complex to manage dependencies across the product portfolio. By standardizing the use of and processes related to tools team-wide, product teams can align easily. This, in turn, enables the successful execution of larger, cross-team initiatives that drastically move the needle.

Product operations coordinates tool evaluation for the product organization and will collaborate with different users in the product team to understand their needs and roll out a solution. Common team tools include product portfolio management, design, user research, survey, analytics, collaboration tools, etc. Product operations reduces the burden of vendor evaluation, management, and pricing across the organization.

Operational Excellence

08

People Management
Product operations partners with product leadership and HR to create and maintain the product organization's interview process, onboarding process, and product management training and coaching.

Templates
To increase consistency and efficiency, product operations partners with product leadership and product managers to create templates for product requirements, training, feedback collection, etc.

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Where Does Product Operations Sit in a Product Organization?

Depending on the size of a product org, this role may be carried out as a shared responsibility by a product leader, a dedicated person, or even a dedicated team.

Most often, the product ops team reports to the Head of Product. If there are several product operations team members, each might report to a different VP of Product who oversees a number of product managers.

In other cases, product operations reports to the CPTO (Chief Product and Technology Officer). In this reporting structure, they may also be more involved in the PDLC (product development life cycle) process and the respective tooling, including agile practices.

The Two Types of Product Ops Roles

The Product Analyst (Data-Focused)
A product team might start by hiring a product analyst who is focused on data. This person thinks about how the team is getting its data, the tools it uses, and most importantly, how the team can connect all the dots. Many teams are great at collecting and presenting data, but fall short when it's time to identify potential trends or insights that could be useful for making better decisions.

A product analyst will develop consistent reporting to inform a product team's strategy.
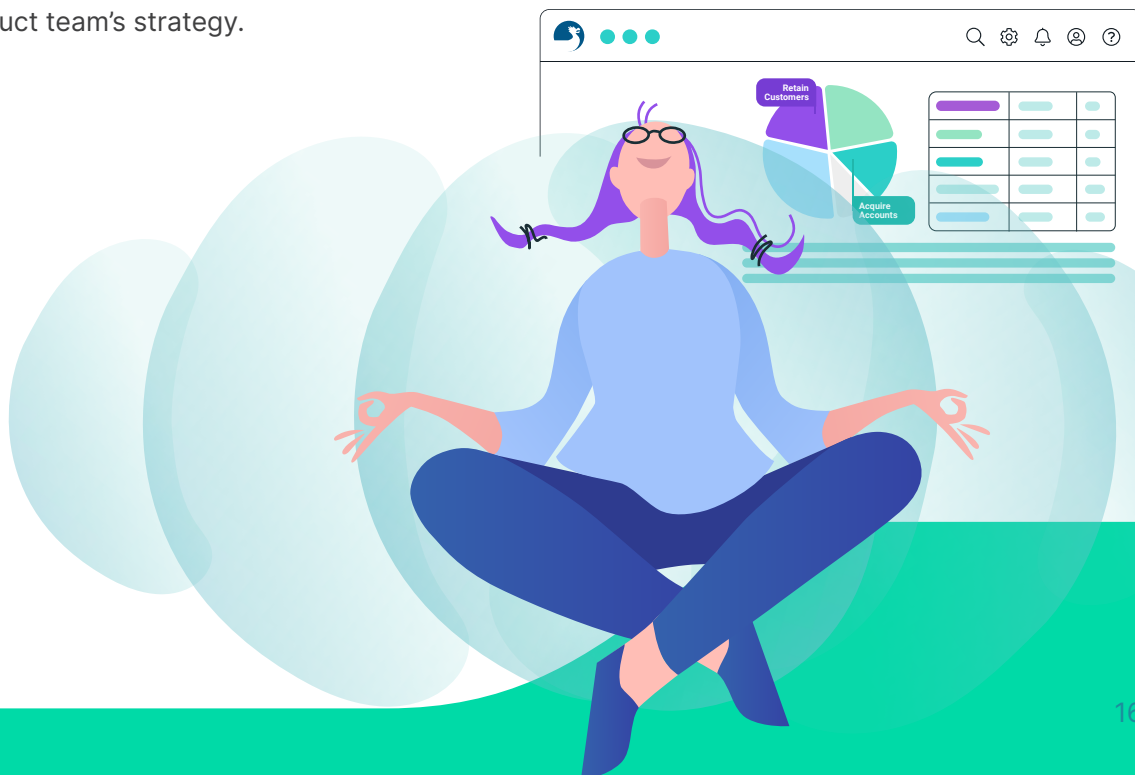
Product Operations Manager (Process-Focused)

The second type of person in product operations is more engaged in streamlining and improving processes across the product organization. They think about tooling and all of the different processes from annual planning to roadmapping. They think about how product engages with the different cross-functional teams to get their inputs. To help their teams improve these processes, they must become an evangelist for best practices in the org and keep up-to-date with industry trends.

In a recent Dragonboat webinar, Denise Tilles, CPO at Grocket, shared her thoughts on what kind of person is best suited for this role,

> "
> Product Operations - the art of removing obstacles from evidence-based decision making. "
>
> **Melissa Perri**,
> CEO, Produxlabs

> "
> Product operations are really able to understand the subtext behind challenges, concerns, questions, and being able to address it. They are passionate about consistency, someone who geeks out on having a process for this, a template for that… They're able to see the full picture and put those together. "
>
> **Denise Tilles**,
> CPO, Grocket

As the product organization matures, product operations will also become responsible for OKRs and connecting product strategy to company goals. In addition to the roles above, teams may also have a product ops team member who is more holistically focused on the product portfolio.

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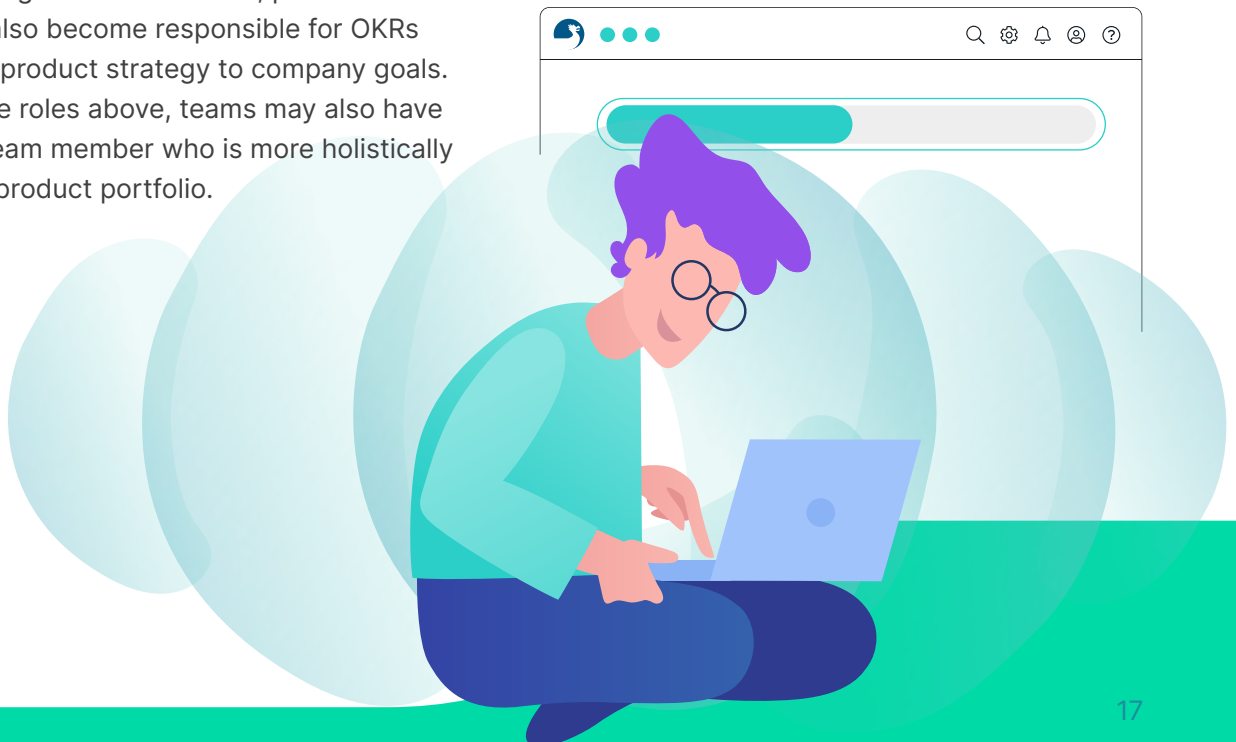
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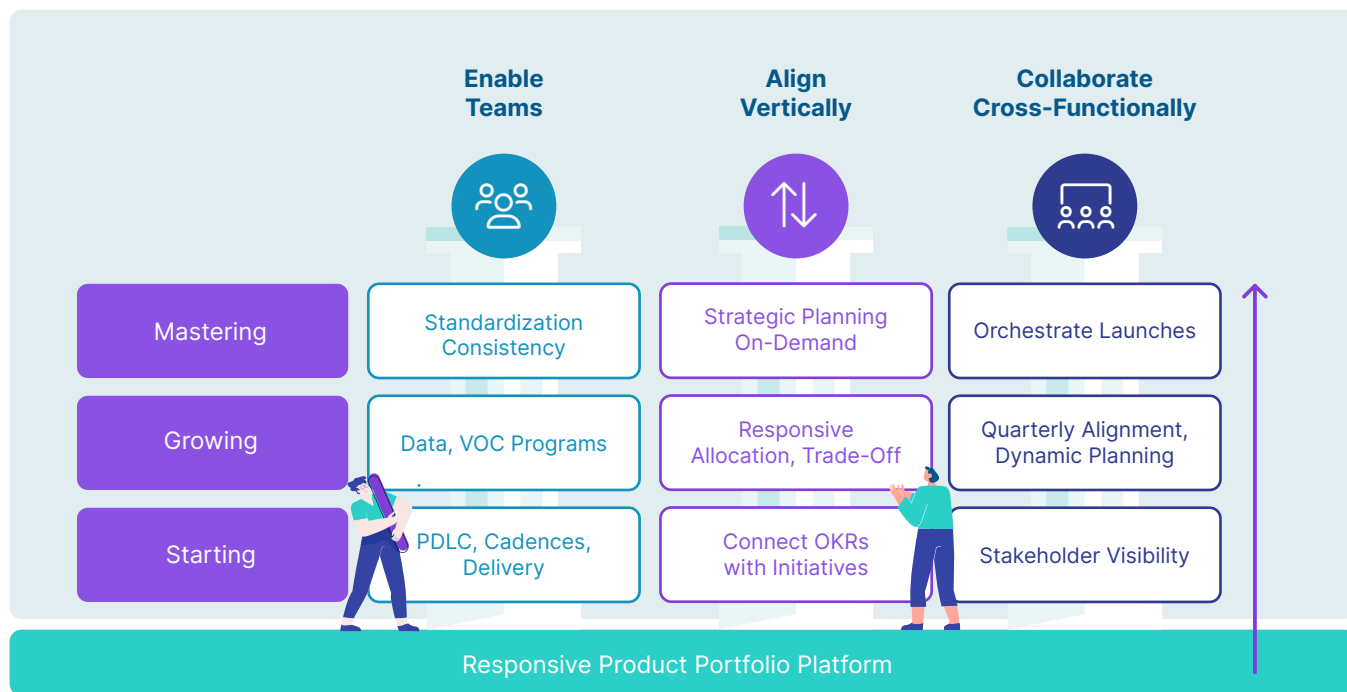# The Roadmap to Success for Product Ops

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We've covered quite a lot thus far about the nature of product ops, their responsibilities, and the ways they benefit a product organization. Now, let's take a look at a practical approach that teams can use for implementing it.

> When getting started with product ops, aim to create an "MVPI," aka a minimum viable process improvement, and roll out incrementally.

It's important to begin building the three product ops pillars simultaneously, as a product ops function will collapse if it doesn't have them all. However, it's possible to start with some basic building blocks for each and continue adding more over time as the product organization matures.

The roadmap to product operations success below breaks down into three levels: starting, growing, and mastering, and reveals what to focus on in each of them.

	Enable Teams	Align Vertically	Collaborate Cross-Functionally
Mastering	Standardization Consistency	Strategic Planning On-Demand	Orchestrate Launches
Growing	Data, VOC Programs	Responsive Allocation, Trade-Off	Quarterly Alignment, Dynamic Planning
Starting	PDLC, Cadences, Delivery	Connect OKRs with Initiatives	Stakeholder Visibility

Responsive Product Portfolio Platform

Starting

At this level, focus primarily on building the base of each pillar. To enable your team, first aim to standardize the PDLC and establish a basic set of cadences to ensure team delivery for both roadmaps and outcomes.

Without a solid ability to deliver, strategy won't count for much. To empower vertically, start with connecting goals or OKRs with initiatives. Lastly, enable stakeholder visibility not through meetings or slide decks, but through a single source-of-truth with a platform.

Quick Wins for a New Prod Ops Team*

ENABLE TEAMS

- [ ] Create a source-of-truth planning and tracking system that introduces trust and transparency across the organization

- [ ] Establish a quarterly planning/ bi-weekly check-in rhythm

ALIGN VERTICALLY

- [ ] Implement a quarterly planning and portfolio roadmapping process

- [ ] Connect OKRs with product initiatives

- [ ] Facilitate healthy discussions about cross-team allocation and tradeoffs

- [ ] Create and manage ongoing bi-weekly rhythm to review OKR and roadmap progress across product teams

COLLABORATE CROSS-FUNCTIONALLY

- [ ] Incorporate feedback and requests in the product planning and communication process

- [ ] Build a scalable stakeholder engagement process with both meetings (real-time) and tooling (async) interaction

* Recommended checklist

Growing

Once your product ops organization passes the starting level, the next level focuses on growing it to make more informed and effective decisions. This can take the form of standardized product analytics, data access and definition, and voice of customer (VoC) programs.

In terms of vertical empowerment, product operations needs to guide responsive allocation and trade-offs. Most product teams have no problem prioritizing their own product focus, but it becomes harder across the portfolio, so this is where product operations shines.

Lastly, product operations should help guide quarterly alignment and dynamic planning to connect vision and long-term goals with mid-range milestones.

Mastering

At this point, everything should be functioning quite well in terms of cadence, data, allocation, and connecting OKRs to initiatives. In the final level, product operations moves into optimization mode, tweaking and improving previous setups around standardization and consistency.

It's also necessary for product ops to make sure that readily available data, nimble processes and effective cross-team collaboration (including managing dependencies) now enable strategic planning on demand, instead of annual planning. This empowers product teams and the whole company to adjust to the market needs quickly.

At this level, orchestrating product launches also becomes a primary focus as the speed of change that your product organization can manage is far greater now.
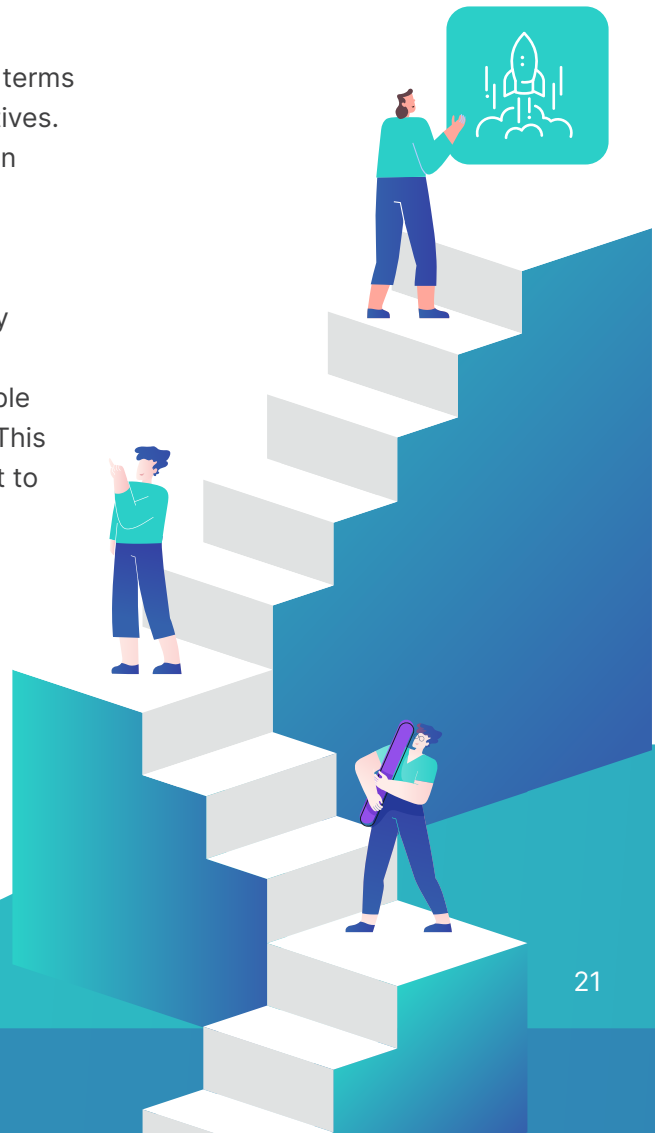
As the discipline of product management matures, product operations will only continue to grow in importance to help fast-growing organizations scale smoothly and accelerate portfolio outcomes.

While getting a product ops function off the ground may seem daunting, the impact product operations can have on the entire business can be felt vertically, horizontally and cross-functionally.

Additional Resources

→ See Tealium's story on how it built and scaled product ops.

→ Deepen your knowledge of responsive product portfolio management by enrolling in the official certification course.

→ Read the article, "Product Operations, From One to Many" by Joshua Mclaughlin, Product Ops Manager, Fullscript.

→ Apply to join our Outcome-Driven Product community on Slack.

Visit the Dragonboat blog and access our webinars for more insights.

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Dragonboat is an all-in-one product operations tool connecting OKRs, customer needs, product strategies, and resources with Agile execution.

START TRIAL

REQUEST DEMO