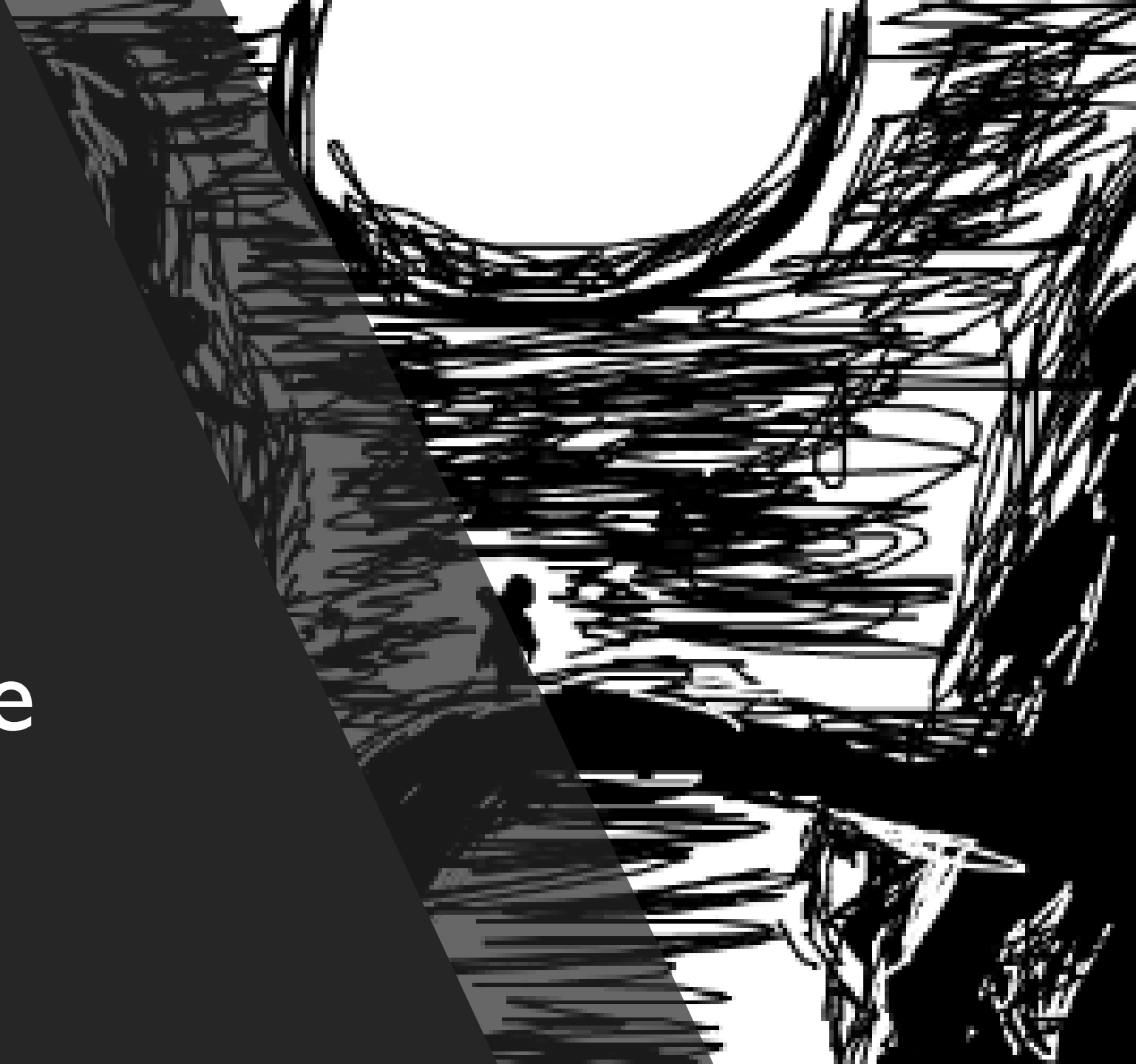


Alan J. Compton

6.7.2018

A Product Manager's Practical Guide to Innovation



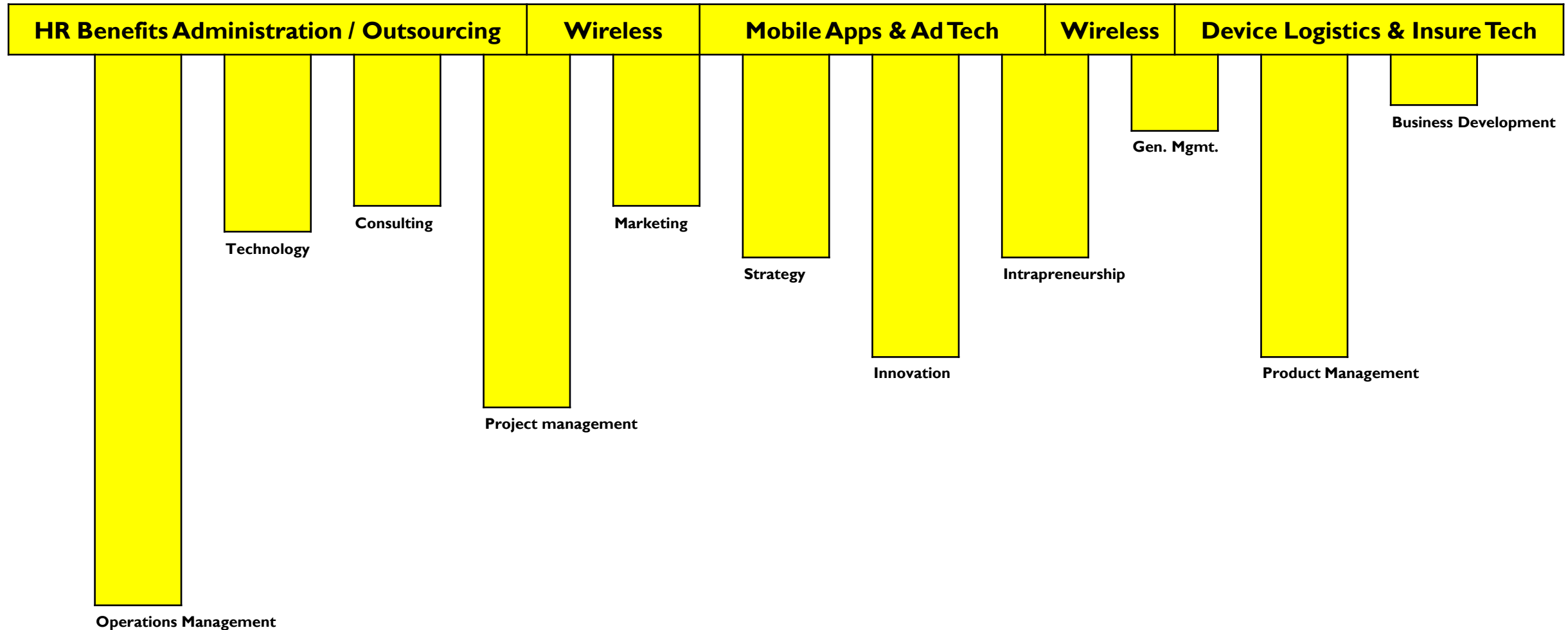




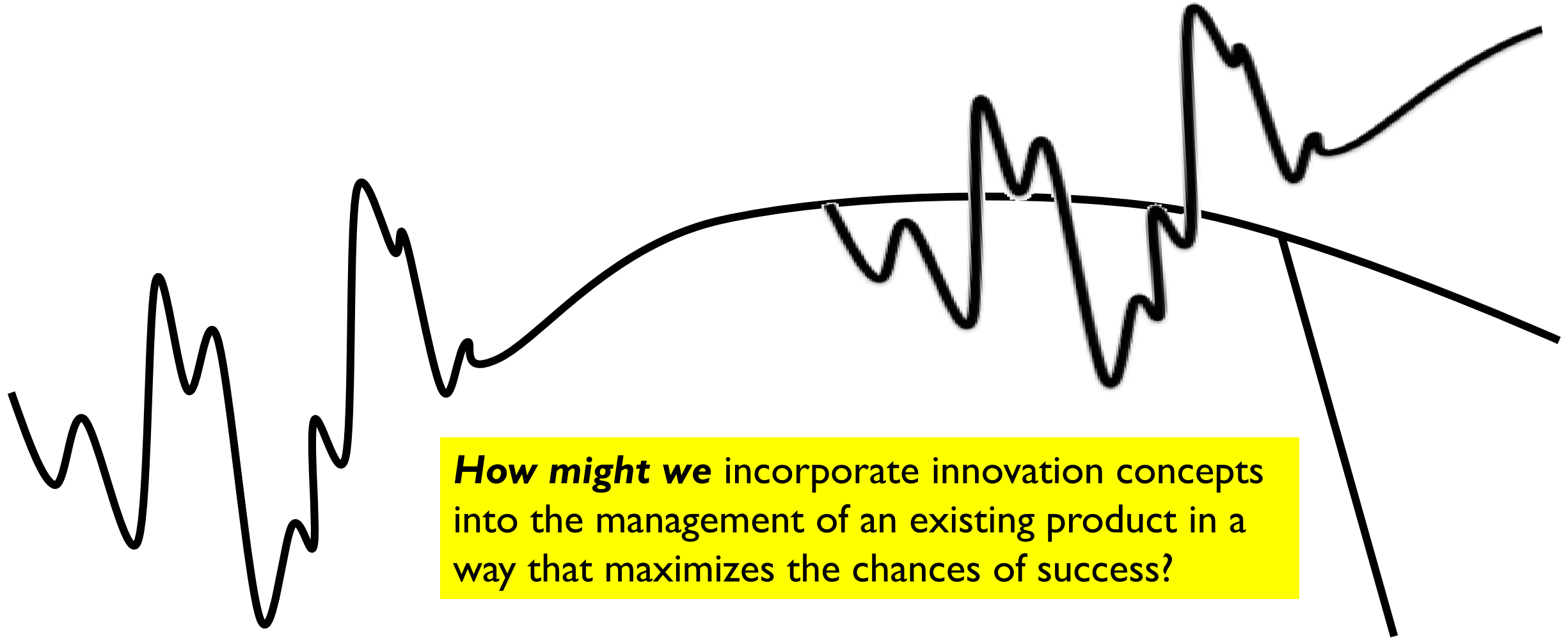
**My job is to identify, test, build,
launch and scale new products
for Hyla Mobile that are
adjacent to the core business**

**Alan J. Compton
Sr. Director of Product
Emerging Business Group**

We are a product of our experiences



A time and place for everything?



Innovation

Product Management

Bridging the gap – Our Framework

Product Management

Practical Suggestion to
Bridge the Gap

Innovation

Bridging the gap – Definitions and Key Characteristics

Product Management

The discipline of planning, forecasting and marketing of a product in all stages of the product lifecycle, maximizing profit.

Key Characteristics:

- Existing customers
- Budgets / Forecasting
- Customer Insights
- Feature roadmap

The Gap

Time

Focus

Risk

Listening

Innovation

The process of generating and implementing an idea that delivers novel value for customers and the company.

Key Characteristics:

- Broad charter
- Dedicated resources
- Uncertainty
- Creativity

Bridging the gap – Time

Product Management

A product manager is beholden to the “fires” of the current business.

They will often need to trade-off focusing on the future to respond to the here and now.



Diversify your
personal portfolio

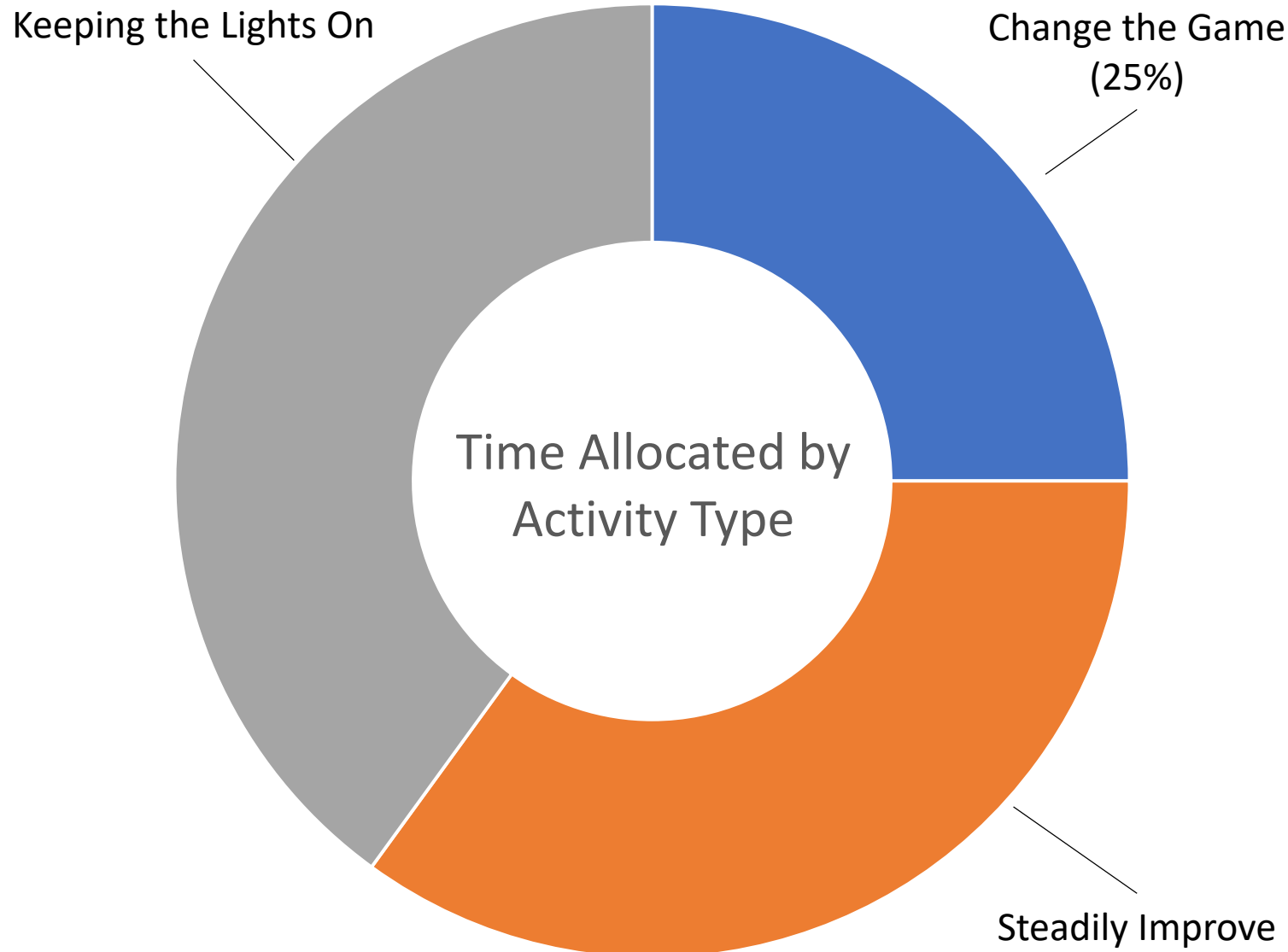
By creating a specific activity diversification strategy and baking into all your ongoing processes you can make some space for innovation.

Innovation

People with innovation in their title are typically insulated from the day-to-day business, freeing them up to focus 100% on the possible future.



Time suggestion – Diversified Portfolio



Apply to:

- Team/Leader Alignment
- One-on-ones
- Annual planning
- Project prioritization
- Annual goals
- To-do lists
- Time in meetings

Bridging the gap – Focus

Product Management

Product managers have current customers, budgets, stakeholders and a legacy of historical investment in a specific offering. Innovation may disrupt a lot of that if it is far reaching.

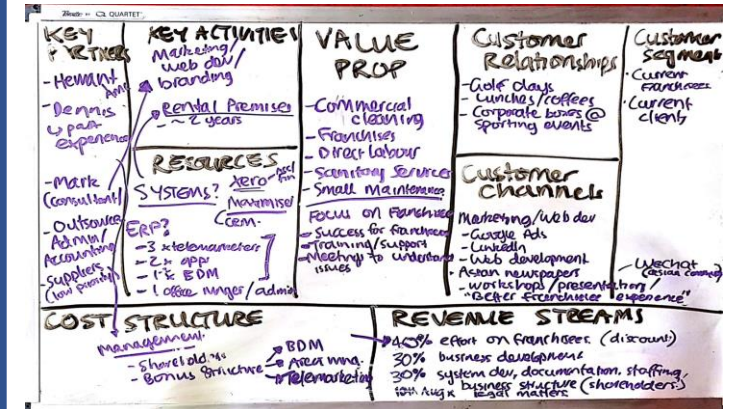


Focus on Incremental Innovation

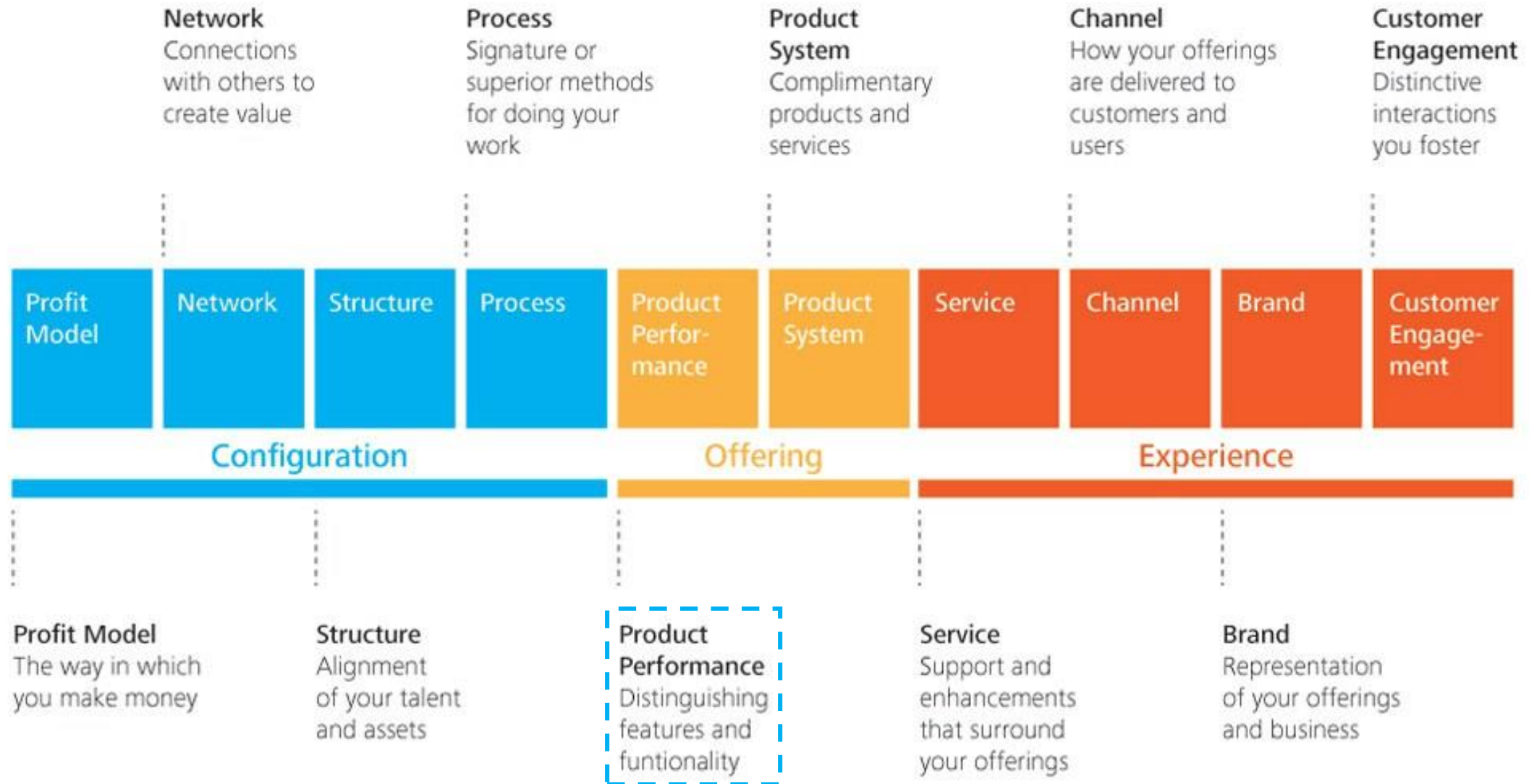
Incremental is not a dirty word for product managers. You don't have to throw everything out and start again to innovate. Start with what you are doing well and innovate on top.

Innovation

Innovation by definition is creating something novel on a “blank canvas”, which allows for ideas to be more disruptive to the entire business model.



Focus – Doblin Ten Types



Bridging the gap – Risk

Product Management

Risk is the enemy. Product managers anticipate, log, track and mitigate risk. Mature businesses reduce variability to deliver on expectations.

Likelihood	Consequences				
	Insignificant (Minor problem easily handled by normal day to day processes)	Minor (Some disruption possible, e.g. damage equal to \$500k)	Moderate (Significant time/resources required, e.g. damage equal to \$1million)	Major (Operations severely damaged, e.g. damage equal to \$10 million)	Catastrophic (Business survival is at risk damage equal to \$25 Million)
Almost certain (e.g. >90% chance)	High	High	Extreme	Extreme	Extreme
Likely (e.g. between 50% and 90% chance)	Moderate	High	High	Extreme	Extreme
Moderate (e.g. between 10% and 50% chance)	Low	Moderate	High	Extreme	Extreme
Unlikely (e.g. between 3% and 10% chance)	Low	Low	Moderate	High	Extreme
Rare (e.g. <3% chance)	Low	Low	Moderate	High	High

Use your process to actively de-risk ideas

Don't avoid risk, actively identify your biggest risks of any new ideas and build your capabilities to conduct small, quick experiments to validate your idea before investing in it.

Innovation

Innovation is about embracing risk. In order to create something truly novel, you have to live in the ambiguity and failure is just part of the journey.



Risk Suggestion – ‘Real-world’ Experiments

De-risking Process

- 1 List all your questions
- 2 Look for the quickest “no”
- 3 Experiment in the real world
(I am suspicious of surveys)

Top Experiments

- Smoke Test – they think they are buying a product that doesn’t exist
- Wizard of Oz – it looks automated, but don’t look behind the curtain
- Comparable Use Test – Get people to use the substitute and track problems with it
- Prototype “over the shoulder” – Especially helpful if the fidelity is low

Capabilities to Develop (or find yourself a partner)

Generate brands • Create prototypes • Spin up websites • Recruit customers • Buy ads

Bridging the gap – Inspiration

Product Management

When product managers have customers, a mature market and entrenched competitors, they sometimes listen to an echo chamber and create self-fulfilling prophecy

Customer Satisfaction Survey

Tell Us About Your Experience

How satisfied were you with our service today?

Very Satisfied

Is this the first time you have used our service?

No

If you have used our service before, how many times in the past year?

Would you recommend us to a friend?

Yes

Seek out the haters and how others address them

One of the fastest ways to identify opportunities to meaningfully innovate a product is to listen to dissatisfied customers and look at how the same problem has been solved elsewhere.

Innovation

A big part of generating novel ideas is looking very broadly for inspirations. Innovation managers listen to non-customers, other industries, trends, emerging markets, etc.



Inspiration Suggestion – Seek Out Haters

Uncover the real problem
behind the dislike



Bring in outside perspective
on this problem to help
identify potential innovations

Other industries

Frontline resources

Potential partners

Potential partners

Summary

There is value in leveraging innovation framework and tools in product management settings, but in some cases they may require some practical modification to maximize their effectiveness.

Some gaps and practical solutions:

- Time – Diversify your personal portfolio with dedicated innovation time
- Focus – Focus on incremental innovation on top of what you already do well
- Risk – Create a process to actively de-risk innovation ideas
- Insight – Seek out haters and broaden your perspective when solving their problem

A first-person perspective of someone standing on a narrow, makeshift bridge constructed from logs and planks, spanning a turbulent river with white water rapids. The person's legs and feet in hiking boots are visible at the bottom of the frame. The text "Thank you" is overlaid in the center in a large, white, sans-serif font.

Thank
you