Transforming Product Organizations Beyond the Buzzwords … Now Including AI 🤖

Mirela Mus, Founder & CPO at Product People

2024

Outline

1. How we Got to Now

2. Transformation

3. Case Studies

4. Summary

5. Q&A

Experience
- 12+ years Product Management & Growth
- 7+ years Product Leadership, 50 people headcount

Education
- MSE (Master Science Engineering), Computer Science
- MBA (Master Business Administration)

Current Focus
- Advising CPOs & VPs/Directors of Product
- Helping our Interim PMs

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World Health Organization   zalando   OMIO   TIER   Scout24

How We Got to Now

10 Years of Growth, COVID & GenAI

The Market Changed

🦠 COVID brought ZIRP (Zero Interest-Rate Policy) from Mar 2020 to Mar 2022.

💸 We've then exited 10 years of "growth at all Costs" while ignoring profitability.

😵 GenAI & LLMs look like what the the internet was in 1990.

And So Did the Expectations

💍 **Product and Tech** are responsible for making or saving money. Not an "IT cost center".

🎖️ **Frugality and efficiency** before anything else. Product & Tech are "the business".

👑 **Financially sustainable** initiatives/product, management wants profitability and fast ROI.

"It takes all the running you can do, to keep in the same place.
If you want to get somewhere else,
you must run at least twice as fast as that*!"*
– The Red Queen Effect

product
people

Transformation

Without the Buzzwords

Transforming in Marty Cagan's View

1. From (funding) **PROJECTS** to (funding) **PRODUCTS**

2. From Time To **MARKET** to Time To **MONEY**

3. From **OUTPUTS** to **OUTCOMES**

Or The Lippitt-Knoster Model

Source: 5 Components Of Organisational Change aka "Lippitt-Knoster Model", image by addy osmani

Transformation Doesn't Happen in Isolation

Perform & **Transform**

(run the business) (rebuild the plane)

Why It Usually Fails

1. The Champion leaves. It all goes back to square 1.

2. Companies think it takes less than 2–4 years.

3. Dunning–Kruger effect (we "know" tech, product, design).

4. Want 100% predictability (SAFE, Waterfall, etc).

Transformation By Starting Point

Real Case Studies

Transformation based on Starting Point

1. 🔍 **Digital-First Sales/Marketing-Led**

2. 🍿 Digital-First Post M&A

3. 🧀 Non-Digital Product or Service

🔍 Digital-First Sales/Marketing-Led

🥚 The strongest teams are Sales, Customer Success and/or Marketing. Product Management is usually understaffed and underskilled. (e.g. B2B SAAS)

🐣 Takes months to get initial traction like being included in Customer calls. Have to gain trust by showing how Product contributes to acquisition/expansion/renewal.

🐥 Help Customer Success/Marketing members transitions to Product as a Junior PM, outside hires tended to exit <12m. Set up commercially focused discovery.

🍿 Digital-First Post M&A

🌽 Strong and resilient business model solving a core human need. Product lines spanned multiple markets. Private Equity gets new CPO & CTO to transform it.

🌾 Rebuild the plane while flying it (24 months transition to 1 whitelabel platform). Duplicate effort on both "old" and "new" to hit revenue and compliance targets.

🌻 No dominant culture, everyone has their "way". Labor law slows transitions. Product Ops & Program Management sometimes help organize or are overhead.

🧀 Non-Digital Product or Service

🐄 Strong and resilient business model. Physical product and service requiring physical assets and blue collar human labor (fresh food logistics, local airport).

🐮 C-level must be 100% committed to change this. It's not just Tech and Product, the whole org must change.

🤠 Pilot initiatives work, new ventures work better else the "old ways" bring everything to a halt.

We're Almost Done

Prepare your Questions

Summary

1. **Transformation**

   a.   Became an acute need due to the market and Generative AI.

   b.   It takes long and requires a C-level champion.

   c.   Has many ways of failing. Including with AI.

2. **Approach Depends Where You Start From**

   a.   🔍 Digital-First Sales/Marketing-Led

   b.   🍿 Digital-First Post M&A

   c.   🧀 Non-Digital Product or Service

What We Do

**Interim Product Management,
Product Leadership & Product Ops
via our ~50 in-house employees**
(how we make money)

**Curate free events and talks in one of
Europe's Largest PM Communities
with 32,000 members**
(how we give back)

Clients

zalando
eCommerce, publicly listed
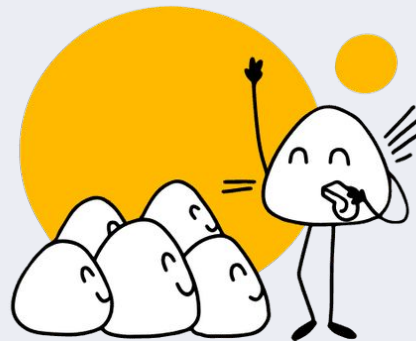
FREENOW
ride hailing, fmr myTaxi

Scout24
real-estate, publicly listed

World Health Organization
healthtech, public policy

DeepL
neural machine translation service

FREELETICS
fitness subscription app

Back Market
refurbished devices marketplace

DOUGLAS
eCommerce, publicly listed

ECOSIA
search engine, sustainability

OMIO
multimodal travel, Series C

Blinkist
book-summarizing subscription app

COGNIGY
conversational AI, bots, LLM

product
people .

Thank You 🙌

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