
THE PRODUCT MANAGEMENT AND MARKETING AUTHORITY
PRAGMATIC MARKETER
SPRING 2013
THE ROCK STAR ISSUE
STUCK DEALS ROCK
7 X-FACTOR TRAITS
GET YOUR GAME ON
TAKE YOURSELF ON THE ROAD
MEASURES OF SUCCESS
RAISE THE BAR IN HIRING

CHIEF'S LETTER

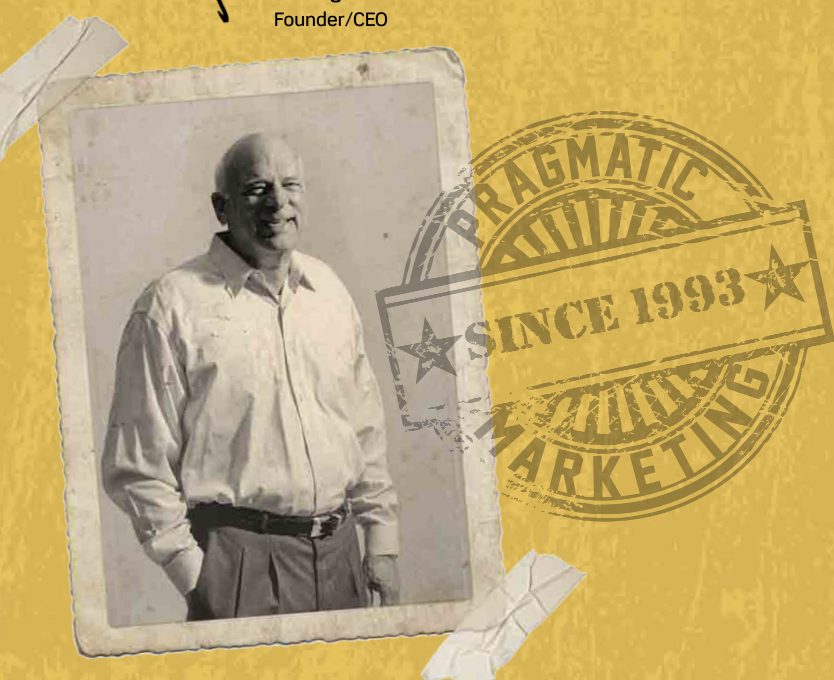
In the 20 years that Pragmatic Marketing has been around, we've seen enormous change in the importance and definition of the product management and marketing roles. Our goal as a company is to help arm people with the information and tools they need to really succeed in this changing environment. That's why we've focused this issue on what it takes to become, discover and mentor top-notch talent.

Our own Paul Young leads the discussion with the seven X-factor traits that can be found in rock stars. Some of these might surprise you. But as author Saeed Khan points out, "even rock stars have backup bands." Khan discusses how finding the right candidates is often less about their impressive resumes and more about how well they fit in your organization.

And that's just the beginning. As always, we have included the best practices, real-world examples and tips you need to excel in your career. We hope you enjoy this issue.

Craig W. Stull

Craig Stull
Founder/CEO



PRAGMATIC MARKETER

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Since 1993, Pragmatic Marketing has conducted product management and marketing training for 7,000 companies on 6 continents. Our team of thought leaders produce blogs, webinars, podcasts and publications that product professionals around the world turn to for industry insights.

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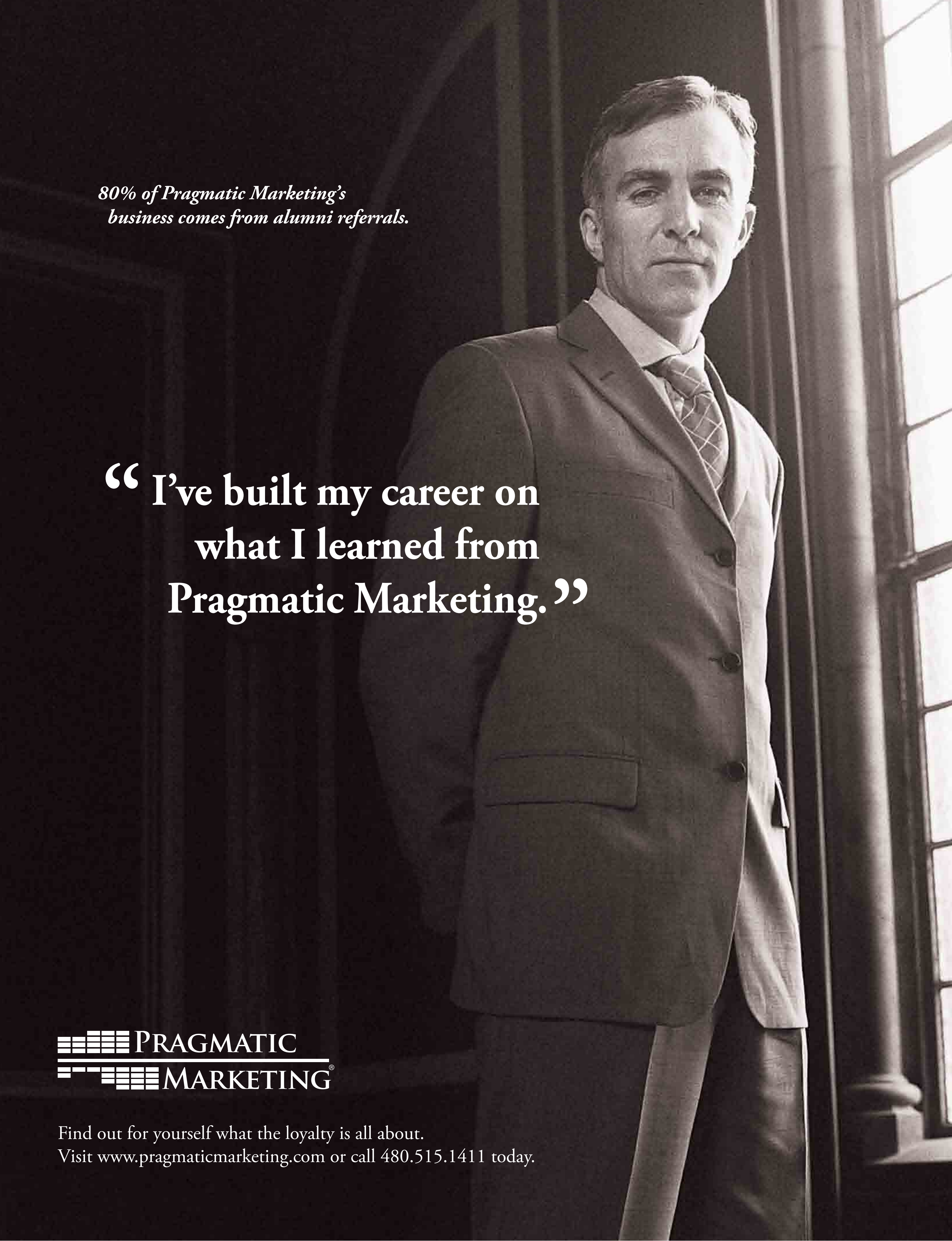
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A Day in the Life

Bob Corrigan
Director, Product Management
Smithsonian Institution

Photo Credit: Sid Mosdell (Tuatara),
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How did you get involved in product management at the Smithsonian?

Back in 2009, I realized I wanted my next adventure to be something that, as Guy Kawasaki puts it, "makes meaning" as its first goal. I learned about an opportunity at the Smithsonian Institution's National Museum of Natural History to become the first product manager for a project called the Encyclopedia of Life, and the rest is history.

What exactly is the Encyclopedia of Life?

It's very difficult for humanity to build its understanding of biodiversity in the absence of good information—and the vast majority of the trusted information about biodiversity is scattered around the world in people's heads, on discs, in drawers, locked up in journals and in disconnected databases. The idea to bring all this scattered information about biodiversity into one place on the web had been around for a long time, but it didn't come together until seven years ago.

When E.O. Wilson from Harvard University won the TED Prize [which provides funding for a powerful idea] in 2007, he chose to make a plea on behalf of all creatures that we learn more about our biosphere and build a networked encyclopedia with all of the world's knowledge about life. He saw this great Encyclopedia of Life as a place where anybody from anywhere in the world could learn about the creatures that surround all of us. Think "a webpage for every species." The idea took hold with five major U.S. institutions and two key foundations, and has since spread to include partners from all around the world.

The Encyclopedia of Life's goal is to gather and organize information on every species known to science and make it available as a free digital resource. We harvest content from scientific partners, including articles, photos, lists, videos, sounds and data. We organize this information by species and by collections of species. You can use it at the website, eol.org, and also through a public application program interface. So far, we've got information on 1.3 million of the 1.9 million identified species, and we're gathering more data every day.

Another reason we're doing this is that there are certain biodiversity questions you can't ask unless you've got a critical mass of information together in one place—think "big data" for the natural world. We're focused on that challenge too.

Working for the Smithsonian sounds so intriguing. What's your typical day like?

Every day is different. Today, we had our biweekly development iteration meeting in the morning. I had a quick call with one of my directors, and then a 2-hour meeting to discuss timelines and estimates for a new grant. I grabbed a sandwich and took a half hour to clear email. In the afternoon, I sat in on our regular operations meeting and reviewed new funding proposals. Tonight, I'm meeting with the directors of the Marine Biological Laboratory, one of the organizations that backs the Encyclopedia of Life. So I go from working at a very strategic level to a very tactical level, and I make those shifts frequently throughout the day. I think that's pretty consistent with how most product managers work.

In general, also like every other product manager, my days involve lots of communicating, networking, negotiating and discovering. Another thing I make time for every day is improving the Encyclopedia of Life by adding content to it. That's a commitment I find especially rewarding.

What unique challenges do you face in your job?
This is definitely a job for somebody with some experience, what I like to call scar tissue, because it's got some real challenges that are different from anything I encountered in the corporate world.

Where product management in the corporate world interfaces primarily between the market and the development team, with some sales and executive stuff thrown in, here

> **"This is definitely a job for somebody with some experience, what I like to call scar tissue"**

we're connected to the scientific, education and public engagement communities as both our end users and our suppliers. And because everybody involved has such a tremendous stake in our work, the requirements process is a lot more complicated. Frankly, it's also more interesting to me.

One of the other things that's unique about the Encyclopedia of Life is that we are actively searching for development partners, including philanthropists, corporations, foundations and other organizations that are willing to commit their resources in some way to be part. It's a large web of collaborators that goes beyond our team, and we need to integrate them into our processes.

Another challenge is that, in a way, I feel like I'm part of a startup that is always starting up. We have the infrastructure that we maintain, but information gathering doesn't end. Unlike a software product where you build the software and deliver it completed, there is always more content about biodiversity out there that we want to connect to. So we're in this constant dialogue with suppliers, customers and organizations that see the Encyclopedia of Life as an opportunity to help people become smarter about the species around them, make better decisions and get engaged in biodiversity science. Everybody brings a different perspective. I'm not just managing the portfolio of products, I'm managing the pipeline of discovery.

Right now we're kind of at the end of our "A round" of funding, and as we ramp up to begin the next phase of our project, we're building a portfolio of projects that we can get "B round" funding for. In a way, that's very much consistent with the corporate world.

Is there something you've done that you're particularly proud of?
Everyday has something in it that is rewarding, but I'm most proud of the way that the entire team came together and defined, developed, tested and released the Encyclopedia of Life v2, a substantial upgrade to our original platform. What was so satisfying about that was to feel the energy of the whole organization moving in the right direction, producing a software product that was delightful, meaningful and actually had an impact on how people understand the world around them. We're ramping up to do it again with a new project, hopefully you'll be hearing about it soon.

I really feel like we're making meaning here, and my challenge as a product manager is to make sure that we continue to deliver the sorts of capabilities and content that people delight in using—and that delight is going to translate into our getting access to the resources we need to continue to grow.

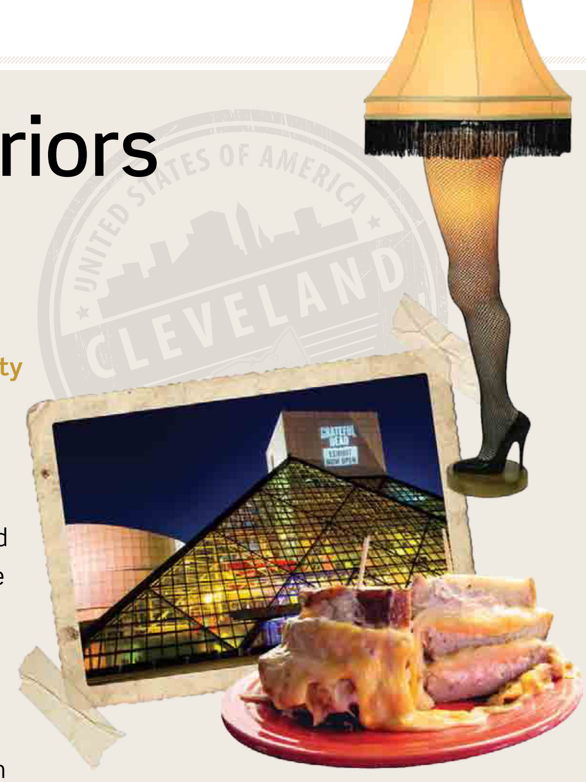
I hope that people who believe that humanity deserves to know more about the creatures we share this planet with will see Encyclopedia of Life as an organization that deserves their attention and support. In fact, when people learn about it, it's hard for them to not be enthusiastic about wanting to use it and help it to be successful.

We have a long ways to go. But every day at the Smithsonian, I get a deeper appreciation for the journey ahead, and I'm looking forward to it. PM

If you would like to assist the Encyclopedia of Life, contact Bob Corrigan at corriganr@si.edu.

Would you like to share your story as part of our "Day in the Life" series? Please email editor@pragmaticmarketing.com.

Travel Tips for Road Warriors



CLEVELAND ROCKS

It's known as the "Rock and Roll Capital of the World" for hosting one of the first rock concerts in 1952 and now the Rock and Roll Hall of Fame. But Cleveland is so much more, offering Christmas all year long and the opportunity to eat a really large sandwich and then bike it off in a beautiful setting.

Rock and Roll Hall of Fame

www.rockhall.com

You'll find the jacket Michael Jackson wore in the "Thriller" video and John Lennon's guitar among the rock memorabilia in this 150,000-square-foot museum that seeks to educate about the history and continuing significance of rock and roll.

A Christmas Story House

www.achristmasstoryhouse.com

Fans of the movie, "A Christmas Story," can check out that giant leg lamp and tour the house where Ralphie almost shot his eye out. Venture across the street to see the family car, toys from Higbee's window, Randy's snowsuit and many other props and pictures from the cult classic.

Cleveland Metroparks

www.clevelandmetroparks.com

If nature is more your thing, Cleveland Metroparks, unofficially known as the Emerald Necklace because of the parks' links, spans more than 21,000 acres. It has hundreds of miles of walking, biking and horse trails, as well as picnic areas, nature education centers, golf courses, fishing spots and the Cleveland Metroparks Zoo.

West Side Market

www.westsidemarket.org

The West Side Market, which dates back to 1840, is often featured on the Travel Channel and Food Network. Its 100 vendors offer meats, vegetables, seafood, baked goods, dairy products, ethnically diverse foods and fresh flowers.

Melt Bar & Grilled

www.meltbarandgrilled.com

Worked up an appetite? Then come meet and possibly defeat the monster grilled cheese sandwich at Melt. It features 13 different cheeses, three slices of grilled bread and a pile of hand-cut fries and slaw—more than five pounds of food. Finish it without help or trips to the bathroom and score yourself some prizes, as well as immortality in the online Melt Challenge Hall of Fame.

Survey Says...

WE ASKED MORE THAN 1,500 PRODUCT PROFESSIONALS how their jobs have changed in the past two years. The two biggest challenges they face are doing more with less and an increase in the demand for numbers and metrics. But there also was a lot of good news in the mix.

"We have many more standard processes in place now for product management than we used to. There is a huge effort behind raising the bar and making contributors in this role more effective."

"My department has become more empowered than ever. This has allowed us to lead the company in a direction that the market dictates."

"Much more structure and focus on product management as a specific set of tasks vs. a hodgepodge of putting out fires."

"Major positive changes in the department, as marketing is finally being viewed as having strategic value—rather than just a company tax."

"We are more customer and market focused and have gained market share significantly."

"New CEO is more interested in starting from buyer need. Better market research equals better decisions."

Source: Pragmatic Marketing's 2013 State of Product Management and Marketing Survey

HIGH PRIORITY

Which factors do you use to prioritize what to build?

86% Pervasiveness of market problems

70% Impact on personas if solution is provided

70% Size of customer requesting

68% Engineering work effort

67% Executive pressures

31% Engineering familiarity with effort

20% Personal preferences

Source: Pragmatic Marketing's 2013 State of Product Management and Marketing Survey

Ask the Experts:
When should we look at introducing product marketing managers into the product management mix?

Dave Daniels, Instructor
Pragmatic Marketing

Often in early-stage organizations, development, sales and marketing are all doing their own things and no one's really coordinating anything. A level of chaos ensues.

This is frequently when product management is brought in. They start by making sure product tasks get done on time and development stays focused on the right tasks. We see great improvement and deliver a product that the market really wants. But sales and marketing are still left to their own devices.

Product managers are naturally focused on the product. But if the rest of the organization isn't prepared to sell it, deliver it, book the revenue or generate awareness about the solution in the marketplace, then it's highly unlikely the product will be successful.

Often, management thinks the product manager should be doing it all. But there's really only so much a human can do. You need someone who can focus on the strategies behind go-to-market efforts, a role often referred to as product marketing. That function should be brought in when there is steady and constant activity as it relates to taking the product to market.

To get management on board, explain that while the organization might be doing a good job getting the product out, it's stumbling and falling at actually launching the product and ensuring organizational readiness. And that's the role of product marketing. Explain that product marketing can develop the go-to-market strategy and coordinate with product management to make sure sales, marketing and other parts of the organization are prepared.

Product managers deliver market requirements to development so they know what to build, while product marketing managers need to deliver the equivalent to the marketing team and the sales team to focus their execution activities. PM

Do you have a question for our experts? *Send us an email at experts@pragmaticmarketing.com.*

The seven traits of rock-star product professionals

"There is something different about her."

"He just gets it."

"After spending five minutes with her, I know she's going to be a VP in the next few years."

When you hear quotes like these, you either nod your head or cringe, depending on whether you can envision people saying these things about you. The factors that separate the good from the great, the worker bees from the rock stars, can be elusive—which is why they can be so frustrating.

Sometimes there is no doubt that someone you've just met is going places in his career. On the flip side, we have all seen those product managers who have all of the data—they have done market visits and have the perfect business plans—yet they don't ever seem to achieve career traction. These could be two product-management professionals of similar backgrounds, age and experience, so why two completely different career trajectories?

I have been fortunate in my career to work with many talented individuals and meet even more through ProductCamps and as an instructor for Pragmatic

ACTORS

By Paul Young

Marketing. Based on those interactions, I've formed some hypotheses about what makes a rock star. And the good news is that there is a pattern that we can all learn from, emulate and use to change the trajectory of our careers.

New Way of Thinking

Many human resources departments would tell you that as professionals get more experience, their effectiveness increases—that someone with 20 years of industry experience will be more effective than someone with five.

I am here to tell you that HR's perspective on product roles is wrong. Experience and effectiveness do correlate, but they are not necessarily causal. The seven "X-factor traits" I've identified are what makes for rock stars in product management and marketing. Take a look and see if you or someone you know has what it takes.

Inspires Others

I have all of the responsibility, all of the accountability and none of the authority.

– Every product manager, like, ever

Product professionals around the world utter some variation of this statement every day. It is partially true, although incomplete. Their job titles, "product manager"

or "product marketing manager," can be misleading, because most people assume they are managing people as well as products. But they don't. They are often given roles of great strategic importance in the organization, yet little ability to directly affect the changes they need. This is why the first of the seven X factors that makes a rock star is the ability to inspire others to action.

While we do sometimes manage teams of people, they are usually not in engineering, user experience, operations or support. And those are the groups we must work with to undertake the changes the company needs to roll out new and updated products. We can't go to members of those other teams and issue management edicts ("do this, because I'm a manager and I am telling you to do it"). A lighter touch is required. After all, the title is not "product dictator."

In order to inspire others to action, a rock star must be able to engage them in a discussion of the "why." When we help the team understand why their work impacts the bigger picture, strategy or goal, it motivates and inspires the team to greatness. People don't want to just collect a paycheck; they want to have an impact.

Ways to develop this skill. In order to describe the "why" to others in the organization, we must first understand it ourselves. Usually founders have the "why" on the tip of their tongues, because they started the company to scratch a very specific itch. If the founder is available, interview him or her to map your product to the vision.

Another way to access the "why" comes from the market. You must always be in the market talking to customers and non-customers. As you hear the problems from your market contacts, drill down on why they care: Why this problem, and not that problem? Why are you asking for this enhancement; what problem are you trying to solve? When you have the answers to these types of questions, you are ready to inspire others.

The actual communications of the "why" is not difficult. The roadmap can be a good artifact for this conversation. Share it in your engineering or development meeting, but instead of talking about the next set of features to be developed, facilitate a conversation about why you are building these capabilities and why you are doing it in this order.

Call out specific team members and use your market knowledge to help validate what they are working on. For example: "Don, the UX work you are doing on this next release is critical, because 70 percent of our users are abandoning after three clicks."

Ways to recognize this skill. Rock stars can describe the "why" behind the products they have worked on. Ask the candidate open-ended questions like:

- Why were you attracted to your last product?
- Why did your market care about what you released?
- If I hired you for this role, and asked you to recruit a new team member, what would your pitch be to get them to join?

The answers you receive should indicate to you if the candidate understands the why behind what they do and how they do it—and whether they can use that understanding to inspire others to action.

Truth to Power

Every product professional is eventually faced with an inconvenient truth. It could be during a demo of the beta, when they get feedback from the tester that the product is all wrong. Or it might be during sales training, when the team is disinterested because their quota doesn't reinforce selling the new product. And most professionals bear the scars of products that were delayed so much that the original release date is now an afterthought. In each of these situations, product professionals have a stark and clear choice: Do I bury my head in the sand or raise this issue to my leadership team, even though doing so would be uncomfortable?

Many product professionals choose not to raise uncomfortable issues, because they worry about being rude or fear that someone might "shoot the messenger." But rock stars have figured out how to become a voice of the truth in these situations.

Raising visibility on tough issues is not a sign of weakness; it is a sign of strength. If we truly want the product and business to succeed, we cannot "hope" issues away. There may be organizational designs or larger resourcing issues at play that an executive can help resolve

Ways to develop this skill. The first step in learning to speak truth to power is understanding at what level to engage those in power. No executive wants to work with someone who runs to him or her every day looking for "parental supervision" on all issues. The second step is to learn that how you raise an issue is just as important as the issue itself. Consider the context. Calling out an executive in public, for example, might not be the best way to address a problem.

Third, speaking the truth to power is not simply about raising issues, it is about providing solutions. A rock star should describe the problem, as well as provide several potential fixes.

Role playing and practice can help alleviate that fear factor about telling the truth to those in power. Talk to a trusted colleague about the issue and what you're planning to tell the executive team, then work with him or her to contextualize the message and provide potential solutions.

Ways to recognize this skill. Discovering the truth to power skill in an interview setting can be difficult. It is not sufficient to pose the obvious question: "Tell me about a time when you told a difficult truth to an executive team." Unless you know an executive at the candidate's old company, you have no way to know if you are getting the truth or what the candidate wants you to hear.

Test truth to power by posing a direct, uncomfortable question: "Tell me the worst thing about our interviewing process." You can then evaluate if candidates are comfortable having this type of conversation, and if they suggest solutions or deflect and defer.

Synthesis

Many product professionals are adept at gathering data. They spend hours researching the competition, interviewing salespeople or buyers and observing users. A good product professional might take all of the various sources of data and turn them into a 100-page business case. A rock star can synthesize that data down to a compelling 10-page presentation, including a call to action.

Ways to develop this skill. Synthesis is best developed by practice. Take the output and conclusions you have drawn from your information and assemble them into a presentation. Then, pull a trusted peer into a room and have them play the role of the critic. Ask them to consider:

- Are your conclusions well-founded?
- Have you backed your assertions with data (either in presentation or voice-over)?
- Have you included too much data for the audience?

Remember that what you say is important, but what you don't say or include may be equally important.

Ways to recognize this skill. There are several ways to test for synthesis during an interview.

Give the candidate a reading assignment to complete before the interview. Then, during the interview, ask the candidate to tell you what they learned. A good synthesizer will be able to sum up a long article into a few key takeaways.

To raise the level of difficulty, give the candidate a research topic instead. In this way, you can test both research ability and the ability to synthesize what they have learned.

Alternatively, you can use open-ended questions like: "Tell me about a time when you observed an end user of your product." Then you can probe to see if the candidate focuses on the observations, or if they can pull threads from other data sources to emphasize what they learned, how that validated or conflicted with what they already knew, and what action items they took as a result.

Pitch Artist

According to most studies, people's number one fear is public speaking. Number two is death. Death is number two. Does that seem right? That means to the average person, if you have to go to a funeral, you're better off in the casket than doing the eulogy.

– Jerry Seinfeld

There comes a time in every leader's career when they must stand up in front of their peers, managers and executives and sell their ideas and conclusions.

For some, these situations create sweaty palms, heart palpitations and weak knees.

But a rock star learns to relish the chance to share his or her perspective with the group. They are skilled communicators, able to hone the content, style, tempo and tone of a presentation to the group at hand. He or she knows the content backward and forward and can handle questions on the fly. When the audience experiences a presentation by a rock star pitch artist, they walk out of the room nodding their heads. The ideas presented and conclusions drawn seem forgone.

Ways to develop this skill. The National Institute of Mental Health estimates that the fear of public speaking, known as glossophobia, affects approximately 75 percent of the U.S. population. So if you find yourself feeling anxious, you are not alone. The good news is that, like most fears, this one can be overcome.

There are two effective methods of overcoming the fear factor of public speaking: practice and preparation. Join a group such as Toastmasters and force yourself to speak. Also, become the subject-matter expert on your topic area and your confidence will skyrocket.

Ways to recognize this skill. Give candidates a situation, topic or scenario where they must ask for more funding. Have them work up a 10-slide presentation that they might give to the executive team.

Some candidates will balk at doing this amount of work for an interview—but those weren't the candidates you wanted anyway. A true rock star will jump at the chance to use his or her synthesis and pitch artist skills to demonstrate being the most skilled communicator in the candidate pool.

Executive Debater

At Pragmatic Marketing, we teach that product professionals should be the "president of the product." Sometimes, that means challenging executive teams. Being a solid executive debater is an X factor, because a rock star must be the strongest advocate for what is right for the market and for the product. Some may worry that using this skill is politically dangerous. But the more the product professional exercises this skill (within limits), the more the executive team respects him or her. How can you respect a professional who can't provide reasonable pushback?

Ways to develop this skill. To develop your executive debater skills, first evaluate your situation. Will your executive team be receptive to being challenged? If not, you might be able to shift the dynamic with an upfront conversation about how you plan to provide stronger guidance and leadership—even if it means offering pushback. Otherwise, recognize that not every company wants this from the product teams. Some companies want people to check their brains at the door and simply execute. If this is the situation you find yourself in, you may be at the wrong company.

Next, look for opportunities to challenge team thinking and drive the right outcomes. How you debate will vary based on the personality and temperament of the team but, in general, remember to praise in public and criticize in private. Also, recognize that moderation is key, so pick your battles wisely. No executive team wants to be pulled into a debate on every decision. Focus on the big decisions that matter.

Ways to recognize this skill. Ask the candidate to provide examples of when they challenged an executive team and the result. One interesting way to phrase the question: "Tell me about a time when you challenged your executive team. Now tell me about a time when you did that and they overruled you, and why." A good candidate has prepared for the first part of the question, and the second part allows you to evaluate how the candidate feels about being overruled.

Another way to test this skill is to assign candidates a presentation or analysis to perform, and then poke at their findings. Challenge them and force them to defend their conclusions, perhaps in a panel interview where the panelists toss questions to the candidate in a round-robin format. This method is intended to probe deeply, use the intelligence of the group and induce stress in the candidates, so you can see how they perform under pressure.

Consensus Builder

Great products do not come from the force of personality. They require the organization to work together toward that greatness. But inspiring others to action is not enough, especially if different parts of the organization are working at odds with one another. To really become a rock star, we must be "consensus builders" who align the organization to solve a problem together.

Unfortunately, consensus is often elusive. It has received a bad reputation recently, with many looking at it as the fluffy domain of management consultants. But product professionals who are consensus builders can travel across an organization without being perceived as pushing an agenda. They can ask questions and receive honest and open answers because they have the street cred of the market. Other teams trust that they are looking out for the good of the product and not a specific department. These skills allow them to smooth out conflict among teams and get products to market faster, by redirecting energy that would otherwise be spent on internal strife.

> **Product professionals should be the "president of the product."**

Ways to develop this skill. The best way to develop building consensus is to practice. Start by getting to know your organization better and understanding how departments are measured, such as quotas, net promoter scores or hitting dates.

Where there are warring factions, bring them together to discuss. Do not choose sides in the conversation, but facilitate it and let them work through it on their own. The consensus will stick better if they feel like they reached it, instead of you forcing it. Pose leading, open-ended questions, such as: "I've noticed that there is friction when your team and Joe's work together, what do you think about that?" If there are deeper issues at play, these types of questions will bring them out so that you can work on them with the team.

Sometimes, just listening is enough to oil the gears and get people working together again.

Ways to recognize this skill. When you call on the candidate's business references, don't just ask the standard "would you recommend Amy for this role?" The reference doesn't know anything about the role you have created, and is completely unqualified to answer. Instead, ask for specific examples of Amy building consensus across the organization and how she did it. Someone familiar enough with a candidate to be a reference should be able to provide a few simple examples.

Empathetic

The final X factor is intertwined with all others, and will amplify all the other skills rock stars bring to bear. It is the ability to be "empathetic" with others, inside and outside the business.

Empathy means understanding what people are going through, without actually having experienced it. Unfortunately, many product professionals undervalue empathy and issue edicts such as "we're moving up the ship date" or "we've worked with management to add this to your quota."

When leaders fail to understand the situations of others, the tendency to make unreasonable demands skyrockets. Their credibility then decreases, their effectiveness drops and eventually they flame out and their products fail. Failing to empathize with people outside the organization, such as customers, is even more fatal to product success: You will not ask good questions at the best, and will make terrible choices at the worst. Both routes lead to failure.

One reason that empathy receives short shrift today is culture. Most business cultures embrace execution and "just-do-it" attitudes, with empathy sometimes seen as a sign of weakness. Another reason is that being empathetic takes time. In a world where execution and daily tasks rule, stopping to understand a peer's world outside of a hot action item feels strange–almost like a waste of time. Nothing could be further from the truth. In fact, empathy is wound into the entire product we deliver, whether we know it or not.

Empathetic leaders budget the time to understand their peers. They know how other teams are measured, how the groups they work with spend their time and when a request is reasonable or not. As a result, the empathetic rock star is able to intercept, redirect and reframe executive action items that could derail the team. Empathetic rock stars also understand that their prior industry knowledge may not be applicable to every situation, and they seek to fully understand the market. The result is products that are created faster and solve problems more completely.

Ways to develop this skill. Start by putting yourself into your peers' shoes. Think about how they are measured and then ask them open-ended questions to understand their lives:

- What are your top concerns at work?
- What drives you crazy about your job?
- What would you change about work if you could?

Next, think about the last five things you asked for from them, and how they align with what you just learned. You will probably discover that you were the cause of some stress. Consider how what you asked might have changed if you knew this data beforehand. Would you have asked for a different timeframe or in a different way? Would you have asked at all?

Being empathetic is not about being soft or not caring about results. The opposite is true: Strong empathy can create better trust, communications and results when used correctly.

Ways to recognize this skill. Evaluating empathy is actually one of the simpler X factors to test. Run candidates through a battery of questions about their last or current roles, and ask them to identify how the different groups at the company were measured. Drill down for details. A strongly empathetic leader will know these measurements quickly, and be able to talk about if they were good or bad. Ask follow-up questions such as: How did that measurement change the way you worked with that group? This will help determine if they made good use of their empathy to change how they worked across the organization.

Do You Have the X Factors?

Think about how you personally interact with the data you collect and the people you come in contact with. Are you inspiring others, speaking the truth to power, synthesizing data and building consensus? Are you being empathetic, while also being willing to debate executives?

As marketing guru Peter Drucker said, "Effective executives differ widely in their personalities, strengths, weaknesses, values and beliefs. Some are born effective. But the demand is much too great to be satisfied by extraordinary talent. Effectiveness is a discipline. And, like every discipline, effectiveness can be learned and must be earned." This holds equally true today for making a rock star product leader.

While some of the X-factor skills might already be present, the others can be learned. Take the steps outlined in this article to become a rock star and launch your career to new heights. PM

About the Author

Paul Young has more than a decade of experience in hardware, software and services product management and marketing. During his career, Paul has launched and managed dozens of products, started his own business and successfully implemented the Pragmatic Marketing Framework at several companies. He is now a full-time instructor for Pragmatic Marketing. He can be reached at pyoung@pragmaticmarketing.com.

PERSONALITY TRAITS OF ROCK STARS

While many of the X-factor traits in this article can be learned, these personality traits are truly inherent.

Always learning. Demonstrate a thirst for knowledge, specifically as it applies to the business at hand. Expert at becoming an expert.

High integrity. Want to win the right way. Have a strong set of personal ethics and stick to them—even when it's uncomfortable.

Servant-leader. Lead by example. Wouldn't ask the team to take on a task that they wouldn't be comfortable doing themselves.

Confident. Confident in themselves, their data and their ability to project their own confidence onto a group of peers or employees.

Whole person. About more than just the job; they have lives and interests beyond work. Their interests often feed back into their work lives (e.g., their competitive natures comes through in sport or their charisma comes through in volunteerism).

Competitive. Hate to lose and are ruthless competitors.

Charismatic. Can command the attention of a room and have a sheer force of will that is immediately apparent when you meet them.

Optimist. Look for the bright side in every situation.

Curious. Intellectually curious. Want to learn about new things and are typically voracious readers.

All product leaders have a mix of these traits, which differs per person—but you likely wouldn't even be attracted to product management or marketing as a career without these traits.

How to Succeed in Technology

A STEP-BY-STEP GUIDE:

1. Cut out framework, avoiding pesky paper cuts.
2. Post conspicuously throughout office.
3. Follow framework faithfully with peers.
4. Reap the benefits of being market driven.
5. Rinse and repeat.

STRATEGY

		Business Plan	Positioning	Marketing Plan		
Market Problems	Market Definition	Pricing	Buying Process	Customer Acquisition		
Win/Loss Analysis	Distribution Strategy	Buy, Build or Partner	Buyer Personas	Customer Retention		
Distinctive Competence	Product Portfolio	Product Profitability	User Personas	Program Effectiveness		
MARKET	**FOCUS**	**BUSINESS**	**PLANNING**	**PROGRAMS**	**READINESS**	**SUPPORT**
Competitive Landscape	Product Roadmap	Innovation	Requirements	Launch Plan	Sales Process	Presentations & Demos
Technology Assessment			Use Scenarios	Thought Leadership	Collateral	"Special" Calls
			Status Dashboard	Lead Generation	Sales Tools	Event Support
				Referrals & References	Channel Training	Channel Support

EXECUTION

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NOW THE STUDENT BECOMES THE MASTER

MAKING THE MOST OF MENTORSHIPS

BY PAUL YOUNG

Mentoring relationships typically break down for the same reason people stop going to the gym: It seems like a great idea at first, but then you find out that it's really hard to make it stick. Life takes over, and six months later, you haven't talked to your mentor or protégé in months.

I recently agreed to mentor a young product manager, and it made me realize the mentor and protégé both need to have reasonable expectations of what they want from the relationship and of the time commitment involved.

PROTÉGÉ

One who is protected or trained or whose career is furthered by a person of experience, prominence or influence.

The motivation for protégés to enter into mentorship is obvious: They hope to gain from the experience of their mentor. But protégés should not just be passive receivers of information; their job should be to put the mentor's advice and council into practice, and offer feedback about what they need and how the mentor can be more effective. Good protégés should have a willingness to learn, be open to new ways to accomplish their goals and have a strong desire to advance in their careers.

Every mentor/protégé relationship is unique, but there are several areas where protégés can especially benefit, including:

- Strategic thinking
- Executive relationships
- Career planning
- Negotiation
- Management skills
- Executive presence

The first steps to becoming a good protégé are recognizing that you could benefit from a mentor and then recruiting one. People are almost always flattered to be asked to be a mentor. If they've never done it before, send them this article as a how-to guide to get started.

A word of caution to protégés searching for a mentor: Your manager should never be your mentor. Part of mentorship is providing neutral feedback on a variety of topics, including how to deal more effectively with your management. Your direct manager has a conflict of interest in this matter and cannot provide this feedback in the same way. Asking them to mentor you puts them in an awkward position. If you have a great manager that you want as a mentor, keep him or her in mind if you move to another role.

MENTOR

1. A wise and trusted counselor or teacher
2. An influential senior sponsor or supporter

The motivations for a mentor to enter into a relationship are less obvious than the protégé. Reasons include a personal connection to the protégé, wanting to help someone in need, seeing potential that they want to foster, "paying it forward" from their time as protégés or simply stroking their own egos.

The primary role of the mentor is to arm the protégé with counsel and contacts to make them more successful. Solid mentors have executive and management experience they can apply to help the protégé in various situations. They can illustrate different perspectives the protégé may not have considered. They can also role-play as the protégés' executive team, preparing them for potentially stressful or high-stakes meetings and negotiations.

A mentor's experiences in hiring and building teams can also help when it comes to career planning and advancement. Mentors can advise on when to stand pat vs. change jobs or companies, how hard to press during salary and benefits negotiation, and how to map desired titles and responsibilities for the next several roles.

Finally, mentors should supply access and introductions to their wider set of contacts. Their more expansive networks could include the protégé's future bosses, contacts or even additional mentors.

PLANNING IS POWER

Most mentoring relationships are sorely lacking in structure and results. It can be very disappointing to establish that relationship, only to see it fizzle out.

Mentoring is hard. A plan can help make it easier. If you are thinking about setting up a mentoring relationship, and are willing to put in the time to make it work, use this plan as a launch pad to get started.

Month 1: Hold the initial meeting. Mentor should ask protégé: Where do you want to be in 1/5/10 years?
Month 2: Chart a plan to achieve the 1/5/10 year plan. Break the one-year plan into measurable goals, such as quota for market visits, and design a plan to sell the goals to the protégé's management.
Month 3: Assess current role and responsibilities. Fit compensation and benefits to one-year plan. Design a plan to correct if under market.
Month 4: Catalog past achievements. Design a plan for reviewing with current management to ensure the protégé's value is recognized.
Month 5: Ensure protégé is receiving adequate executive exposure. Design a corrective plan if not.
Month 6: Introduce protégé to contact from mentor network in an industry or title that aligns with his or her 5/10 year plan.
Month 7: Hold a mid-point meeting. Check in on one-year plan achievement vs. goals, adjust as needed.
Month 8: Identify networking and visibility opportunities. These should raise the protégé's thought leadership profile inside and outside the company (e.g., presenting at a local ProductCamp).
Month 9: Collect information in support of compensation and benefits negotiation (e.g., Pragmatic Marketing's annual survey).
Month 10: Assess performance vs. one-year plan. Make adjustments to suit and role-play compensation negotiation as needed.
Month 11: Assess results of negotiation and decide what action to take.
Month 12: Revisit 1/5/10 year plan. Assess need and value for continued mentorship. Repeat!

COMPLETE THE CIRCLE

Thank-you notes to the mentor are always a great idea, but the biggest compliment to a mentor should be that they inspired you to become a mentor yourself. Pay the ultimate compliment as you grow in your own career, and help the next generation along. This step doesn't have to happen immediately, but it should happen. Remember, you could be mentoring your next great team member. PM

– Paul Young

Pragmatic Marketing Instructor Paul Young was inspired to write this article from his post on the *Product Beautiful* blog. Visit www.productbeautiful.com for more of Paul's insights on building product management from the ground up.

A Note from the Author:
Throughout my career, I have been fortunate to have several wonderful mentors to guide me and help me become a better leader and a better person. I would especially like to recognize: Terry Sadowski, for teaching me the art of building and leading teams; Will Scott, for teaching me how to think and present as an executive; and Melissa Mines, for teaching me that empathy, humor, and persistence are some of a leader's most powerful tools. I carry each of you with me wherever I go. And to my current protégé (you know who you are): Keep up your hard work; there is no limit to your potential. I'm proud of you.

MAKE THE TIME

Mentoring is not free for the mentor or the protégé. It costs in the form of time and energy. The frequency of those expenditures will vary based on the formats you choose.

FACE-TO-FACE MEETINGS

Frequency: Once a month to every three months
Meeting face-to-face should be the staple of a mentorship relationship. Seventy percent of human communications is non-verbal, and you will both miss out on that extra data if you try to do all the conversations online. Go grab a drink and hash out issues. More than once per month may overtax the relationship, less than once every three months will allow the relationship to grow stale.

PHONE CALLS

Frequency: Bi-weekly to monthly
Talking by phone between face-to-face meetings is a good way to keep up-to-date and do course corrections. It is also the way to get quick answers to questions that can't wait for an in-person meeting.

EMAIL/IM/OTHER

Frequency: As needed
Email is good for background information, homework assignments and certain introductions.

By being fully aware of the time commitment involved in the mentoring/protégé relationship, you can better prepare yourself to structure your schedule for success.

Looking for a Mentor/Protégé?
Pragmatic Marketing alumni can reach out on our LinkedIn group to find them at www.linkedin.com/company/pragmatic-marketing. Not an alumni? Try your local product management association, ProductCamps, or check with your local Chamber of Commerce or the Service Corps of Retired Executives (SCORE) at score.org.

IS THE RIGHT CANDIDATE RIGHT FOR YOU?

NOT ALL CANDIDATES ARE A GREAT FIT.

BY SAEED KHAN

A recent *Inc.* magazine article listed product management as one of the five hardest jobs to fill for 2012. While talent is in short supply, as the article points out, "hiring the best of the best is an absolute must if you are going to build a successful company."

While finding the right product managers and marketers can be difficult, companies often make it even more stressful by having the wrong focus or unrealistic expectations.

Here are five guidelines to help you focus your strategy and hire the right people for your company:

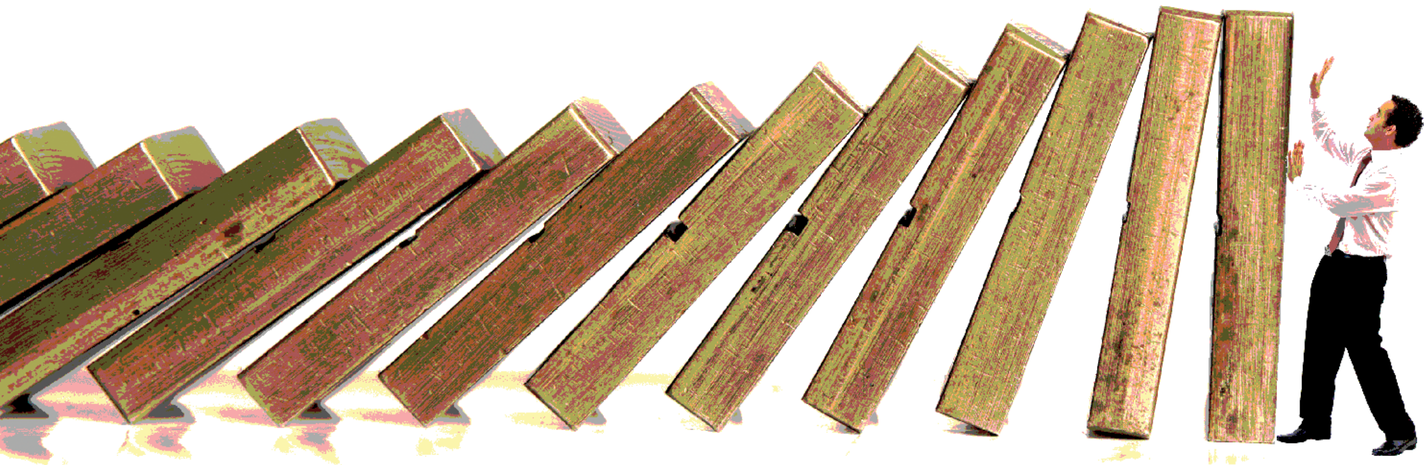
1. Have a clear understanding of why you are hiring, and what he/she will provide to the company.

This is the first and most important step, because a clearly defined role sets the stage for success. Look at the needs of the company now and in the next 12-18 months. Ensure that the job definition fits the needs and then hire someone a bit more experienced than what you think you need.

Having a senior and experienced individual will help address other problems and challenges that will certainly arise—particularly for early-stage companies where product and company strategies are tightly intertwined.

In fact, while it's important to hire good product managers in any company, it's even more important at early-stage companies where the impact (positive or negative) will be deeply felt. Also, remember that hiring for the wrong reasons in those early stages is as bad as hiring the wrong person.

Too often, early-stage companies hire a product manager to bring control to customer requirements or



EXPECTING MORE THAN WHAT ONE PERSON CAN REALISTICALLY DO MEANS SETTING HIM OR HER UP FOR FAILURE

to take over the tactical activities from the company's founder. The problem is that while a tactical focus may address some short-term needs, it's not the way to bring product management into a company. Requirements management is only a small part, yet that seems to be where too many companies focus. The actual product is only one ingredient for success. The right product strategy, positioning, messaging, pricing, go-to-market planning and organizational readiness are all key components and need the focus of experienced product management.

2. Be realistic about what someone can achieve.

Far too often, companies set objectives that are completely unrealistic. How realistic is this 2008 job description from Twitter?

As Twitter's first product manager focused on revenue generation, you will play a defining role in the formulation of Twitter's business. Your job will be to lead the definition and execution of the products and features that will lead to monetization of the Twitter platform.

Monetization and profit cannot be an afterthought that is added by hiring a product manager. It's a core part of business and product strategy that defines how the company is organized, the roles defined and activities completed.

On a more personal note, I once was interviewing for a position in a young company. Despite a lot of effort and time already spent, the CEO said they were looking for someone to come in and "fix the product."

Fixing meant a lot of things, apparently. It meant identifying a target market, making the product do what that market needed, defining a clear roadmap for the next 18-24 months, working with marketing to get the messaging correct and generate leads, and working with sales to get early customer adoption going.

Essentially, they were looking to reboot the company! And the expectation of how much time it would take to do all this was three or four months.

After the interview, I decided to remove myself from consideration for the position. Maybe they would have come to their senses, or perhaps my understanding of the work and time needed was a lot more than theirs. But I couldn't see how anyone could be successful in that situation. Expecting more than what one person can realistically do means setting him or her up for failure, which brings me to my next point.

3. Don't look for "rock stars" or "superheroes."

Some companies take unrealistic expectations a step further. I cringe when I see job postings specifically seeking a "rock star." They are usually accompanied by a job description that even the smartest polymaths couldn't fulfill.

They want someone who can think strategically, but be able to roll up their sleeves and "do what is needed to get the job done." They need to be technically very strong to work with the top-notch development team, but also have great communication skills to work with customers and talk to press and analysts. They need to lead, inspire, listen, learn, etc.

The reality is that even rock stars have backup bands (think Bruce Springsteen and the E Street Band) and superheroes work in teams (think Avengers or the Justice League). The whole is greater than the sum of the parts—and more than any role, this one is part of a team. Even if you could find someone to fit the bill, the odds of them being successful would be low. And how likely would you be to find a second one when it came time to expand or scale? It takes a team of people to deliver on all the necessary responsibilities.

4. Understand there are differentiated roles in product management.

When you think of a sales team, is there only one type of salesperson on that team? Or are there different roles with different focuses and responsibilities, such as inside sales, field sales, overlay sales and sales consultants? And when you think about an engineering team, is it just a team of generic "developers," or are there other roles such as architects, user-interface specialists, server and database specialists, quality assurance members, etc.?

When it comes to product management, a lot of companies seem to think that there is just one product-manager role that fits all situations.

Perhaps it's simply an awareness problem, with people not understanding how to segment roles and responsibilities in product management.

There are four major areas that product management must focus on:

1. Business/strategy	3. Organizational readiness
2. Go to market	4. Product

Product success depends on optimizing and aligning these four areas. Notice that these cover the gamut, including business to technical, strategic to tactical and customer to market.

Consider hiring for roles such as product manager, product marketer, technical product manager, solution specialist, etc. They have different, but complementary, responsibilities as part of the overall product-management function. Breaking the function into these roles not only helps product management be more effective, but also makes it easier to identify good candidates when hiring.

5. Look for the right mix of skills in the role you define and hire for.

There are numerous articles that list different characteristics that one should look for in a product manager. Here's an abbreviated version of some of the characteristics I've found on Quora's website and a number of product management blogs.

Interpersonal skills	Ability to forecast and measure
Technically oriented	Customer centric
Systems thinker	Market focused
Numbers person	Natural leader
Ideas person	Decisive
Visionary	Listener
Problem solving	Communication skills
Ability to prioritize	Write effective copy

Do any of these sound familiar? I'm sure I could find more. And some of these might seem to be at odds. Each role you hire for will require a specific subset of skills depending on the company and product focus, maturity of the company, target market and product, other members of the team, etc. Ensure you are clear on what skill sets you need and don't simply define a generic set that covers all bases.

Having said that, I will admit that there are a number of core skills that I generally look for when interviewing and hiring. These include good analytic skills, a systems mindset and communicating and listening abilities. Why? Because without these, the candidate will likely fail to deliver what is needed. The systems mindset is the most important. Product success comes from optimizing across the various silos in the company. If gaps or issues occur in one part of the company, they will impact the product overall. The right candidate needs to think across the departments, analyze the issues and work with others to implement solutions.

I explicitly investigate these aspects in each candidate I interview.

By taking note of the guidelines in this article, it's possible to find someone who is the right fit and has a high chance of success in the role. But, like any other hire, there is no certainty that you have hired the perfect person. Once hired, people have to be managed, supported and engaged in order to succeed—and that's how you get a rock star. PM

About the Author

Saeed Khan has over 15 years of experience in product management and has worked at both startups and public companies, in roles ranging from individual contributor to vice president of product management. He writes for onproductmanagement.net and has previously contributed to Pragmatic Marketing's print and online publications. He has spoken widely on the topic of product management and product development at a variety of events, including numerous ProductCamps. Based in Toronto, Canada, he can be reached at saeedwkhan@gmail.com.

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Use the Market to Gain Credibility

How one company implemented and elevated the market visit.

BY COLLEEN TINER

About 2 years ago, my product management team at Beeline, a flexible workforce solution provider, was struggling with two challenges: development and product management were not aligned and the sales team resisted product-management involvement in post-decision research.

When I brought this up after a training session with Pragmatic Marketing's Jim Foxworthy, he said, "You have an issue with credibility, and credibility comes from the market, not from your product managers." Right then and there he asked me to erase everything on my whiteboard and write "N-I-H-I-T-O." He paused, pointed to the word and said, "This is the only thing you or your team should worry about."

NIHITO, I knew from the training class means "nothing important happens in the office." You must get out and talk directly to your market—regularly. We had become trapped in the cycle of inside-out thinking. We were also trying to do too much at once on the Pragmatic Marketing Framework. It was time to rethink our strategy. We needed to pause and become a data-driven organization.

Our NIHITO Journey

Taking Jim's advice, we devised what seemed like a logical approach, implementing market-visit quotas to ensure the team was learning about the true needs of the market. At first, we required 10 visits per quarter per product, documented with call reports. But we quickly learned that was too rigid for how we worked and how our products were evolving. Every product was in a different phase of the life cycle and needed different levels of research. Some products were in the strategy phase while others had a well-established customer base and feedback loop. We're a group of fast learners, so it didn't take long to realize our mistake.

NIHITOs weren't just about quantity. We needed to focus on quality and having the right quantity, given each product's phase. We dropped the quota, and instead established a guideline for everyone to share market knowledge on a monthly basis with the rest of the team. Product managers are inherently competitive, so nobody wanted to come without information to share. They were accountable to their team and their product for this information, which changed how NIHITO was viewed by our organization.

When we shared what NIHITO meant with the rest of

the organization, their first reaction was, "Everything important happens in the office, or we wouldn't even be a company." True, everything that happened in the office was important. But as product managers began to change how they talked about buyers and users and employing a vocabulary and perspective from outside the company, it became clear to everyone that "in the office" is the last place product managers should be. Product management is most valuable to the business when we are listening to the market, including our clients, and sharing what we learn with the company.

Working better with development. NIHITO was the catalyst for aligning development and product management. Product managers now integrate what they have learned, as well as what they hear, into their backlog discussions and development roadmaps. It is about knowledge sharing. Everyone benefits from NIHITOs.

One significant outcome of NIHITOs is collaborative problem solving. When product managers host ideation sessions, they present their research findings and leverage the collective knowledge of other product managers, analysts and developers. Development learns why our buyers buy from us, how our users engage and the problems they face, which creates inspiration. An inspired developer can accomplish just about anything.

As a result, developers generate more great ideas that really impact the market.

Now we're seeing them reach out to product managers to say, "I have this great idea, what do you think?" If an idea resonates, the product manager tests the concept in the market before any code is written. Usually this is done through dialogue with users or by development creating a quick prototype for users to view. Oftentimes, product managers invite architects to market visits to hear pain points firsthand. One of the most valuable benefits of performing market visits is they reduce the effort we spend on things that are insignificant to the market or unimportant to our clients.

Working better with sales. NIHITOs also opened a door to better alignment with sales. Naturally, sales people are protective of their contacts and leads. Our culture values relationships, so our sales team's contacts are more valuable than leads. They invest time and effort in the relationships they have built and are very protective of them. Product management needed to earn the right to be a part of the conversation.

It took a year, but eventually sales began to trust product management and recognize the value we could offer. First, we attended our company's industry events and worked at the trade show booth, talking to their potential leads and learning as much as we could about them. We provided post-event summaries to the senior vice president of sales about the people we met and whether they were shopping for our product or just wanting to learn more.

Next, we offered our help. We scheduled and conducted post-decision interviews. The interviews provided us with critical insights into buyer personas, challenges and perceptions of our products and services. Initially, getting permission to do the interviews was a challenge. We started off with the least risky deals and were very transparent with the sales team, sharing whom we were talking to and why. Once we were able to share unique insights from post-decision analysis, we started to earn credibility.

Identifying product management's role as a voice of the wants and needs of our buyers helped us overcome the challenges we were facing with both development and sales.

From NIHITO to NIHINA

During the same time period that Jim and I had our conversation, we were working on an international expansion strategy. We realized that even with our newly found information from NIHITO, we didn't have "real" knowledge about the international market. Of course, everyone had an opinion and we did have some pockets of international clients, but there was still much to learn.

Our chief technology officer and I went on what we coined a NIHINA (nothing interesting happens in North America) trip: 15 interviews in five countries in 10 days. The people we met with were in London, Amsterdam, Paris, Dusseldorf and Rome. We have international offices, but we didn't have product management in those regions. So we asked colleagues and clients to help us coordinate non-Beeline-vested interviews with their contacts, partners and other associates that would represent a buying community. Simply explaining our trip with the name NIHINA was all it took to fill up our calendar. Our European community was quickly willing to talk to the Americans who were saying, "nothing important happens in North America." That was an unintentional positive consequence of naming our adventure.

NIHINA was an eye-opening and transformational experience for our company, products and services. We experienced language barriers, which would have been nearly impossible to overcome on a phone conversation, so doing these interviews face-to-face was key.

For example, when we spoke with a company in Paris, we all had our computers open the whole time and would look up some of the words each other used. While we were careful not to use slang, you can easily lose sight of the fact that sometimes industry terminology just doesn't translate. When the words still didn't make sense in the context either of us used, we were able to see the confusion and work through those conversations. We expected the language barrier. What was unexpected was how collaboratively we all worked to ensure equal understanding.

Another unintentional positive impact of NIHINA was that because the meetings were in person, our research contacts brought additional people to speak with us and make us feel very welcome. In fact, it happened in every country we went to and in every interview. People said, "I'm going to bring in other people because I want this to be valuable."

In Germany, one company set up several interviews for us to meet with all the different parts of the company. They were very open to sharing their challenges and artifacts. Had we been on the phone, we would have missed this collaborative discussion about the market and their business challenges.

It was a meeting of the mind for all parties. At the time, because our products were very new to the European market, our intent was simply to collect as much information as possible. What the organizations were getting from us was knowledge about how companies using our products operate in America and best practices. And we were all just enjoying the conversation.

While it was a great experience as a product manager, the impact that one NIHINA trip had on our organization was profound. We realized how important it was as a global company to invest in product management for the international markets where we wanted to compete. Our research helped us validate that our successful growth into Europe and Asia Pacific meant more than one NIHINA trip. We needed product managers who understood the local markets, legislation and culture. We needed to leverage our cultural diversity and inclusion in our product development process. I am happy to say our international growth strategy has exceeded our expectations.

Lessons from Our Journey

The interview is a process. You need to recruit a research subject, schedule the interview, conduct the interview, follow up and record your findings. Experience has taught our team that authenticity and natural curiosity is key.

Start with a personal approach to recruit your subject.

"We're not in sales, we would just like to get your opinion and your candid feedback on ..."

"We've heard you're an expert in ..."

"John Smith referred me to you, because you might be able to answer my questions."

Also, when recruiting, try to stay away from the word "research." People tend to feel like it's not worth their time.

Practice can feel awkward, but it's worth it. Whether it's a phone interview, face-to-face interview or you're working the trade-show booth, your research subjects are likely very busy people and they deserve a well-prepared product manager. We learned that we needed to practice making an introduction, saying who we are and why we are talking to someone. Try pairing product managers with opposite backgrounds (e.g., sales vs. development) and have them conduct mock market visits to learn what works and what doesn't—and help them overcome any barriers or nerves. If you can, try conducting visits or calls in pairs. It helps calm the nerves in the beginning, but you will also find more information can be uncovered in a shorter amount of time and the documentation of the research can be split.

Get Out!

If your company is like ours, it is full of smart, creative people who truly understand your business. Sometimes, we're not really looking for epiphanies from our market visits. The most important value we get is directional guidance, because it validates or invalidates what we already see in the market and in the behaviors of our existing client base—then we can pivot accordingly. Additionally, it can also help us identify key trends that we can filter back into our overall strategy.

My main piece of advice for anyone looking to implement NIHITO is to include a feedback loop for your team. One of the early mistakes we made was asking product managers to do market visits, but then letting them disappear into a black hole with a pile of research that they didn't know how or with whom to share. A feedback loop is valuable, and allows product managers to do research and come back and openly share that knowledge with the rest of the team. I recommend time boxing the feedback loop, because research can go in many directions. We typically draw a line at 90 days (or sooner), before a product manager needs to present back to an audience.

People ask me, "How do I know when I have enough research, is it 20 NIHITO visits? Is it 30? Do I use a statistically significant metric or something like that?" And what I've learned is that it might take five or it might take 75, but you will know that you have enough research when you develop such a strong conviction that you can persuade the business to do something that they might not otherwise do and have the market facts to back up your argument. PM

About the Author

Colleen Tiner uses market intelligence to drive product development and marketing strategies and inspire development teams. She is vice president of product management and marketing for Beeline, based in Jacksonville, Fla.

Colleen has 15 years of experience managing the delivery of technology products, and is currently responsible for product strategy, planning and marketing programs for Beeline's flagship Intelligent Workforce Solutions product line. She can be reached at colleen.tiner@beeline.com.

From Your First Job to Your Last

How to get onto, and move up, the product-management ladder.

BY RICH MIRONOV

How do you get that first product manager job? I'm asked that all the time, as well as what the next few promotions look like.

Breaking into product management can be tough, since most hiring managers want someone with product-management experience, even for first-line jobs. We recently analyzed hiring criteria in 41 postings for U.S. product managers, and 76 percent of hiring managers asked for previous experience in a product-management role, averaging 3.3 years. And another 17 percent asked for extensive experience in related roles. Only two of the postings from big companies (IBM and HP) had openings that new college graduates could qualify for. Sure it's unfair, but the challenge of getting that first job is a cold, hard reality.

Once you do break into product management, however, you will be juggling a fascinating set of escalating responsibilities. Let's take a look at how you can climb the product-management career ladder.

That First Job

So how do you get that first product management job? Your enthusiasm and good looks are not enough to get you in the door when competing against seasoned product managers. You need to find opportunities where your specific talents are highly valued.

Experience wasn't the only qualification that hiring managers sought, so there is some hope for newbies. They called out cross-functional teamwork, executive and customer presentation skills and market-sensing abilities. Basically, they see product management as a contact sport—no staring at your shoes.

For education, 93 percent sought bachelor's degrees, with 68 percent preferring a computer science/engineering focus. This may seem like overkill, but product managers who can't hold their own with opinionated development teams are hobbled. Likewise, 32 percent wanted MBAs, so you clearly need to know how to build a credible business plan.

Ultimately, however, your best shot at moving into this new role is within your existing company. It's much harder to change companies and roles at the same time. You already know a lot about your company's products, market and technology, so here are some additional tips to get on the first rung of the product-management ladder:

- Meet everyone on your current product-management team, and let them know that you're interested.
- Give good feedback on requirements, competitive threats, use cases and other artifacts they produce. Show that you can straddle the business/technical fence.
- Ask about personas.
- Sit in on customer briefings (and DON'T SAY A WORD).
- Ask to be a "back-up" product manager on a project: Do some of the research, competitive analysis and customer interviews. Starting with the grunt work will earn you respect and help you determine if this is a good fit.
- Study your company's product literature, pricing and competition.
- If you have real customer interactions, share recommendations with the product management team on how to improve sales, open new markets, improve user experience or streamline support. (But assume that they have talked with lots of customers and have heard the same thing.) Give yourself 50 bonus points for each customer you can quote.
- Go to a Product Camp (www.productcamp.org).

In other words, volunteer to do some product management stuff. If you're good, the team will want more of you.

If you're looking outside of your current company, target your existing market. Companies sometimes hire into product management roles for experience or special domain knowledge. If you happen to be a whiz at logistics software (or chemical analytics or financial clearinghouses), check out companies that focus on supply chain (or gas chromatography or program trading). Managers in niche markets struggle to find candidates who are both experienced product folks and subject matter experts. Your market knowledge could replace some functional expertise.

Another thing to consider is stepping-stone roles. If you really, truly want to be a product manager and the other approaches I've described don't work, think about jobs that get you closer to product management. Ask the product folks in your company where they started or which groups they hire from. For example, sales engineers and professional services folks sometimes make the jump to product management, since they combine great technical knowledge with hands-on sales and customer experience.

Up to Director

Eventually, you may want to take that next step toward the money, respect and sheer glory of becoming a director.

In my experience, the director role works on a different set of problems than individual product managers. They worry about the process of product management: building launch teams, balancing staff assignments, standardizing reporting, fostering cross-functional cooperation, setting product-line-level strategy and resource allocation. Directors encourage risk-taking and dismantle organizational roadblocks. They keep the trains running and the products flowing. A good director makes product-level decisions only to settle disputes or demonstrate techniques.

Directors also focus on people issues: coaxing cooperation, aligning incentives, mentoring and cooling down egos. They relentlessly present product strategy and roadmaps to other departments to boost understanding of what product management does. The best directors provide informal people feedback to other directors. They look for underappreciated talent across the company, identify great contributors in other departments, encourage cooperation within teams and model good behavior for their peers.

Assuming you're in a large enough organization to have "real directors," you're a promotion candidate if you're already a seasoned professional with 4-plus years on a few different products, and you are the "go-to person" for competitive and technical info. You also make time for long-term planning and bits of mentoring and have been through the release cycle (and emotional roller coaster) several times. Other departments ask to work with you.

To show that you're ready for the bigger role, start by devoting part of your energy toward being more "director-like."

> "Moving up requires your boss's active support—or his empty chair."

Look for activities that both improve your management skills and make them more visible.

- First, have a humble but unambiguous chat with your own director. "I really enjoy working for you, and am learning a lot. I think I'll be ready soon to be a director if a slot opens up, so I want your advice. What's your feedback on my skills, organizational style or areas of improvement? How do you see the staffing map changing over the next year?" Moving up requires your boss's active support—or his empty chair. Don't get caught sneaking around him for a promotion.
- Think about how development staff should be allocated across products. Kick it around with your director.
- Up-level some of your competitive analysis from individual widgets to market positioning.
- Take on some cross-functional projects or task forces. That might sound yucky, but it's how directors get things done. You'll be freeing your director from one more committee and boosting your visibility.
- Identify your best non-product-management coworkers, and thank their bosses.
- Start mentoring someone in a junior role. You'll learn a lot, improve the team and show that you're management material.

In essence, directors of product management wrestle with different issues than individual product managers. If you want to become a director, find ways to demonstrate those next-level-up skills. There are a few caveats, however. For one, the promotional funnel for director-level jobs is very narrow. Slots rarely come open, and there are probably five candidates for each director position. You might need to watch for other organizations that need leadership.

Also, there is little difference in work content between senior product managers and directors at some companies. Instead, it's mostly about respect and money and who negotiated a better hire-on package. Figure out who is making the decisions, and have a frank discussion about how to show your worthiness.

Up to Vice President

Product groups vary widely and are not always rationally designed. In my opinion, line product managers fundamentally look after individual products or services: shepherding the short-term development efforts and long-term strategy work to keep a 3-12 month roadmap that's coherent. Directors look after the business of product management, providing some order, structure and process to a chaotic situation. And the vice president of product management functions as senior staffer or consigliere to the rest of the executive team—making sure that the company as a whole is building, shipping and supporting the right products.

The vice president is essentially the product manager of the organization itself and its internal people and processes. The vice president of product management should be an honest broker at the executive level who represents product, market and company success, rather than any one specific function—thinking more broadly than engineering, marketing, sales or support. They are the folks most likely to say, "Yes, but the right thing for our long-term business and the markets we serve is …"

Executives know that product management has a very small staff and budget vs. engineering, marketing and sales, so the vice-president role has some implied neutrality in the great budgetary and reorganization battles that tear companies apart. Without being accused of empire building, vice presidents of product management get to ask, "How should we be organized for success?" Ideally, the CEO (or business unit manager) wants their unbiased opinion.

Product-management vice presidents live cross-functionally, with ideas for improvements that are nondenominational. They build up peer credibility with "Jesse in QA is doing a terrific job" and the occasional "Gordon is creating problems in marketing that we need to solve." They understand what each functional group does, praise in public, and privately raise issues with department heads. They also sweat the business' overall success. Are we missing key segments, being outflanked by new competitors or stuck in an old business model? What are the important (cross-product) decisions that will drive longer-term revenue?

They are part of the corporate strategy team (if it exists), providing real-world customer input and the urgency of current-quarter sales quotas. They bring product managers in as subject matter experts to reduce buzzword bloat and keep strategy relevant.

All of that boils down to the fact that this is not a command position, but an executive-level influencer role. A vice president of product management shapes how work gets done, rather than making individual product decisions. In other words, he works broad structural and human issues to enable delivery of great products. Business focus trumps personal politics.

If I've just described what you're already doing at the director level, you're due for a promotion. (Forward this article to your boss.) Otherwise, make the most of the shape of your current organization to gain traction:

- Vice presidents of product management are mostly found in the largest organizations. If you're a director at such a place, help your current boss succeed and loyally follow on up the ladder.
- At medium-sized companies, directors work for engineering, marketing or the CEO/business unit manager. With only a handful of product managers to manage, justifying a bigger title (and salary and options) is tough. Vice president opportunities may be found laterally in other functional groups: customer support, sales, engineering or new business units.
- At startups, cash burn is much more important than job title. During your hiring process, offer to take less money in return for a vice-president title (and a bit more stock). It's a great trade, whether you stay a long time or parlay this into a role elsewhere.
- Consider that the power roles at your company may be in engineering and sales (B2B) or marketing (B2C). Think about stepping into a wider role and learning some new skills.

Note that being vice president of product management takes a heap of humility and patience. You'll never be singled out as the reason for your company's success. It's the pride of your kid in the school play or your protégées going to the hot new startup—not the big ego trip.

Vice presidents of product management have a unique, strategic, cross-functional role—and need a rare mix of talents and personality. They bring cohesion and coordination to the top of the company, allowing product managers to drive individually successful products. You should take your own measure before setting that as your next job goal. And then think big, because you'll next become a CMO or CEO candidate.

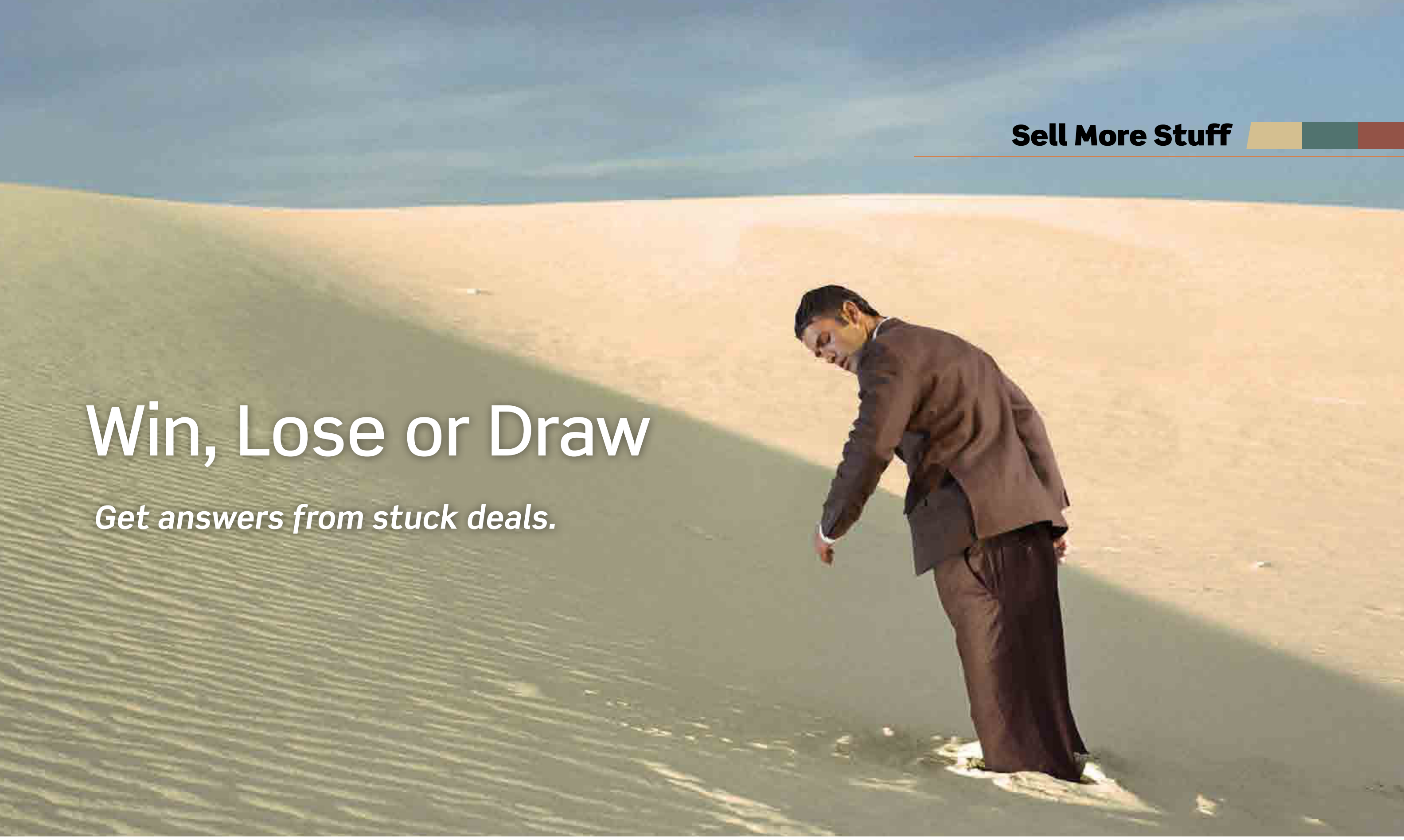
Where Does That Leave Your Career?

Product management is an odd mix of technical, market and organizational skills. It's not a "book-learning" role, so real experience under fire is what hiring managers want at every level. Consider your fit for what companies are searching for, and find a path to your next product management position—whether it's your first or your last. PM

About the Author

Rich Mironov is a seasoned software executive and serial entrepreneur. He has been the "product guy" at six tech startups including as CEO and vice president of marketing/products. He has also consulted to dozens of technology companies.

Rich founded the first ProductCamp and chaired the first product manager/product owner tracks at the Agile Alliance's annual conference. He is the author of "The Art of Product Management" (2008), which collects the best of his long-running Product Bytes blog about software, start-ups, product strategies and Silicon Valley technology companies. Rich has a bachelor's degree in physics from Yale (with a thesis on dinosaur extinction theories), an MBA from Stanford, and provides guest lectures at various business schools about the business of software. He can be reached at rich@mironov.com.



Win, Lose or Draw

Get answers from stuck deals.

BY ALAN ARMSTRONG

If you've followed Pragmatic Marketing at all, you likely already know the value win/loss analysis brings to sales, product marketing and product management. Studying wins lets you model your successes; studying losses gives you insights into what you need to improve to close deals.

But what about opportunities that sit in limbo, promising future revenue that may never materialize?

This category, "stuck deals," includes promising opportunities that have stalled, providing little visibility into what the problem is or how to move forward.

Stuck deals provide sales management with significant problems. They are impossible to forecast and clog up the sales pipeline. In extreme cases, your revenue funnel develops a "fat middle." As Nick Mehta, former LiveOffice CEO, puts it: "Every single stuck deal adds 'fog' to the sales and sales-management process. Without visibility, the forecast is less reliable, and sales managers and reps spend time, energy and mental bandwidth on deals of questionable quality. That's a waste of precious energy and focus, and it's a costly tax on the business." And since stuck deals don't provide the knowledge that typical win/loss calls provide, they are also a blind spot for product managers and marketers.

So how do you learn about these stuck deals? If sales is unable to reengage the account, product marketing, product management or a third party can approach the account for a research call or "stuck-deal facilitation"—borrowing from techniques of win/loss analysis, facilitation and negotiation.

Stuck-Deal Facilitation

The goal of performing stuck-deal facilitation is to give you intelligence on how to close more deals, not this one in particular. Stuck-deal facilitations are essentially conversations designed to explore the deal process and generally focus on the following areas: rediscovery, qualification and diagnosis.

Because you're introducing a new player, you have the freedom to come in fresh and ask basic questions about the underlying dynamics of the sales process. Because it's positioned as research rather than a sales call, buyers are often more willing to disclose the real reasons for their decisions—or in the case of the stuck deal, their lack of decision.

Rediscovery. A stuck-deal facilitation begins with discovery, much like your sales rep's initial conversation with the prospect. Starting here serves two purposes. First, it is nonthreatening and builds rapport that can be useful later in the discussion. Second, you learn about the prospect's underlying business goal or problem, which is fundamental to assessing the deal.

During this phase, you may learn things that were never originally disclosed, or discover factors that were either missed or forgotten by your internal team. Depending on the length of time since the last interaction with the prospect, you can determine whether the original business problem still exists or if the timelines have changed.

Classification. The simple act of classification provides value in and of itself. Based on the information you collect during the rediscovery phase, it's often fairly easy to determine whether this was ever an opportunity to begin with, and then whether it is a near-term opportunity or just a lead that requires further nurturing. The main things to explore here are:

- Is there a need?
- Can we address the need (with today's offering or some modified future offering)?
- Do they have, or are they likely to find, enough of a budget?

You may find that you don't have a stuck-deal problem at all, but rather a qualification/discovery problem that can easily be addressed.

Diagnosis. Once you've rediscovered needs and classified the deal as a valid opportunity, you can now probe the factors that are sticking the deal. Examining the health of the buyer/seller relationship and engagement can help you identify a course of action to take.

Look at every factor of the engagement that impacts the sale: product, marketing, sales presentation, demonstration of value and price. Because you're not the sales rep, you are also free to ask the most obvious question: What caused the deal to become stuck? You'd be surprised to find out how willing prospects are to provide a direct and candid response.

Although there are many reasons why deals become stuck, here are a few of the most common you'll encounter:

- **Incomplete discovery**. Deals can get stuck because sales never fully understood the scope of the buyer's needs, and therefore sold the wrong value proposition. Perhaps they did not know enough about the buyer's environment, including internal processes, deadlines or internal politics.
- **Changing requirements**. Even if sales did a perfect job during discovery, requirements change. It's not always possible to stay abreast of shifting needs and priorities. Your offer may simply have become a low priority and placed on hold.
- **Misunderstood market segment**. It's common for companies entering a new vertical market segment or price tier to encounter problems with stuck deals, because what works in your existing segments may not be as effective in new ones. Each new segment has unique requirements that need to be discovered.
- **Sales relationship**. Sales might be talking to the wrong person, perhaps a weak champion who lacks the authority to move the deal forward. Or maybe a dysfunctional dynamic has developed from sales either abdicating power to the buyer early on in the engagement or alienating the buyer with an overconfident attitude. In either case, the type of

relationship that allows a deal to move forward hasn't been formed.

- **Competitive pressure**. Some seemingly stuck deals are really losses in the making, because the buyer is focusing on a competitive product. Since you lack visibility, you can't take action by escalating your tactics or writing the deal off as a loss.

Tips for Effective Facilitation

Remember that the goal of stuck-deal facilitation is to engage the buyer in a guided conversation that answers your key questions. Here are some tips to help you better perform stuck-deal facilitations:

Build rapport. Ask the buyers about their backgrounds. This eases them into the conversation and gets them comfortable talking. It also helps you understand them as buyers and gain greater insight into their points of view.

Ask open-ended questions. Avoid questions that lead to a simple yes/no or one word answer. You're looking for the reasons beneath their answers. The goal is to ask questions that get them to provide detail: What would a solution look like? How could your needs best be met? Can you describe your evaluation process?

Don't be afraid of silences. Resist the impulse to fill every silence with a new question or comment. Let the buyer fill the silence. You'll often find that people will provide more detailed and pertinent information than they originally intended when you give them the chance to fill the silence.

Test their assumptions. During the course of the interview, be skeptical of their responses. There is often a difference between their stated reasons and the underlying drivers. Don't assume the value of a specific need is high. Try to get that person to quantify it.

Facilitate, don't sell. Remember that this is not a sales call, it's a conversation. Treating it as a sales call will often cause the buyer to shut down and treat you with suspicion. That being said, if you determine that buyers have renewed interest during the course of the conversation, ask about the best way to meet their needs and what would be required to reopen a sales discussion.

Unstick the Future

Stuck-deal facilitations can reset the conversation by encouraging the buyer to think about your offerings with a fresh perspective—potentially reinvigorating the sales engagement to close deals you thought dead. But remember, that is not the goal behind them.

Implementing a stuck-deal facilitation program, modeled on techniques of win/loss analysis, negotiation and facilitation can help you discover where and why your deals are getting stuck in the first place and point you toward actions that will minimize stuck deals in the future. PM

About the Author

Alan Armstrong is founder and managing director of Eigenworks, and specializes in win/loss analysis for enterprise B2B companies. He has held director and vice-president roles in product management, marketing, sales and business development. In 2001, he cofounded the Toronto Product Management Association (www.tpma.ca), which is still thriving with more than 200 members. Alan is cofounder and key contributor to the blog, onproductmanagement.net. He can be reached at alan@eigenworks.com or www.eigenworks.com.

Tip from the Trenches

OF COURSE, THE BEST SOLUTION is to not get stuck in the first place. Veteran sales executive and coach Philipe Lavie of KeyRoad Enterprises suggests adding an expiration date on a proposal to allow sales to withdraw—and then reengage.

"How many times has your sales team actually withdrawn a proposal? It is so uncommon in B2B sales that it makes a very strong statement," says Lavie. "Too many reps let their prospects drive the process and do just about anything the buyer wants. You can't allow that. If your reps find themselves without leverage, it can be a powerful move to send a letter withdrawing the proposal on the date it expires. Tell the buyer that because things have not moved forward, you believe you have misunderstood their need or urgency and you want a joint reassessment of the situation. Then you can reengage on better terms."

This tactic generally elicits some type of response from which you can gauge the health of the opportunity. In best cases, this will let you shift back to discovery to determine what changed or what was missed. It may even help you gain access to new players with more authority to sign the deal.

Stop Guessing

Four metrics that show whether your content is working.

BY JAY BAER

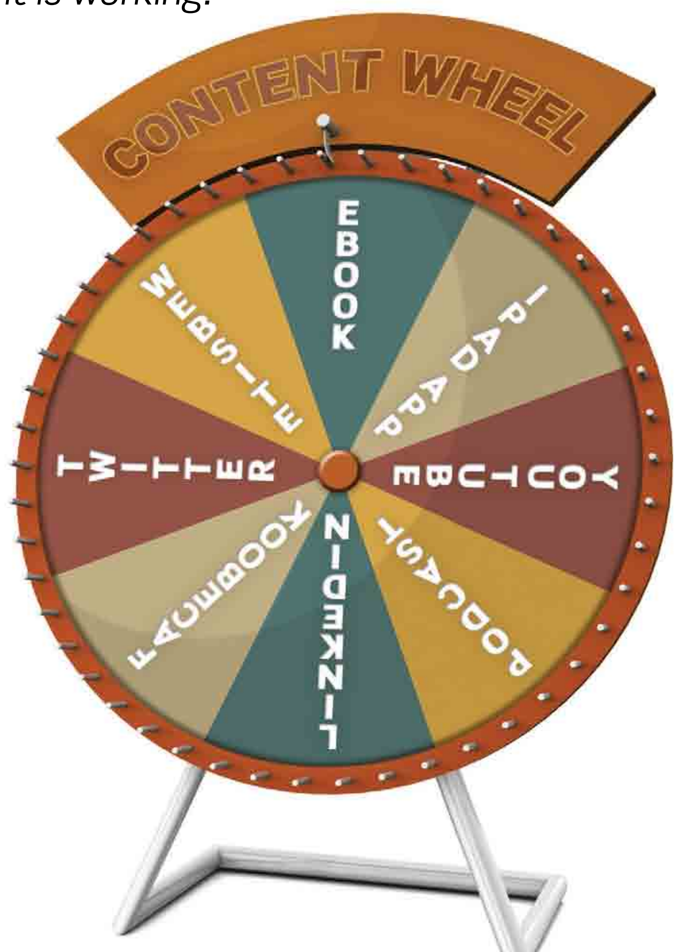
When it comes to content marketing, everybody tries to check off all the boxes, without really understanding why they're doing the content at all. Companies say, "We haven't done an eBook yet, we should do one of those." Or "I don't think we have a podcast yet; let's do that." We content marketers tend to think of ourselves as publishers, without keeping in mind one significant difference: The end goal is action, not eyeballs.

Content is the means, not the end, in achieving organizational goals. According to a recent survey, conducted by the Content Marketing Institute, those goals include:

- Brand awareness: 79%
- Customer acquisition: 74%
- Lead generation: 71%
- Customer retention and loyalty: 61%
- Thought leadership: 64%
- Engagement: 63%
- Website traffic: 60%
- Lead management/nurturing: 45%
- Sales: 43%

You have to deliver more than just content and noise to achieve those goals. Using the right metrics can help you determine if you are delivering the right content to the right people at the right time.

There are dozens of metrics out there. But I want to focus on the four types—consumption, lead generation, sharing and sales—that will help you understand just how your content impacts your business. Let's look at each of these categories, as well as how to calculate content-marketing return on investment (ROI) to help you achieve your business goals.



Consumption Metrics

How many people viewed, downloaded or listened to this piece of content

If you're just starting to set foot in content-marketing measurements, consumption metrics are typically the easiest to set up and understand.

In addition to affecting other metric categories, consumption metrics help you measure brand awareness and website traffic.

But don't stop there. Often, I see companies using consumption as the only layer of measurement: Look how many people read our blog post, downloaded our eBook or watched our video. Again, you are a publisher, but you are not in the publishing business. If you know that a piece of content that you created generated 3,000 page views, you should look beyond that to questions like:

- Do people consuming this content engage in other, more desirable behaviors on my site?
- Do they do so at a ratio different from site visitors overall?
- Do people consuming this content come back for more?
- Do they do so at a ratio different from site visitors overall?

If you don't know that these people are doing other more desirable things on your web site, and at a different rate than overall, then you are lying to yourself about the effectiveness of your content.

Consumption

Metric	How to Measure
Page Views	Google Analytics, Omniture, Web Trends or other similar web analytics programs
Video Views	YouTube insights or similar data
Document Views	SlideShare and Scribd
Downloads	Customer-relationship management (CRM) platforms (Eloqua, HubSpot, Marketo or InfusionSoft) or Google Analytics and other web analytics software
Social Chatter	Free services like Mention.net (my favorite) or paid ones like Radian6, Sysomos and Viralheat

Sharing Metrics

How the content resonates and is shared with others

Of all the places your content could reside, your site may have the least amount of traffic. Fortunately, the web has bred a culture of sharing, and this is totally measurable (if you look at the right metrics).

What organizational goals do we measure with sharing metrics? We look at brand awareness, because shares via Twitter, Facebook, LinkedIn, etc., create that ripple-in-a-pond impact so new people will see your content. We also address the goal of engagement.

Measuring sharing metrics is important for every organization. People who hate you almost never retweet you. And if somebody cares enough about the content to share it, chances are higher they will then do whatever you want them to do next, whether it is fill out the lead form, buy, etc. Sharing behaviors are often a marker for eventual lead generation and sales behaviors.

You should keep one thing in mind, however: Sharing metrics are often overvalued because they're measured publicly, in full view of prospects and competitors. Do you know why we care so much about the number of Facebook likes or retweets? Because all you have to do is go to the page, and there's the little odometer number. It's a very public contest. Assign an internal business value to sharing metrics, or you may get caught up in a competition that has no real impact on your bottom line.

You can also optimize sharing by making it easier:

- Place easy-to-use sharing buttons on every piece of content. Configure them to focus on the channels your audience uses most.
- Make sure any infographics you create are easy to embed.
- Embed positive Twitter comments on your website. That kind of social proof can encourage more sharing to happen.

Most importantly, ensure that you create content that's worth sharing. Data shows that there's been a sharp increase in the amount of content created. I will tell you, though, that we are sacrificing quality for volume. At my company, we recently moved from six blog posts a week to three. Talk about a counterintuitive decision. We knew the six weren't as good as they used to be because we fell into the trap of more, not better. Don't do that. This can't be overstated: If your mom wouldn't share your content, it's not good enough. And if it's not good enough to be shared, don't publish it.

Sharing

Metric	How to Measure
Likes, Shares, Tweets, +1s and Pins	Sharing tools to track, and web analytics programs for additional insights
Forwards	Your email provider and Google Analytics
Inbound Links *Somebody is sharing their inbound links with you*	Blogging software, OpenSiteExplorer, RavenTools and MajesticSEO

Lead-Generation Metrics

How often content consumption results in a lead

Lead generation is often an emphatic goal for content creation, especially in B2B.

You should also examine your conversion rate, how often visitors who consume content become leads. Conversion rate is key to viewing lead generation from the highest level. It comes in handy if you're comparing your overall website conversion rate to that of an individual piece of content.

For instance, if your overall conversion rate is 2 percent, the eBook that's converting at 1 percent isn't working as well as you might think. You need to know what your average conversion rate is, or you're tossing that number around in a vacuum. People ask me all the time: What's a good conversion rate or what's your industry average? You're not your industry, you're your company. Play your own game mathematically.

You also have to realize that not all of your content produces leads directly. However, all of your content can contribute to lead-generation behavior. Therefore, set goals in Google Analytics (or a similar data program) to measure how content contributes indirectly to lead generation.

For key behaviors that don't produce revenue immediately (like email sign-up), assign a specific dollar value. For example, new email subscribers = $5, podcast sign-ups = $10 and eBook downloads = $25. Set custom reports to show goals for each piece of content. Look at the new "page-value" data in Google Analytics, which assigns value to each page corresponding to how often it is viewed on the way to a conversion.

Lead-Generation

Metric	How to Measure
Form Completions and Downloads	Through CRM and URL tracking
Email Subscriptions	Email provider or CRM
Blog Subscriptions	Services like Feedblitz or your CRM
Blog Comments *These are leads because they provide data: name, email address and web address*	A strong comment platform like Disqus, Livefyre or one built into your blogging software

Sales Metrics

Whether the content actually earned any money

Ah yes, sales. The ultimate goal of your content marketing is (and always has been) to grow the business. Here, you'll find out how your content impacts customer acquisition and sales goals.

Remember, if you're going to track leads and sales, you have to do something trackable. To understand the impact of a Facebook status update for instance, you should include a call to action that is unique to that piece of content. I used to be on a theatre company board, and if we had extra tickets, we'd put a two-for-one password on Facebook and Twitter. We tracked who used the password with a post-it and a golf pencil. So it's not about the software, it's about doing something trackable.

Sales

Metric	How to Measure
Online	Through your ecommerce system, because you close the loop in a digital environment.
Offline	Through your CRM and unique URLs measured by your analytics program. Robust systems like Eloqua, Marketo and Hubspot will record which pieces of content your customers consumed, allowing you to put a dollar value on each component. If your sales reps close deals with a piece of paper or a phone call, they can plug those data points back into your system.

"If your mom wouldn't share your content, it's not good enough."

Return on Investment

Now that you have metrics, let's talk about the topic everybody is always most interested in: ROI. Content ROI should be calculated at the component level, not the program level. There is no inherent ROI of content marketing. Rather, you have an ROI for each piece of content that can then be rolled up to determine an overall ROI. To understand the business impact of your content marketing, start out by calculating the investment. Then calculate the return and use these numbers to find the ROI. Here's an example with a hypothetical blog:

Step 1: Calculate the investment.

- Multiply the hours per month needed to create the content by the hourly pay rate of the employees or contractors used to create the content.
- Multiply that result by the overhead factor. This accounts for rent, insurance, utilities, etc., and is often 50%. Thus, a $20/hour employee is really a $30/hour employee when overhead is factored into the equation.
- Add all other costs, such as design fees, hosting fees, subscriptions, software, etc. Allocate them to a content program specifically, or amortize them monthly and spread the costs evenly across each content program.

Example:

$40/hour x 40 hours = $1,600
$1,600 x 50% overhead = $800

labor cost	$1,600 + $800
design	$1,000
hosting	$100
+ misc	$100

true monthly blogging cost = $3,600

Step 2: Calculate the return.

- Multiply your leads per month by your lead conversion rate (LCR), average lifetime customer value and average profit margin.

Example:

25 leads x 20% conversion	= 5 customers
5 customers x $3,000 LCR	= $15,000
$15,000 x 30% profit margin	= $4,500 true monthly blogging return

Step 3: Calculate ROI.

- Subtract the investment from the return. Then, divide by the investment.

Example:

$4,500 - $3,600	= $900
900 ÷ 3,600	= .25
ROI	= 25%

ROI is a formula just like temperature is a formula, and you can't put a spin on it. The 25% in this example is the exact ROI of that blog, and you should run that same calculation on every piece of content that you do.

Sometimes, you just can't close the loop on ROI, because you're missing data points. For that, there's the correlation approach. To use this measurement strategy effectively, you must:

- Track everything over a long period of time.
- Take note whenever anything changes, including PR coverage, website updates or new radio campaigns, for example.
- Track multiple revenue data points, including total leads, new customers, average order size, churn and total revenue.
- Look for patterns that indicate your content is working (e.g., when revenue went up, content consumption and sharing metrics also went up).

The correlation approach isn't an exact science. But it gets content marketers further than doing nothing at all, making it an important and viable alternative.

"Content is the means, not the end."

Content Achieves Business

Remember that for every blog post, podcast, infographic or photo, if your mom—who pretty much gives you the benefit of the doubt and loves you unconditionally—won't share your content, it's just not good enough.

Beyond that, content is the means, not the end. You should frame your motivation for content marketing with that in mind. Our goal as content marketers isn't to be good at content; it's to be good at business because of content. So measure your content to make sure it achieves your business goals. PM

About the Author

Jay Baer is a hype-free digital marketing strategist, speaker and author. He founded Convince & Convert, a Bloomington, Ind.-based marketing services firm, in 2008. He has consulted with more than 700 companies on digital marketing since 1994, including Caterpillar, Nike, California Travel & Tourism Commission, Billabong, and 29 of the Fortune 500. He was named one of America's top social media consultants by *Fast Company* magazine. He's co-author of "The NOW Revolution: 7 Shifts to Make Your Business Faster, Smarter, and More Social" (Wiley, 2011). His new book, "Youtility," will be published in June, 2013.

Metrics Boosting Tips

MAKE EVERY PAGE YOUR HOME PAGE. This idea that you're creating content for this loyal audience is bunk. Only a very small percentage of people come back time and time again, and the vast majority are dipping into your content and have no idea who you are. I always tell people that every page on your site is a home page. Every single piece of content you've ever created is potentially the first piece of content anybody has ever consumed from you, so make it good.

FREE YOUR CONTENT. Joe Chernov, vice president of content at Eloqua, says, "Forms are the enemy of spread." If a peer wants to gather customer data before allowing downloads, you need to challenge them on that point if you care about awareness and website traffic. (If your goal with content is clearly lead generation, however, then you do need forms.)

DON'T BE A CONTENT HOG. Instead be a digital dandelion. If you've got good content, a good story or good ideas, it needs to be in as many places as you can possibly put it—not just on your site. For example, SlideShare has more website traffic than you do, why not put your content in a place where way more people are going to see it? There is no pride of ownership in content, especially if what you care about is consumption metrics.

REMEMBER CUSTOMER RETENTION. Your most important content audience is your current customers, because they have to continually affirm the decision they've already made to buy what you sell. If you can design a program that uses content to increase your customer retention rate, that's where the real money is folks. Smart companies use sophisticated CRM systems to track what content is consumed by customers and measure the impact of individual content components on retention and renewal rates. And when you have a new piece of content, make sure your current customers get special access to it first.

Gamify!

The days of all work and no play are over.

BY MICHAEL STRATFORD

Remember when you were a kid "playing pretend" with your friends? The old oak tree in the backyard became a spaceship, a patch of dirt was another planet and, of course, beware of the invisible aliens.

In order to play in that pretend world, you would make up rules and "winning" would let you know you were playing well. We would even have a name for what we were playing, however inaccurate or goofy it might have been.

As an adult, it's not called "playing pretend," it's called "gamify," a word that has been trending over the past year. Many of the definitions out there are quite scholarly and researched, but mine is simply this: To gamify is to approach a task, an experience, a challenge, a project or even life itself as the game it is—and then make it even better.

"But no, games are frivolous, and life is serious business," you say. But business is the ultimate game and we've been making up the rules for years. We've evolved the definitions of how to win and even how the players can make moves in it. Unfortunately, business has focused on the "work" and not on the play—one of the key components of successful games. Regardless of the level of investment of time, energy, emotion and resources, people won't stay without play. They want fun to be part of the experience.

The Importance of Engagement

When my son was young, I watched him stack blocks for hours. He was accomplishing a task, using intense concentration. He was learning about things like gravity, hand-eye coordination and balance. He was dedicated in a way that most employers can only wish their staff was.

A recent Gallup poll found that 71 percent of American workers are disengaged, and consider this:

Over the past several decades, business and psychological researchers have identified a strong relationship between employees' workplace engagement and their respective company's overall performance (Gallup, Oct. 28, 2011).

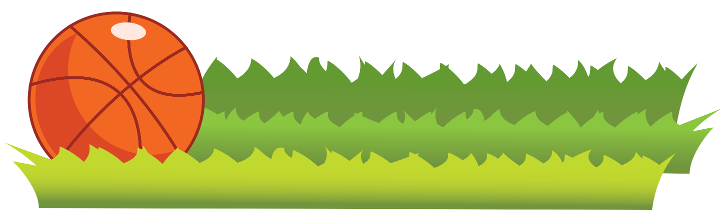
This is even more significant because plenty of surveys on employee engagement over the last 10 years show that employee disengagement has increased despite all the awareness and initiatives.

Now I pose this question for you: Has anyone ever had to motivate you to be engaged in a game? Most likely no. In fact, parents these days regularly complain that they can't get their kids away from playing at the computer for hours on end, much like our moms had to call us in repeatedly from playing outside.

So here's one key point to remember: People deeply engage in games because they are having an experience they enjoy having. And gamification in business can produce results.

Online players of a game called Foldit figured out the structure of a type of protein that is crucial to the replication of HIV—a puzzle that AIDS researchers have tried to solve for years (*Time* magazine online, Sept. 19, 2011).

If the game board doesn't suit, then the experience will be one of struggle.



In another instance, Ross Smith from Microsoft created the Language Quality Game and recruited company employees from all over the world to play, reviewing Windows 7 dialog boxes and getting points for each "suspicious bit" of language. The results? As many as 4,500 people played on their own time with no additional pay, logging 6,700 bug reports that allowed for hundreds of fixes. And they had fun doing it, while still holding up their job responsibilities. (Source: "For the Win" by Kevin Werbach and Dan Hunter, Wharton Press, 2012).

These are just two of the many examples of how gamification of business can produce results. It's real-world evidence of how gamifying one's approach to a challenge can not only create more productivity, but also create a more engaged work force. We need to recognize the innate power of play and of games for creating engagement and focus.

Get Gamifying

If work felt more like a game, instead of something you have to trudge to and from, people would naturally engage more. To get started gamifying in your workplace, you need to incorporate the seven key elements of a game.

Play. Without a sense of fun, without the game feeling like the best they've played since they were kids, you're wasting your time. It is and always will be about the experience. If gamification is attempted purely as a productivity/engagement manipulation, it will fall flat. It has to be genuinely designed to produce a fun experience.

Rules. Rules are structure. A lot of people don't like the notion of rules, but rules are necessary. Without them, someone could run on the basketball court with a baseball bat and club a player attempting to shoot. The key thing to remember about rules is that you're already playing by them in whatever business you're in. The question is: Are those rules allowing employees to have the experience that will create engagement? In most cases, if the company or the industry has been around for a while, the answer will be some version of "no."

The second thing to remember about rules is that they can be changed, bent or even broken. We tend to play games by the rules, forgetting that the rules exist because we made them up in the first place. Amazon Founder Jeff Bezos became successful by breaking the rule that said you have to have a retail location to sell books. But at some point in the history of human beings, there was no such thing as a bookstore to begin with.

Name of the game. Having a name provides focus and direction. Basketball is played with a basket and a ball. In the Microsoft example, it was called the Language Quality Game. Yup, it was about language quality.

Winning defined. This one is a bit tricky in that companies typically go for a win that is bottom-line defined (dollars of revenue or percent of market share). However,

that may not mean much to an employee. Discuss what would not only be meaningful wins to the company, but also make the game worth playing for employees. Consider the definition of winning on both a tangible and intangible level, because it's the intangibles that will affect how deeply engaged people get when they play.

Environment. This is the board, the court or wherever the action takes place. Whatever it is, it needs to support the experience.

If the game board doesn't suit, then the experience will be one of struggle. Imagine a basketball court that is made of grass instead of wood. It would make a big difference in how you play. Pick your board appropriately for the experience you want to be having. Consultants will often take the game off-site, because they know that if they're going to initiate a much-needed paradigm change, a different environment will support it better than the one people have been playing in.

How to play. This is about the moves and what one can and can't do. It may sound like rules, but it also involves improvisation. For example, there are a number of moves sitting in a playbook for quarterbacks to learn, but the great ones know that the "right move" is really contingent on the opponent's moves. They may well have to "call an audible" or improvise, based on what they see.

Players. Every game has one or more players. What's most important about players is their attributes and skills. Are the players on your team of championship caliber? If they aren't, are they developable or trainable? If not, what are you prepared to do about it?

There's no point in attempting to have your company win your version of the championship with players who aren't up to the level they need to be. Everyone is much better off with them being somewhere else.

In designing your game, ask yourself what qualities you need in your players to win. And by the way, check in to see if your own personal game is up to snuff. Nothing defeats a team more than being asked for something that isn't modeled as game-winning behavior. Remember, even viewing your employees as players in your game (along with your vendors and customers) can change how you interact with them.

Here's one big tip: If you really want to go at this gamification thing, then you have resources all around you. Talk to people you know who play online games or even your own kids. Take the time and ask them how those games work. Ask them what keeps them playing. Listen. Study the games. And remember that games need to be genuinely designed to produce a fun experience. There must be sufficient challenge, a clear potential for winning, a sense of autonomy and a clarity of process for moving up the leaderboard. PM

About the Author

Michael Stratford is a leader in coaching, coach training and development. He has trained more than 6,000 coaches worldwide and authored curriculum for many coach-training organizations. Most recently, he co-developed the "Core Dynamics Coach Training" curriculum with Tom Stone, the founder of Human Software Engineering. He has worked with individuals and groups on leadership development at Cisco Systems, Ford Motor Company, General Motors, GE, The Whirlpool Corporation, Wells Fargo, and Blizzard Entertainment. He has written four books on coaching and is currently writing "Quintessential Leadership: 5 Timeless Practices for Leaders." He can be reached at michael@michaelstratford.com.

Measure What You Manage

Make your company strategy the root of all your team does.

BY KIRSTEN BUTZOW

A bad product release is a good reminder of the importance of making teams accountable for happy customers. I found that out the hard way when 1,400 calls were backlogged at the customer support help desk within a week of a product release.

A typical call backlog was 75-100 calls, so we knew something was seriously wrong. But the head of development didn't believe it was a problem with the release.

Instead of escalating into finger pointing, I asked him to have his developers listen in on customer calls for two hours. When they did, they were blown away by the pain we were causing. The product was fixed within a week.

This experience really tightened our integration with development. As an organization, it illuminated how disconnected from our clients the product we were putting into the marketplace had become. That realization led us to change how we measured product management and used customer support information.

For product management, it drove us to require onsite visits as an integral and ongoing part of product management's job. They had to provide monthly indicators of being in the market, with a quota of nine call reports for onsite visits each quarter. If they traveled, I didn't approve their expenses until they filed that report.

For customer support, we continued to look at all the usual suspect information to measure customer support in our monthly dashboard report: number of calls, response time, how fast issues were resolved and average hold time. It was probably one of the most measured parts of the business, but we had been missing the anecdotal information and how to integrate that into our business.

We realized how critical it is to give our entire organization touchpoints out into the market. The developers took a level of ownership in that product that they never would have taken had they not heard what those customer service people were having to deal with every single day.

We required everybody in product management, development and marketing to sit in on customer support calls for one hour per month. That connected the market with all functional areas of the business.

Before this, the customer-support team felt beat up, since nobody calls to tell them when the product's working really great. All of a sudden, their role as the focal point where customers called into the business was given the value it deserved. Suddenly, everyone started to feel ownership in our overall corporate strategy.

Cascading Goals

The onsite visits and the time in customer support ensured we were in line with market needs, but we also needed to ensure we were on track with the strategic direction of the business.

For example, the division president said our goal was $65 million in revenue, with a 60/40 split between our existing customer base and new sales. I then cascaded those goals down to my 100-person product management, marketing and customer operations teams.

I defined how much of that $65 million each of our product lines and the product managers would be responsible for. From there, they knew what we had to accomplish in terms of dollars and which features the products needed to get that business. I expected them to demonstrate what contributions their individual products were going to make to help achieve our financial goals and the tactical activities they were going to employ to get us there.

The key artifacts that drove their accountability were a roadmap and a business plan. Depending on the business, they had to have a 12 to 18 month vision. (Anything beyond 18 months, and I knew they were just making stuff up.) They had to keep updating these on a quarterly basis.

From a product profitability perspective, rather than net margin, my product managers were accountable on gross margin—since product managers usually can't have a direct impact on fixed expenses, such as the cost of building space or utility bills. I expected them to be aware of both, though. As a department, we had gross-margin goals, and each product manager was responsible for renegotiating contracts to get better rates on things like third-party software to help us get there.

In short, we took the $65 million financial expectation for the team and translated that down to each individual employee's ability to contribute to making that goal happen.

Goals should be aligned to the corporate strategy. There has to be a direct correlation between the product management's product and the contribution it's making to the company. Nothing drives me more crazy than a company that says they're going to increase revenues by 10 percent, without correlating it down to the product level and individual accountabilities. You have to understand where that 10 percent is coming from and what specific actions you are taking to get that 10 percent.

By being aware of goals, you end up with results that you can measure. PM

About the Author

Kirsten Butzow has 20 years of experience at leading technology companies, including Fujitsu, Pearson and most recently Blackboard. She has held vice president roles for the past 10 years, allowing her to bring a strong executive perspective to her role as a Pragmatic Marketing instructor. She has directed product management portfolios, created business plans and strategic product roadmaps and implemented many aspects of the Pragmatic Marketing Framework. She brings this firsthand experience to every course she teaches.

A PRAGMATIC APPROACH

Put this issue's ideas into action.

Know When to Bring in Product Marketing

Enhance your company's go-to-market strategies and organizational readiness.

Dave Daniels

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Be the Voice of the Truth

Instead of just raising issues when speaking truth to those in power, provide solutions.

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Put Plans in Motion

Set mentorships up for success by having a monthly plan in place.

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Even Rock Stars Have Backup Bands

When hiring, how the person fits in with your team is as important as their qualifications.

Saeed Khan

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Share the Wealth of Knowledge

Communicate information gained by talking to the market to enable more collaboration.

Colleen Tiner

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Step It Up

To get the role you want, volunteer for some related tasks.

Rich Mironov

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Keep Your Eye on the Prize

When interviewing prospects in "stuck deals," remember your goal is to close more deals—not this particular one.

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Use Mom As a Metric

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No Rules About Rules

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Ensure revenue goals include where it should come from and what actions to take.

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