Data Culture as a Product.

Data Council '24
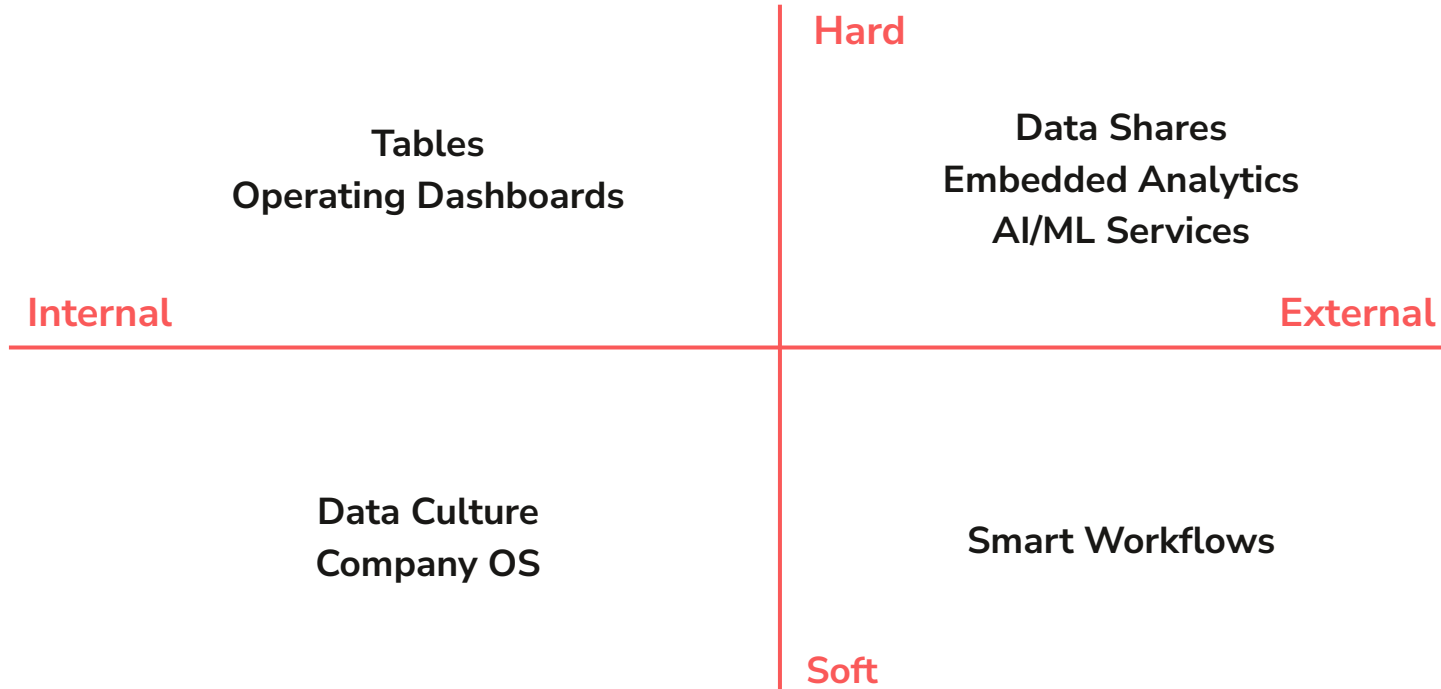
Abhi Sivasailam
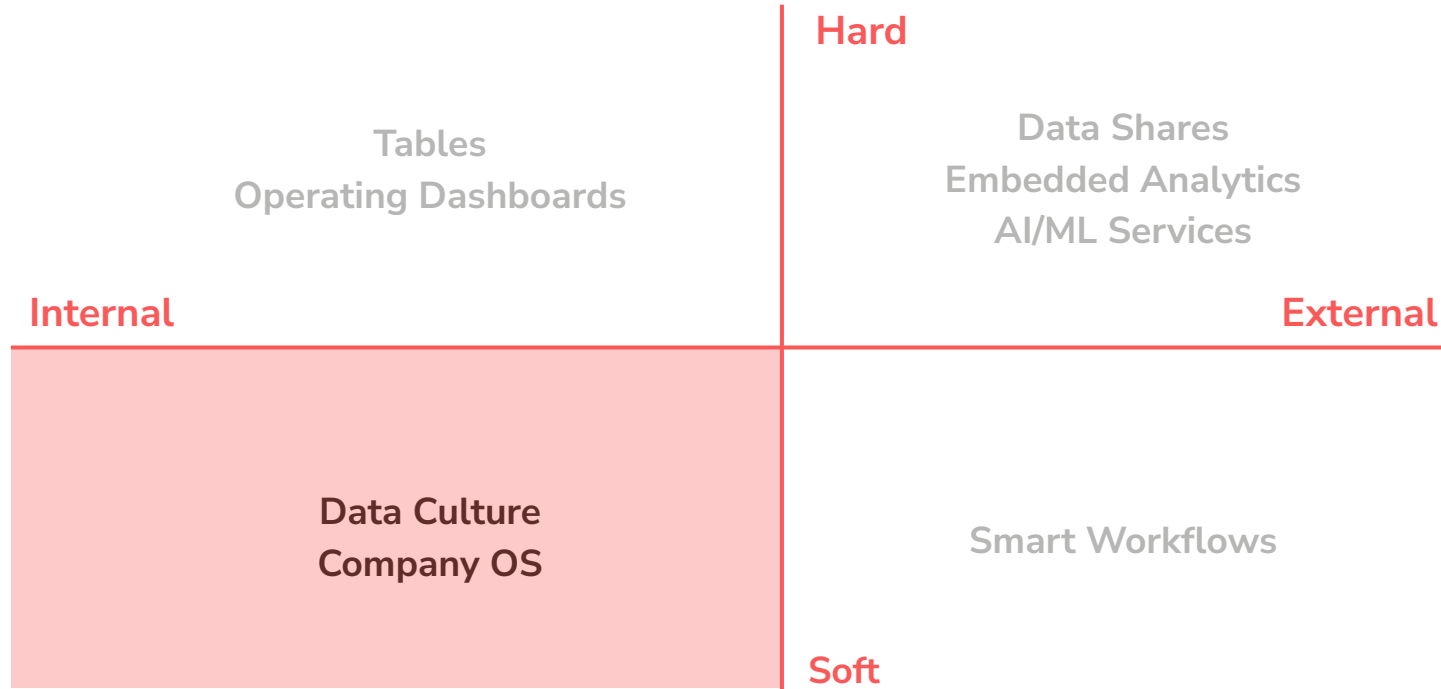
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What we're going to talk about:

1. Data teams build **products**.

2. One of the most important products is **culture**.

3. Product-building benefits from **product-thinking**.

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Data practitioners create four types of products:

Hard

Tables
Operating Dashboards

Data Shares
Embedded Analytics
AI/ML Services

Internal

External

Data Culture
Company OS

Smart Workflows

Soft

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For most companies, "data culture" is the most foundational and the most valuable.

Hard

Tables
Operating Dashboards

Data Shares
Embedded Analytics
AI/ML Services

Internal

External

**Data Culture
Company OS**

Smart Workflows

Soft

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How might a Product Manager approach "data culture"?

1 **Start with Outcomes**
Define the value we want to enable for our users.

2 **Design for Jobs**
Understand the Jobs users want to perform in service of that value.

3 **Launch and Grow**
Getting users to adopt, get to value, activate, and retain.

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01: Start with Outcomes

Why are we building?

When we talk about "data culture", we are really talking about "decision culture".

Companies are **decision factories**. In the long run, they succeed and fail based on:

- The **quality** of the decisions they make;

- The **speed** with which they make them; and

- The **ease** with which they react and iterate.

Consistently making and acting on quality decisions easily and quickly requires each of the following to be true:

1 **Shared context.**
Teams see reality *clearly*, *comprehensively*, and *uniformly*.

2 **Predictability and auditability.**
The consequences of past decisions are easy to monitor and understand; the implications of potential decisions are easy to forecast.

3 **Decision inputs are diffuse.**
The capacity to propose and decide is distributed widely throughout the levels and teams within the organizational hierarchy.

4 **Right is right.**
It is minimally more difficult to make decisions that are high-stakes, unpopular, or unprecedented.

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Data can help.

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Data is valuable *insofar as it makes a healthy decision culture possible*.

Orgs need help in different areas, but these outcomes tend to follow a sequence. We usually start here.

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02: Design for Jobs

What do we build?

What do our users do today and want to do in service of these outcomes?

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We can express the needs of our users as their Jobs-To-Be-Done.

When _____ I want to _____ so I can _____.

Situation   *Motivation*   *Outcome*

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Every role in a company has a set of JTBDs around making decisions and using data effectively.

As a CFO

When adjusting monthly plans

I want to identify the best opportunities to improve the performance of KFIs

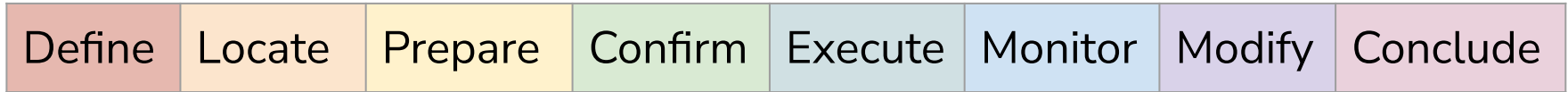**so I can reallocate capital across teams.**

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We can catalog these.

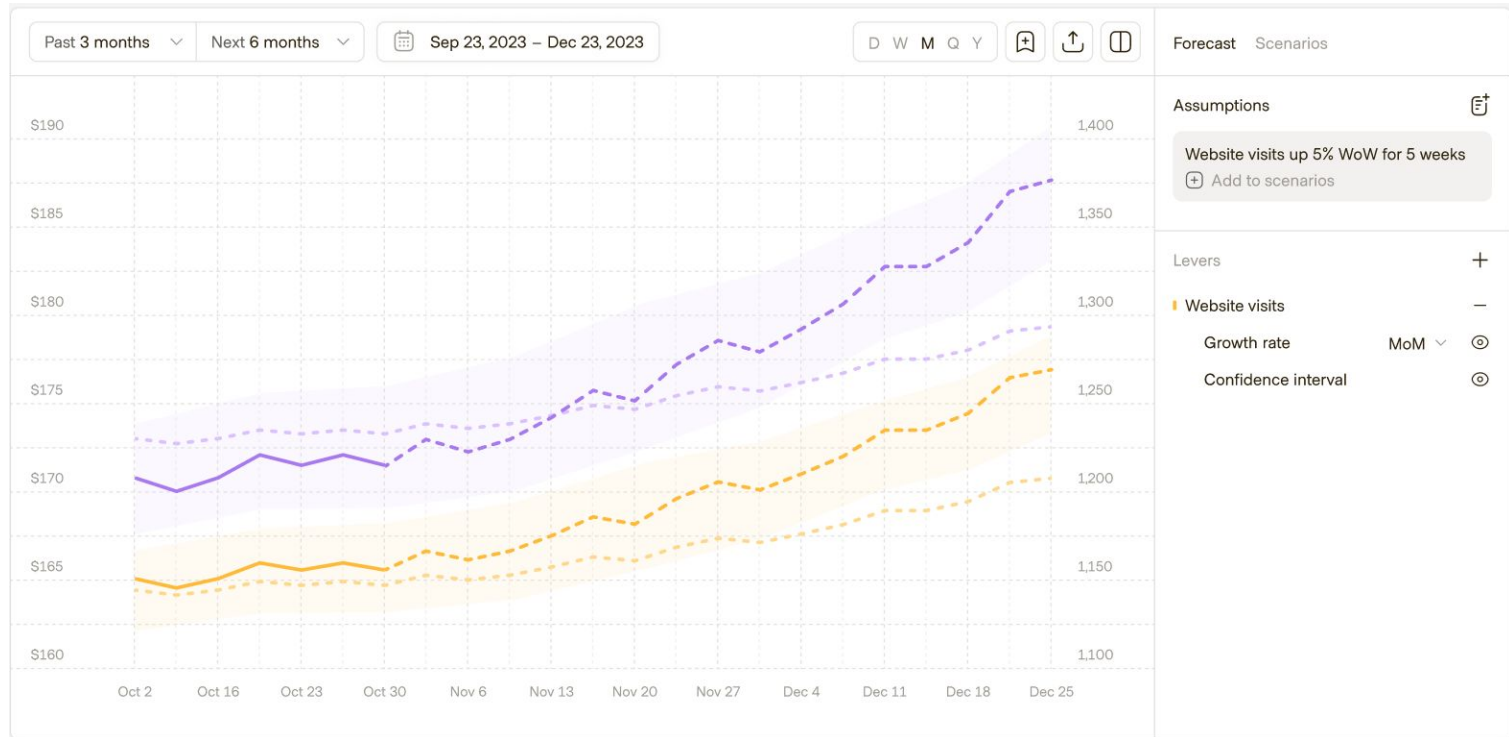| People			Jobs
Org	**Operator**	**Category**	**Statement**
Finance & Data	CFO	Monitoring	Monitor Key Financial Indicators and their actual and forecasted progress against targets.
Finance & Data	CFO	Forecasting	Forecast Key Financial Indicators
Finance & Data	CFO	Modeling	Model the impact of business drivers, KPIs, and operating metrics on financial performance.
Finance & Data	CFO	Forecasting	Forecast KPIs and operating metrics that contribute to Key Financial Indicators
Finance & Data	CFO	Sharing	Produce financial reporting in compliance with financial regulations and standards.
Finance & Data	CFO	Managing	Support executive partners with prioritizing investments of human and financial capital based on ROI, cost-benefit analysis, and long-term strategic con:
Finance & Data	CFO	Explaining	Identify the drivers of performance gaps for and variance in, Key Financial Indicators.
Finance & Data	CFO	Planning	Identify the best opportunities to resolve performance gaps in Key Financial Indicators.
Finance & Data	CFO	Explaining	Create shared visibility around the root causes of performance gaps in Key Financial Indicators among business function/unit leaders.
Finance & Data	CFO	Managing	Create accountability to resolve performance gaps in Key Financial Indicators among business function/unit leaders.
Finance & Data	CFO	Acting	Provide data-driven recommendations around potential initiatives and investments to executive partners.
Finance & Data	CFO	Managing	Identify and manage financial risks as they emerge.
Finance & Data	CFO	Planning	Develop contingency action plans for negative financial shocks and contigencies.
Finance & Data	CFO	Acting	Coordinate cross-functional action to address negative financial shocks.
Finance & Data	CFO	Planning	Approve department budgets based on company-level financial plans.
Finance & Data	CFO	Uncategorized	Recommend and implement cost-cutting initiatives to improve profitability.
Finance & Data	CFO	Sharing	Manage relationships with financial stakeholders.

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And document "metadata" to help us reason about the context of each Job.

Current State	
Trigger	End of month portfolio review.
Solution	Manual analysis with Head of FP/A.
Satisfaction	Low
Importance	High

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And "Steps" that help us reason about how the work happens.

Define	Locate	Prepare	Confirm	Execute	Monitor	Modify	Conclude

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Finally, we can use all this context to define new products, features, and capabilities.

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This is great, but a catalog can have 100s of JTBDs. Where do we start?

| People			Jobs
Org	**Operator**	**Category**	**Statement**
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How do we prioritize all these JTBDs?

1. By how well they're served today.

2. By the leverage they provide for other Jobs.

To understand how <u>well Jobs are served today</u>, we need to understand the *satisfaction* and *importance* around those Jobs.

Current State	
Trigger	End of month portfolio review.
Solution	Manual analysis with Head of FP/A.
Satisfaction	Low
Importance	High

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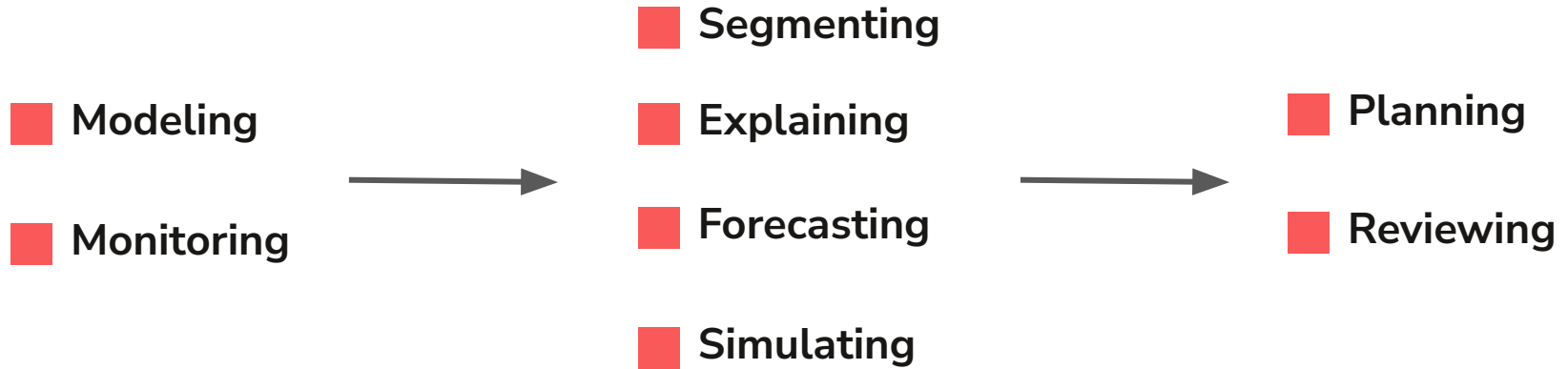# And plot these for all the Jobs we've identified.

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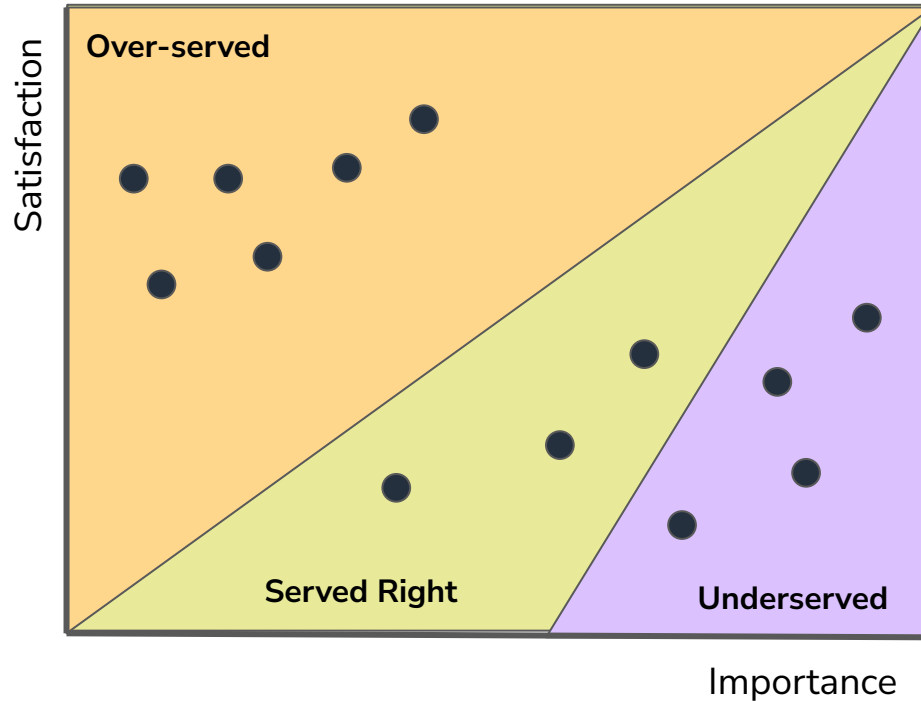
To understand the <u>leverage of different Jobs</u>, it helps to recognize that operators perform 8 types of "*Data Jobs*".

🟥 **Modeling**   🟥 **Monitoring**   🟥 **Segmenting**   🟥 **Explaining**

🟥 **Forecasting**   🟥 **Simulating**   🟥 **Planning**   🟥 **Reviewing**

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These Jobs have a natural sequence:

Modeling

Monitoring

→

Segmenting

Explaining

Forecasting

Simulating

→

Planning

Reviewing

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And a natural point of leverage.

Modeling

Monitoring

Segmenting

Explaining

Forecasting

Simulating

Planning

Reviewing

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[Growth] Modeling makes *Data Jobs* easier:

Metric Tree

Monitoring; Segmenting

Forecasting

Explaining

Total MRR
$645,210
▲ 5.39%

Services Revenue
$10,250
▲ 15.21%

New Customers
210
▲ 6.9%

ASP
$4,502
▼ 0.65%

Leads
6,201
▲ 12.9%

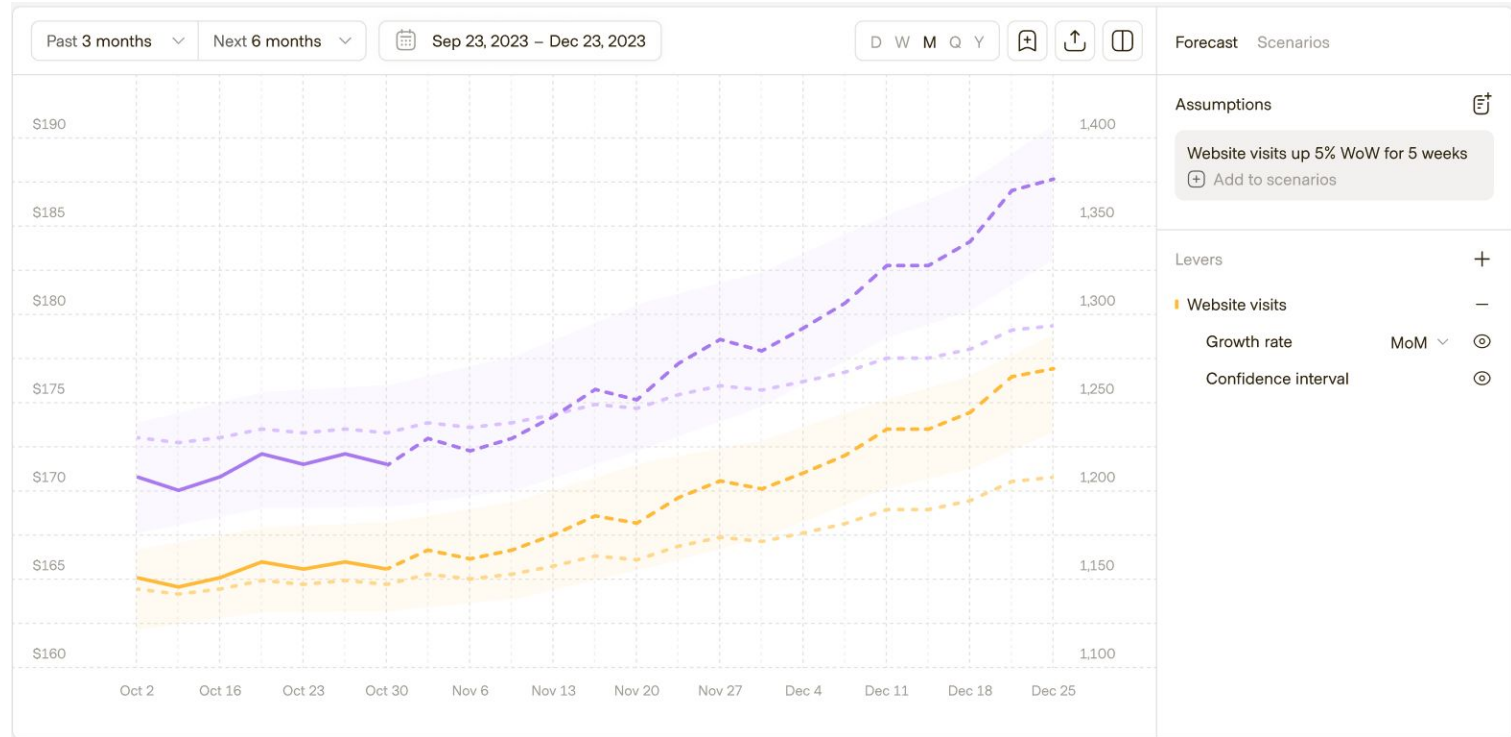| Win Rate |
| --- |
| **56%** |
| ▲ 2.29% |

Speed to Lead [NEW]
118s
▲ 1.9%

Simulation

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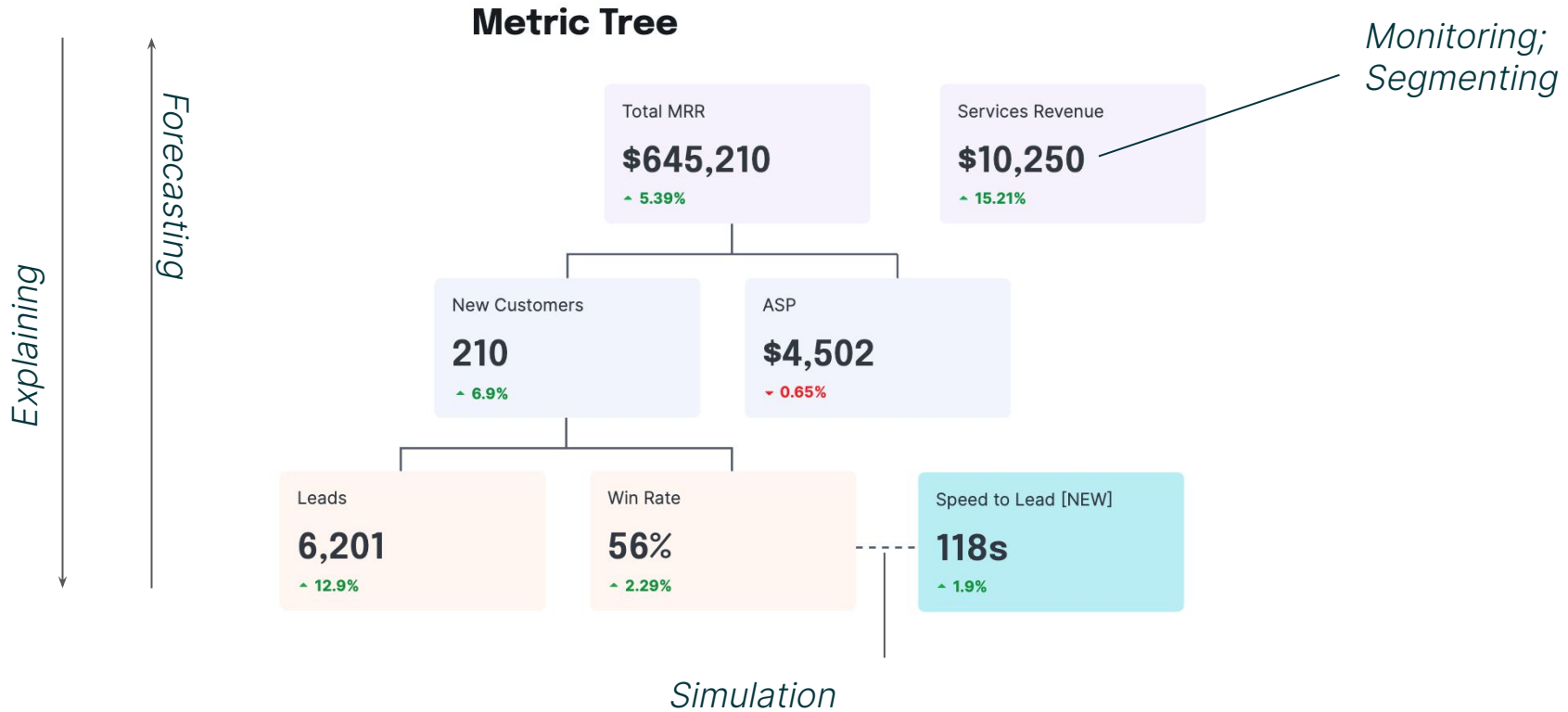
The foundation for all *Data Jobs* is expressive, reliable <u>metrics</u> and a <u>growth model</u> of their relationships.

Our *Opportunity Simulator* is only possible with <u>metrics</u> and a <u>growth model</u>.

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03: Launch and Grow

How do we get users to adopt, activate, engage, and retain?

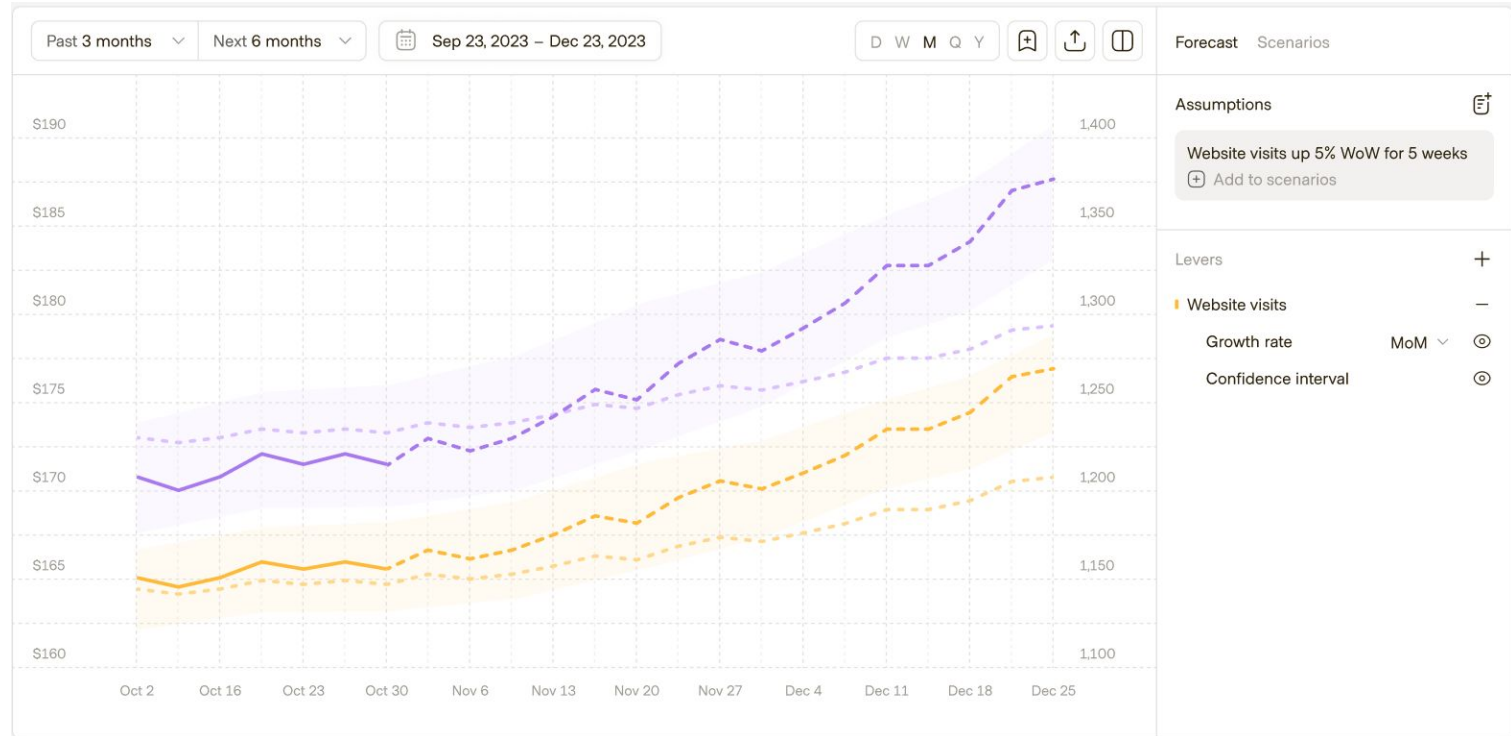*Adoption*, *Activation*, *Engagement*, and *Retention* are always and everywhere about <u>behavioral change</u>.

Driving behavioral change requires a behavioral model.

Adopt and Activate		Engage and Retain
Motivation	**Friction**	**Habit Formation**
Push	Cognitive Friction	Compounding Benefits
Pull	Interaction Friction	Mounting Losses
Habit	Emotional Friction	Value Expansion
Anxiety		

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To drive adoption and activation, we consider the role Motivation and Friction play for each persona for each product.

Adopt and Activate		Engage and Retain
Motivation	**Friction**	**Habit Formation**
Push	Cognitive Friction	Compounding Benefits
Pull	Interaction Friction	Mounting Losses
Habit	Emotional Friction	Value Expansion
Anxiety		

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For our *Opportunity Simulator*, we needed to overwhelm <u>Habit</u> and <u>Cognitive Friction</u>.

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To drive engagement and retention, we try to entrench products in key workflows.

Adopt and Activate		Engage and Retain
Motivation	**Friction**	**Habit Formation**
Push	Cognitive Friction	Compounding Benefits
Pull	Interaction Friction	Mounting Losses
Habit	Emotional Friction	Value Expansion
Anxiety		

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The most powerful key workflows to build into are **The Big Two**.

Business Reviews

Planning Cycles

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For our *Opportunity Simulator*, we embedded this as a resource for <u>Monthly Business Reviews</u>.

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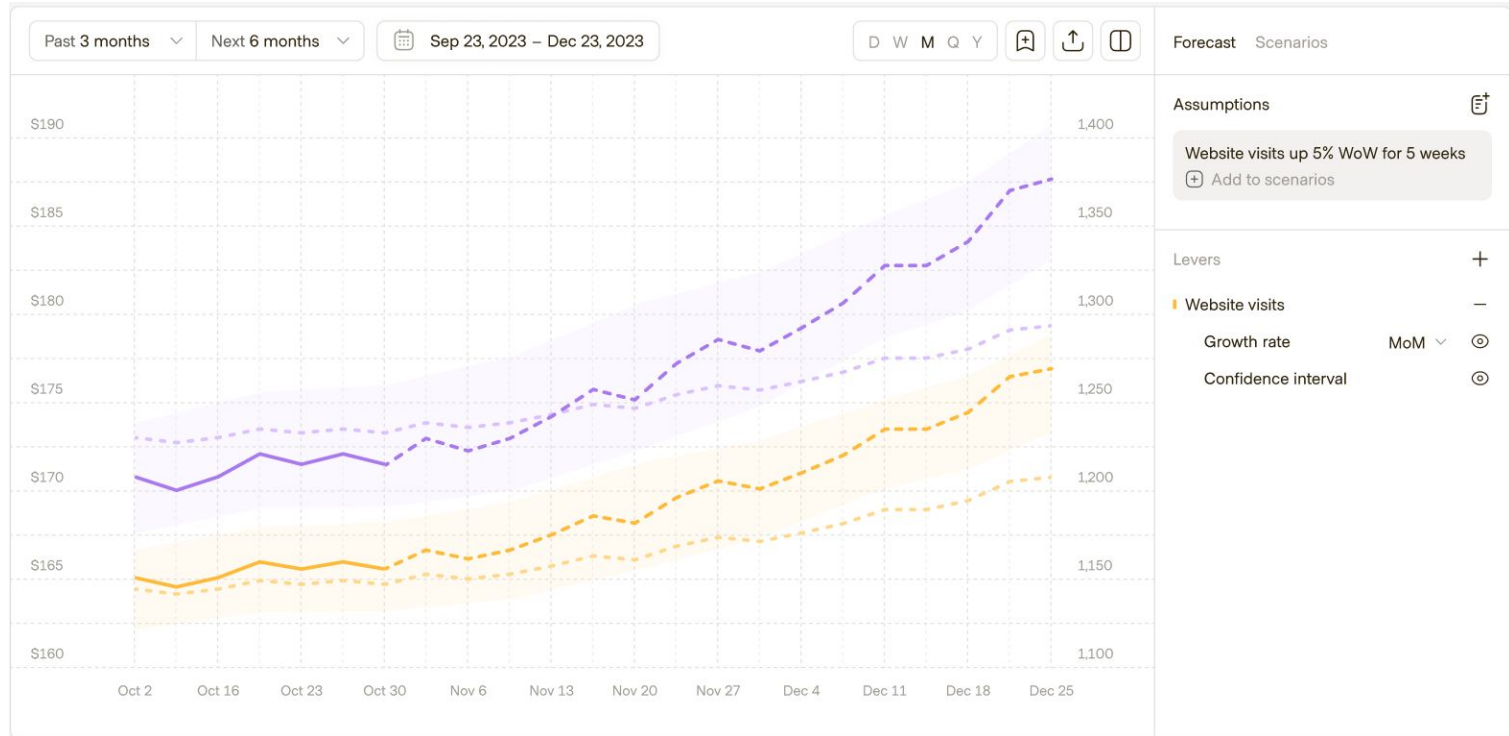
What we learned today.

01 Data teams build **products**.

02 One of the most important products is **data culture** itself.

03 Product-building benefits from **product-thinking**.

04 Product-thinking steps: **Define > Design > Grow**.

05 Define: The outcomes we care about are **decision culture outcomes**.

06 Design: we can understand and prioritize user needs with **JTBDs**.

07 Grow: getting people to use what we build is a **behavior change**.

THANK YOU 🙏

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