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Optimizing Product Management™

Product Team at Jabil Realizes Significant Savings in Cash Flow after Investing in Product Management

The Journey to Working Smarter and More Efficiently after Customized Training with 280 Group

JABIL

Challenge:

Improve the process of forecasting, planning, and developing digital supply chain solutions to meet evolving needs of internal clients.

Impact:

Created an inventory claims management application used by thousands that drives significant cash flow recovery for Jabil.

Outcome:

Adopted Product Management and Agile development processes and created a foundation and common playbook for efficient application development.

280 Group recently had the opportunity to work with the Digital Supply Chain Solutions team at Jabil, a global manufacturing services company. Our job as teachers and advisors is to provide knowledge and tools, but our clients are the ones who build the products that matter — products that customers love and achieve breakthrough business results. After starting the path of investing in skill and process building, this Product group at Jabil overcame the trepidation of transformation to become a high-performing team, delivering significant efficiencies and cash flow savings every quarter. This is their story.

Primed for Change

Jabil is one of the world's largest contract manufacturers, with over 260,000 employees spanning the globe and more than $27 Billion in annual revenue. The company's client base spans multiple technology-forward sectors, including Healthcare, Consumer Electronics, and Defense and Aerospace. Many of the world's leading brands work with Jabil, including Apple, Tesla, Amazon, and Johnson & Johnson. Jabil's tagline, "Made Possible, Made Better," underscores its success in being a forward-thinking manufacturing company and applying innovative technologies to generate value for clients.

Supply chain efficiency is one of the most important performance indicators for a manufacturing solutions company. Inefficient component and material purchasing is one of its major operational risks. According to Jabil's 2020 annual report, "A shortage of components or an increase in price could interrupt our operations and reduce our profit, increase our inventory carrying costs, increase our risk of exposure to inventory obsolescence and cause us to purchase components of a lesser quality."

To mitigate such risk, Jabil's Digital Supply Chain Solutions team created an innovative solution to improve the company's excess and obsolescent inventory claims management system, using advanced machine learning techniques. Led by Simon Yannopoulos, the team then applied this technology to look forward, analyzing roadmaps to predict when a certain technology or part may become "obsolete." Identifying such risks proactively ensures Jabil and its clients continue to manufacture the best technology and products, reducing these risks and costs while improving efficiency.

Yannopoulos knows the mission critical role his team plays- both when they succeed, and when they don't. Just a few years prior, the team felt the pain of attempting to launch a highly innovative platform but was ultimately unsuccessful.

"There was a lot of frustration on my team," he recalled. "There was distinct lack of visibility and engagement with no clarity on timing or feature priority, making it extremely difficult to forecast and plan for releases. The planning cycle was about as accurate as throwing darts at a board."

Yannopoulos added that the lack of clarity around roles and priorities was also affecting the team's efficiency and ability to deliver a product that their customers would love and find useful. Rather than ignoring what was wrong in their process and continuing the status quo, Yannopoulos made the launch failure a catalyst for change. He looked to bring on an external partner to help navigate them back on track.

A Proven Partner with a Plan

He took steps to find a product management expert team that could train his group on a proven product management framework that could be customized for Jabil's industry and met the following requirements:

- Provided a solid foundation in product management and Agile practices

- Clarified team roles and responsibilities

- Explained how to operate an effective planning cycle, forecast, and develop a product roadmap for success

Simon selected to work with 280 Group due to their expert product management staff and emphasis on building customized training programs for their clients. 280 Group then created a customized Optimal Product Management class, incorporating concepts from the Agile Product Management course, along with relevant and actionable content. Years later, Simon's team is still invigorated by the changes they were able to make after the training and the value they are now producing for Jabil and their customers.

Continuous Learning, Role Clarity, Retrospectives

While their training with 280 Group helped lay the foundation and framework for Optimal Product Management practices, three additional factors contributed to the success of Simon's team: commitment to continuous learning, role clarity, and retrospectives.

Commitment to Continuous Learning and Discipline

Yannopoulos remembers many lightbulb moments during the 280 Group course. "We went through a classroom exercise of writing basic user stories, and most of us thought, 'Man, we suck at this!'" he said. "It highlighted moments of reflection and presented genuine opportunities to grow and develop our skills as a product team." The team's commitment to learning and welcoming new ideas was key to the success that followed. "Although we didn't get great at writing user stories right away, we began to use each sprint as a learning opportunity to get better, and stay on-course."

Yannopoulos added, "When trying something new there are so many opportunities to take what feels like the easy path and abandon new ideas and processes. You really have to commit to continuous learning. Although painful at first we've started to get really good at it – we can now predict pretty closely what we're going to produce at the end of a sprint."

"User Stories" Market Requirements

Typically used in Agile

Short description of user need focused on goal or benefit

Not a technical description or design statement

Guides conversation

Large user stories called epics

FORMAT

As a \<persona\>
I want to
\<do something\>
so that I can
\<derive a benefit\>

EXAMPLE

As a customer, I want to be able to compare two products so that I can easily understand differences in features and price.

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Simon acknowledged that his role as a leader was to support his team in the learning. "I didn't expect perfection right away, but I did require diligence and hard work," he said. "Before taking the 280 Group course, I made sure that my team was ready to embrace the hard learning and commit to making a change."

As part of the training, 280 Group Trainer Rick Bess had Yannopoulos's team write down their commitments and next steps before leaving the classroom. But it was Simon's role as the leader to make sure they stayed the course. "I'm glad we all committed to do this together," he said. "It's typical for people to complete a course, but fail to apply what they learned. You have to make a commitment to follow through."
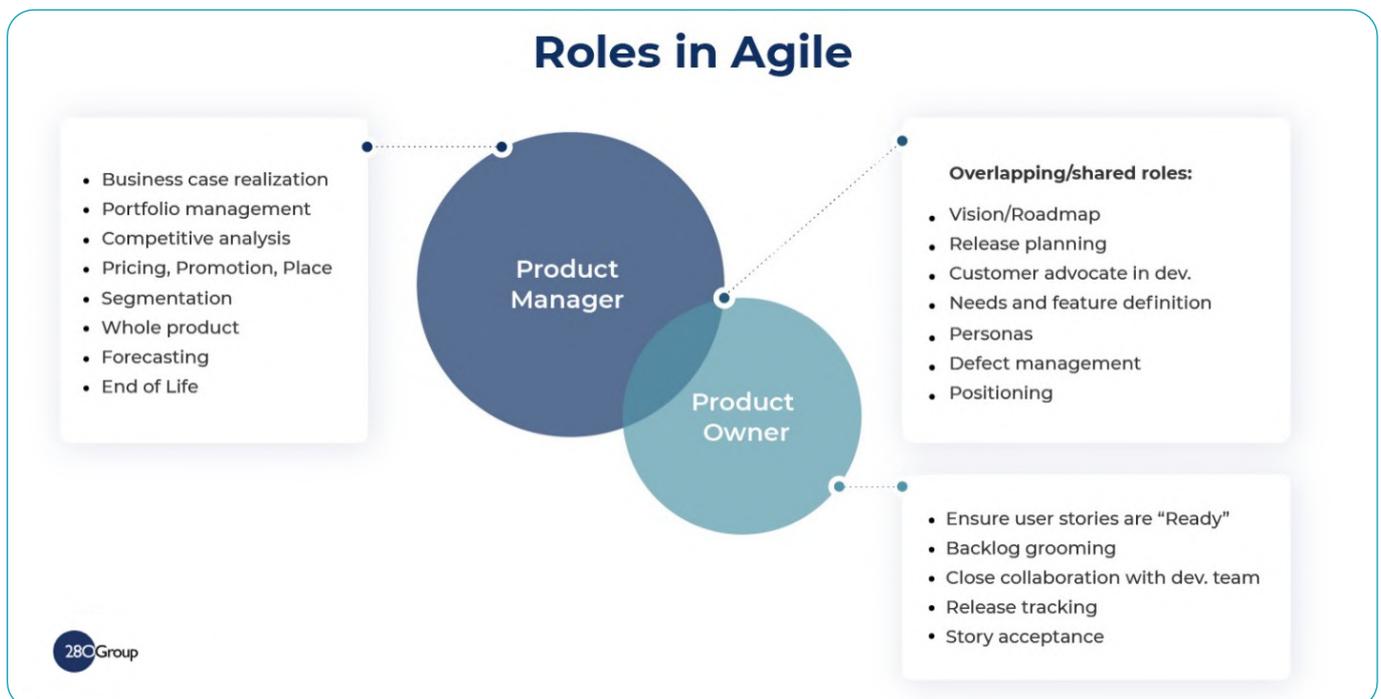
Role Clarity and Team Structure

A common root cause of team dysfunction at any company is lack of role clarity and structure. When team members are not aligned on their respective areas of responsibility, confusion ensues, delaying decision-making, and resulting in poor hand offs and low accountability. Making deliberate decisions about team structure and getting other departments on the same page speeds decision-making, and enables teams to align on strategic priorities.

"When we first went through our training with 280 Group, we knew we all needed to get into the product management mindset. We needed to understand how we drive the process, how we build and market our product, and more. Since taking the class, we have become far more specialized, we assign product owners to manage the entirety of an application, and another team member to act as the Customer Advocate and handle the storyboarding, roadmaps, enhancement requests, and all other customer-facing engagement . This enables the product owner to be more engaged with the development cycle and engineering team. It took us a good amount of time to understand where we wanted to be on that Agile spectrum, and we overcorrected until we determined how to be most effective. We learned that you have to be comfortable with feeling uncomfortable – and there are always opportunities to improve.

— Simon Yannopoulos, Digital Supply Chain Solutions, Jabil

At 280 Group, we are not dogmatic about the distinction between product manager and product owner. We understand that different organizations choose to speak about these roles in their own language. What we focus on instead is the activities and functions of the team members, and making sure teams are resourced such that all critical activities get done.

Roles in Agile

Product Manager

- Business case realization
- Portfolio management
- Competitive analysis
- Pricing, Promotion, Place
- Segmentation
- Whole product
- Forecasting
- End of Life

Overlapping/shared roles:

- Vision/Roadmap
- Release planning
- Customer advocate in dev.
- Needs and feature definition
- Personas
- Defect management
- Positioning

Product Owner

- Ensure user stories are "Ready"
- Backlog grooming
- Close collaboration with dev. team
- Release tracking
- Story acceptance

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Jabil started with these responsibility definitions, and adapted them to match the way their organization operates.

For Yannopoulos's team, the role of product owner was played by the product manager. But several important customer-facing activities were supported by this new team member, the Customer Advocate, who also has product manager responsibilities. In the end, what matters is that all of the critical functions of the roles are covered, and that everyone on the various teams agree to and understand these responsibility assignments and maintain accountability.

For Yannopoulos, clarifying roles and responsibilities on his team was an important step in reducing friction. It forced the team to recognize what they were responsible for, and what they were not responsible for. "Most of us come from technical backgrounds — all of us have written code at one point in our careers," he said. "So, when we wanted to communicate a user story...sometimes it was very hard to stay on our side of the line without jumping in and saying, here's the diagram, this is the architecture, and this is how you should do it. We had to learn how to let go of some things and give our engineers the freedom to evolve and design things the way they thought best."

Learning the importance of staying "in their lane" was crucial to the team's growth. Not only had it been difficult for product and development teams to get on the same page, the process was especially slow because the teams worked in different time zones which could compound delays. Today, it's a different story. "Refinement is like a rapid-fire interview," Yannopoulos said. "Everyone's already read the story and has their own list of questions. They hammer the product manager for five minutes then proceed to estimate the story, which decreases cycle time." **Role clarity helps build cohesion on the team as well as efficiencies. This also frees up the product manager to spend their precious time better understanding customer needs.**

Benefits aside, Simon agrees that the work of role clarity is never done. As a leader, he takes opportunities to communicate the important work his team does with the organization at large, and encourages his team to include slides explaining their roles and functions when presenting to other teams and to leadership. "People engaged in our 'day in the life' discussions and were surprised to learn the scope of our work," he said. "We definitely need to do a better job of communicating what it means to have that role within the organization."

Evangelizing the role has helped shine a light on the work his team is doing. Simon frequently invites peers working on other products to join his teams' standups, demos, retrospectives, and other ceremonies so they can ask about roles, responsibilities, structure, and so on. "We show them how we write our user stories now, and I think the depth and detail of stories blow people away."

Retrospectives — How to Write Mind-blowing User Stories

Commitment to learning matters just as much as how you choose to do it. In Yannopoulos's case, retrospectives proved to be one of the most important tools for transforming his team.

Team members spent a significant amount of time in the retrospective at the end of each sprint cycle. "Retrospectives were really key," he said. "We learned how to improve processes and take action items, then measure the results of the improvements."

Retrospectives are built into the Agile process, but most teams don't invest enough time to make them effective. There is a level of discomfort in admitting mistakes and acknowledging that a process was not optimal. **For Yannopoulos's team, writing great user stories took a significant amount of time and effort and iteration, so they leveraged the Retrospective and the refinement process to get better and more efficient every cycle.** "It took discipline to get good at it," he said. "We had numerous conversations around how to do subtasks. Do we change how we're doing story estimation? Do we ditch story points altogether or replace it? We have a lot of work at the front-end to make sure that the user story is easy to hand over to the engineering team. It's not perfect; there are still questions, but there are far fewer questions now than when we first started."

Just like debriefs, post mortems, or even pre-mortems, Retrospectives can be a powerful catalyst for learning and improvement. However, it takes work and commitment from team leaders to build in real time for this process and to always strive to do it better. No matter how uncomfortable the first one is, it too will get better with practice.

Evolution to Success

The team's first application is now ramping up in adoption across the organization — a single source of truth for how Jabil performs the excess and obsolescence claims management process. **"The application frees up significant cash flow each and every quarter with a few thousand users,"** Yannopoulos said. **"It's bigger than we thought it would be and the benefits are bigger, as well. How we worked together laid the foundation for how we build our next apps, which are now about to be released."**

According to Yannopoulos, the team's journey began with a first step – getting a good baseline understanding, and the education they needed to operate from a common playbook. "As a leader, it's incredibly rewarding to see the team evolve and reach new heights," he said. "When your team members grow their skills and reach far more of their potential — it's fantastic to see. Ultimately it translates to far greater value for the team and the company."

We agree.

Do you want to achieve this kind of long-term success for your Product Management organization? Contact us to learn how.