

The Rising Importance of  
**Internal Product  
Management in  
Digital Transformation**  
To Drive Innovation in Modern Businesses




by **airfocus**

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According to research performed by Gartner®<sup>1</sup>, “By 2023, approximately 40% of large enterprises will manage internal business capabilities as products to drive continuous innovation and competitive advantage.”

It's already happening. The practices that enterprise companies are using to deliver consumer facing digital products have become the same practices that they use to manage and deliver their internal products, and digital transformation, with their IT teams as they grow in a competitive environment.

However, what are these practices? What specifically are internal product managers working on with their IT teams to help their business be more efficient, innovative, competitive, and accomplish targeted goals?

This guide is meant to not only shed light on the practice of internal product management, but also clarify why product management practices are vital for managing internal initiatives with IT teams for companies that want to remain competitive.

Some of the topics covered in this guide include:

- What is internal product management and its benefits
- The main challenges that companies face when embarking on digital transformation
- Differences between product management for internal vs. external products
- How to pitch internal product management to the C-Suite
- Common prioritization frameworks related to internal product management
- ... and more

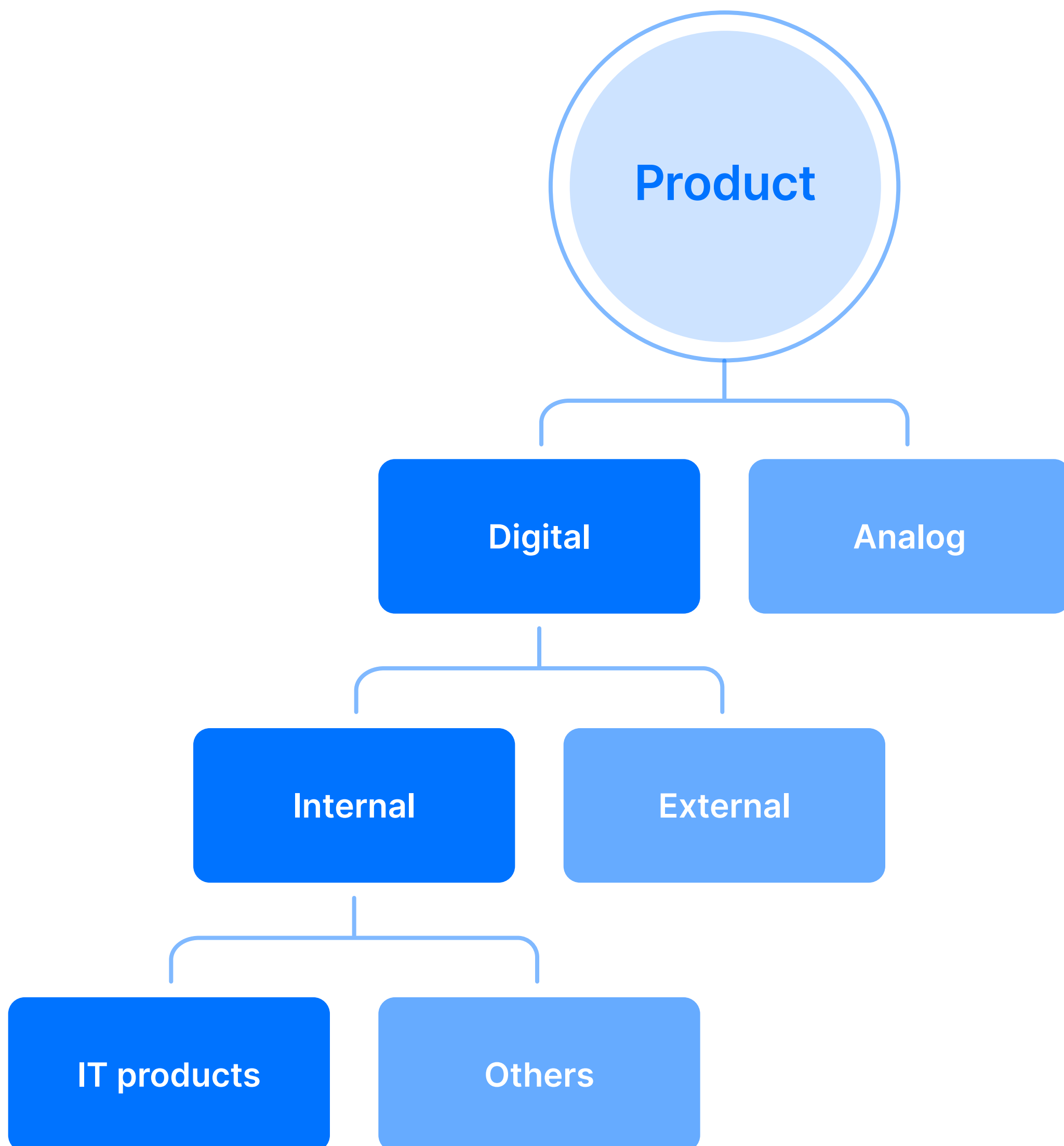
# What Is Internal Product Management?



A product is a solution to a problem that is shared by many.

Products can be of two types: analog and digital.

When looking at digital products specifically, they are also broken down into two types: external and internal, as summed up clearly in the diagram below.





**An external digital product** is a product that a team builds and makes available for those outside of their company to derive value from. Facebook, TikTok, and even our very own [airfocus](#), the first modular product management platform, are external products.

**An example of an internal product** was Basecamp when it was initially created by 37signals. Managing an agency in 1999, Jason Fried and his confounders built Basecamp as an internal project management tool to manage their work with the clients.

As time progressed they doubled down and decided to modify Basecamp into a true Software as a Service (SaaS) consumer-facing product that can be used by other customers and users; an external digital product.

There are other types of internal products as well. These include IT products, such as the help desk, email servers, cloud services, and data security. And other types, including business products. Business products help businesses be more efficient, drive further innovation, and gain a competitive edge.

Similar to IT products, they ultimately support business departments to be more efficient and deliver more value.

While these generally have come from IT, we have seen a recent trend coming from business departments. For example, a developer on the marketing team builds a product to help the marketing team be more efficient.

1 Gartner, “5 Governance Steps to Accelerate Your Project to Product Transition”, by Remi Gulzar, 13 August 2021

## Main benefits of internal product management

While external product management focuses on customers, with internal product management the focus is on business users.

Here a product manager (a key member of the IT team) works to support their business users by making them more efficient to deliver value.

The general needs and capabilities of a business includes multiple activities such as:

- Creating quotes
- Processing orders
- Managing contracts
- Managing customers
- Determining pricing

And these key tasks vary from department to department. For example, marketing can include:

- Developing market study and strategy
- Creating collateral
- Media advertising
- Product design
- Competitive intelligence

However, do note that this list is for market-facing products, where a lot of current

product management discussion generally centers around.

Besides supporting solely market-facing products, businesses have departments that have problems to solve and further value that can be generated.

Internal product management helps sales, but also any other business department. For example, assisting the finance team with being more efficient.

IT teams work with business users to define business problems, prioritize them, and craft solutions for their business that will assist business users with driving more value. Not the other way around.

Another benefit of internal product management is that when added to your organization's value stream it can lead to more impactful solutions for key stakeholders.

A value stream can be all of the steps and actions that one takes to add value to a customer. While generally focused on external customers, with internal product management this is now used internally to assist business users.

For example, building and refining tools that assist the sales team with being more effective.



When internal product management is applied, businesses take and utilize product management principles that have generally been applied to external customers to their internal business users.

## **Selling internal product management to your team**

The goal is to fully support a shift from output focused results, project management, to outcome focused results that deliver value to your business users.

Internal product management applies product management knowledge, methodologies, and frameworks to support this.

To sell internal product management to your team you need to explain the value that it will provide to your internal business stakeholders, and map the work performed directly to company [OKRs](#).

What really matters are metrics that show that success has been reached; constantly helping your business users reach their goals.

Gone are the days of lack of clarity on what it means to be “10x” better as an organization.

Organizations need to reconsider their overall development process and team organization around product management to reach their goals.

A heavy focus has been placed on providing products to customers and users, now the focus is on business users to solve their problems.

Utilizing internal product management, IT teams communicate the business outcome and business benefit as it is realized.

Prior to commencing an initiative they align with business departments to understand the amount of software they can digest in a quarter, in order to achieve a goal. They also define success and estimate the business benefit.

Once the work commences, during the sprint they test work as it is made available. And post-sprint they demonstrate success by validating that the business benefit was reached.

## Managing digital transformation

Technology is the future. Computers and smartphones will only become more prevalent in our lives.

The need for internal product management only continues to rise with [the rising importance of digital transformation](#).

**Digital transformation is when a company adopts technology to help it accomplish its goals.**

Adopting technology into as many areas of a business as possible with the goals of enhancing how it operates and providing value to key stakeholders.

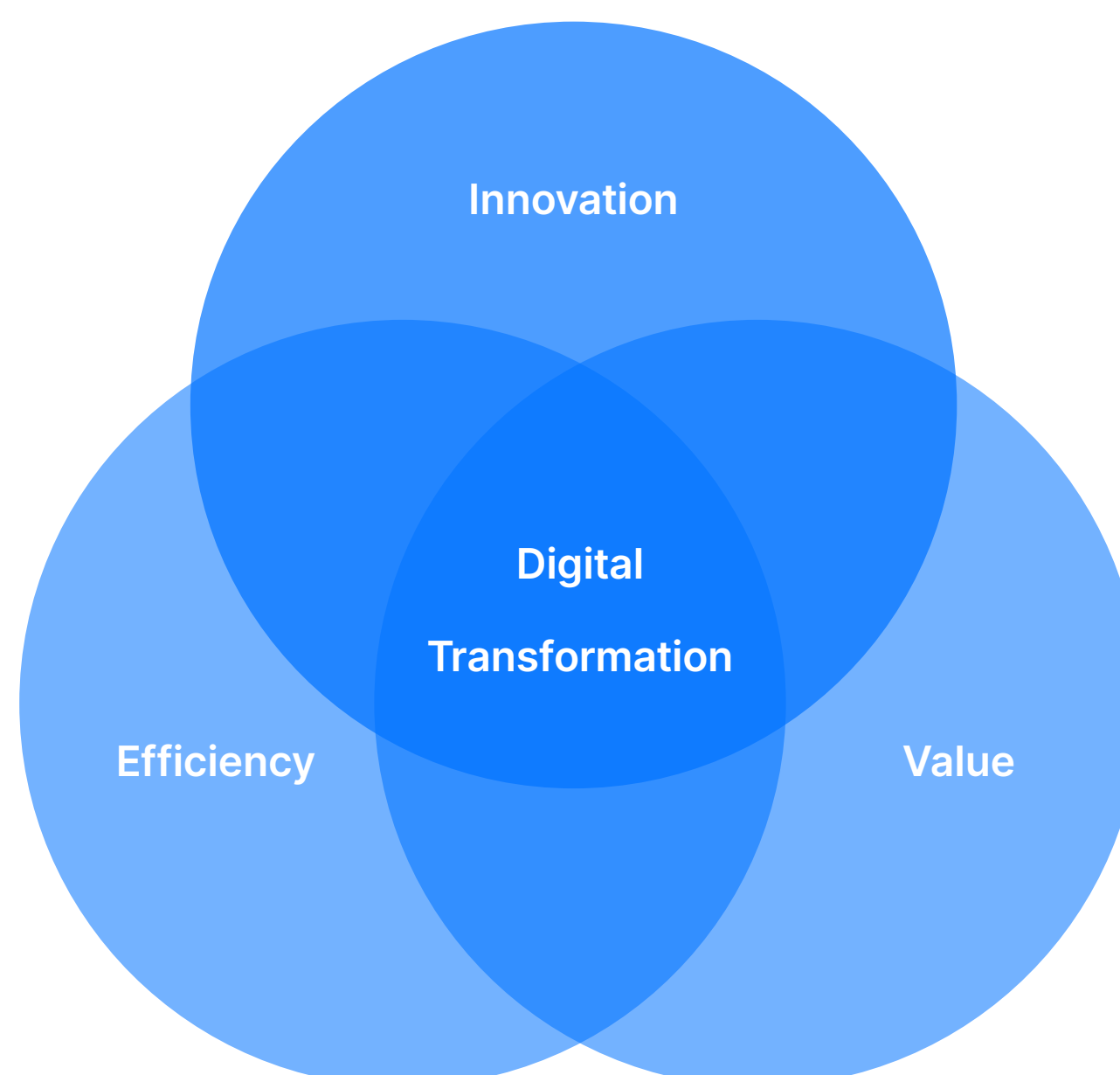
The main reason why companies embark on digital transformation relates to three main areas:

For example:

- **Innovation:** using flying cars to take passengers to their destination
- **Value generation:** enabling consumers to purchase food via the Uber platform
- **Driving efficiency:** a government office building a digital tool [to manage digital records](#)

When embarking on a digital transformation project it's wise to use an internal product management approach. This will enable you to be more agile, better align with business departments, and support better business outcomes.

For companies that are already transformed, they can significantly grow with an internal product management approach in the coming years.



# From Project to Product Management



Digital transformation has continued to accelerate over the past 20 years.

Historically it related to organizations utilizing the internet to connect their various functions to technology to leverage their operations, data, and capabilities to try digital approaches that allowed them to be competitive, adapt to changing market needs, and better leverage their data for better decision making.

While this continues to take place, especially with the onset of COVID-19, one key trend that is taking place as organizations embark on digital transformation journeys is the shift in mindset among business leaders from being project focused to product focused.

Where organizations historically used to be more output driven, now they are leveraging strategy and product management practices internally (not only for external facing products) to focus on outcomes for their business users and departments.

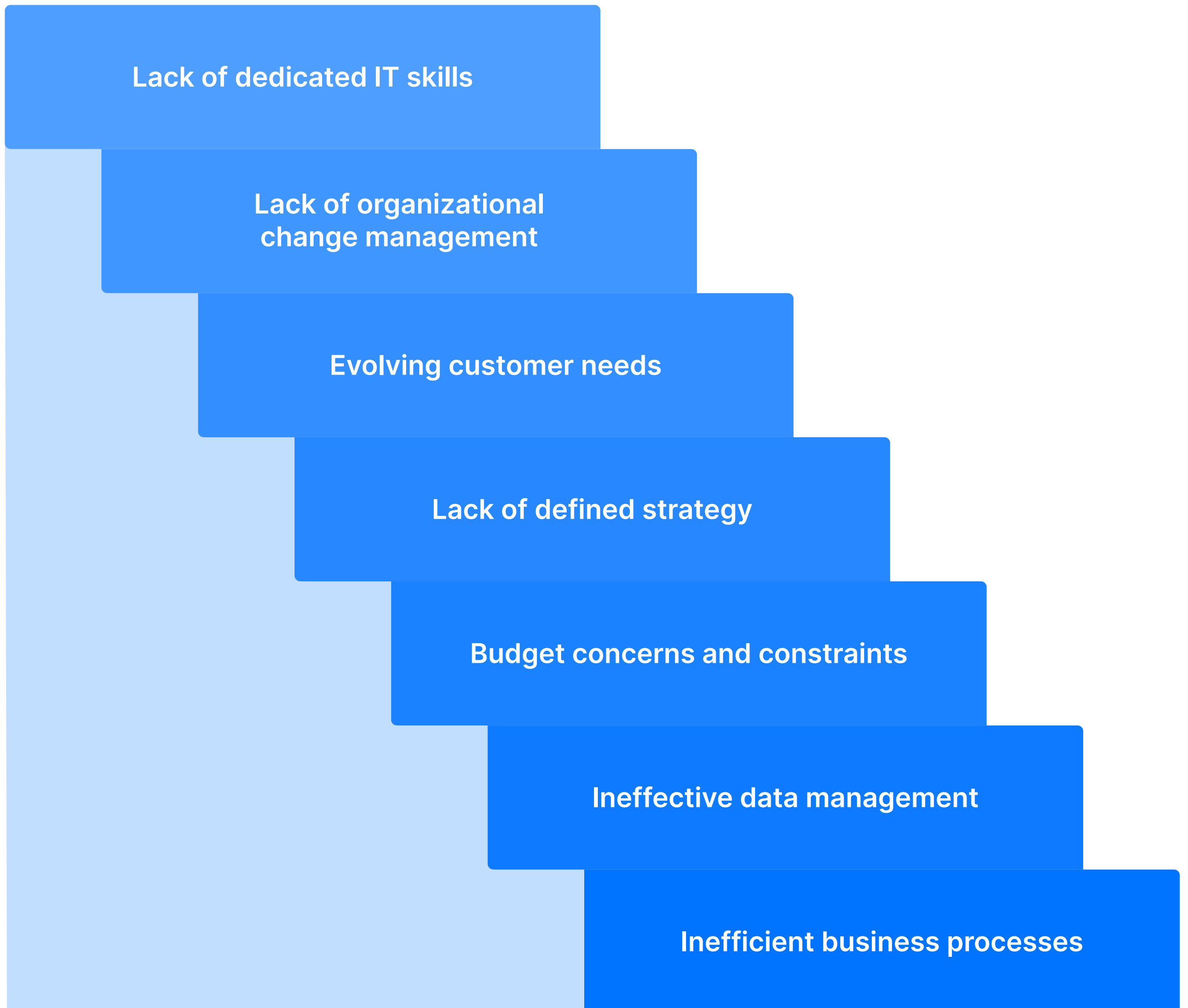
Outcomes that allow them to remain competitive, be efficient, and quickly respond to changes in the market.

## Why product managers are needed for digital transformation

Before embarking on a digital transformation initiative business leaders need to be aware of the key challenges that other businesses have faced in their journey.

[The Panorama Consulting Group](#), one of the world's leading ERP consultants and business transformation experts, published their report on [common digital transformation challenges](#).

## Their list of key challenges includes:



Let's see how an internal product manager can mitigate these risks.

1

### **Lack of dedicated IT skills**

While product managers are a jack of many trades, they know how to work with stakeholders of various skill levels across many departments to get things done.

2

### **Lack of organizational change management**

Product managers are not change management experts (from an organizational perspective), however they do know how to manage products and processes towards incremental improvements.

Along with this, they can rally their team around common goals and maintain motivation as they work towards success.

3

### **Evolving customer needs**

This is partly why product managers have jobs. They're constantly focused on understanding the problems that customers face

presently, while also anticipating problems that customers may have in the future as their needs change.

An internal digital product manager is not focused on addressing customer needs, rather their concern is addressing the needs of their business (their business users are their customers).

4

### **Lack of a defined strategy**

Product managers work with goals in mind. Goals for their product, goals for their customers, goals for their users, and goals for their business.

Digital transformation is not done simply as a marketing opportunity or to use your budget so that it's available the following year. Rather it should be done with specific goals and measurable results.

5

### **Budget concerns and constraints**

While product managers are not always in charge of budgets they are very familiar with working within constraints to accomplish goals.



No product manager has an unlimited amount of resources and team members to work with. So they constantly prioritize and make tradeoffs to focus on the right things at the right time.

6

### Ineffective data management

Data is the lifeblood of decision making for product managers. If data is not currently being collected or referenced for decision making then a product manager can assist with getting this initiative started.

7

### Inefficient business processes

Internal product management improves business processes by providing the right tools and aligning with business departments to understand their requirements. This leads to delivering the right products; the team may have asked for a CRM tool, however the solution is focused on the problems that need to be solved rather than simply the ask.

Having a product mindset infused in internal capabilities makes IT teams more agile and efficient and deliver value more quickly for their company.

## The complexity of larger IT teams.

Large IT teams are more complex, more diverse, require more effort to gain alignment, and more effort when prioritizing.

How do you determine between various initiatives which one will be addressed? Do you simply go with the initiative proposed by the one with the loudest voice in the room, or that which will involve the least amount of work? Or, do you apply a systematic method to decision making?

This is why data-driven decision making is required.

Teams will be aligned on common goals, with specific metrics defined, tracked, and worked towards to reach success.

And when there is disagreement a strategic framework can be applied to determine what the next steps should be.

## Market differentiation and constant innovations

Digital transformation is also vital for companies to differentiate themselves in challenging markets.

There is a long list of challenges that businesses constantly face.

This includes the security risk of the various platforms they use, to the rise of remote working due and collaboration needed due to COVID, constant disruptions in the global supply chain industry, and talent shortages.

As business leaders keep their pulse on the market and as they strive for innovation, digital transformation also enables them to make their business more efficient as a whole.

## From project management to product management

While IT teams have gained a large amount of experience with project management over the decades, a shift is taking place.



**IT teams should focus on product management and utilize an agile approach to improve their business, IT products, technical capabilities, enablement capabilities, processes, and more.**

With Agile, a team works within set periods of time to deliver incremental solutions which are meant to improve products while keeping customers' needs at the forefront.

For digital transformation the key stakeholder that would be considered is the business that is going through the digital transformation, with the customers being the different business departments, for example.

In a competitive environment with steep competition, Agile enables businesses to continue to offer the right solutions and constantly iterate to provide improvements for their key stakeholders.

Many companies utilize Agile software development rather than thinking in a fully Agile way; they don't embrace Agile 100%.

For example it's common to follow a Waterfall approach until they are ready for development, and will then move towards utilizing Scrum to complete development.



#### **Product management enables IT teams to:**

- **Be more agile, which results in greater efficiency**
- **Align all of their activities with measurable business outcomes**
- **Support market-facing products, internal-facing products, and strategic objectives**

Here are some other key differences between a project management and a product management approach:

### **Success based on value generation**

Whereas with project management success is defined by completing the project according to time and resources allocated, with product management success is solely defined by value generated.

### **Focus on the entire product lifecycle**

Project management has defined timelines that teams work on accomplishing. The result of this is that IT teams focus less on performance once the initiative is complete. With product management however there is a focus on the entire product lifecycle, which includes regular upkeep and improvement of the product over its entire life.

### **More effective prioritization**

Where with IT projects the focus remains on delivering projects according to the defined scope and requirements, product management employs constant hypothesis testing, roadmaps, and focuses on value provided by the various features. So the scope can and will change when needed, and as long as there is a clear and beneficial reason why.



## More stable team structure

With a project management approach to IT, individuals work on many projects at once and there is likelihood of reassigning them mid-project. A product management approach utilizes cross-functional teams to manage one product at once with permanent teams. The benefit here is more focus towards the product they are working on as well as stability.

## More aligned with business users

When project management defines the scope, builds it, and then delivers it months later without any further interactions with business users, this ultimately results in poor adaptation with their needs. Product management allows continuous interactions with business users allowing them to refine the product to their specific needs and helping shape better results. Frequent interactions with stakeholders supports success.

## The IT team is not a cost center

The work performed by the IT team is not simply a cost that is part of running the business and aids increasing expenses to pay lower taxes.

When focused on business objectives, remaining competitive, and constant areas for efficiency and improvement, there are many ways in which an IT team can tighten business processes and deliver value.

**When utilized correctly the IT team becomes a team that you want to continue to invest in.**

With a mindset switch to internal product management then not only can you find ways to generate more revenue, but you can also generate innovative solutions to improve the satisfaction of the employees of your business.

Revenue is missed, growth is hindered, customer churn rises, market share is lost when you don't fully adopt a product management mindset.

IT teams should fully embrace product management practices. Treat your internal digital tools as products with measurable goals to accomplish.

There are many available tools that IT teams can utilize to solve business problems.

There are modern solutions for product managers to utilize (rather than gantt charts, excel spreadsheets, or other generic tools).



**airfocus is a product management tool that is relied on by both external and internal product management teams.**

It offers an easy-to-use, modern and modular product management platform and provides a complete solution for internal product teams to manage and communicate their strategy, prioritize their work, build roadmaps, and connect feedback to solve the right problems for stakeholders.

Designed with flexibility in mind, you can quickly customize the platform to fit your needs without disrupting the way your team works.

Join thousands of global product teams who use [airfocus](#) to make better decisions and build outstanding products for their teams and customers.

## Actionable steps to switch from project to product management

IT project management has long been a staple in the software industry helping leaders reach success and enabling enterprise companies to see critical initiatives through to completion.

Gather resources, craft the project plan, confirm the budget, and as work ensues check off completed items. Then celebrate with your team if the project was completed without exceeding allocated resources.

With the changing needs of today's market a project management approach simply won't cut it. We need to veer away from focusing on completing tasks, progress meetings, and hitting deliverables to following behaviors and measuring success based on outcomes.

Making necessary organizational changes is hard, it takes time. However, here are some actionable steps to take to switch from an IT project management focus to an IT product management focus.

## Select the right products

This can be difficult if you have multiple internal products. Choosing external products is easier because your team has spent time and energy creating them.

However, think past simply the digital internal tools, focus on business capabilities as well.

For larger enterprises, IT teams need to look at business capabilities (which group a set of applications and solutions).

Gartner®<sup>1</sup> explains this as “the business-owned portfolio of capabilities in the enterprise that enable the business to deliver on its value proposition and succeed in its goals or mission.”

To accomplish this it's important for business product managers, owners and teams that are responsible for business value streams and empowered for decision making to achieve defined business outcomes across their entire product portfolio.



Once the various business capabilities are understood, they should define which improvements need to be made to achieve specific objectives. For example, increasing sales effectiveness, human resource responsiveness, collecting payments faster, etc., and define measurable improvements that can be actualized and linked to business benefits.

## Embrace Agile

Scrum or Kanban? Maybe Large Scale Scrum (LeSS)? Or how about Disciplined Agile (DA)?

Move away from a Waterfall approach and select an Agile methodology that works for your team (Scrum can work for smaller organizations, while LeSS is for larger teams).

One benefit of adopting an Agile approach is that the products you focus on will have dedicated permanent teams whose sole focus will be on working on iterating the product towards improvement with actual feedback, while mapping the work performed to the goals of the business.

This applies to value streams as well, which can be a set of products but also just capabilities across products. For example, a platform capability allowing billing across different products.

These stable teams will make it their mission to reach goals until the end of life of the product.

## Align the product goals to department goals

As Agile teams work on products, or business capabilities (as products), even before they get started, spell out the benefits that your business users will receive as a result.

This will help garner support from other stakeholders and as we mentioned, enable your team to see value as goals are reached.

## Fund initiatives based on outputs, not milestones

As your team embraces a product management approach to managing internal products or business capabilities, veer away from the project management approach of funding initiatives based on defined milestones in the project plan.

Start by selecting influential business partners to boost visibility of product pilots and then use early successes to gradually reset perceptions of product funding. Thereafter, funds can be allocated based on the business outputs that are expected (and achieved).

## Pitching product management to the C-Suite

There are a couple of ways to pitch internal product management to your C-Suite. This is important because you will need their support and buy-in.

When speaking to the CEO, emphasize that product management will have a net benefit for the business as a whole.

This means that it will:

- Enable digital transformation
- Improve the ability to generate digital revenues
- Improve efficiency

When speaking to business partners, emphasize that utilizing product management practices internally will enable customer-centric delivery.

It will:

- Accelerate IT business collaboration
- Promote customer centric mindset in product teams
- Eliminate bottlenecks

When speaking with the CFO emphasize that it will maximize funding for digital business by:

- Creating continuous, traceable alignment to business priorities
- Enabling flexibility for reallocation
- Reducing the burden on finance teams

When speaking to the managers of various departments, emphasize that there will be increased alignment between the various departments and clear measurable goals that will be accomplished as a whole, while tied to benefits for the specific department as well.

## Four practical steps to garner support from the C-Suite to transition from project to product within an organization

### Get an executive sponsor to support the first “project”

Making organizational changes is not easy, however the process is much easier when there's an executive sponsor to champion the idea.

One way to accomplish this, tied to our next point, is by starting with a project that will lead to results for a specific department within your organization.

Understanding why the shift is needed from output to outcome focused, they will only continue to support and garner support from other business leaders once results are realized for their specific business unit via the experiment.

### Begin with a limited scope

Pick one problem to solve for your business and start there, an experiment. While you can inform your organization of why transitioning to internal product management is a great approach, it's more powerful to show them with tangible evidence.

Treat this work as an experiment because it's just that, a process being followed and work being performed to demonstrate to your team how and why this works.

Once the results are realized for this experiment, the success can be used to garner further support from teams and other business leaders as you look for further business problems to tackle.



## Establish a dedicated Agile team

Rather than the traditional approach of having multiple members working on projects and constantly rotating, establish a dedicated Agile team that owns solving the business problem and crafting the right solution for this experiment.

Dedicated Agile teams lead to better structure, focus, and better product quality. Likewise, they constantly look for ways to improve their work processes.

With a product owner, Agile teams constantly ensure that the work is prioritized effectively and tied directly to business strategy.

## Display and celebrate outcomes

Make it known to your company that this experiment is underway.

During retrospectives, business meetings, show & tells, any opportunity you receive, remind team members about the business problem that your Agile team is working on solving, and current progress.

And once the solution is complete and results have been realized, constantly communicate the story to team members. If you have an executive sponsor it's imperative that they take part in this as well.

What business problem did you set out to solve for business users? Why? What approach did your team take? And what were the outcomes (feedback and metrics)?

This will only add to the fuel to get your organization as a whole to shift from output focused to outcome focused, with supporting evidence why this works.

# Internal Product Management and Its Subcategories

Traditionally product management has been focused on external products. However, with the importance of digital transformation and the realization of value that can be achieved for internal products with an internal approach to product management, it is becoming increasingly popular and desired.

There are many key differences between a project management approach to IT and a product management approach to IT. However, there are also key differences between internal product management as a practice and external product management (we will speak about this in detail in the next chapter).

While some may claim that the community of modern product managers is not welcoming to internal product managers, this is not the case.

For example, popular Slack communities like [Mind the Product](#) or [Product Collective](#) are open to internal product managers and the community regularly assists them with their challenges.

It is true that the content and advice shared in many of these communities focus on topics related to external product management. And this makes sense, because this is where the majority of product management challenges are and the bulk of the work.

Some aversion that some may have to “internal product management” may be due to businesses overusing the [Scaled Agile Framework](#) (SAFe). In their approach to transformation they claim that they are Agile while not understanding that SAFe is not Agile. Companies embrace SAFe to use the term Agile but continue to use the same Waterfall approach to develop new products.

More on this later but if you want to switch from a project management approach to IT to a product management approach to IT embrace Agile, fully.

## Why is product management relevant to IT

Product management is relevant to IT for many reasons. One of the key reasons is that it provides and ensures value along every step of the way when developing products.

IT teams have extensive experience working on grand digital transformation projects, however a shift needs to be made to view and manage them with a product management lens.

A product manager leads teams, works with leadership, and manages the value stream for the benefit of stakeholders. Stakehold-



ers including customers, users, and their business (departments and as a whole).

Gartner®<sup>1</sup> defines the value stream as “a sequence of business processes, people, resources and technology necessary to create and deliver a product, service or experience to a customer or citizen.”

*Adopt Agile Practices in Decentralized D&A to Optimize the Organization's Value Streams, By Joao Tapadinhas, 18 November 2021*

When using product management for IT teams:

**There is more effective product delivery and better alignment between business users and their IT team.**

Businesses are always looking for better ways to assess the effectiveness of their product delivery as well as further alignment between business users and their IT team.

In the 2019 Gartner®<sup>1</sup> [Agile in the Enterprise](#) Survey, “32% of respondents indicated that accelerated product delivery was their most important objective for adopting agile methodologies, and 27% of respond-

ents cited better alignment between IT and the business as their most important objective. At least 60% of respondents ranked these objectives as one of their top three most important objectives for adopting agile methodologies.”

*Results Summary: Agile in the Enterprise, By Bill Holtz & Mike West, July 2019*

**Products are defined by how they are consumed and the problems they are solving rather than how they are produced and the function they offer.** Who cares how many features a product has and what it can do if it is not being used and providing value?

**Empowered, multifunctional teams manage products end-to-end, from strategy all the way to delivery.** Having focused permanent multifunctional teams and employing strategy ensures that the right products are built and business goals are met.

**Fluid roles, adaptive mindsets foster “fusion teams” that blend technology and other types of domain expertise.** Teams can leverage the experience and expertise of their coworkers towards solving challenges and building solutions that lead to cost savings and efficiency.

**Foundational capabilities are managed as products to foster an outcome mindset.**

Internal digital products are designed with the user in mind and with a modular architecture, to make it easy to adapt and build upon as the product and user base grows.

**Data is utilized in decision making.** Initiatives are not worked on based on a vague definition of those that are the most important, and funding will not be provided based on milestones, rather, data is used to prioritize and fund products that demonstrate value.

## IT vs other business products

Products are broken down into two key categories: digital and analog products.

Digital products are further broken down into internal and external, IT products and others fall within internal digital products.

Business products fall into the category of “Others”, other types of digital products that exist besides IT products.

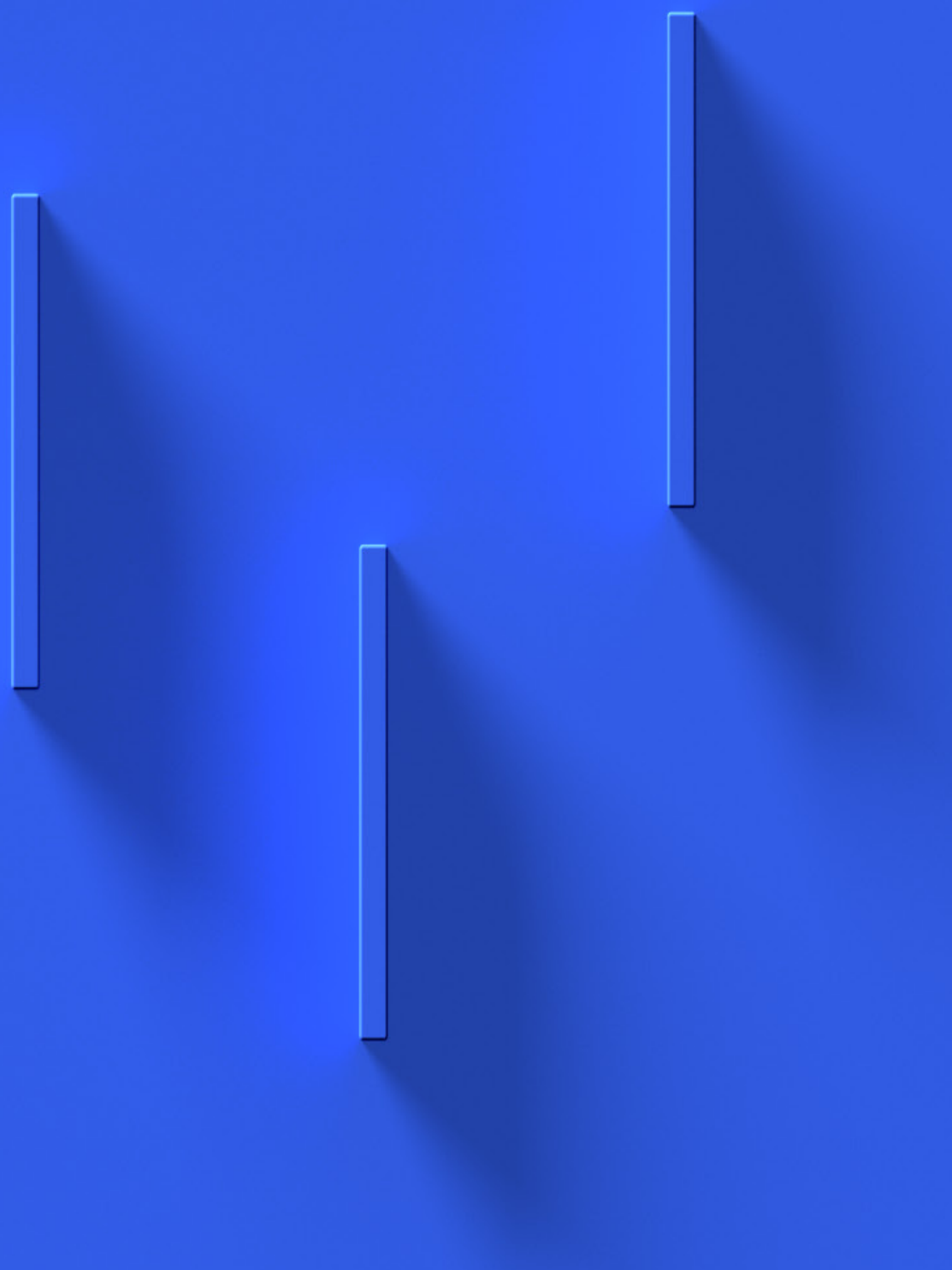
IT products are meant to help businesses improve efficiency, they do not only support IT teams. They generally include products and tools such as the help desk, email servers, cloud services, data security, and more.

Business products are also meant to help businesses improve efficiency, drive innovations, and remain competitive. However, the difference is that business products are created within specific departments to serve their needs and support their goals.

For example, developers within a sales team building a Customer Relationship Management (CRM) tool to assist the sales team with staying organized and closing leads. Yes, the team could use Salesforce, however perhaps it is too costly or doesn't meet their needs.

With internal product management organizations can better leverage digital transformation and use the skills of their IT teams for not only IT related products, but business products that serve and assist business users, and of course the company overall.

# Key Differences Between External-facing and Internal-facing Digital Product Management





Let's face it, working on internal facing digital products is not as glamorous as working on external facing digital products.

Many product managers that speak and write about product management do so mainly from the perspective of managing external-facing products, whether B2C or B2B.

This doesn't mean that working on internal-facing digital products is not valuable. It's extremely needed and when done well it allows businesses to remain competitive, be efficient, and remain innovative.

For product managers specifically there is a caveat however.

Some may think that working on internal digital products does not provide you with the same amount of experience as working on external products.

Though it is clear that there are key differences between the two roles this is not 100% the case.

It's important to understand that working for multiple departments and understanding multiple business needs can be more complex than working for a product dedicated to a specific vertical. Different work is involved.

## Your “customers” are your internal users

There can be confusion regarding who the customer is for internal-facing products.

The customer is the stakeholder that pays for the product while the user is the stakeholder who is engaged with the product on a regular basis.

For an external-facing product manager work is performed to ensure that they're building a solution that meets the needs of their users and customers.

Internal products don't have customers, the key focus is on the end user.

The user base consists of the key individuals in the organization that will be engaged with the product on a regular basis. This includes the employees in your business, the customer service team, the finance team, etc. It depends on who you are building the product for.

While the steps of the product development process are applied, there is not as much fanfare when launching an internal product. At least not to the same extent as a product that is shared with the world and made available for customers to purchase.

The reason for this is a simple ugly truth related to internal products: many companies historically “shoved” products down the throats of their employees.

You may still prefer Slack over Microsoft Teams, but once the C-Suite made the switch to Microsoft Teams everyone had to use it.

However, with a full embrace of internal product management this can be reversed.

With internal product management IT teams work directly with business users to understand their problems and match their needs via defined solutions before development even begins. And they continue to interact with them as the product is developed (customer development).

This only ensures that features and products are built that business users can digest, provide feedback, and are enthused to use once available.

## The role that internal product managers play in building internal products

Internal product managers play an extremely vital role in building internal products for their company.

External products are built to solve customer pain points and of course earn revenue. Internal products are meant to do the same, with a slight twist.



**The goal for internal product managers is to save money and enable their team members to do more with less/be more effective at their job(s).**

For example, a tool for the customer service team to quickly process returns for customers.

This digital product would streamline activities for the customer success team, make them more efficient, give them time to focus on other tasks as a result, and also support customer retention and satisfaction due to the ability to address customer issues much faster.

While this product doesn't earn revenue, it's still tied to company profits.

This is why an approach to product management which ties delivery to business outcomes allows IT teams to explain the value that they deliver for their business.

## Product market fit for internal products

Product market fit is one of the key goals for product managers upon the release of a new digital product.

“Product market fit means being in a good market with a product that can satisfy that market.”

- Marc Andreessen, co-founder of the famous silicon valley VC firm a16z

This means that you have a product that provides such a great experience to your customer base and users that they then share it with their networks, which then support your business and marketing efforts as new customers are knocking on your door to acquire your product.

An external-facing product manager has customers and users to speak to as they work towards product market fit. However, for internal-facing products product market fit is not the key goal.



**The goal with internal-facing products is to ensure that the product is reaching the specific business objectives that it was created for.**

Another key difference with internal-facing products is that you don't necessarily have to do as much marketing, if any, towards your user base.

Don't use this as an excuse to offer poor quality internal digital products however. How would you feel if you were on the receiving end? And how would you fund future products if departments are the ones funding it?

A CFO can fund an app modernization initiative for their finance invoice delivery process, however they will be keen to fund it if they know that you will deliver a solution that matches their specific requirements. If they are not convinced then they might use external providers or hire dedicated developers within their team.



## Showing the value you deliver for a department is actually helping you market your work.

Internal product managers are still required to understand and speak to the value propositions that their product provides. However, product market fit is not the key goal post launch. The key goal is ensuring that the product accomplishes business objectives.

If an internal digital product was built to reduce the amount of time that the customer service team takes to process returns by 10%, then along with positive feedback from the customer service team, this is the key goal that the team works towards.

## Improving customer experience as an internal product manager

There are many ways that internal product managers can support external product managers and their team.

This includes reviewing their presentation decks, lending their opinion on customer issues, beta testing, sharing areas of improvement, assisting with discovery calls, and ensuring that the work that their product management team is performing ties back to user and customer goals.

While this benefits external-facing product managers due to the additional support, it also benefits internal product managers as they gain more experience and refine their product craft.

They can also build platforms that support external-facing products teams. For example, managing contracts across multiple products, processing orders, or managing customers. Platforms that enable them to better perform their jobs and support market-facing products.

Internal product managers are vital members of the product management team.

## Demonstrating business value

Success is shown with external products via generated revenue, positive customer feedback, market growth, and more.

How does a product manager demonstrate business value with an internal product?

Internal product managers can demonstrate their value in two key ways:

1

### Positive feedback from users

The digital product that was built for your customer success team to process returns faster, what are they saying about it post-launch? Gather their feedback and use this feedback to communicate the value that is being provided to the team.

2

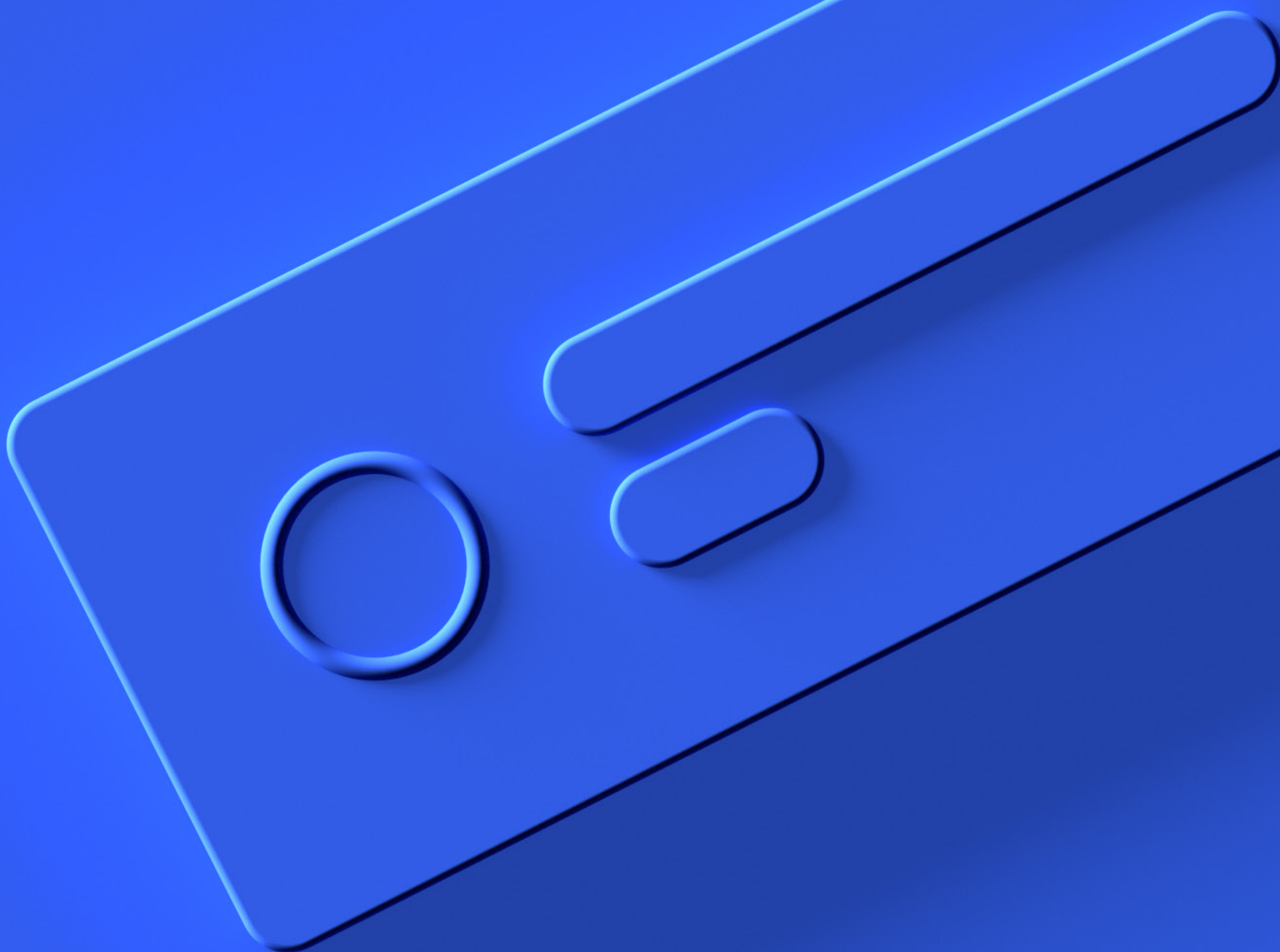
### Share the success metrics

If the goal was to reduce the amount of time that a process takes by 10% within 3 months of launching the product, what are the results in 3 months? Have you reduced it by 10%, or better yet even more.

And what was the return on investment for the company? For example, what amount did you save for what cost? This way you demonstrate the value that you bring and allow future investments.

If the goals have been reached then you have done a great job and are demonstrating value for your efforts and the internal digital product that was built.

# Roles Related to Product Management in Companies That Apply Internal Product Management





If digital transformation is on your mind and/or you're thinking about making the shift to internal product management, it's important to know the different roles involved with the IT team. Not solely the product roles, but also some of the key stakeholders within the IT team that play a pivotal role.

Many people are aware of the roles for external product managers however their understanding of this aspect is limited.

## Here are the various roles related to product management in IT



### Journey owner

A Journey Owner is similar to a Senior Product Manager, a Group Product Manager, or a Portfolio Leader. They are responsible for the entire journey of a product or business capability improvement delivery. They help set the strategy as well as work with cross-functional teams to ensure that work is being performed and goals are met post-launch.



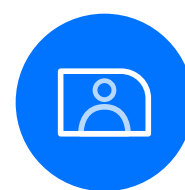
### Delivery executive

A Delivery Executive is similar to a Technology Delivery Leader, think of them like a Senior Engineer within the company that manages the development team. Along with working on processes to ensure that quality code is written and deployed, they ensure that their team is trained and staffed to complete the scope of their project(s).



### Business Unit Leader

A Business Unit Leader is the head of a department, the C-suite, for example a CFO, or even a CEO. When working on internal products it's imperative to obtain their buy-in as they can help allocate resources towards products and projects.



### Platform Lead / Owner

A Platform Lead is a key technology leader of a platform. A platform is technology in which other technology is built upon. For example Facebook, Stripe, and Google all take advantage of the platform business model.



## Product Manager / Product Line Manager / IT Lead

The **Product Manager** has profound knowledge on the suite of developed products and everything that goes with them. They work with cross-functional teams and coordinate the decision-making processes with their stakeholders while concentrating on strategic initiatives to build products that solve problems for their users.

While the term Product Manager is a general one, do note that in large enterprise customers some internal departments have their own specific product managers. For example HR Product Manager, API Product Manager, Payroll Product Manager, and other similar roles. This applies to the role of Product Owner as well



## Delivery Owner

A Delivery Owner uses Agile and Lean practices to keep their team focused on delivering value against a defined product vision. Their main concerns are: what specifically is being worked on, when it needs to be delivered to ensure that initiatives are going according to timeline, and the overall health and happiness of their team.



## API Product Manager

An API Product Manager is a product manager that manages an API product. An **Application Programming Interface** (API) enables software applications to talk to one another. Businesses create APIs for their products so that others can utilize them to help expand their reach and platform.



## Product Owner

A **Product Owner** owns and manages the development backlog. Strategy comes from the Product Manager and the Product Owner works with the team on implementation. They ensure that it is prioritized with the most important items at the top and the least important at the very bottom. And any items which will not be addressed are removed.



## Digital Transformation Product Owner

A Digital Transformation Product Owner manages the entire digital experience of an organization as they embark on a digital transformation journey. This internal facing role includes responsibilities such as determining the problem areas to tackle for business users, working with their Agile IT teams to create digital solutions, streamlining internal processes, and managing digital tools and solutions that enable their teams to better perform their work.



## Scrum Master

A [Scrum Master](#)'s main responsibility is to facilitate Scrum processes. They ensure that everyone understands how agile works, what it means to follow Scrum, and ensures that the processes are being followed. Not just within the Scrum team, but with the entire company.



## Solutions architect

Also known as a Product Architect, a Solutions Architect is someone who determines the needs companies have and builds the right solutions with technology to serve those needs.



## Engineer

An engineer is a developer. Engineers can be of various types and have multiple roles based on what needs to be developed.



## UX Consultant

Also known as UX Designer, or [Product Designer](#), they are responsible for assisting with managing the overall look and feel of a product. From assisting with research to uncover unmet needs for customers, to specifying the font, color, and brand of a product, or a whole set of products using design systems.





## Domain Expert

A Domain Expert is a person or partner with extensive knowledge or skills in a particular area. They are relied upon for their knowledge and expertise to solve specific business challenges.

Now for some of the less common roles that are more niche on Product Teams.



## Infrastructure Service Partner

Infrastructure Service Management is the practice of managing technology, information, and data. An Infrastructure Service Partner is one that assists a business with its Infrastructure Service Management processes.



## IT Change and Release Manager

They are responsible for managing the overall delivery lifecycle while also ensuring that beneficial changes are made with minimum disruption to IT processes and services.



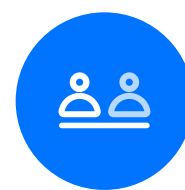
## Product Specialist

These are individuals who have a large amount of knowledge about a specific product and work with their team on marketing opportunities, defining sales strategies, uncovering opportunities, and overall increasing the profitability of a product.



## Quality Assurance Engineer (QA)

The key role of a [QA Engineer](#) is to ensure that they are preventing defects from entering production while continuing to improve software development processes with their team.



## Data Translator

A Data Translator acts as the translator of data between a data scientist and business leaders. They understand business needs and are able to utilize data and technology to make it easy for others in the organization to understand.

# Commonly Used Agile Methodologies in Internal Product Management



## Benefits of adopting a product management approach to IT delivery

There are multiple benefits to adopting a product management approach for IT delivery.

These include the ability to tie business outcomes directly to the work performed so that you have a source of investment with measurable business improvements over time.

Rather than viewing your IT department as a cost center, the focus changes to it becoming a driver for innovation and benefits for your organization.

Another benefit is agility, the ability to increase the output of your IT team. Gain feedback, prioritize it, define the solution, release version 1, and continue to iterate as you improve the product with user feedback.

Lastly, there is overall better alignment with other business departments.

Prior to working on a digital solution there will be a clear understanding of how it will tie into business goals. Upon release the further iterations and delivery of the solution will please business stakeholders as it continues to be adapted to business needs.

Having a dedicated and flexible product management solution can help you drive product management within your organization.



### Further benefits include:

- Faster and transparent processes among team members
- Team alignment (especially among business and IT departments)
- Increased growth and revenue as the right initiatives are prioritized
- Increased productivity and lower operational costs
- Clearly defined success metrics
- Transparent communication among various stakeholders (for example the executive team, business teams, etc.)



A major pharmaceutical group needed a product management tool to manage their complex IT portfolio in a regulated environment. They considered a number of tools, however, with a need to:

- Manage their IT strategy and portfolio
- Build internal IT products
- Prioritize with their many teams
- Present a consolidated vision of their product portfolio roadmap among many teams
- Craft roadmaps
- Gain insights from their data
- Integrate with their project management tool

They signed up for [airfocus](#).

Now they have ease of use with their multi-workspace setup. They have multiple teams working on different workspaces that are configured to each team's needs (custom prioritization framework for example) while maintaining an overview of their product portfolio roadmap.

They're not the only company taking advantage of these benefits. Learn how the EQS Group, a leading international provider of Corporate Compliance and Investor Relations regulatory technology, [used airfocus](#) to prioritize, create alignment, and regain trust among their teams.

## Commonly used Agile methodologies in internal product management

Here are the most commonly used Agile methodologies for internal product management

### Scrum

The key principle regarding Scrum is that teams functioning as one unit is a key factor of success.

When using Scrum as a framework for software development the team comes together to prioritize the required work and sets short term goals for work to be completed.

**There are 3 main roles in a Scrum team with each role carrying specific responsibilities:**

- 1 Product owner**
- 2 Scrum master**
- 3 Scrum team**

The product owner owns and manages the development backlog. They ensure that it is prioritized with the most important items at the top and the least important at the very bottom, and remove items that will not be addressed.

A **scrum master**'s main responsibility is to facilitate the Scrum processes.

They ensure that everyone understands how Scrum works, what Scrum means, and ensures that the processes are being followed. Not just within the Scrum team, but with the entire company.

The Scrum team consists of the other members of the team who work on the tickets that come from the backlog. This includes the designers, developers, and the **Quality Assurance** team.

Scrum has 5 main rituals that are followed each sprint to facilitate the Scrum process. Think of these as 5 main events that take place every sprint.

A **sprint** is a period of time in which the team works towards accomplishing a specific goal. It is from when the work is planned to the point that the stated work is completed and released.

The Scrum team gets together at the beginning of each sprint to plan the work for that sprint and the expectation is that at the end of the sprint there will be additional improvements that have been tested and made ready for release for the benefit of users.

**The 5 Scrum rituals are:**

- 1 Story time**
- 2 Sprint planning**
- 3 Daily stand up**
- 4 Sprint review**
- 5 Retrospective**

## Kanban

Kanban is a framework for implementing Agile software development. It was developed by Toyota after they studied how supermarkets stocked shelves.

They noticed that supermarkets had the goal of being “just in time”, meaning that the stocks aren’t continuously overloaded with expired or wasted food. Rather they would be stocked in time with fresh food for consumers to purchase.

Over the years Toyota refined this process for building their cars and now it is used in the software industry to build software.

With Kanban the rules are not as “strict” as Scrum. One key concept with Kanban that differentiates it from Scrum is that there are no sprints. Rather, Kanban uses cycles.

With Kanban, a team will have a defined schedule for when they release new working code (for example every 2nd Monday). Once the date arrives, everything that is completed by that date (falls within the “Done” column) gets launched.

The main tool used in Kanban is the **Kanban board**. A Kanban board has **4 key columns**:

- 1 To do
- 2 In progress
- 3 Tested
- 4 Done

You may see variations of these columns as some companies and teams will name them differently or add additional columns.

Within each column are tickets with specifications of the work that needs to be done.

When working in Kanban the implementation team will pick up a ticket from the “To do” list, work on it, and move it along the columns as it progresses.

**Backlog > In progress > Tested > Done**

Once a developer has moved their ticket to done, they then pick up their next item from the backlog. And the cycle continues.

There aren’t any particular meetings that are prescribed with Kanban, however teams can add meetings and processes as needed. Learn more about Kanban [here](#).



## eXtreme Programming (XP)

eXtreme programming was introduced in 1996 by American software engineer Kent Beck while he was working on the Chrysler Comprehensive System.

It's an Agile development methodology that focuses heavily on producing high quality software that meets customer and user needs, while also improving the development experience for developers.

XP has key practices and rules for engineers that help accomplish these two goals.

**For every XP project there are 5 key rules:**

- 1 Planning
- 2 Management
- 3 Designing
- 4 Coding
- 5 Testing

Each of these rules have set guidelines that developers should follow.

For example, small and frequent releases for real feedback from users during the planning phase, cross-disciplinary team members and rotations to avoid having exclusive specialists for parts of the project, and comprehensive unit tests for the code-base.

Learn more about eXtreme programming [here](#).

## The Agile team types to deliver a product

According to Scaled Agile there are 4 Agile team types that deliver a product.

1

### Complicated subsystem team

This is a team that is organized around subsystems that require deep specialty skills and expertise.

2

### Enabling team

This is a team that is organized to assist other teams with specialized capabilities and help them become proficient in new technologies

3

### Stream-aligned team

This is a team that is organized around the flow of work and has the ability to deliver value directly to the customer or end user

4

### Platform team

This is a team that is organized around the development and support of platforms that provide services to other teams

# Commonly Used Prioritization Frameworks for Internal Product Management



Rather than spending months pursuing unrelated projects (the old project management approach) or waiting for a behemoth spec to be completed, you can focus on the releases and features that deliver business value. However, to do this you need the right tools and processes **to help you prioritize what is most important.**

Prioritization is an activity that involves determining which initiative to act on based on multiple inputs.

The goal is to **work on the items that provide the most value while keeping in mind the effort associated with each initiative and the constraints for your team and company.**

When prioritizing it is important to have a flexible product management solution that you can utilize, [like airfocus](#).

Not all companies and teams prioritize the same way. Also, your prioritization methods and activities may change as your product and company grows.

Being beholden to one tool that only prioritizes in one specific way may lead to issues in the future.

While there are various software development methodologies and frameworks teams should not simply utilize the most popular one. Rather, they should understand the various options and use the one that makes the most sense for their specific situation.

Also, keep in mind that larger teams have different needs.

Following traditional Scrum for your ten person company may work because it is a small company with small teams. However, challenges abound as you scale.

Here are some of the most common prioritization frameworks that can be used for internal product management.

## Agile

With Agile, teams work within set periods of time (sprints or cycles) to deliver solutions incrementally which are meant to improve products while keeping the customer's needs at the forefront.

With the customer's current needs at the forefront improvements are made to the product based on feedback from customers post-release.

While Agile is characterized by flexibility, embracing change, and making quick changes where necessary, **the most important characteristic of Agile is that it is focused on the customer and their needs.**

[The Manifesto for Agile Software Development](#) outlines Agile principles and values. It states:

“We are uncovering better ways of developing software by doing it and helping others do it. Through this work we have come to value:

- **Individuals and interactions** over processes and tools
- **Working software** over comprehensive documentation
- **Customer collaboration** over contract negotiation
- **Responding to change** over following a plan

That is, while there is value in the items on the right, we value the items on the left more”

Agile has many benefits including reduced risk, increased customer satisfaction, higher team morale, improved product quality, additional project control, and more.

Managing products with an Agile approach can be a tough task. However, with a tool [like airfocus](#) you can supercharge your team’s agility and enable better focus.

**airfocus combines the best elements of standard Agile software with some genuinely cutting edge innovations — making it one of the best product management tools around.**

Prioritize instantly with a number of readily available Agile roadmap templates, include team members in the decision making process via [the Priority Poker](#) function for collective prioritization, and among many other features, visualize project priorities with Kanban boarding.

If you’re curious to learn more about Agile, check out [The Ultimate Guide to Agile](#). This guide offers an in-depth look into what Agile is, how it benefits product teams, popular Agile frameworks, best practices, and a lot more.

## Lean Software Development (LSD)

The [LSD](#) framework is based on Agile principles.

It is used by teams to streamline the development process, the same way that car manufacturers streamline their manufacturing processes (where it originated from).

Where does it come from? Well, Toyota is actually credited with this framework. In fact when it was first introduced, some coined it as the “Toyota Production System”.

LSD was introduced in software development in 2003 in the same year that the book [Lean Software Development: An Agile Toolkit](#) was published. This is a highly rated book by Mary Poppendieck that explains how the lean principles from manufacturing offer a better approach to software development.

LSD aims to provide as much value to customers and users as possible and eliminate waste.

**There are 7 lean development principles:**

- 1 Eliminate waste
- 2 Build quality in
- 3 Create knowledge
- 4 Defer commitment
- 5 Deliver fast
- 6 Respect people
- 7 Optimize the whole

Learn more about the principles of LSD [here](#).



## Large-Scaled Scrum (LeSS)

**LeSS** is an Agile approach that is similar to the Scrum framework, however the key difference is that it allows companies to scale Scrum when there are many teams that are working together on one product.

Traditional Scrum was created for individual teams with a small number of team members working in sprints. LeSS can be used for cross-functional teams that consist of thousands of members.

So if your enterprise company is embarking on a digital transformation project, LeSS is a framework to consider.

**The main differences between traditional Scrum and LeSS are that with LeSS:**

- All teams work from one shared backlog as the product is developed
- All teams share one definition of done
- All teams operate within one common sprint

**LeSS has 10 key principles:**

- 1 Large-Scale Scrum is Scrum
- 2 Empirical process control
- 3 Transparency
- 4 More with LeSS
- 5 Whole-product focus
- 6 Customer-centric
- 7 Continuous improvement towards perfection
- 8 Systems thinking
- 9 Lean thinking
- 10 Queuing theory

Learn more about LeSS [here](#).

## Disciplined Agile Delivery (DAD)

Also known as Disciplined Agile, DAD is a process that allows teams to streamline their internal processes while achieving business agility and boosting commercial success.

DAD shares many similarities between other popular frameworks such as Scrum, Kanban, and XP. As a result some teams find the nature of this framework hard to handle.

This is not a recommended framework for teams that are new to Agile, it is meant for teams that have experience with Agile and want to progress to the next step.

Similar to the Agile Manifesto, DAD also has a manifesto.

**The DAD manifesto states:**

- **Individuals and interactions** over processes and tools
- **Consumable solutions** over comprehensive documentation

- **Stakeholder collaboration** over contract negotiation
- **Responding to feedback** over following a plan
- **Transparency** over (false) predictability

DAD is used for 3 main reasons:

- 1 Boosting a company's commercial success by making the organization more competitive and increasing customer satisfaction
- 2 Creating more effective ways of working by requiring them to continue to find ways to be more effective, experiment, learn, and adjust
- 3 Optimizing workflows by encouraging decision making at an organizational level

Learn more about DAD [here](#).

## Scaled Agile Framework (SAFe)

SAFe is a popular Agile framework employed by larger organizations.

It is a very flexible framework, mainly due to the fact that it isn't one fixed framework, but rather borrows the most successful components from other Agile frameworks.

SAFe is a great framework to utilize for larger organizations that have trouble scaling their Agile teams and dealing with the fast pace of the software industry.

It enables companies to choose the best options of various Agile frameworks that meet their specific needs.

Its benefits include enabling large companies with many teams to leverage Scrum, Kanban, and other Agile frameworks as they scale.

It also assists with obtaining quick feedback from customers and users and better engagement among stakeholders (clients and the teams that implement the work) which ultimately leads to better quality software and products.

Learn more about SAFe [here](#).



## Waterfall

Waterfall was extremely popular pre-2000 and is still heavily used today. Its origins stem from software developers refining the stages of hardware development to produce software.

It is especially used for project management work and when working with agencies.

**According to the Software Development Life Cycle (SDLC) Waterfall has 7 main stages:**

- 1 Conception
- 2 Analysis
- 3 Design
- 4 Coding
- 5 Testing
- 6 Implementation
- 7 Maintenance

With Waterfall software development, a team does not move forward to the next stage until the current one is 100% complete. Everything moves from one stage to the next like a big dump of water. Just like a waterfall.

Some of the benefits of Waterfall include crystal clear requirements, more optimal design decisions, improved relationships with third-parties, clear expectations from the C-Suite, and more.

Waterfall software development should be used when the requirements of the work to be performed are crystal clear.

There's a lot more to say about Waterfall, however to learn more check out [The Ultimate Guide to Agile](#). This detailed guide covers the details of Waterfall software development.

# Remaining User-centric in Bigger Technical and Business Teams

When embarking on digital transformation, or building products in general, collaboration remains a key factor to success. Not only when collaborating with your team, or other teams, but also collaborating with your users.

**Customer development** is the act of improving your product with your customers involved in the process.

This involves constantly returning to your customers and users to obtain their feedback and validate your assumptions.

Frequently practised when building external digital products, it should definitely be practiced when building internal digital products as well; constant collaboration with internal stakeholders to align on common goals, prioritize work, make decisions, assess progress, and more.

This can be more challenging with larger teams with various products or those organized around many value streams.

With the complexity of organizations, teams need to be open to solutions that provide a flexible way for them to communicate (and make decisions) across teams and departments.

While everyone may chat on Slack or Microsoft Teams, these tools are handier for communication rather than prioritization and decision making.



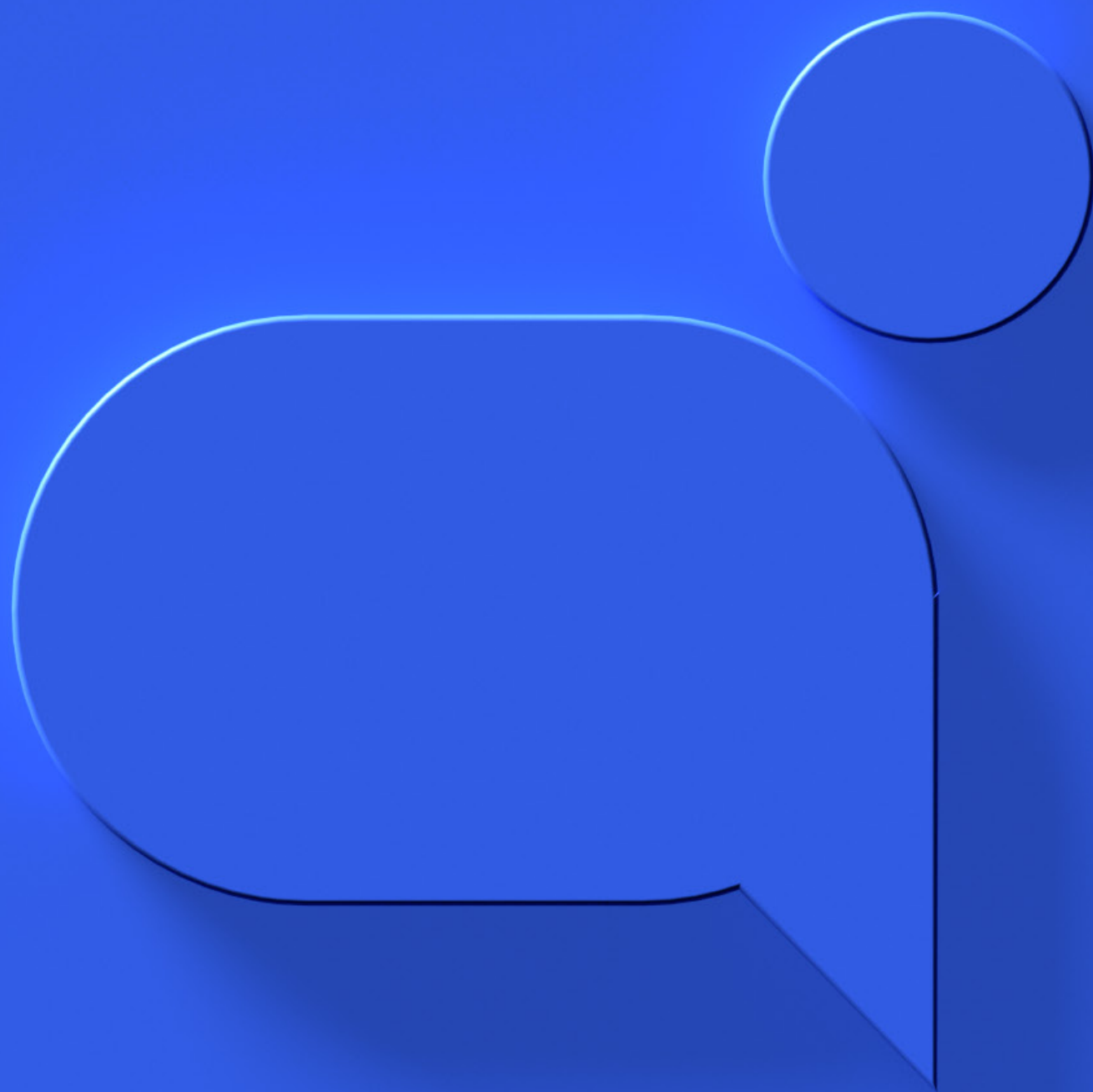
**airfocus** enables teams to centralize feedback from various channels and teams to uncover actionable insights. Cut down on the noise and organize inputs gathered from teams to determine the best path forward.

Once the path has been defined, present a centralized vision of the multiple roadmaps, or share custom roadmaps, with different stakeholders at different levels (CEO, business users, etc.).

airfocus is the product management tool for communication, **collaboration**, and alignment.



# How To Start Collecting Feedback Internally



## Why the concern for internal users?

Feedback from internal users is vital.

Similar to how external-facing product managers lean in on customer and user feedback, internal product managers need to do the same to understand user pain points and [why](#).

Looking past product management, business leaders are aware that they need to gather feedback from their employees and team members for their sentiments.

Having a disgruntled employee working at your company for many years is not wise. Isn't it better to know how they feel in advance so that steps can be taken to address their concerns?

As internal products are built for internal employees their feedback needs to be sought, because you can not build a product without it.

## Challenges facing bigger teams

When building a product for a small company gathering internal feedback is easy. There are minimal lines of communication, simply reach out to the individual and schedule a call.

However, the challenge that companies face as they grow is gathering feedback from their many employees.

Gathering feedback when you have ten employees to reach out to is not the same as gathering feedback when there are one thousand employees that you can reach out to.

To add to the fact that they may be in different parts of the world, have different managers, actively working on different initiatives, and overall, very busy individuals.

This is why it's important to have a process in place and utilize tools to make your job easier.

For example polling your team first to see who's interested, sending a survey, and then based on the survey results follow up with them.

## Why alignment is important

How can you encourage teams to give you feedback?

When reaching out, and as you work on initiatives, make it clear that you are working on initiatives that help them solve their problems.

And as your internal products are built, continue to communicate how these products are helping the various departments reach their goals, so that the value provided is crystal clear.

You need alignment between you and your users, or soon to be end users, and the department managers.

Everyone should be on the same page regarding what the initiatives are, why they are being pursued, expected outcomes, launch plans, etc.

This is helpful when decisions need to be made and items need to be prioritized. It also helps to streamline activities.

When having discussions with stakeholders it's important to keep in mind how much information they will be able to digest at once.

Drive discussions between IT and business departments and users with the aid of roadmaps, while ensuring that content shared is digestible (use common language and don't bombard your team with too much information at once).

Also ensure that the discussions are centered on providing real value to the business and stakeholders.

## Internal feedback management vs. external feedback management

Customer feedback is essential towards reaching business success. This is why we wrote a detailed guide on this topic.

In [How To Use Customer Feedback for Business Growth](#) we explicitly called out the importance of gathering feedback from internal stakeholders.

Similar to how there are differences between internal product management and external product management, there are some differences between internal feedback management and external feedback management.



**Some of the similarities between them include:**

- The need to maintain a central repository of the feedback that you receive
- Understanding the “why” of provided feedback
- Keeping a list of the feedback, who requested it, and other pertinent information
- Usability testing as a method to gather feedback

Here are some of the differences however with internal product management.

## **Easier to collect feedback from internal teams**

Reaching out to a member of your team for feedback can be a lot easier than reaching out to customers. With employees they (most likely) know you and the initiatives that you may be working on.

Sending a co-worker a message asking for their participation is easier than reaching out to a customer where you have to be more concerned regarding which customers you are going to reach out to, when, how, which team members, and what their response will be.

## **Limited forms of feedback**

When managing an external-facing product the App Store ratings and app reviews are important.

However, when managing an internal digital product these ratings are not as valuable.

This does not mean that you won't obtain this information from your users (employees of your organization), however, you will be focused on other feedback methods. For example 1:1 discovery meetings, in app surveys, usability testing, etc.

# Suitable Roadmaps for Internal Product Management

A product roadmap is a tool that outlines the strategic objectives of a business and how they plan to evolve their product to reach these goals.

We wrote a detailed guide on product roadmaps, [check it out](#).

They carry many benefits including aligning your team, positioning your product(s), obtaining stakeholder buy-in, setting the vision of the future of the product, and planning resources. They also assist with internal communication.

Larger teams face many many challenges when it comes to roadmapping.

Some of these challenges include aligning with stakeholders, prioritization, maintaining open and flexible communication, sharing the roadmap with the right parties, receiving feedback, and more.

These challenges can be mitigated when businesses use the right software development framework and use a modular tool that enables customization for specific needs.

In our guide we spoke about external facing roadmaps and internal facing roadmaps, and outlined the key differences between the two.

External product roadmaps are roadmaps that are shared with those outside of your company.

In many cases these are mainly designed for customers to outline expected product improvements. Customers are often curious to know what's coming next and if you are working on their specific requests.



**Internal roadmaps are for your internal team, those inside your company. They are used for both market facing products as well as internal roadmaps for IT product management.**

This roadmap contains more sensitive data (hence why it's internal).

There are two important things to keep in mind related to internal roadmaps.

An “internal roadmap” is not one sole roadmap, but rather multiple roadmaps that are based on value streams, products, or business capabilities.

It is important to share these roadmaps with multiple stakeholders at different levels. Stakeholders to whom the information is pertinent to, and crafted towards; you



won't share the same content with the CEO, head of departments, or business users.

Especially important for enterprise organizations is to have a consolidated view of all these roadmaps for the value stream leader (or product manager) to have an overview of what's happening, and for the CEO or CIO to understand what's happening overall.

airfocus is the only tool that provides this. It also contains [multiple roadmap templates](#) for internal roadmaps, pre-built templates that you can use right out of the box or modify in a matter of minutes to meet your team's specific needs.

Let's now dive deeper into some of the most suitable roadmaps for this topic.

## Business roadmap

A [business roadmap](#) outlines the long term strategic plans of a business. It is not a [business plan](#).

Unlike lengthy business plans that detail the activities required to accomplish business goals, business roadmaps focus on big picture objectives and high-level strategies to achieve them.

Planning for the future, prioritizing objectives, setting the vision, these are just some of the benefits of a business roadmap. They also keep stakeholders aligned on specific goals and provide a track record for success.

Use airfocus [to prioritize your business initiatives](#) for a more effective roadmap with a smart prioritization framework.

For help on this front we also wrote [a detailed guide](#) on how to set up a business roadmap.

## Experiment based roadmap

This roadmap [outlines the experiments](#) that the product team will work on within a given time period to find new product opportunities.

It lists the entire workflow of the experiment, which can include a detailed description, the hypothesis, important links for reference, and more.

Internal stakeholders will be aware of the plans, kept up to date on execution, and know the results once available.

This roadmap outlines to internal stakeholders the many experiments that the product team will carry out throughout the period, and it also forces a product manager to think about the detailed steps to take, and ensure that they are working on the right initiatives.

## Cybersecurity roadmap

This roadmap outlines a business's plan to develop a stronger state of security for its systems, networks, and solutions from digital attacks.

This will be on a timeline-based view. Cybersecurity relates to a business's internal processes and vulnerabilities as well. Clearly this is not information to be shared with the public.

## API roadmap

Businesses create APIs for their products so that others can utilize them to help expand their reach and platform. Remember that time you logged into a website with your Facebook account? You were [using Facebook's API](#).

An API roadmap outlines the improvements that a business will make to their API for the benefit of other customers and users.

[Read more about this topic](#) in our detailed glossary.

# Unique Workflows and Customization



Transitioning from a project approach to a product first approach internally involves workflow changes in organizations.

Rather than waterfall and extensive [Product Requirement Documents](#), feature specifications that are just enough, and Agile practices are followed instead.

In large enterprise organizations that leverage internal product management, not all Agile teams follow the same specific processes or have the same workflows (for internal facing and external facing teams).

This is why it is imperative that organizations use customizable tools that meet the needs of their various teams, processes, and workflows.

Once a team has determined a particular business problem to solve, they work through the product development process to design, build, test, and launch the solution. And of course iterate on the product post-launch.

The product development process is the process that all products go through. Product leaders follow this process to take a solution from problem definition to launch, and on multiple activities post-launch.

Though defined in a few different ways the process generally involves the following stages:

1

## Define the problem

Research and discovery to gather a list of problems that can be solved for users and customers.

2

## Prioritize the problem

Taking a deeper dive into the list of problems provided and understanding what the value vs. effort to each one may be based on potential solutions, forecasting ROI, and determining which problems to solve based on stakeholder feedback and alignment to business objectives.

3

## Design the solution

Working with the product design team to solidify the scope and define the look and feel of the solution.

4

## Build the solution

Working directly with the development team as they build the solution. This involves crafting user stories and acceptance criteria, being available to answer questions, testing their work, and unblocking members where needed.

5

## Test the solution

Testing and quality assurance prior to release to ensure that the solution is working as intended without bugs, or glaring issues.

6

## Ship & measure success

Making the product available to users and customers while tracking key metrics from the launch date to ensure that the product is on a path to success.

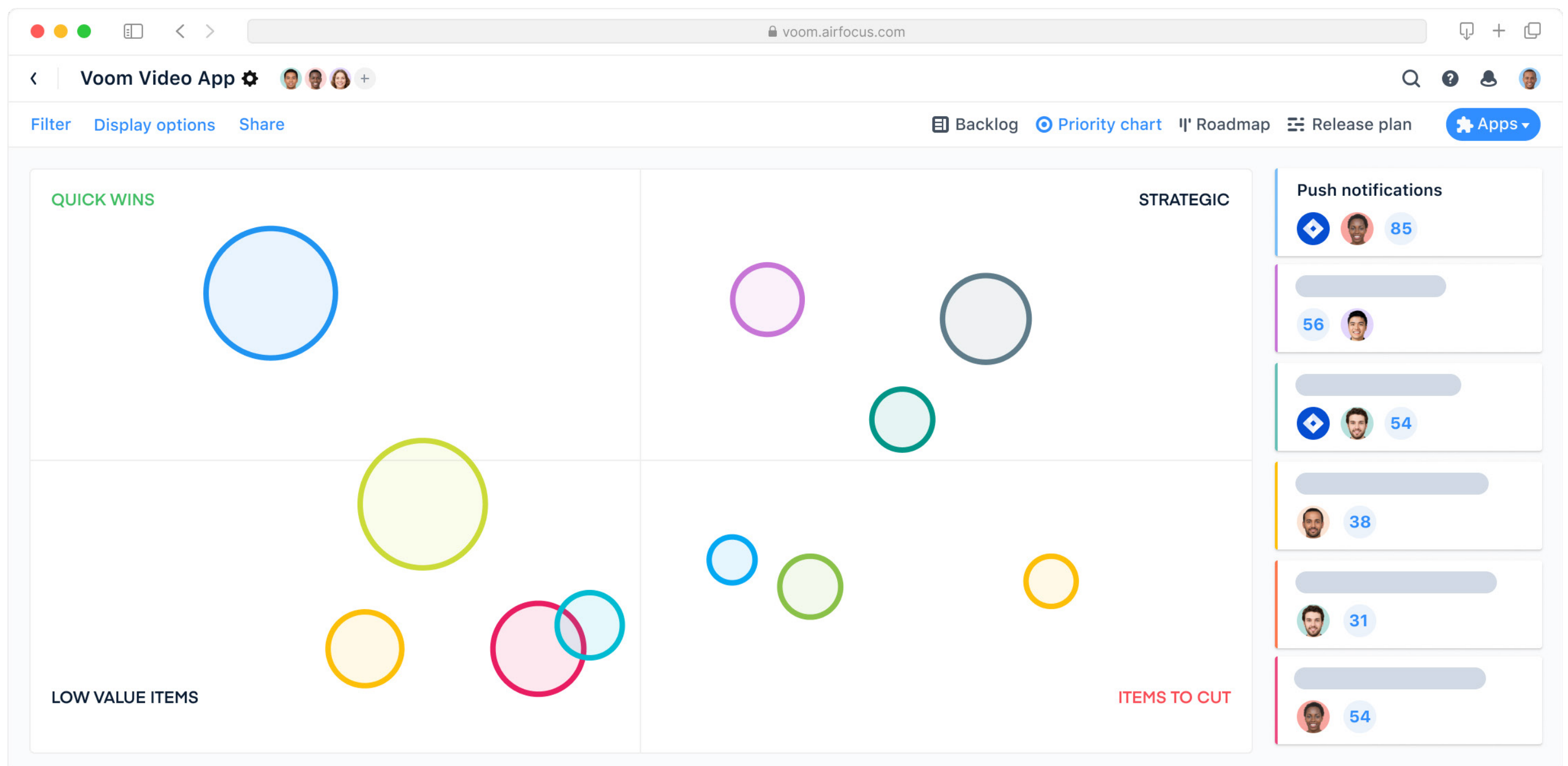
There are various tools that are utilized in each stage, mainly related to the tasks and needs of cross-functional team members. Certain teams may require more visibility in certain areas, however it's imperative to utilize a tool that can increase visibility into plans and unite everyone around a shared goal.

While Jira may be used to manage work with the development team, Figma when working with the design team and for [usability tests](#), Mixpanel to analyze product metrics and determine success, a product management tool that gives full visibility into all of the plans is imperative.

This is where a product management tool [like airfocus](#) is leveraged to discover, learn, plan, and deliver work in a way that works for your organization and teams.

airfocus comes out of the box with needed features and functionality that support organizations that are in the process or looking to shift to an internal product management approach.

Here are some of the needed features and capabilities that airfocus supports:



## Multiple workspaces

Having multiple workspaces enables each IT team to use their own customized workspace. With this they can work in the fashion that works for them. For executives, they can use the Item mirror feature for an overview of all workspaces and work.

Having multiple workspaces is also a scalable approach. Take our advice of starting with an experiment, communicating the success, and then expanding the success and processes further. And as you expand further you can easily add new teams and adopt product management into other functions of your business.

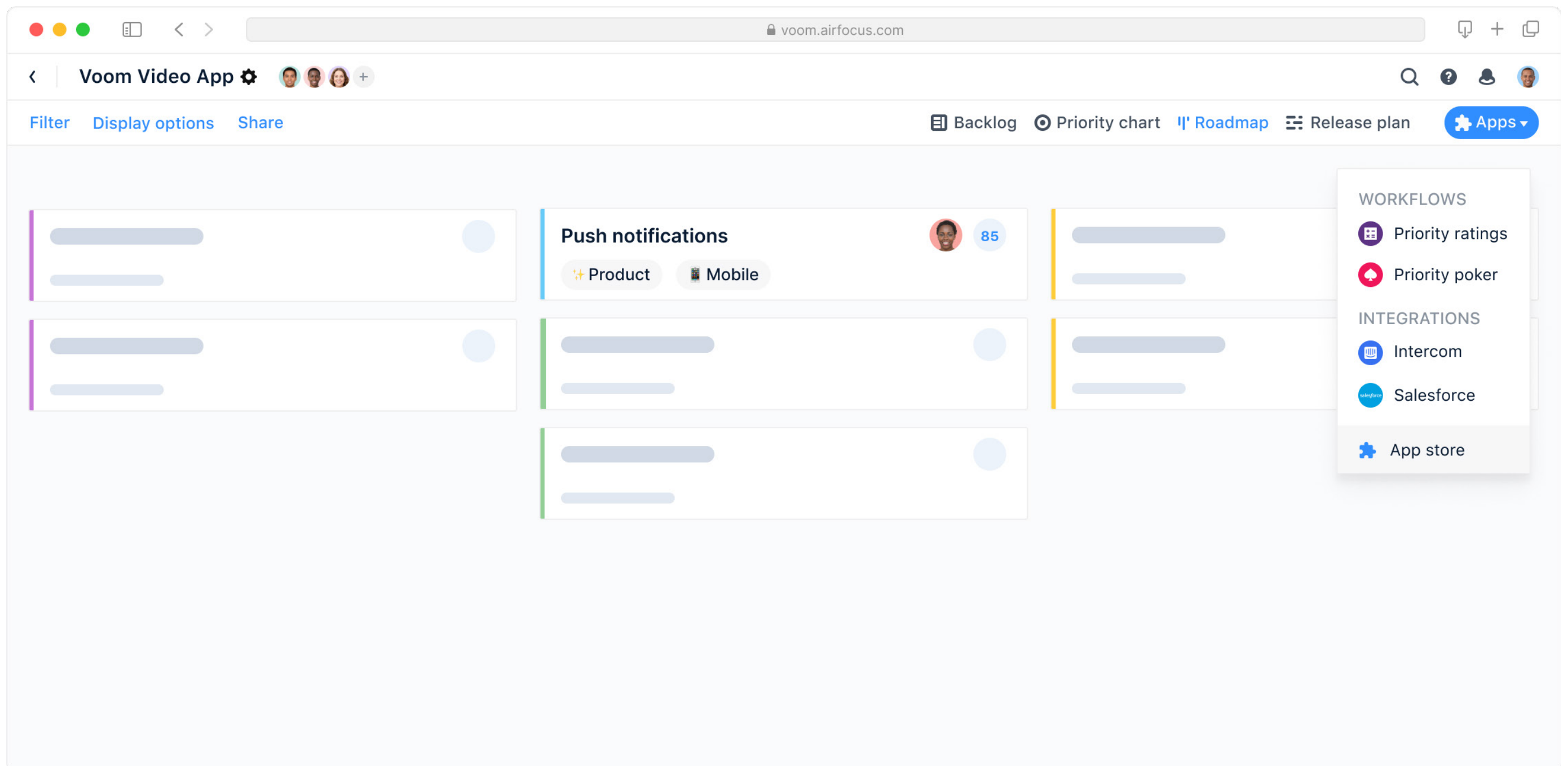
## Different Views of workspaces

Along with support for multiple workspaces, airfocus supports various views of workspaces. Table views, chart, board, timeline and Inbox (with [airfocus](#) insights).

## Hierarchy on many levels

With airfocus you can organize the internal products you work on in a way that works for you. Create and visualize your custom product hierarchy on many different levels.





## Custom Fields

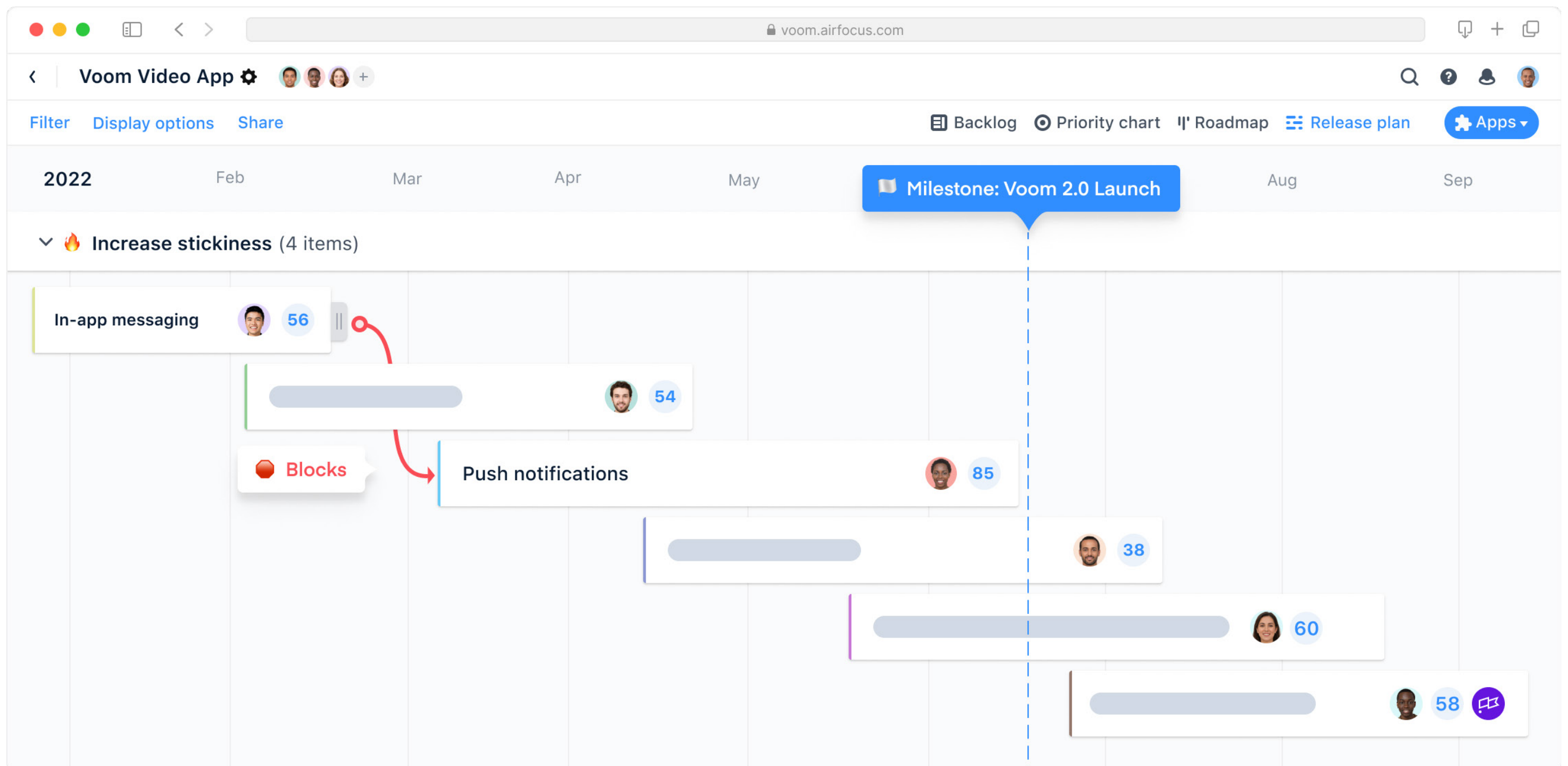
Capture the information that you need with the ability to add custom fields to your views. While certain pieces of information may be important to certain teams, other pieces of information may be important to others.

Add additional fields to enhance your prioritization framework, expand details for items, import information via CSV and more.

## Boards

The Board view is a theme-oriented visualization for items that work best for “no date” roadmaps or more Agile roadmaps that can be pivoted on themes, sprints, or epics.

Use the board to share what your team is working on now, what’s next, and what’s coming soon to keep key stakeholders align and focused on the work that really matters.



## Timelines

Use a timeline view to manage your product strategy, backlog, workflows, and roadmaps. This acts as a single source of truth that visualizes the short and long term direction of your products and initiatives to achieve a specific vision.

Our timeline template includes a ready-to-use timeline view, a backlog with a customizable prioritization framework, and a 4x4 priority chart to visualize your quick wins and don't dos.

airfocus is the modular tool that enables you to customize roadmaps according to your team's needs. It makes product management work easier!

# How To Choose the Right Tool for Internal Product Management





There are many factors to consider when choosing the right tool to use for internal product management.

Even if you have an existing tool pay attention to this section as you may be in the market for a new tool in the future as your business needs change.

## **It's important to have a tool that is flexible, modular and easy to use**

Flexible means that you can customize it and modular means that it has various standardized parts that can interact with one another to build and suit your needs.

This is especially important when it comes to integrating your tool with your existing workflows and processes. And if these change in the future then your tool can adapt with it.

This is also important when you want to scale or when you have multiple teams. Give them the ability to customize their own workspaces and work the way they want within the same tool.

Enterprise grade security must also be kept in mind

Your business carries sensitive data about your employees, customers, users, business plans, and more. It will only erode the trust of your key stakeholders if there is a breach in your system.

Using a tool that meets ISO standards will help your IT security team sleep more comfortably at night.

On the topic of data, if you have a global customer base, utilizing a tool that is GDPR compliant and CCPA compliant are beneficial, if not needed.

GDPR is the General Data Protection Regulation. Enacted by the European Union It outlines the rules for data protection and privacy for citizens within the EU and the European Economic Area.

CCPA is the California Consumer Privacy Act. Enacted by the state of California it is meant to enhance privacy rights and data protection for residents of California.

## Collaboration is key to success

Some additional key factors to consider are tools that enable collaboration across multiple large teams and provide a structured and standardized prioritization process.

Team collaboration and running prioritization exercises are easier when teams are small. As companies grow in size and there are larger teams it becomes more difficult to work with others and also prioritize to reach decisions.

This is partly why Scrum has been adapted into LeSS.

Using a [product management tool](#) that enables your many teams to be involved, share information, and go through prioritization activities will make the process easier. Share a centralized vision of your roadmap and product portfolio with your entire team.

## Driving change with the best solution

Here are some other factors to consider as you work on driving change with your team.

Before you start speaking with vendors, know the specific use cases that your team and organization needs and prioritize them. Think about the key problems that your team is looking to solve.

It helps to list all of the needed use cases down on a score sheet to complete as you receive demos of various tools.

Also gain feedback from other stakeholders in your company that will be interacting with this tool.

Think past the product team, but what actions and key information does the executive team and the leads of various departments need?

Take the time to understand the requirements of other business stakeholders.

When acquiring new tools, ensure that you are setting your team up for nothing but success. Learning how new tools work, their capabilities, workflows, etc. out of the box is not easy.

When speaking to vendors, understand what they offer for not only onboarding assistance, but even post onboarding. Negotiate the best conditions for your team.

This goes past simply understanding how to use their product, but ensuring that they will be available to assist as your team and company grows, to help you apply best practices as you use their tool.

At airfocus we support our customers along every step of their journey. Even past onboarding we continue to make ourselves [available](#) to advise our customers and share [quality content](#) related to product management and best practices.



# What next?

Now that you have made it to the end of this detailed guide you should have a much better understanding of internal product management, its benefits, related terms and processes, digital transformation, and more.

We write these guides to share beneficial knowledge and best practices with our community to take action.

If you're embarking on a digital transformation journey or are interested in utilizing product management practices to benefit your team and organization, then make the transition and process easier by utilizing a tool that can adapt to your teams' needs and scale with you, integrate with multiple tools, prioritize effectively, and more.

From vision to delivery your way, get started with a [14-day free trial](#), or book [a demo here](#).

