Case Study: Targeted Assessment and Training for Product Line Leaders (Beazley)

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CIO Research Team

Initiatives: CIO Leadership, Culture and People

Product line managers are critical to the success of product lines. However, CIOs struggle to find the right candidate for the role. Beazley identified best-fit product line managers by clarifying role-specific competencies and aligning marketing, assessment and training to these competencies.

Company Name: Beazley

Industry: Insurance

Headquarters Location: London, United Kingdom

Revenue (2018): $2.6 Billion

Employees (2018): 1,384

Overview

Many CIOs have begun to align funding, resources and management support around a set of enduring product lines that tie to specific business outcomes, also known as a product management model. Critical to the success of this model are product line managers, who have primary ownership of one or more product lines. However, CIOs struggle to fill product line leader roles. They find it difficult to identify the right candidate due to the expectation that leaders have high levels of both technical and business expertise.

Beazley, a specialist insurance company, understood that current managerial competencies were not targeted enough for the product line leader role, and that existing managerial assessment and development was too generic and ill-equipped to prepare prospective product line leaders for the role. Beazley identified best-fit product line leaders by recognizing competencies specific to the role and aligning marketing, assessment and training to these competencies, to increase clarity around role expectations.

Solution Highlights

Gartner, Inc. | 718487

- **Defining competencies specific to the role**: Clarifies expectations for the product line leader role.

- **Marketing role by business impact and career growth**: Highlights nontechnical role requirements, the business impact of the product line leader position and career advancement opportunities to attract candidates from both within and outside IT.

- **Testing candidates for end-to-end product management**: Partners with key product line stakeholders to assess product management competencies through situational exercises.

- **Closing competency gaps with development opportunities**: Provides product management training to develop product line leaders' competencies and support development with a mentorship program.

Challenge

To make IT more responsive to business needs, CIOs are now beginning to align IT resources around a set of enduring product lines that tie to business outcomes. In a product management model, product line leaders own a product line, build the product line strategy, oversee its development and operations, and collaborate closely with business partners to understand their priorities.

CIOs struggling to identify best-fit candidates typically encounter three challenges:

1. **Existing competency models don't fit the product line leader role**: Traditional competency models do not reflect the requirements of the product line leader role, leading to lack of understanding of the expectations of the role.

2. **Missed opportunities in talent sourcing**: Assessments are not aligned to competencies specific to the product line leader role. This leads to a situation where candidates identified to be product line leaders are unable to meet the expectations required for the role.

3. **Failure to map skills development to role-specific competencies**: Skills development often doesn't target competencies growth, leading to substandard performance in the role even after extensive training.

Business Context

Beazley has been focused on using digital technologies to steadily improve the service and experience they provide to clients, brokers and employees. Some of the changes include the introduction of "no touch" processing for most small business transactions. They are also focused on harnessing new sources of data that can help them price risks more quickly. To accelerate their digital ambitions and achieve the level of responsiveness and customer centricity required, Beazley's IT function moved to a product line model in 2018.

Beazley has organized its product line model under two product categories — operations and digital (see Figure 1). The operations product category has six product lines, which are aligned to business outcomes, such as underwriting and claims. The digital product category has three product lines. The product lines are supported by product line leaders and product line owners. Product line leaders, who are from IT, are responsible for technology alignment, delivery and budget. Product line owners, who are from the business unit, define business strategy and vision.

The product lines are supported by standing, but flexible, product teams that adjust according to demand. Each product team consists of a product owner, Scrum Master, engineers, solution architect and a domain expert.

Figure 1: Beazley's Product Line Model in IT (Partial Representation)

Beazley's Product Line Model in IT (Partial Representation)
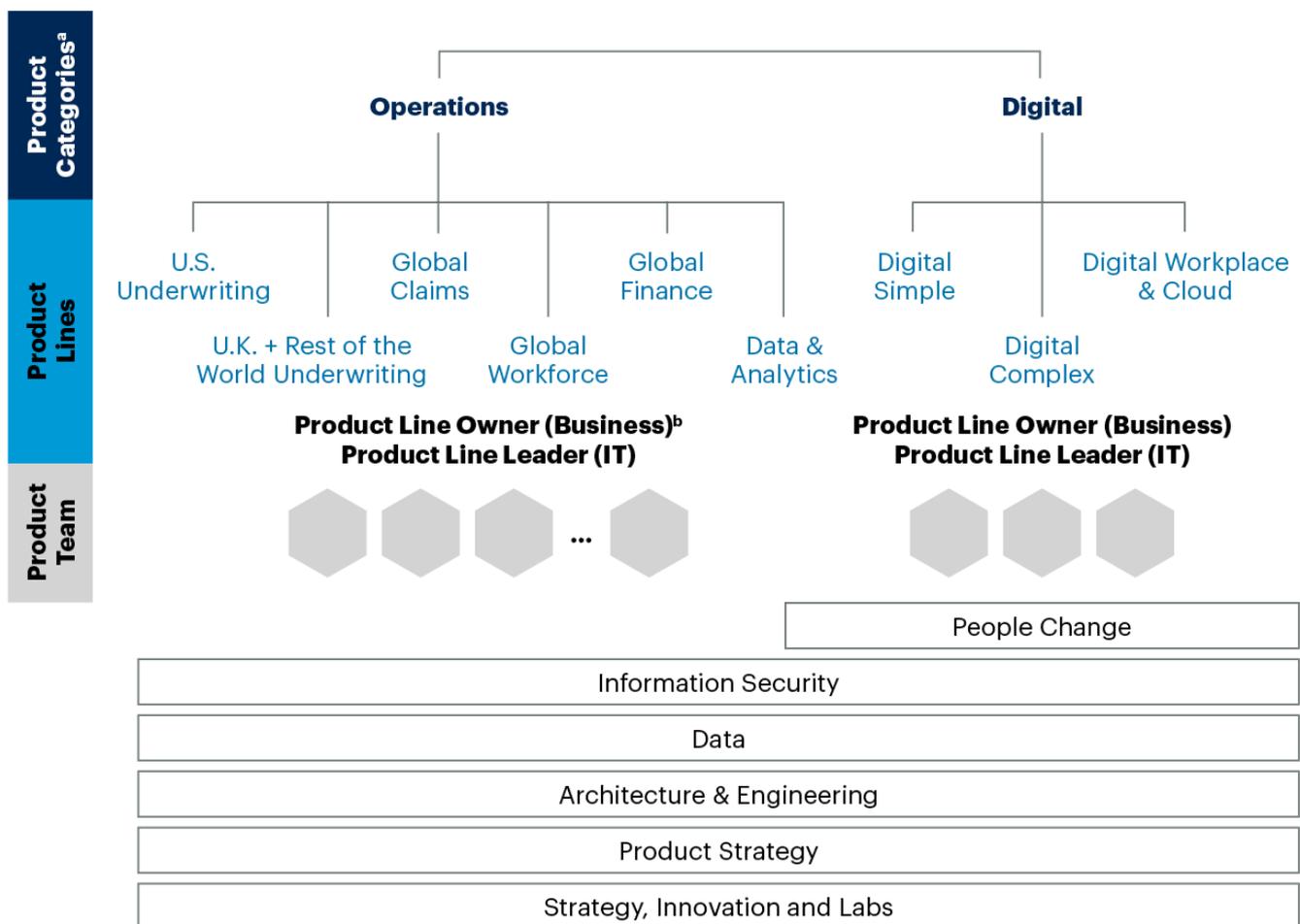
Source: Gartner

[a] Beazley refers to its product as platform

[b] Product line owner is the business stakeholder aligned to capability-aligned product line teams

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To get the right leadership in place for their product lines, Beazley defined the core competencies of a product line leader and assessed candidates for their proficiency in those competencies. These competencies are further developed once the product line leaders are in seat. This ensured a consistent and holistic approach to identify and develop the best-fit product line leaders.

Define Competencies Specific to Product Line Leader Role

Identify core competencies specific to the product line leader role.

Beazley faced difficulty identifying the right candidate for the product line leader role. While some candidates possessed the right technical skills, they lacked the requisite business acumen for the role. In addition, Beazley's traditional competency model didn't include competencies specific to the product manager role, leading to mismatching expectations once product line managers moved into the role.

Beazley's CIO realized that the product line leader role required an understanding of both business needs and technical needs and that could be achieved by developing a competency model specific to the role. The CIO, along with a third-party vendor, defined six core product line leader competencies which were both technical- and business-focused. These core competencies were identified based on the type of work product line leaders undertook and the amount of liaising with business stakeholders on the job.

The six competencies are:

1. **Flexibility**: comfortable with change and ambiguity in a product line model.

2. **Strategic thinking**: utilizes information, evidence and data to empower people; backs things up for sound decision making in product lines.

3. **Stakeholder engagement**: effectively builds and manages relationships with business stakeholders in a product line model.

4. **Achieving results**: drives execution in the product line without becoming overly focused on micro deliverables; collaborates in all directions to achieve the best possible outcome in the product line.

5. **Managing others**: delegates and empowers stakeholders effectively, avoiding micromanagement; ensures effective delivery in product lines.

6. **Technical knowledge**: demonstrates a good level of understanding of Agile practices in a product line model; applies technical knowledge to solve business problems.

For the first three, mastery in these competencies is absolutely essential to be selected for the product line leader role. For the latter three, prospective candidates are expected to express a certain level of proficiency, not mastery, in these competencies. These competencies formed the basis of Beazley's targeted assessments and in-seat training, so that product line leaders are aware of the expectations of the product line leader role.

Market Role by Business Impact and Career Growth

Realign job advertisements to highlight work most critical to the product line leader role.

Even after identifying competencies specific to the product line leader role, Beazley struggled with attracting candidates from IT and business backgrounds for the role. Although competencies were clearly defined, it was hard for prospective product line leaders to picture what the role entailed and what benefits they would get by moving into a new career track. Beazley redeveloped its job advertisement for the product line leader role to highlight the following:

- **Nontechnical requirements of the role** — Candidates outside IT refrained from applying to the product line leader role, as they felt the role required an understanding of technology. Beazley tackled this issue by highlighting the nontechnical side of the role, such as liaising with business stakeholders, which aligned with the core competencies identified in the first solution.

- **Scope for career growth** — Candidates, both within and outside IT, refrained from applying as they couldn't visualize the benefit of the product line leader role to their career. Beazley highlighted opportunities for career growth in the refreshed job advertisement.

- **Business impact of the role** — Candidates from non-IT backgrounds didn't apply for the product line leader role as the connection to business stakeholders was not clearly visible in the job advertisement. Beazley highlighted the business impact of the product line leader role to attract candidates who were interested in gaining experience in a role that required an understanding of both business and technology.

The changes to the job advertisement focused on the primary functions of the product line leader role.

Test for End-to-End Product Management

Test potential product line leaders in real-life simulations to ensure mastery and proficiency in competencies.

Beazley's traditional hiring process included a technical test, followed by interviews. The typical assessment didn't capture the realities of the product line leader role. Beazley, along with a third-party vendor, built an assessment center to assess candidates on the six competencies previously identified as critical to the product line leader role. Mastery in three competencies was essential to pass the assessment: **strategic thinking, flexibility** and **stakeholder management**. Mastery of these three nontechnical business competencies was considered critical to succeed in the product line leader role.

A range of exercises were developed to assess the competencies (see Figure 2). Each candidate was tested through four assessment steps:

 1. **Develop a strategy**

In this step, candidates are asked to develop a strategy in response to a digital giant entering the insurance industry. Candidates are tasked with analyzing the situation and developing recommendations. The exercise assesses candidates' ability to think strategically when

encountered with a new business proposition, while keeping in mind digital transformation requirements.

2. Communicate strategy to key stakeholders

Candidates are asked to present and pitch ideas to business leaders who may lack deep technical knowledge or background. Candidates need to be able to deal with business change issues and demonstrate an ability to get a viable product to market within a constrained time frame.

3. Convince stakeholders of enterprise changes

Candidates are asked to develop an influencing strategy to help leaders understand the importance of new ways of working. Candidates are expected to come to an agreement with stakeholders in an optimal way. They must also convince the stakeholder of the need for more agile ways of working and get the stakeholder's agreement to launch a minimum viable product with tight time constraints.

Assessors identify strong candidates based on how well they present ideas compellingly, listen, and influence and reconcile differing agendas. Candidates are also assessed on if they respond appropriately to a sudden change in agenda and tone of the assessor.

4. Build team alignment

Candidates have to bring skeptical team members on board. Candidates are asked to have a conversation with their team members to get everyone on the same page. This exercise indicates how the candidate effectively assesses the issue, gives feedback and coaches their team members, emphasizing the new ways of working.

The assessment panel included IT and business leaders with whom the product line leader must interact once in seat. Involvement of business unit leaders enabled them to assess the candidates they could work with most efficiently. The CIO believed that if the business stakeholder had a say in who was hired into the product line leader role, then the stakeholder would be more eager for the candidate to succeed.

Figure 2: Beazley's Assessment Center

Beazley's Assessment Center

Assessment Step	Develop a Strategy	▶ Communicate Strategy to Key Stakeholders	▶ Convince Stakeholders of Enterprise Changes	▶ Build Team Alignment
Competencies Tested ■ Mastery Expected ■ Proficiency Expected				
Flexibility		✓	✓	
Strategic Thinking	✓	✓		
Stakeholder Engagement		✓	✓	
Achieving Results	✓		✓	✓
Managing Others		✓		✓
Technical Knowledge	✓	✓		

Keys to Success:
Assessors: Business stakeholders who work closely with product line leaders once they move into the role
Assessment steps: Grounded in real-life challenges

Source: Adapted From Beazley

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Close Competency Gaps With Development Opportunities

Refresh competencies in hired product line leaders through tailored exercises and focused mentorship.

Product line leaders who were selected at the assessment center exhibited proficiency in three competencies but required support to reach proficiency in three other competencies — **achieving results, managing others** and **technical knowledge**. To move from proficiency to mastery, product line leaders can access a range of training and support (see Figure 3). These training sessions were available online and offline, and simulated a real-life situation encountered in the product line leader role. To encourage product line leaders to access these trainings and further build their competencies, access to training plans was monitored and assessed in the year-end appraisals. In addition, product line leaders highlighted one objective from the on-the-job training in their year-long development plan.

Figure 3: Moving From Proficiency to Mastery Once in Seat

Moving From Proficiency to Mastery Once in Seat

Competencies	Training Provided
Achieving Results[a]	**Manage Your Business Stakeholders** Access this online training to figure out how to balance business stakeholder expectations in a product line model
Managing Others[a]	**Developing Leadership Skills** Learn how to manage a team in a product line model by joining a scenario exercise on building product line leadership skills. **Management Fundamentals** Understand your coaching and personality style to manage others in a product line model through this real-life simulation exercise.
Technical Knowledge[a]	**Product Line and Agile Fundamentals** Brush up on your fundamental knowledge of agile ways of working by thinking like an architect, and consider product line best practices through a gamified learning exercise simulating a real-life product line model.

Source: Adapted From Beazley

[a] Proficiency Expected

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At the same time, Beazley aligned each product line leader with a mentor to further redress their competency gaps through an on-the-job in-person interaction. Beazley understood that formal training left a learning gap for those who were more comfortable with learning on the job. An online tool matched mentees with mentors based on competency gaps. Mentorship supported continuous development of product line leaders through focused conversations on the largest gaps in competencies.

Results

Following the implementation of a targeted training and assessment for product line leaders, 30 applicants from within and outside IT applied for the role. Seven candidates cleared the assessment steps at the assessment center to become product line leaders. The training and assessment also increased collaboration between product line leaders and business stakeholders.

About This Research

This case study is based on several extensive interviews with Beazley's head of operations technology platform and CIO, and reviews of internal documentation provided by the company itself.

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"Costs and Benefits of IT Product Line Management: Transitioning to Product Line Management in IT"

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