

Product Management in Small/Medium Companies

How to Build a Product Management Culture in a Small Company

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What Is A 'Product Management Culture'?

"The blending of actuarial science with a marketing and business management focus."

Actuarial Science Is The Foundation

The must be a strong respect for the data and accuracy of pricing.

Business Management

- The goals of any business must be to:
 - Make a profit
 - Grow
- All functions must be built and developed
 - Claims, policy operations, sales, finance, IT, pricing, etc.
 - Product Management has a hand in all of these and ties them all together

What is Product Management?

Product Management Operating Model



Marketing – the 4 P's

- **P**roduct – the right coverage, right level of claims service, EODB, etc.
- **P**rice – is the product price competitively for the market?
- **P**lace (Distribution) – what is our position in the market? do we have the right agents? should we have agents?
- **P**romotion – How do we expand our share of the market, etc.

Actuarial Science, Business Management, and Marketing

All of these are essential to create a product management culture.

So, how do you build a product management culture in a small company?

Create a respect for the product and pricing

- Objective decisions based on data
 - Internal or external data
 - Discipline on rate level
- Long term focus
- Make decisions and react quickly

Demolish the 'department' mentality

- All functions on the wheel must work together
 - All functional objectives must be aligned
 - Work together with the goal of profitable growth

Focus on the customer (correctly priced, of course!)

- Know and target your customer base
- Develop strong relationships with your agents
 - Great source of competitive information and data
 - Direct link to customer wants and needs

Get the right people on the bus

- Analytical, data-driven
- Creative problem solvers
- Objective
