

## Episode 50: Ted Krantz, A CEO's Perspective

Rashmi ([00:58](#)):

Thank you so much for your time, Ted. And welcome to Women in Product. And we will probably take you down your memory lane during the time where you were recruiting or hiring for a chief product officer position at data.ai. So we'll probably do a little dig in there to understand more. I think basically, we've been talking to many chief product officers and we also wanted to get and view from a CEO perspective to see what they thought about the hiring, and why did they need a chief product officer, and kind of talking around that part. So let me first get started with... So what was the need for data.ai to actually have a chief product officer? And why not a VP of product, for example, for that role?

Ted ([01:51](#)):

Yeah. No, it would be inappropriate for our scale. We're approaching 150 million. At the time that we had the rec open, we were still probably, I don't know, well north of a hundred million. So at that level, you need somebody that is a peer to the chief revenue officer to the CFO. And it's a scaled global organization. So a VP of product would not be appropriate. I don't think it would be able to function at the E-team level, just in terms of even competencies, experience the way they're thinking about what we're trying to accomplish, that would really need to be minus one. So that wasn't even a consideration.

Rashmi ([02:33](#)):

Got it. And did you actually think about grooming someone internally versus an external hire? What were your thoughts around that?

Ted ([02:43](#)):

Yes, we do do that quite substantially as a company. We did that with the revenue leader, we did that with the finance leader. We have a well-established reputation of promoting from within, so that was a consideration. In this particular scenario, that just wasn't an option. We didn't have somebody at the VP level that we thought was appropriate to take us to the next level as a CPO. So we did an external search.

Rashmi ([03:07](#)):

Got it. And just piggybacking a little bit on the things that you mentioned, so VP of product versus chief product officer. According to you, what really was this charter? Could you probably take us a little more deeper into the charter for chief product officer?

Ted ([03:26](#)):

Kind of going back to where you started, why CPO versus VP? First, not just the scale and complexity of the business, we're a data provider. But the CPO role has grown right over the years. There's a lot of opportunities in terms of product led growth.

There's data aspects of what we do. There's the visualization of the product. There's particular lines within the product that need to kind of stand on their own merit. So it's a broad platform play and a combination of products that ultimately, deliver what we package as our intelligence products. So the complexity and number of direct reports underneath the scope of the product. And then getting back to the data derivative side of this as well. There's a pretty hardcore engineering element to our product role as well, that would be even a step beyond traditional SaaS. So we needed somebody technical too.

Rashmi ([04:27](#)):

Got it. And while you started interviewing the candidates, did some of the definition change with respect to what you wanted in a chief product officer?

Ted ([04:40](#)):

Well, we started off with an open mind. I would say that yes, it did change a little bit maybe two, three months into the search, in that when we really went after a hardcore experienced CPO, there were limitations that we saw in the market in terms of availability of talent. The supply and demand equation, especially at that time, was highly compromised. There were a lot more openings than there were great candidates. And looks that we had from the experienced CPOs, didn't seem to be a great fit for us in terms of really hitting the dimensions of technical, the scope of the role that I described. And then also from just a team composition standpoint working, we really try to work as a first team. So it's the Lencioni Principles of first team.

([05:31](#)):

We really try to drive a lot of collaboration at the executive team level, and working with peers, working obviously closely with sales, marketing, the front office functions, that was an important component too. So we started to, I would say after two or three months, be a little disappointed in terms of some of the candidates that we were interviewing. And made a decision essentially to open it up. You went back and we promote somebody from within, well I actually thought about promoting somebody from external, actually. And so I'm a little bit in the gray lane here in terms of the way you're structuring the questions. But I looked for an up and comer. Made a commitment that I want somebody that's probably at the VP level or a senior level, lots of experience, but hasn't gotten to the next level.

([06:18](#)):

And then the other component too, that is also a Lencioni Principle is the humble, hungry, smart. If there's one dynamic that was really important to me that we hold to here at data.ai, it's hungry. You can't compensate for a hungry executive, someone that really wants it. And in our particular case, Katakai really wanted it. She was very hungry for that next level, it showed in the interview. And so, that element was incredibly important to us. And then there were other elements that we looked at in terms of the profile as well to make sure we had the right fit.

Rashmi ([06:56](#)):



Absolutely. I think we had a blast and it was such an inspiring talk listening to Kataki and her journey. It was mind blowing, I would say.

Ted ([07:09](#)):

Cool.

Rashmi ([07:10](#)):

Yeah. Going back to or looking at taking a one step backward, I think you touched upon this a little bit. Some of the challenges that you faced while recruiting for a CPO position. I know you mentioned about the supply-demand, the scarcity, and a combination of this technical skills along with scaling. Anything else you want to add, and especially the challenges that you faced when you wanted to hire a female CPO?

Ted ([07:37](#)):

Sure. Well, I'll start with the kind of the aggregate challenges at first. A lot of times when you're talking to CPOs, the humility is lost. There's a great deal of ego in the more experienced CPO candidate pool, I would say to a point of underestimating what we have to do, perhaps being a bit difficult to get along with. We really want the harmony. If we're going to run first team, we're not running hub-and-spoke. The vast majority of tech companies still run hub-and-spoke. Everything comes through the CEO. And that's not how we're going to run it. We're going to run it with them, offering up the ideas. I'll weigh in when we need to, but they should be able to solve 80% of what we need to accomplish objectively on their own. And that's why they have the C title.

([08:26](#)):

So I do think that ego definitely was an issue coming across as difficult to work with was a common theme that we saw. And so we really put a lot of weight on someone that's going to bring a teamwork, collaboration, positive attitude, can do. Now, the big one that was really important is customer centric. You'd be surprised how many experienced CPOs have probably just grown a bit tired of the energy and effort it takes to develop relationships with the field, develop relationships with the customers, to care about the customer. This isn't a B2C product, it's a B2B serving B2C. And you have to really understand the customer, and have a natural delight in terms of interacting with them, spending time with them, understanding, and caring about the customer. And so, that was a really important component for us as well. Now, on the female side, I'm sure it doesn't surprise you at all, Rashmi, the candidate pool for female CPOs is a very narrow lane. I was shocked how narrow it was actually in the recruiting process. It was extremely hard to find.

Rashmi ([09:46](#)):

And so you must have basically spoken to both male and female candidates, even though the pool of the female candidates has been really small-

Ted ([09:46](#)):

Very small.

Rashmi ([09:57](#)):

Which is definitely not surprising, but how different was your experience across these two? I know you mentioned about the humility part, but really how different was experience?

Ted ([10:07](#)):

Yeah. Well, I don't know that I can be as black and white to make it male and female, but more of the characteristics in terms of what we saw, in particular, with Kataki that jumped out was the collaboration, the teamwork, the spirit, the hunger for the job. Like I said, you can't underestimate that at all. That's just so important in terms of how bad do you want it. So that jumped out. She's got incredible skills. And the other thing that we really decided that we wanted as well, based on past experiences is of what worked and what didn't work. We wanted a great listener. We wanted balance. And we wanted the ability to collaborate. So we intentionally put into our case studies and reviews, a lot of curve balls to throw candidates off. To move them from slide two that they're on to slide 23. How do you handle that?

([11:09](#)):

Are you going to be one of those people that like, "Well, I'll get to that. Let me stay here and keep continuing that." That was a red flag to us. Especially running first team, because you're going to get interrupted, you're going to need to be able to be moved around. So watching how someone reacts to being moved around was something that we put a lot of weight on. And Kataki handled that incredibly well. And I would say in some cases, the other candidates didn't handle that well at all.

Ted ([11:41](#)):

Yeah, and my background prior to running the company for the last five years, I grew up through the sales ranks. And to me, this was a big component because when you're talking to customers, they're going to interrupt you, they're going to move you. How well do you adapt to that is really critical in terms of taking care of customers. So in terms of taking care of us and, ultimately, customers. We did, we put a lot of weight there. And she was a shining star there. We intentionally did that during the interview process.

Rashmi ([12:12](#)):

Got it. That's such an amazing insight right there. So were there some of the must-have qualities during the candidate selection process? I know you talked about hunger as one of the things that was not compromiseable. Any others that you wanted to add from a must-have perspective? And what were the ones that you could possibly compromise on?

Ted ([12:43](#)):

Well, the hard skills were pretty black and white. I really needed to have a product leader that had technical competencies as well as the product experience. So a

combination of engineering and product was definitely something that we put into the rec that was an immovable object. So that limits some of the candidate pool there. The other component is we wanted entrepreneurial experience, but with a base of large enterprise SaaS experience, we wanted both of those components too. So that you have the element of leveraging scale, but you also understand that you have some limitations in an entrepreneurial lane, and you got to figure out that right combination of what works and what doesn't. But we wanted the baseline of both large companies, small company, mixed pedigree, engineering product. Those hard skills were absolutely critical.

[\(13:37\)](#):

Data was another important component and it didn't have to be market data like we had the first party data. Some of the elements, in particular with Kataki, with Salesforce, and the Marketing Cloud had a lot of tangibles that were specifically tied to the vision of the company in terms of where we're going, so that we can integrate your data with market data. So that was a big element that we put in there as a hard requirement. You had to have very good data, and let's say analytics experience. So those are probably the four or five primary points that we were not going to negotiate on in terms of hard skills.

Rashmi [\(13:37\)](#):

Got it.

Ted [\(14:21\)](#):

Now, the soft skills, hunger, flexibility, team collaboration, good team player, watch for the ego or the brilliant jerk in kind of Netflix parlance for red flags during the process. Those soft skills in terms of how you work, we put a great deal of weight on it as well. No, that was a little less tangible and a little kind of watch how it goes, but that was equally important to us.

Rashmi [\(14:52\)](#):

Got it. And you touched upon this a little bit on your background perspective, that being able to be that listener and be able to handle the conversations, especially when you've been moving from one place to the other. Were there any other aspects based on your background that actually helped in identifying the right candidate for this position?

Ted [\(15:16\)](#):

Well, we had made a change on the product side and I had to plunge deep into product. We had a consultant, Yardley Poll at the time, who's also another female CPO. And I worked extremely well with her, enjoyed her time with us. It was two or three quarters of taking the product over. So I was really able to get into the details of what's working and what isn't working with products, so that we could figure out the right profile. And one of the things that jumped out to me for sure is, we were probably running a little too extreme in kind of let's describe it as a Peter Thiel zero to

one kind of motion. In an extreme fashion. To the point where we almost felt like we knew better than our customers. We knew better than industry consultants.

[\(16:07\)](#):

There was a particular product that we were building and we were leveraging an industry expert for that product. And I found it fascinating. The team, while they said they were collaborating with the industry expert, when I looked at the final PRD, we were. We had a real bias, a confirmation bias about what we wanted to do and how we wanted to do it. To the point where it defied logic. There was an expert telling us clearly there were some things that we were missing on the fundamentals. And when I'm listening to the reader, I could tell he was right. So that to me, going back to listening and collaborating, emphasized that point because I saw us a little bit in this very scary place of being disillusioned with how much we thought we knew, versus how good of a listener are we, and then apply our skills.

[\(17:07\)](#):

So that confirmation bias, that ego and distorting reality, not unintentionally. Ego getting in the way of building a great product based on what you hear. I think that much, even the sales profession, a great CPO has two ears and one mouth. And I think that I saw a lot of drop balls in terms of our ability to collaborate to get it right.

Rashmi [\(17:40\)](#):

That's really humble of you to share that story with us. Thank you so much for that. And talking about this whole process of really being able to understand the need for the CPO, source the candidates, interview them, and finally offer stage, what kind of seems to be the hardest phase based on your experience that you went through?

Ted [\(18:04\)](#):

Just in the interview process itself?

Rashmi [\(18:06\)](#):

Yeah, the whole process of being able to-

Ted [\(18:09\)](#):

Because I think the onboarding process is actually much harder than the interview process.

Rashmi [\(18:13\)](#):

Interesting.

Ted [\(18:14\)](#):

I don't know if you want to get into that or not. But on the interview process, I think the hardest is, ultimately, making the decision on where you're going to go with, because it's such a key hire. And for us, the ramp here is substantial. You can have a vast amount of experience on the SaaS side. But the combination of enterprise SaaS, full-blown analytics, a major AI emphasis as a data provider, and the core data skills.



That's a big area for any one person to feel competent on. So trying to triage all of that to make sure that there's enough depth in all those areas was probably the most difficult part.

Rashmi ([18:57](#)):

Got it. And I would love to hear about the onboarding process that you just mentioned now. So tell us about that.

Ted ([19:03](#)):

Yeah, I think that's probably the more interesting part. Because as I said, I'm doing a little bit of a hybrid. It's not so much promote from within VP level, build them up or go hire a CPO. I actually hired externally, and developed, and knew that I was going to develop. And so there was a lot of coaching in the first year, because it's a first time CPO. And so, that definitely has a little bit of a gambling mentality and a ramp period that is probably pretty substantial. And so, it's two, three really, a full year of break-in for that role if you're going to do something external like we did there. And so, I think the dynamics for that are pretty complex. We had a full rebuild on the team, so we had to rebuild, essentially, the entire product leadership team from scratch.

([19:59](#)):

So that was one element, an intense focus on recruiting. We've got most of those hires, not all of them, we got most of them right. I do think there were some good lessons learned on cutting, where we have to quickly if the fit is not there. Most notably on the culture side, going back to even the profile we had with Kataki, where we failed with minus one and minus two leadership openings within Kataki's organization. It was typically in the kind of ego or brilliant jerk kind of scenario. It wasn't a good fit for us. Even if some of the skills were there, we just didn't have the collaboration. This product requires so much intense collaboration with the field, as well with customers.

([20:42](#)):

So anyone that's kind of from especially a B2C kind of profile, they're going to struggle. They're not going to have all the answers. They're not going to just be able to be left alone, and go work on something, and kick it out, and it's going to be brilliant. That's just not how it works. So I think the recruitment piece was an intense ramp. And to try to get everything right, learning, and the partnering with the engineering organization, the partnering with the AI organization, the data science team that is top shelf. So that trilogy of the PTG leadership, getting familiar with that, the intricacies of high quality product, the data orientation, and building out the vision, all of those competencies took a great deal of time on the soft skills side. First time CPO, especially when it comes to managing up board level, how to communicate at that level.

([21:39](#)):

There's often tendency to probably not have the best listen-talk ratio. When you're promoting, there's a different element of being able to net it out. And just on the product side, building something that's clean, on the UX side is actually much harder, right?

Rashmi ([21:57](#)):

Right. Right.

Ted ([21:58](#)):

And the same goes with the communications side. Can you net it out? Can you have balance conversations? Get in and get out in 30 seconds. First 30 seconds is green. 45 seconds is yellow. If you're talking for a minute, it's red at a board level, you've got to have those skills down pretty pat to get in and get out. And that was definitely a break-in period for us. Anyone that's been at the mid to senior level at large companies, sometimes their skills for this are not very good.

Rashmi ([22:31](#)):

No, that's an amazing parallel you drew between the two. Thank you for that insight. Fast forward. Looking ahead, do you think the charter for the CPO might change in the future? And if so, how do you think it might?

Ted ([22:46](#)):

Yeah, I think in general... For us or in general?

Rashmi ([22:49](#)):

In general. Based on your observations, and based on the things that you see.

Ted ([22:54](#)):

Yeah, a hundred percent. And I think it goes right to this core issue, that in this world, in terms of the full commercial go-to market. If you don't have product virality, if you don't have product led growth, something that's contagious, sticky, it's going to be incredibly hard to scale and grow. So for us, the free-to-pay journey is a critical component for that. Not every software solution will come up with perhaps a great free-to-pay journey. But you got to figure out the virality. You got to figure out a way to make the product sticky, contagious.

([23:33](#)):

Slack is probably the example that everybody goes to, in terms of recent product virality. They didn't even have salespeople for quite some time. They really just put it on customer success, and word of mouth, and reputation. That's ultimately, where the game will go because it's getting harder and harder to develop a kind of big play, heavy arsenal. Sales go to market with a lot of heavy lifting, you're going to struggle that way. So I think getting the CPO that understands how to drive virality is, I think, here to stay and the primary job of a CPO.

Rashmi ([24:14](#)):

Got it. No, that's such an amazing insight there. Thank you so much for sharing. And if you had a magic wand, what would you want to change regarding the search for the CPO based on your experience?



Ted ([24:27](#)):

Well, I wish there were more diversified talent in the market. I am a believer too, we didn't talk about this, because we're talking so specifically about the CPO role. But I think at the executive team, I'm a big believer in the most diversity that you can bring to the table, the better you'll be. Background, everything. Every dimension of diversification is, I think, important. Some really experienced, some less experienced. Just any element of diversity, I think, will actually outperform in a collective IQ realm. And that's how we really run. It's the greater good will... One plus one plus, equals three will come from the orchestration of the E-team, not one brilliant mind. So I think if going back through the interview process, anything that we could change, it would be probably putting a little bit more emphasis on that reality of product led growth, virality, maybe a little more testing on the creativity side there.

([25:36](#)):

I think that based on where the market's going, that's probably something that everybody's going to need to do. The other thing too for us is the integration of everything that we do is artificial intelligence based. We're in a predictive AI path now. But really making sure that the skills and competencies on the data science side of the equation are there too. And we got pretty fortunate with Kataki that that worked. But I think where the market is going, AI is going to be the catalyst for the next big tech boom. When that comes? I don't know. If we have a downturn here in 2023, I think that's pretty likely, or at least more likely than not that we do. But at some point it'll turn around, and I think it'll turn around pretty quickly. But AI will be that catalyst back. And I think any thoughts I could give to potential product leaders is really dig into data science. You're going to have a difficult time staying in a CPO if you don't have strong data science skills.

Rashmi ([26:41](#)):

Got it. No, that's an amazing tip. Thank you. And any other advice you would give to other CEOs who are looking to hire a chief product officer?

Ted ([26:51](#)):

Yeah, I would say that when you look at the market and where we at as a tech industry, we should be pretty embarrassed about the diversification of this role. I would say even in terms of my lineage on the sales side, it's actually a lot better in terms of the diversification for sales leadership. Product leadership, we have to develop more female product leaders. I think what I've seen in terms of the balance provided, the chemistry with the team, adding that element of diversification has done nothing but improved the company, the perspective. I would also say that in terms of working with CPOs, I have frankly, of the two CPOs I've worked with, Yardley and Kataki, those are the only two CPOs in my entire career that I've worked with that are female. I've hired both of them.

([27:43](#)):

And I would say that the enjoying the ride with both of them has exceeded expectations. They've been nothing but a delight, less drama, more care and compassion, not just for the product, what we're trying to achieve on the vision, the

team. There's an element of nurturing and developing that I've seen with both of them in a real positive contagious attitude that, at least for me, in terms of the two that I've worked with, that has been something that I did not expect. It's been less friction, more fun, more bold thinking, and frankly, out-executing some of the more experienced product leaders we've worked with.

Rashmi ([28:28](#)):

That's amazing. I don't know how Katakai will actually react when she listens to this one. Probably she already knows. But yes, this is fantastic. And anything else you want to add, Ted? Apart from the things that we've talked, I know we've focused on a specific angle. But anything else you want to add?

Ted ([28:49](#)):

No, I feel like we've pretty much covered my territory and dimensions. But yeah, we're very fortunate to have Katakai. We were very fortunate to have Yardley. My orientation for product leaders is forever change as a result of their input on me and what I've seen from them. And so, I'm a big believer I'd love to see more female CPOs and the rest of my peer group should step up, take some challenges, because I think maybe the only thing to add would be, if you're going to do it based on what I see in the market, you're going to have to make a conscious effort and sign up for developing a CPO. I don't think that there's enough experienced female CPOs out there, so you got to kind of come to it with that mentality, but I think we should do more of that. I certainly have enjoyed doing that, and I think everybody is rewarded as a result of that. Being a great coach is a big part of being a CEO.

Elizabeth ([29:48](#)):

So I've got a question for you.

Ted ([29:50](#)):

Sure.

Elizabeth ([29:51](#)):

Given the situation with the pipeline, you have an interest in seeing more women that are qualified, and we do too. So, what are the one or two things that you think women need to focus on in their careers in order to be better prepared to step into that role and be more qualified for it?

Ted ([30:11](#)):

Well, on the hard skills side, like I said, I think it's virality, product led growth. It's the AI component being very heavy, having real technical chops on the DS side. I think that's the right combination of hard skills from a core product competency perspective. Try to manage bigger teams. Try to touch as much of the product lifecycle as you can. Understand also the go-to market. It's the old days of kind of inbound product and outbound product are getting a little bit more blurry unless you're with massive SaaS companies. But you have to have the outbound skills, I



think is another component here. Being able to listen to the customer, care about the customer. I do think there's a distinction between B2C and B2B. Pick a lane. They're very different. They're very different.

And in some cases, parts of our org, we actually want some of the B2C elements, especially on the free-to-pay journey. But as a CPO, if the company is selling a B2B to C path, you should probably come with an enterprise B2B pedigree and not try to cross lanes so much. Those are the hard skills. On the soft skills, which I actually think are more important, show that you're hungry. Raise your hand. Ask to take on more. Up stand firmly in terms of having the right voice at the company. I see a lot of cases where female executives can be a little bit more on the sidelines. Don't allow that. Go for it a little bit. Be bold. You get talked over, talk back over. Whatever it takes to get into the conversation and stay in the conversation.

[\(31:55\)](#):

But I can tell you, at least in terms of being a CEO, if you see the hunger combined with the skills, you're going to grow people. If it's a healthy organization that really does care about winning and caring about you, that combination right there is all you need. You will get selected, you'll get pulled out if you can demonstrate that.

Elizabeth [\(32:18\)](#):

It's interesting that you took a chance on somebody, because in talking to quite a few different recruiters, they tend to lean the opposite way, which is like, well, people want somebody who's done this, right?

Ted [\(32:18\)](#):

Yeah, I know. Sad.

Rashmi [\(32:18\)](#):

Yeah.

Ted [\(32:32\)](#):

Yeah. It's frankly sad because that will never change this dynamic. Because if you just come into it that blank, and black and white, and say, "I just want the pedigree experience," I'm telling you right now, you probably know the ratios better than I do, but I would say I had to fight like an animal to find women candidates. I mean, I had to go pull. It was that difficult.

Elizabeth [\(33:04\)](#):

One other little question, I want to be sensitive to your time. But you talked about this onboarding process and how intense that was.

Ted [\(33:15\)](#):

Yeah.

Elizabeth [\(33:16\)](#):



When in that process did you get to the point where like, "Yeah, I made the right choice?"

Ted ([33:25](#)):

Well, you test that constantly. Really, do you test that almost every week? And it ebbs and it flows. Did we have those moments where like, "Oh boy, this is going to be a lot of coaching. We have to really lean into this and develop." Absolutely. Especially when it came to the board dynamics, managing up the kind of top-down element, the core execution, that was much easier, because those skills were already there, and she's deep. But that element of being at the executive seat, the perspective, the stakes, the conversation, all of that, that's a long ride. I'd say it's a full year. Before she would even say she was fully ramped. It was a year.

Elizabeth ([34:10](#)):

Yeah.

Ted ([35:11](#)):

Maybe one thing too, just on a point of empathy. If I put myself as a female wanting to become CPO, even if they've got a lot of experience as a product leader, I would say the other thing too, look for someone that really does coach and develop on the other side of the equation. Not just in terms of what we're looking at, but if I were them, I would look for that as well. Are they promoting from within? Are there growth opportunities internally and externally that are pretty consistent culturally? That might be another thing to weed opportunities out pretty quickly as well.

Elizabeth ([35:11](#)):

Yeah. That's great.

Rashmi ([35:47](#)):

That's a great one.

Elizabeth ([35:48](#)):

Thank you so much.

Ted ([35:49](#)):

Thank you so much. I enjoyed it very much.

Rashmi ([35:52](#)):

Thank you so much, Ted.