Agile Tour 2014

October 16th 2014

Addressing the Product Manager vs. Product Owner Dilemma

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Introduction

- Founder **of IntegratedThinking** – mentoring and support to companies adopting or reviewing a Product Management Discipline

- Technology Background:
    – Openet – VP of Product Management
    – S3, Eicon, IT Tallaght

- Chair of ISA Product Management Working Group

- Founding Member of ISA Product Management Forum

Twitter: @thinkabl

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Strategic Importance of Product Management?

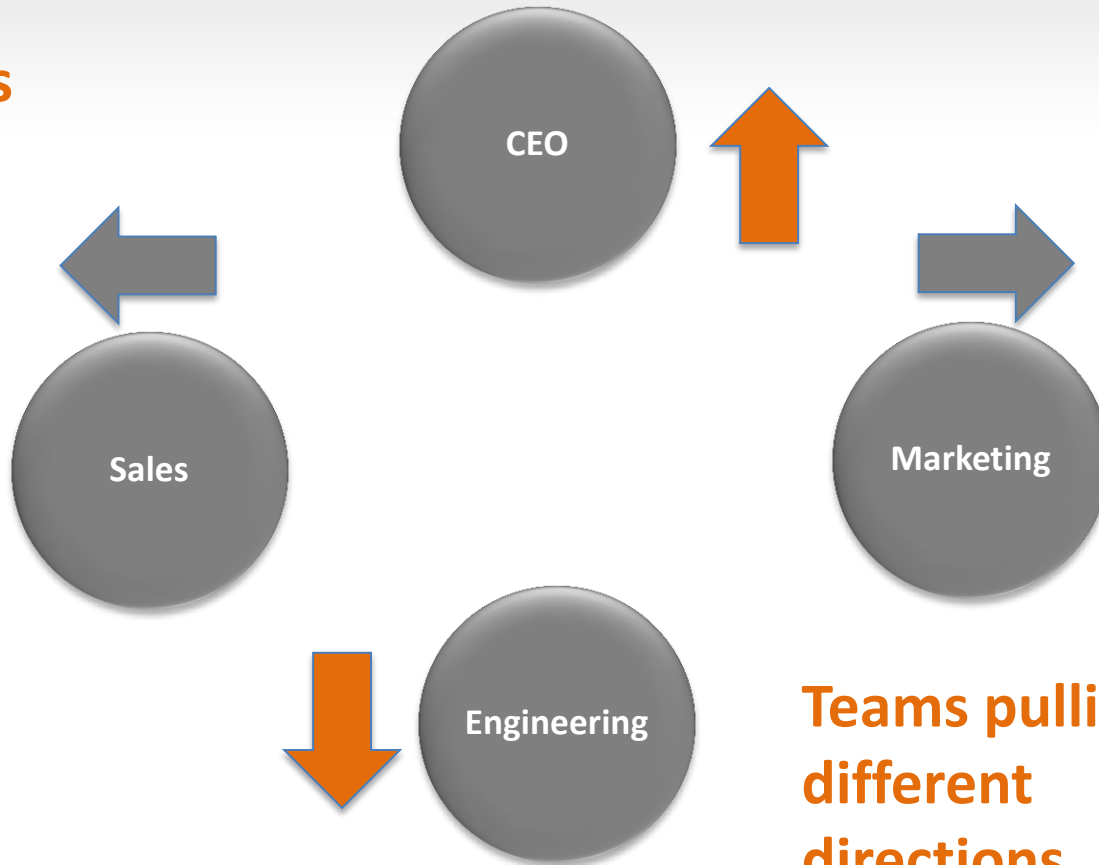INTEGRATED THINKING

Early Stage Companies

CEO/Founder Led

Strong vision – everyone moving in the same direction

As the Company Grows ….

Functions can operate in silos with little strategic alignment

CEO

Sales

Marketing

Engineering

Teams pulling in different directions
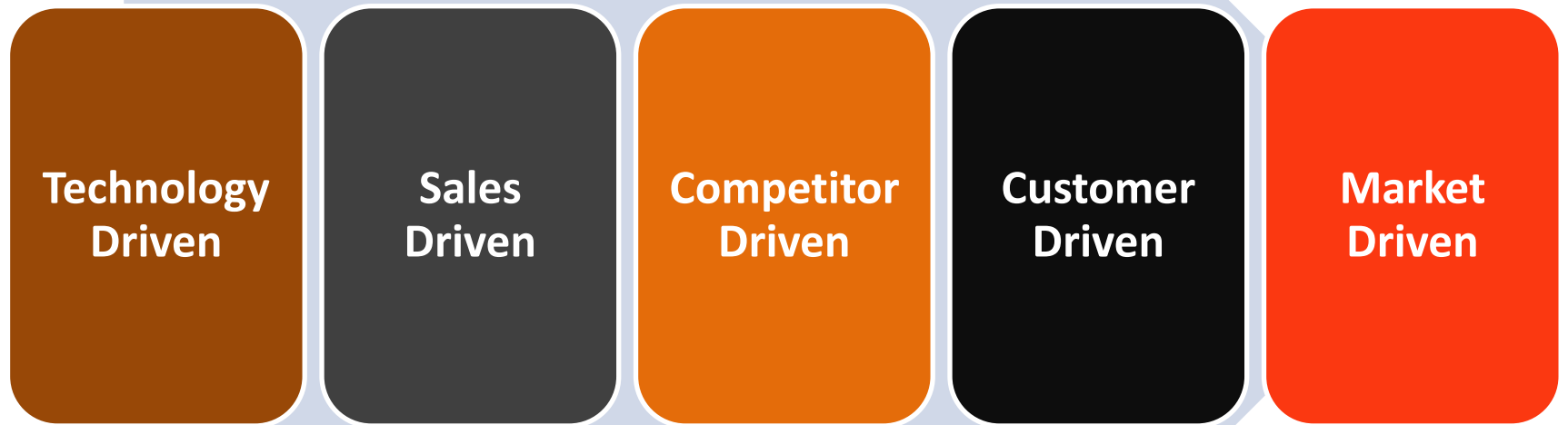
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Introduce Product Management …

Product Management drive alignment around a shared growth strategy

Product Management is the gravitational force that pulls it all together

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Company Evolution

Technology Driven → Sales Driven → Competitor Driven → Customer Driven → Market Driven

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Engineering Driven Strategy– Common Problems
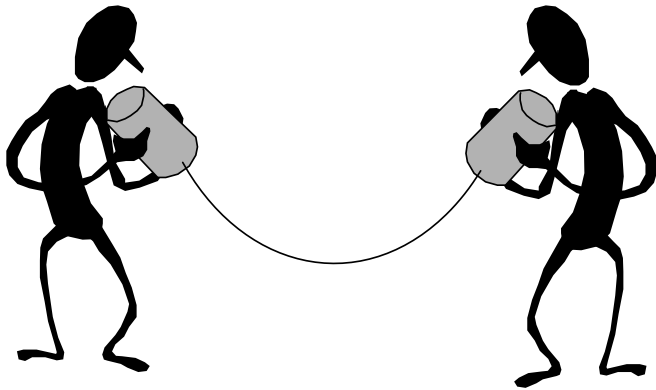
"Perfection is achieved, not when there is nothing more to add, but when there is nothing left to take away."

— Antoine de Saint-Exupéry, *Airman's Odyssey*

- **May lack market vision**
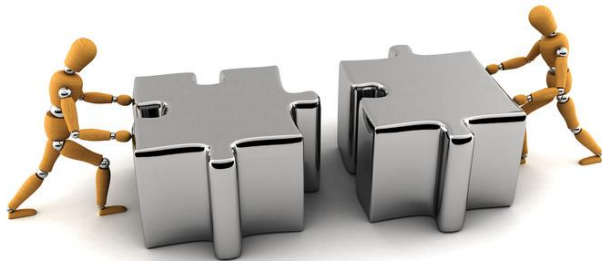- **Risk of "feature soup"**
- **Danger of "analysis paralysis"**
- **Lack of customer understanding**
  - **Building what is cool rather than what is needed!**
- **Tendency to aim for perfection when something less will do**

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Sales Driven Strategy – Common Problems
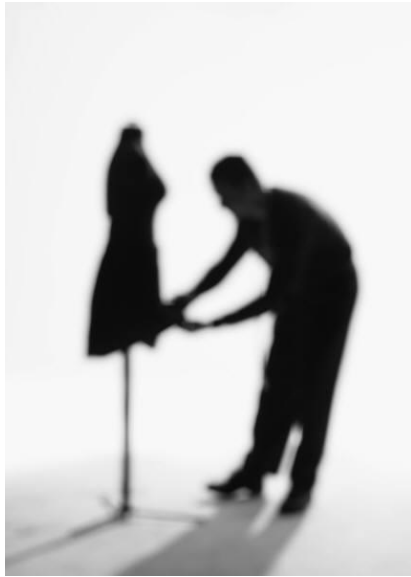
- Can result in higher services work – lots of product variants
- Focussed on the short term – highest profit in shortest time
- Tactical rather than strategic
- Require that company focuses on supporting sales needs
- Driven by individual customer demands rather than market need
- Hard to differentiate from competition

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Why have a combined Sales/Market Driven Strategy?

- Attract customer interest over the longer term

- Really understand what customer's want and need and make people want new things

- Address the needs of a broader audience – capturing greater revenue

- Supports highly sustainable product lines

"The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself "– Peter Drucker

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What does a Product Oriented Company Look Like?

- Creates products customers love!
- Organization moving in the same direction – delivering on Corporate Strategy
- Clear resource investment based on strong ROI
- Loyal customers
- Profitable portfolio of products
- Cost effective development
- Staying ahead in a fast moving and competitive market
  - Expand markets, create customers and generate revenue

"You need a very product-oriented culture… Lots of companies have great engineers and smart people. …..there needs to be some gravitational force that pulls it all together." **Steve Jobs**

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- Corporate Strategy Alignment
- Business Model Validation
- Roadmaps
- Innovation
- ROI Analysis

Strategy
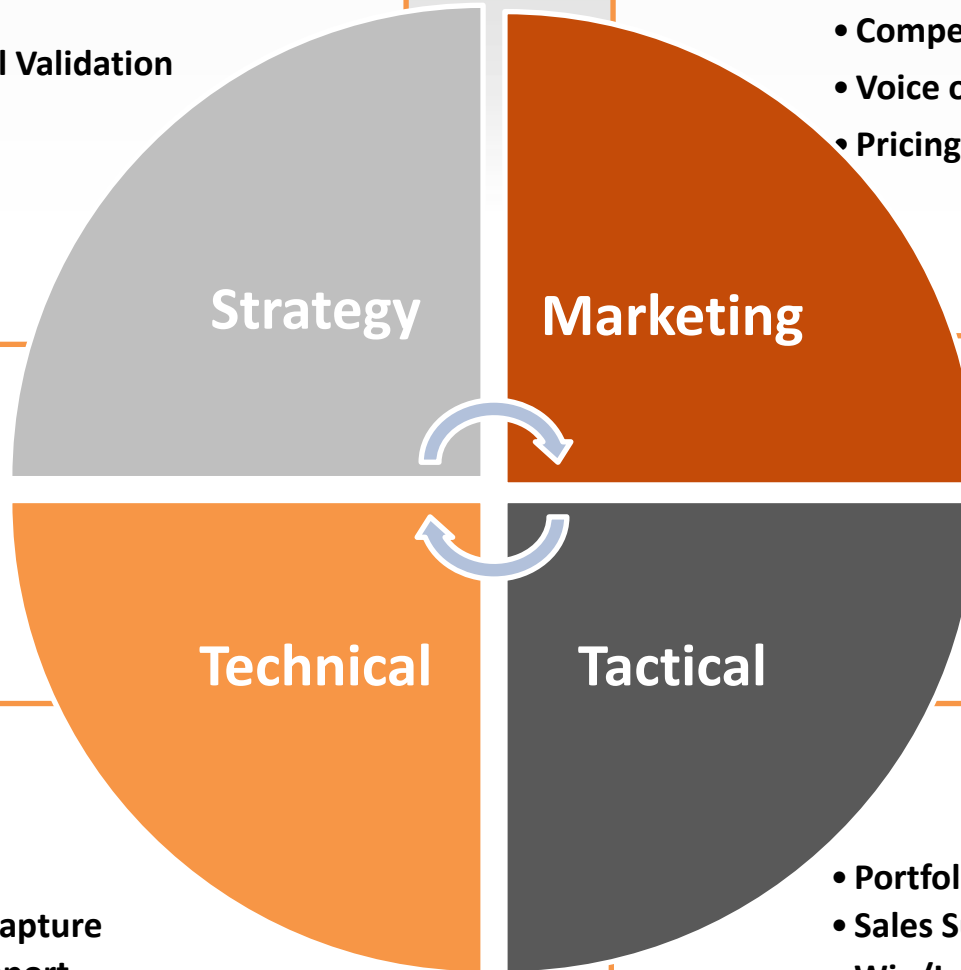
- Market Positioning
- Competitor Analysis
- Voice of the Customer
- Pricing and Licensing

Marketing

Technical

- Release Mgmt
- Requirements Capture
- Engineering Support

Tactical

- Portfolio Management
- Sales Support
- Win/Loss Analysis

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Characteristics of a Strong Product Management Discipline

- Clear market view

- Deep understanding of customer problems/needs

- Validated business model

- Appropriate competitive assessment

- Strong product vision and strategy

- Delivery of market and sales collateral

- Prioritized resource investment – delivering clear requirements to the engineering team

- Support for the selling process

- Management of P&L

- Bringing to life and ending the life of products – at the right time!

- Clear communication and alignment across the organization

So What Happens When we Introduce Agile?

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The Agile Manifesto

Interactions and Individuals over Process and Tools

Working Software over Comprehensive Documentation

Customer Collaboration over Contract Negotiation

Responding to Change

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Benefits of Agile Development

- Supports the creation of a Minimum Viable Product (MVP)
    - Time to market is reduced
    - Product developed at a lower cost
    - Product generates a higher return on investment
- You can see progress early – prototypes, working code in stages
- Understand market need – iterate based on customer feedback and fail fast if necessary!

WELL DONE IS BETTER THAN WELL SAID.

BENJAMIN FRANKLIN

"Innovation is not about saying yes to everything. It's about saying no to all but the most crucial features" – **Steve Jobs**
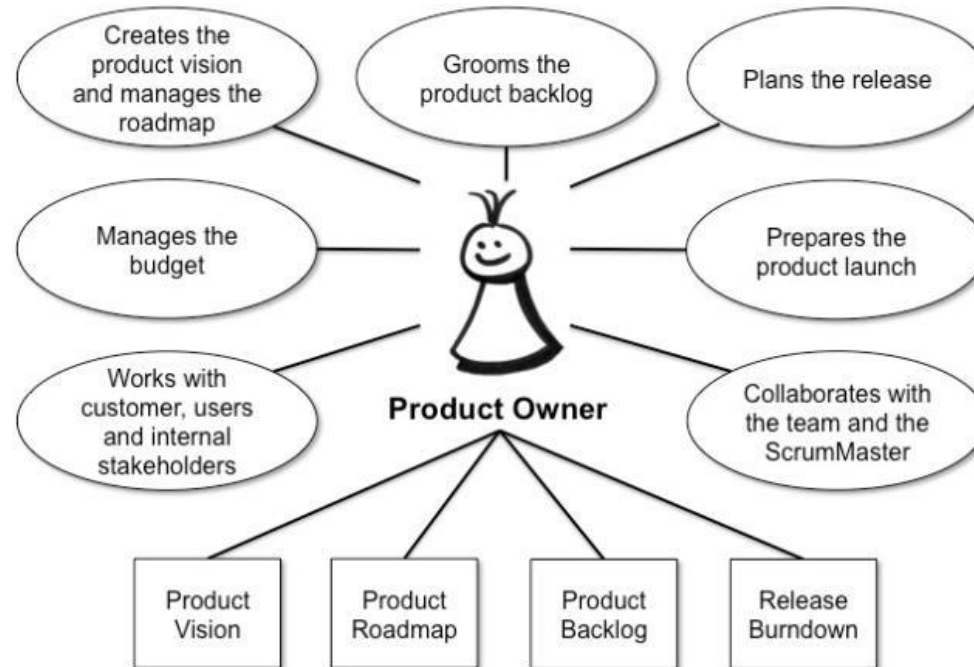
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The Challenges

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Challenge 1: Is the Product Manager the same as the Agile Product Owner?
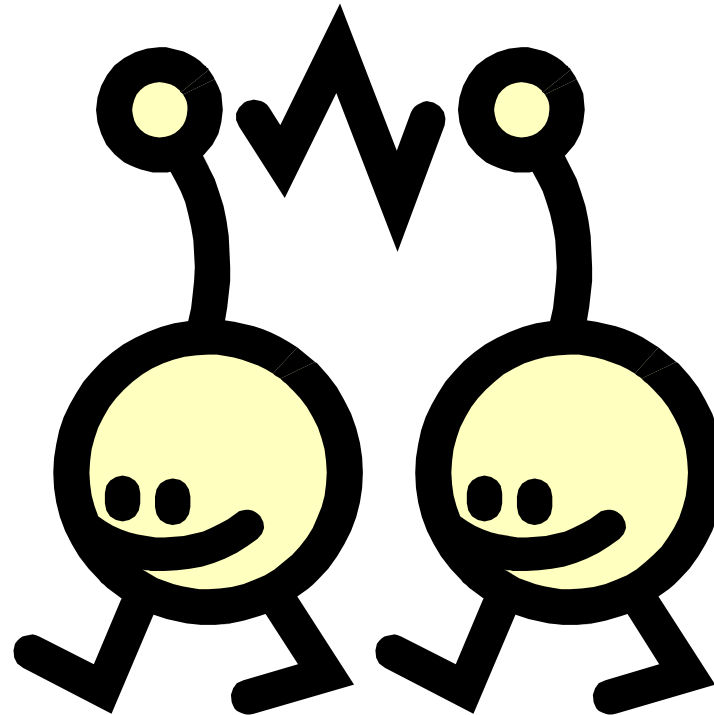
The Product Owner Role –
What do they Really Do?

The product owner is responsible for the success of the product.

- Creates the product vision and manages the roadmap
- Grooms the product backlog
- Plans the release
- Manages the budget
- Prepares the product launch
- Works with customer, users and internal stakeholders
- Collaborates with the team and the ScrumMaster

Product Owner

- Product Vision
- Product Roadmap
- Product Backlog
- Release Burndown

Constraints: One (overall) product owner per product; must be respected.

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19

What Value does the Product Owner Bring?

- **Vision –** articulate the vision and core business goals for the product
- **Voice of the Customer** – represent the customer's problems, pains or needs
- **Represent the Market** – can articulate the market opportunity and competitive landscape
- **Prioritize** – decide what features are important and what to build when

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What Do They Do?

Manage the Backlog

- Ensure backlog maintained – items are available to engineering in a timely way
- Provide direction and prioritize
- Be the single source of truth

Represent the Voice of the Customer and the Market

- Clearly articulate the customer's problems, needs or pain points to engineering

Understand and Articulate the Vision

- Articulate the product strategy – ensure it is delivering "business value"
- Represent the vision through the backlog

Collaborate with Engineering

- Be available to the team – attend sprint meetings
- Make decisions

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What They Shouldn't Do!

Constantly Change the Bigger Picture

- The overall vision should not change constantly

Get Too Involved in the "how"

- They need to clearly articulate the "what" and the "why" not the "how"

Let Others Change or Ignore the Backlog

- They must manage the backlog - be the "single source of truth"
- The whole organization must respect their decisions

Dictate Rather Than Collaborate

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Agile Product Management

- Don't focus product management efforts solely on engineering … stay strategic - balance large amount of agile meetings against other important activities

- Ensure the "voice of the customer" is represented in the agile process

- Know the difference between "what & why" and "how"

- Balance the cost to develop against ROI at a product rather than a feature level

- Balance "strategic" with "tactical"

Challenge 2: Respect!

What We Say About Each Other

"Product Management are really Poacher turned Gamekeeper"

"She's left engineering and gone to the Dark Side!"

"That's not a detailed requirement – is just fluffy marketing nonsense!"

"It's like putting the fox in charge of the henhouse if the Product Owner comes from Engineering"

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Product Owner vs. Engineering Manager

Challenges

- Engineering Manager dictates what will be in the release – paying "lip service" to product management's priorities

- Product Owner gets too absorbed in "how" engineering will deliver on the product strategy – not focused enough on the commercial aspects

Can be difficult for people to recognize what the other party brings to the mix!

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What's the Solution?
A Clear Definition of Roles and Boundaries

Product Management

- Owns the product strategy
- Reflects the product strategic priorities in the product backlog
- Defines the "what" and the "why"
- Articulates the vision and business value
- Ensures the right product built at the right time
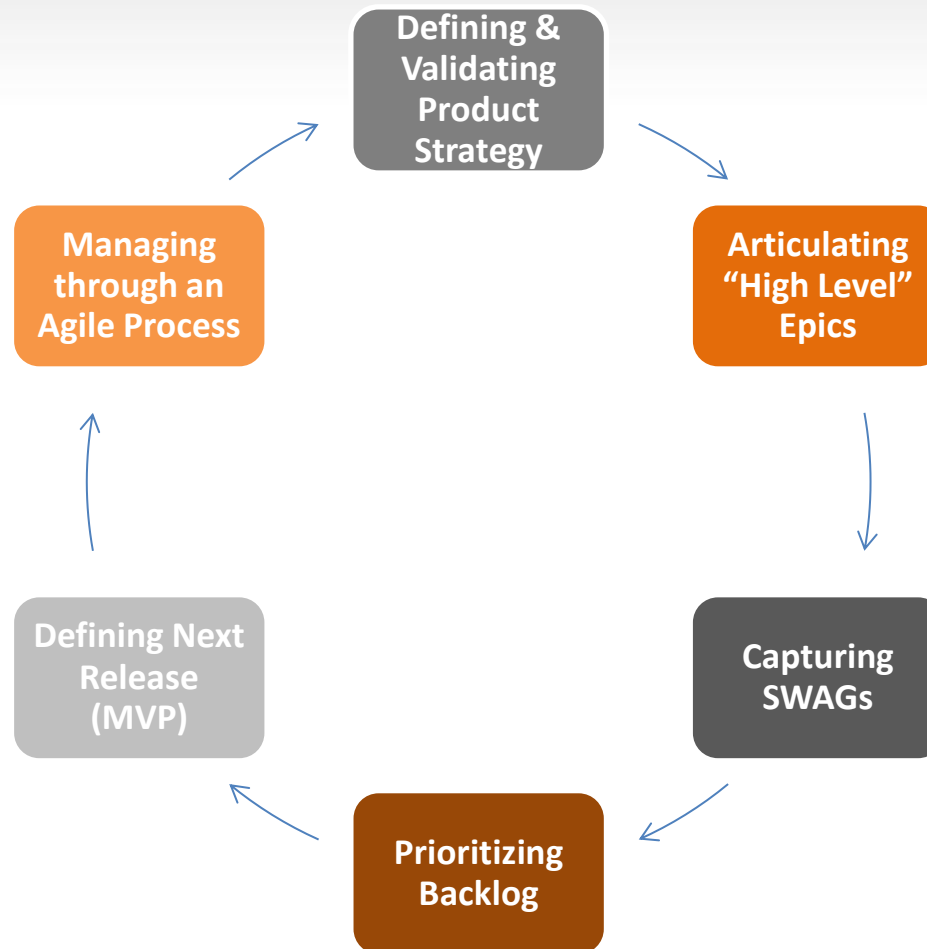- Represents the customer to other stakeholders

Engineering Management

- Contributes to but does not "own" the product strategy
- Technical lead and visionary on the technology roadmap
- Refines the "what" and delivers on the "how"
- Manages resources and projects to deliver on the product vision
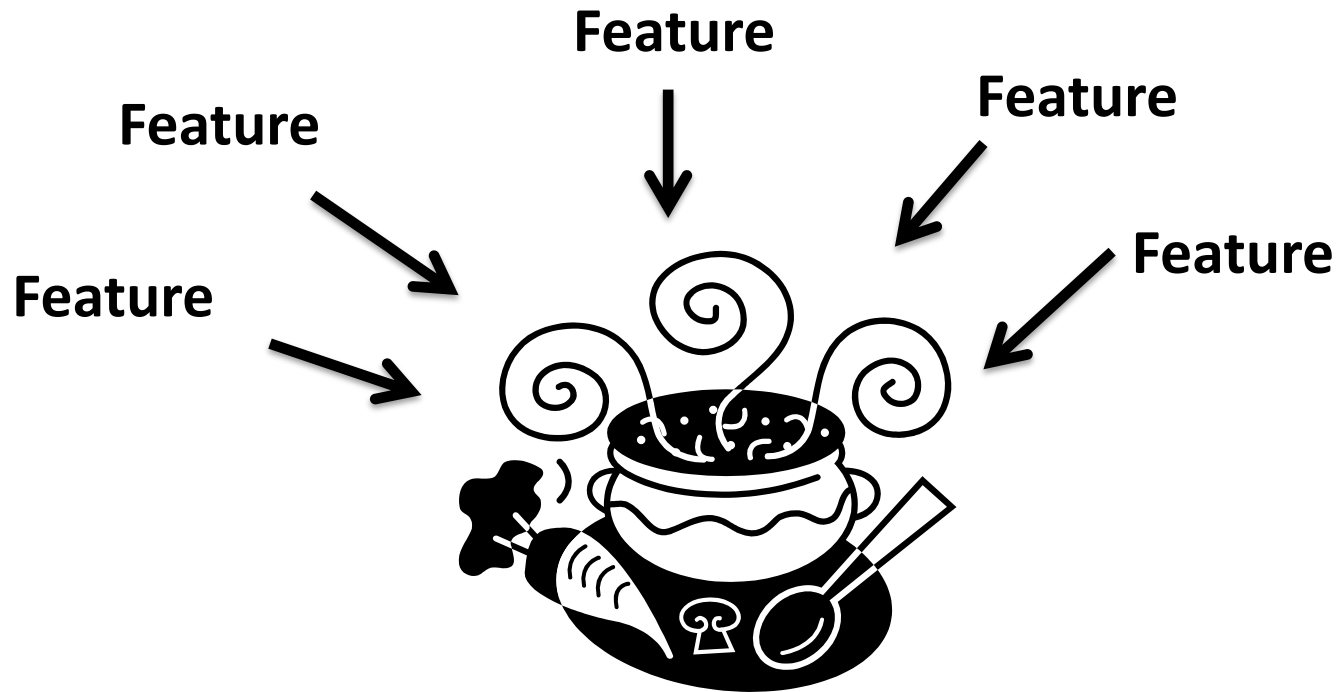- Understands and articulates advances in technology

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Challenge 3: Adopting a Process for Engagement

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Understanding the Process

- Defining & Validating Product Strategy
- Articulating "High Level" Epics
- Capturing SWAGs
- Prioritizing Backlog
- Defining Next Release (MVP)
- Managing through an Agile Process

29

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29

Challenge 4: Focusing on the Product rather than the Features!

Feature

Feature

Feature

Feature

Feature

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The Challenges

- Focusing too heavily on the competitors – matching feature by feature and becoming "me too"!

- Feeling compelled to give sales "new features" to sell rather than delivering value

- Overreacting to stakeholder demands - delivering "pet" features

- Trying to please everyone!

The Solution?

Articulate the "big picture"

- Understand the problems or needs of the market – not individual customers
- Define a product strategy/vision

Understand the Business Value

- Clearly represent the "business benefit" of everything you do
- Articulate a clear value proposition
- Deliver something that will add value – not always about a new feature

Keep Focused

- Understand your strategic objectives and deliver to those objectives

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Key Learnings

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Key Learnings

Ensure Roles and Responsibilities are Clear

Foster Mutual Respect between Eng and Prod Mgmt

Stay Strategic – focus on what adds value

Product Management is a "discipline" not a "person"

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Key Learnings

Have a single source of truth for requirements

Practice continuous improvement

Understand the rules of engagement

Include everyone in the training

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THANKYOU!

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