

THE PRODUCT MANAGER'S SURVIVAL GUIDE

Second Edition

**Everything You Need
to Know to Succeed
as a Product Manager**

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1

CHAPTER

INTRODUCTION TO PRODUCT MANAGEMENT

We collectively, to get things done, work together as a team. Because the work really happens horizontally in our company, not vertically. Products are horizontal. It takes hardware plus software plus services to make a killer product.

—TIM COOK

You would never take a trip without an itinerary or a map. Yet some people start their new jobs in product management without a clear idea of what they need to do in order to learn their responsibilities and adapt to the environment of their company. On the other hand, there are many people who take on new product management roles with some prior experience, either in product management or in other fields.

One of the things you'll quickly learn is that you can easily feel overwhelmed because of the unending barrage of urgent and important things to do. Sometimes things happen so fast that you can't even figure out how it's all supposed to hang together. When this occurs, you may spend time on issues that don't matter from inside the four walls of your company instead of looking at new ways to learn about customer needs or figuring out ways to beat the competition.

Whether you have an innate sense of all things product or just pieces of the puzzle, you can learn to hone your craft as a practitioner

very much the way surgeons, pilots, and musicians learn their skills. However, as with any trade-craft, you have to begin with the basics, and you have to practice.

PRODUCT MANAGEMENT: THE BASICS

One would think that, with product management being a part of most companies, we wouldn't need to review the basics, including defining what product management is. We all know, don't we?

But consider this: Ask 20 people how they'd define product management. I'll bet that you'll get 20 different responses, or pretty close to that. As I learned in my research for this book, many people confuse product management with product development, and some confuse product management with project management. For example, people think of *agile* or some type of iterative planning and development method as product management. Or they think that marketing is involved in some way, or that user experience (UX) design and development is product management.

At any rate, whatever you find, you would likely conclude that the variations in the definition reflect a problem. This is especially important when product management is inconsistently defined in your own company or in any number of companies, regardless of industry or sector. To me, this is a big issue because when groups of people with a common mission or purpose can't speak the same language, a lot of confusion ensues. It's also an issue when people confuse product management as a business function and the role of the product manager.

If product management as a functional discipline in a company is poorly understood and its associated practices are inconsistently applied, the outcomes you envision may not materialize.

Therefore, to get everyone on the same page, let me explain product management to you. I'll do this by breaking down each of these words, *product* and *management*, and analyzing their meaning.

Next, I'll define product management, with a rationale why product management is so very important.

WHAT IS A PRODUCT?

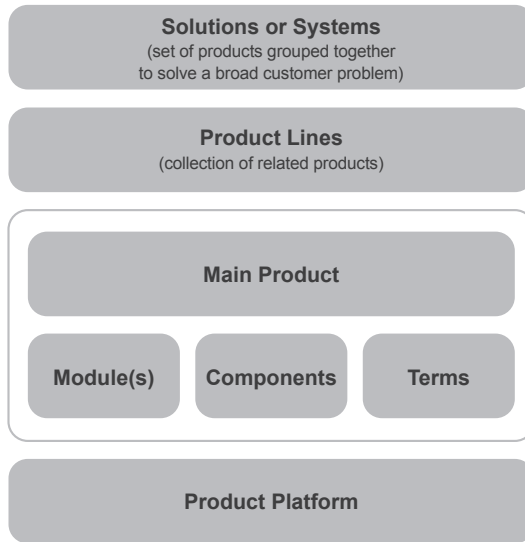
Products are bundles of attributes (functions, features, benefits, and uses) and can be tangible, as in the case of physical goods; intangible, as in the case of those associated with services or software; or a combination of the two. That's a good start. But there's more.

A product is not always a single, stand-alone item. Instead, within most companies, there is a hierarchy of products and services. A product may be part of another product or product line, packaged with a group of products, or offered as a solution or system to meet broad sets of customer needs. Sometimes product lines and/or solutions are part of a bigger portfolio within a company. Alternatively, products can be broken down into product elements, modules, or terms (as in a credit card or insurance policy). Products may be built upon product platforms or product architectures. To put it simply, *a product is something that's sold*. To view this hierarchy, take a look at Figure 1.1.

With this context, you may “own” a product or a portion of a product. However, it's vital to see how it fits into the bigger picture, which is why Figure 1.1 is so important to understand.

For example, if you were a product manager responsible for an automobile navigation system, you'd be in charge of a module of a larger solution. The navigation system would be part of the telematics complex of the automobile. However, it may also be connected to antennas, cameras and radars, too. Furthermore, you could be responsible for the acquisition of a technology from an external partner and integrating those pieces into a subsystem that ultimately integrates with a larger system. Alternatively, you may be responsible for navigation, while another product manager may be responsible for the entertainment system. Yet end consumers or

Figure 1.1 Product hierarchy



users buy an automobile as a *solution* to their transportation needs. This perspective is important for product managers who sometimes have concerns about where they fit. It's also important to bosses who have to properly organize product management in the company.

WHAT IS MANAGEMENT?

In most books about management, definitions generally include the usual cycle of business elements, including setting goals, motivating people, using resources, making decisions, and assessing outcomes.

Management involves the alignment of people and processes so that work can get done and to achieve desired goals and outcomes. Management does not involve “command and control” and ordering people around. It is also not intended to perpetuate bureaucracy. In modern businesses, management means that the contributions

of specialists in the organization are harnessed, that decisions are made, and that goals are achieved.

If you can grasp that management is a cross-functional, cross-organizational discipline, it's easier to understand the role of the product manager. In product management the person who leads the product's business is the product manager.

However, considering the multifaceted definition of *product* established earlier, it is not safe to assume a one-to-one relationship between product and product manager. While that model may hold true at some organizations, as I indicated earlier, a product manager can be partly or wholly responsible for all or part of a product platform or architecture, a module or series of modules, a single product, a product line (a small product portfolio), or several product lines (a larger portfolio).

WHAT IS PRODUCT MANAGEMENT?

Based on the answers to the first two questions, *product management is the business management of products, product lines, or portfolios, holistically, for maximum value creation, across their life cycles*. Managing products is akin to managing a small business within a bigger business. Sometimes an organization has one product, sometimes it has several, as I mentioned earlier.

I find it interesting that many companies have had their epiphany and are paying more attention to the “function” of product management. Why? Because they recognize that product management offers a way to improve their former style of management. They want to focus on meeting the needs of their customers with products run as mini-businesses, that is, small businesses within their overall business. In addition, these companies are seeking to collectively manage all the products within a product line or portfolio in the same way one might manage a portfolio of investments.

There are a variety of drivers for decisions to focus on this, including poor product performance, product duplication in global markets, and even channel conflict. Reform is engendered by problems, and it is usually some business problem or challenge that leads an organization to product management as a way forward.

Product management is, at its core, a model for a business organization. *This model includes discovering, innovating, strategizing, experimenting, planning, developing, introducing, managing, and marketing products . . . and doing it over and over, as fast as your markets are moving.* In essence, product management alters the genetics of the organization up and down, as well as across business functions.

The function of product management is not a linear set of actions and work flows. Product management is not a single process. Rather, *product management creates a dynamic system that depends on the work of various people and many interconnected processes across the lives of many products and portfolios. Work ebbs and flows across the life cycle, iterating, improving, and optimizing.*

Does this statement imply that product management supports the entire organization? No, not at all. The system of product management touches and influences all the organic supporting structures—all the business functions. Think of the human body: product management is in the genetic material; it's in the skeleton; it's in the circulatory system, the neural network, and, of course, the command and control center (the brain).

PUTTING IT TOGETHER: HOW CAN PRODUCT MANAGEMENT TRANSFORM A BUSINESS?

Companies that excel in product management intensively focus on the identification of customer and market needs. They also ensure that they have targeted strategically important market segments.

This kind of outside-in view of the marketplace increases the likelihood that they will produce the right product that brings about better business results. Also, this perspective allows for the optimization of the product portfolio. As mentioned earlier, implicit in this view is the fact that the business benefits when products are treated like investments in a portfolio of businesses (products). With this approach, products become the building blocks of the organization. When this strategic perspective is understood and adopted, and everyone agrees on what's to be done, people stop chasing shiny objects and focus on the business at hand.

Furthermore, they are invested in the future of the business and in the rewards gained through positive experiences provided to customers and the attained competitive position. The steps involved in transformative product management are seen through a keen understanding and practice of the jobs to be done in any product business. As I indicated, these are not stepwise or linear activities. Rather, they are business practices that run as an undercurrent to what people have to do (and what bosses need to enable) so that great ideas can see the light of day, and for excellent products to continue to produce positive returns. To achieve a best-in-class organization with product management at the core, the following is required:

1. Well-funded market and customer research programs and skilled product managers to draw key insights from collected market data
2. A transparent, top-down, targeted portfolio strategy that clearly allocates funds to product areas that are deemed critical to the business
3. Finely focused product goals and strategies, based on relevant market and business data and extraordinary insights
4. A product development process that is geared to work with the cadence of chosen markets and the products within

the portfolio. (By the way, you'll hear references to "water-fall," "agile," or a combination of processes used to develop products later in the book.) To reinforce a key point, a development methodology is *not* product management.

5. Data, metrics, and routines to learn, monitor, analyze, and continuously optimize the contribution of products and product lines

If there's one idea to leave with you as you begin your journey with this book, it's this: product management should not be considered a passing fad, something nice to have, or the strategic imperative of the year. In this century businesses compete on a global scale, and competitive forces are relentless. While product management is on the organization chart in most companies, the roles and expectations of product managers tend to vary widely, a fact that will become apparent to you, if it hasn't already.

In my experience, a lot of the confusion in this area stems from people trying to figure out product management on their own. They develop an approach based on their own operational or functional paradigms, or on what their company's leaders think it should be. Or they focus on cool technologies and figure they can find a market home. They may also organize around a development technique that becomes the focus of product operations. Any of these often leads to inconsistent, ineffective business activities.

When product management isn't properly organized, aligned, or scoped, people have to work harder to achieve the same goals. Therefore, product management must be a core capability, and organizational models must be altered to support the function of product management and to use the capabilities of product managers effectively.

CONCLUDING THOUGHTS

As you read through this book and traverse your career, you'll find what works and what doesn't. Each experience you encounter will add to your portfolio of tools and the associated mindset that will equip you for future success as a business leader. Your journey starts now.

ACTIONS YOU CAN TAKE TO IMPROVE YOUR CAPABILITY AS A PRODUCT MANAGER

- Use the diagram shown in Figure 1.1 to construct a product hierarchy chart. From this, identify who's responsible for each area. Then you can begin building your mindset around the company's business model and how it makes money from those products that are sold.
- Within your company or business unit, there could be some shared product platform elements, technologies, or components. Understanding these connections and documenting them visually may help you recognize things that might impact your own product. You can meet with people from development or engineering, IT, or other areas to gain this understanding.
- Find out if your company has a technology leadership position in the market, especially with respect to aspects of your product. This might help you understand how your company secures a distinctive market position.
- A helpful way to learn about product management in your own company is to have an information-sharing discussion with senior members of the product management organization. Try to learn about the history of product management in the firm, processes that have been put in place, systems that are used, and people who interact with the product organization.

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CHAPTER

UNDERSTANDING THE ROLE OF THE PRODUCT MANAGER AND ASSESSING YOUR PRODUCT MANAGEMENT ACUMEN

If we could first know where we are, and whither we are tending, we could then better judge what to do, and how to do it.

—ABRAHAM LINCOLN

Landing a job as a product manager can be compared to making a parachute jump into an unknown field: each person lands in a different spot within the confines of the terrain. As with any unfamiliar landing place, you need to quickly orient yourself to where you are in this new environment. As you try to navigate by yourself, you may feel frustrated and lost in this uncharted territory. If you don't find a way to accomplish all that is expected of you, you will be driven by the urgent demands of others and lacking in the proper framework for what is being asked of you; and if you don't possess enough knowledge of the proper context, others will create that context for you.

This can happen so quickly that your good feelings about your new role as a product manager will rapidly dissipate, and you may default to how you worked in your former role. You accepted this new job in the first place because you envisioned yourself as a product manager who will manage and guide a product to success in the

most desirable markets. If you cannot achieve that success, you will feel unfulfilled.

You are not alone. My research indicates that a high percentage of product managers are frustrated within months after they begin a new job. The top reasons include:

1. Organizational obstacles they did not know how to overcome
2. Inability to set direction because the strategies were out of their hands
3. A lack of product knowledge and/or market knowledge
4. Work that is very project-oriented or task-focused

What adds to the burden is their knowledge that their bosses have high expectations of them. At times they feel unable to meet these expectations no matter how many long hours they put in and how hard they work to achieve their goals.

This chapter provides the foundational context for you to understand the role of a product manager, how to assess your “product management acumen,” and how to start or continue your journey as a professional product manager.

STARTING POINTS

Considering the perspective just discussed, I want this chapter to help you accelerate your socialization into your company or your new role as a product manager. You have to move up the curve as fast as you can in order to get down to the business of your product.

Your starting point depends on several factors. It is most important that you identify and assess who you are and where you are so that you can calibrate your own perspective as well as the perspectives of others with whom you will work. With this in mind, I've divided “you” into three categories, as follows:

1. You are a new product manager coming in to a new organization, either as a new employee or from another function (for example, a marketing analyst, a user experience (UX) designer, an engineer, or another position), and you transferred from there into product management.
2. You are currently a product manager who wants to brush up on your skills.
3. You are a product owner, business analyst, or someone in a similar role, and you want to become a product manager, or you're taking on more product manager responsibilities.

No matter how you came to your role, the important point is that you have to be able to figure out the path you've already taken so that you can more easily map the path ahead with a purposeful professional development strategy.

PRODUCT MANAGERS ARE BUSINESS MANAGERS

In larger, more complex companies, product managers are business managers, first and foremost. They work across functions and serve to integrate or synchronize the work of others so that products can be planned, developed, released or launched, and managed. In start-ups or firms with fewer than 50 employees, the role of product manager could exist, but people in these positions may not be considered managers of a product's business, either by themselves or in the eyes of others. The way I think of it is this: in a start-up, the founder plays a role that is akin to product manager or product leader.

Most of you will begin your journey in a company with established products and product lines. You're expected to have a strong entrepreneurial bent: to think quickly and innovatively and to learn rapidly. Yet established companies have a history, lots of

information, and no shortage of opinions. With this, you may walk in the door and be slammed by a host of problems that require immediate attention. You will likely feel conflicted in how to be entrepreneurial when you're having to put out fires all day. Also, in established companies there are numerous processes and constraints. Where you're expected to change the world, your hands may be tied. Nevertheless, it's a good idea to approach your new role as if you were working in a start-up inside an established company.

To inject a little humor into this, at the outset of my product management workshops, I ask people to draw a picture of a product manager as a way to portray how we feel or what we have to deal with. Take a look at the illustration in Figure 2.1 to see if you can relate to this.

As you know, good business leaders excel at steering others by articulating a clear vision and a common set of goals. They are

Figure 2.1 How Some View the Role of a Product Manager



able to *anticipate problems, finesse what's needed to keep everyone focused, and set the right priorities for the organization.*

As a product manager, you're expected to have:

1. A deep understanding of customers or users and the challenges they face
2. An uncanny knack for being proactive in recognizing market trends and identifying competitive forces
3. The ability to envision a solution to a customer's problem (a product or service) in the hands of a customer or user
4. A way to share that vision and ensure that people across the organization can imagine the same end point: a great product in the hands of a happy customer
5. An appreciation for the timing and cadence of work produced by people in various functions in the creation, deployment, and management of products
6. The creativity to inspire a collaborative environment with others in recognizing and solving problems
7. The utilization of soft r skills to communicate, create political capital, influence others, and get things done
8. The ability to improve as a student of business and as a business leader

I cannot reinforce this point enough: If you aspire to be a great product manager, you will need to develop a sixth sense for markets, customers, people, and the intricacies of work flows in any organization. While you may not be there yet, if you want to be a great product manager, it's vital to know that much of your success is determined by how you think and behave—and, of course, by the results you obtain.

Before I continue, I want to make a point. The foundational skills, attributes, and behaviors for product managers are the same, regardless of the industry or company you work for.

Let's turn our attention now to the professional attributes and behaviors that are required to situate and assess yourself and to set you up to build your skills.

PROFESSIONAL ATTRIBUTES AND PRODUCT MANAGEMENT ACUMEN

No matter where you start out (or started out) as a product manager, you've got to be able to determine where you are so you can figure out what to work on as part of your professional development strategy. (Note: In Chapter 11, you'll have an opportunity to work on this strategy with a helpful guideline, template, and a reference to the online *Product Management Acumen Assessment* that I'll mention shortly.)

Product management acumen is associated with your ability to grasp every aspect of a product's business completely. This includes markets, people, systems, finances, performance measures, and processes. The term also is used to describe the attributes of strategic-thinking problem solvers who get things done in a complex organization.

In terms of domain expertise, product managers must comprehend the characteristics of the marketplace and, to a varying extent, the underlying technology. It may also mean an area of expertise such as programming, finance, or operations—things you may have studied in school or an area in which you have in-depth understanding. While business leaders admit that there are some markets or subject areas in which the domain can easily be learned, there are other areas in which the level of effort required to understand the domain may be great, and that expertise requires extra time to cultivate. I'll explain a little more about domain experience later in the chapter.

As the chapter continues to unfold, I'll discuss the attributes or characteristics that are vital for you to be successful. These professional attributes relate to the skills and behaviors that are expected

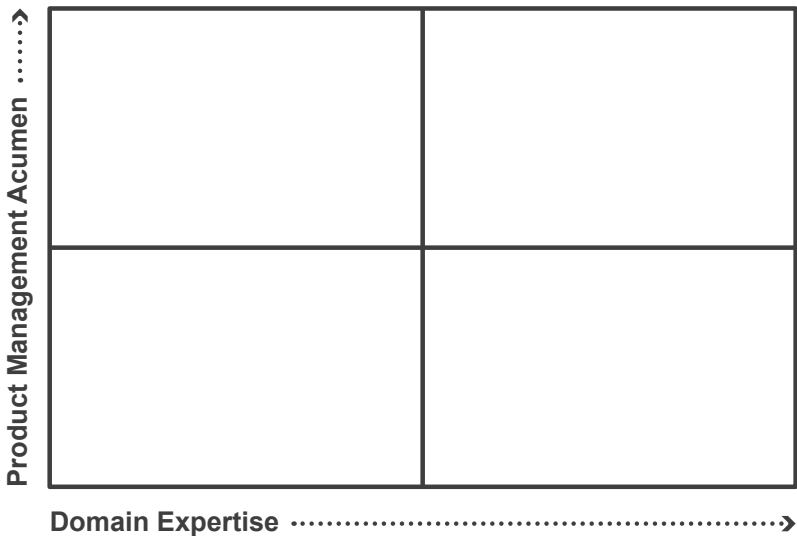
of you by others. They relate to the actions you take and the outcomes you ultimately produce, and they must be visible, apparent, and evident to those around you.

One way to look at product management acumen and domain expertise is to consider how they can be viewed in a quadrant model, as in Figure 2.2.

Going from the lower left, you'll want to move to the upper right. To fine-tune your professional development goals, you'll want to target experiences you need to create in order to move in that direction. In the Product Management Acumen Assessment that you'll be introduced to, you'll be able to plot your coordinates in this quadrant model so that you can focus on your professional development strategy. I'll provide you with a description of each quadrant and how your assessment is scored in a moment.

I'll talk first about the attributes associated with product management acumen. These attributes are organized into clusters. Read

Figure 2.2 The Intersection of Product Management Acumen and Domain Expertise



through the attributes to gain an overall impression, then reflect on each attribute as it relates to you. This will put you in the best position to evaluate your own capabilities realistically and discern what is relevant to you, whether in your present job or based on your aspirations. When it comes to how you evaluate your own skills or capabilities, be aware that there's a difference between what you know (as in what you studied or learned about) and what you know how to do. Consider this as you assess your own attributes and take control of your purposeful professional development strategy.

As you review the attribute descriptions that follow, you may think they're obvious and perhaps somewhat oversimplified since they're not nuanced or deeply detailed. However, I've interviewed many product managers and product leaders about these attributes, and one of the things I've learned is this: *understanding a definition is one thing; living the definition is another*. Also, many people feel that when they understand the definition, they are, by default, already living that definition. Unfortunately, that is oft n not the case, something that will be important to remember as you continue with your self-evaluation.

You will also notice some recurring patterns and connectivity among several of the attribute definitions. For example, you can see why listening actively or observing actively in the communication cluster has an impact on the attributes in the interpersonal cluster, or in understanding customers. These are important connections to recognize because the astute product manager will understand how the interrelationship of these attributes can contribute to a greater level of personal and professional effectiveness.

ATTRIBUTE CLUSTER 1: MARKET AND PRODUCT

- *Understanding customers or users.* All successful product managers have one thing in common: the ability to identify and solve a customer or user problem or meet a specific need.

It's all about understanding what customers or users value based on what they are trying to do or achieve—and creating or improving a product that delivers that value.

- *Market expertise.* As a product manager, you must be deeply immersed in the collective aspects of the sectors in which your company operates, the industries of your targeted market segments, the technologies used, and other factors related to your product. This can broadly be thought of as the domain in which products are marketed and sold. There is a difference between knowing the state of a technology and having technical experience.
- *Product and technical knowledge.* Chances are you're going to inherit a product, not invent one. This is important because you need to understand comprehensively what the product is supposed to do (its functionality) and how it achieves that functionality (through its features, designs, etc.). This includes understanding, at least on a basic level, the technologies used in your product (software, components, materials, methods, etc.). It also covers aspects of the product's business that encompass value delivery and pricing models, as well as promotional techniques and how the product is sold and delivered.
- *Building, measuring, experimenting, and learning.* When you understand your customers, you have to figure out what to build, either from scratch or to improve a current product. Just as in a start-up, you have to validate customer needs quickly and visibly demonstrate that the product has value to those customers, as rapidly as possible so you don't waste time and money. This thinking also must be applied to the improvement of your product so that it can continue to grow as a business. In his book *The Lean Startup*, Eric Ries exhorts, "Build-measure-learn."

ATTRIBUTE CLUSTER 2: MINDSET

- *Strategic thinking.* If you don't know now, you'll know quickly that markets are dynamic and often ambiguous. You're expected to evaluate data from within the company as well as from external sources and envision future goals and opportunities.
- *Systemic thinking.* Product managers work in organizations that, at times, seem like complex living organisms. There are complex interrelationships across functions and an ongoing flow of information. Your customers (especially in business-to-business, or B2B, companies) also operate in complex environments. Your job is to evaluate what's going on, put together pieces of information to explain the whole, make connections, and draw conclusions. Think of how doctors evaluate the various systems of the human body to diagnose a patient.
- *Problem solving.* Your bosses and others want you as the product manager to assess a situation, and to determine the source of a problem, involve others (as collaborators), and solve the problem.
- *Entrepreneurial thinking.* As a product manager, you're expected to look for new opportunities and product ideas and figure out how to size up the market and rapidly mobilize resources. Business leaders look favorably at product managers who keep abreast of market trends, propose innovative product ideas, and conceive of new ways of doing things.

ATTRIBUTE CLUSTER 3: PRODUCT MANAGEMENT ACTIVITIES

- *Formulating product strategy.* Product managers must establish the future goals and plans for their product. It involves the creation of a desirable future state vision, how the product

will work (or function), for a targeted customer type or customers within a desired market segment. It portrays the value and benefits to those customers and establishes a platform for prioritizing development activities.

- *Evaluating ideas and opportunities.* You're always going to have more product ideas than there are resources to act on them. You'll have to rely on a robust decision-making protocol to vet those ideas. For example, you may ask, "Is this idea strategically important?" Your answer may find that some ideas are more strategic than others.
- *Creating business cases.* When relevant ideas and opportunities are deemed worthy of consideration, they must be evaluated. A business case is used to assess and justify the investment so that a product investment decision can be made.
- *Defining product features.* As customer needs or problems are uncovered and verified, they need to be translated into features that can meet those needs. Product managers will compose product requirements and/or user stories to characterize what customers are trying to do.
- *Overseeing development.* Product managers are responsible for making sure the product (or features of the product) are developed according to the requirements or stories, and that the product is produced on time, within budget, and with the desired level of quality.
- *Orchestrating a product launch or product release.* The product launch is one of the most visible and important activities within the product's life cycle. Whether you're developing a product or an enhanced set of features, you need to ensure it can find its way to the market, and product managers are responsible for orchestrating the product launch or product release process.

ATTRIBUTE CLUSTER 4: COMMUNICATION AND INTERPERSONAL SKILLS

- *Presenting persuasively.* This doesn't necessarily equate to PowerPoint skills. It's related to how you communicate to others in a manner that captivates their imagination and inspires action. Storytelling is a prized skill when it comes to presentations. Imagine how you might pitch an idea for a new company to a venture capital firm so it will fund your project.
- *Writing clearly and concisely.* All product managers must assemble their thoughts, capture users' and customers' needs, and produce content for others, both for internal and external consumption. As an example, your users' and customers' stories need to be composed to reflect and convey their reactions and feelings.
- *Listening attentively.* This skill is important not only for interacting with the people you work with but also for hearing the voices of customers. It includes the ability to engage others in your quest for answers and insights. Active listening, which involves posing open-ended questions, paraphrasing, reflecting, and summarizing, is used when interviewing users and customers.
- *Observing actively.* Since you'll be assessing customers or working in and leading teams, you bear witness to a host of situations, problems, and challenges. This is especially important when you're trying to understand how customers do what they do in an effort to hunt for unmet needs.
- *Influencing others.* You'll quickly learn in your job, if you didn't know already, that you need to inspire action from others who don't work for you. You're expected to gain the support of others, share ideas, work on projects, and produce outcomes that represent the combined output of many people. This means earning trust, delivering on your commitments, and acting with integrity.

- *Exercising political judgment.* Product managers must be able to recognize, analyze, and reconcile incompatible interests and agendas on a product team or in the company. It's a given that you must act in the best interests of your company, and you must also persuade others to examine different perspectives or to consider thoughtful suggestions so various interests can find common ground. As you develop relationships with other influencers across your company or attempt to understand the implicit or unspoken words of others, political judgment is needed.
- *Developing and maintaining positive customer relationships.* You'll be expected to build binding relationships with customers through frequent interactions. This helps you understand how customers do what they do so that implicit needs can be uncovered.
- *Cultural sensitivity.* Cross-functional product team members come from many places. You're expected to communicate with and interact capably across cultural, ethnic, gender, and geographic boundaries.
- *Helping or coaching others.* It will become apparent to you that people on your team or in other related departments that you interact with may need help from time to time. Your knowledge and experience will help as you share your observations, assist people as they set goals, and guide them as they work toward those goals.

ATTRIBUTE CLUSTER 5: INDIVIDUALITY AND EFFICIENCY

- *Developing organizational instinct.* Product managers learn their skills over many years. This understanding is built from the situations they have encountered. Instincts are developed from those experiences—they are not usually innate reactions.

- *Acting professionally.* As a product manager you are expected to be able to align your personal and business conduct with ethical professional standards. This may include professional accountability for actions and visible commitment to ongoing self-development.
- *Managing time and work.* Even if you think you're a great multitasker, you have to keep your days organized by balancing meetings, work tasks, and administrative activities in order to produce expected outcomes.
- *Prioritizing.* Product managers must prioritize important tasks, and sometimes they have to prioritize a list of features to be developed. Therefore, you'll need to leverage a dynamic set of decision criteria to evaluate trade-offs so that things keep moving.
- *Negotiating (internal and external).* Clarity around roles and responsibilities requires a clear recognition of who's supposed to do what and with whom. Negotiation and communication are key to ensuring that goals can be agreed upon and met.
- *Being adaptable and flexible.* Product managers function in a dynamic workplace with seemingly endless demands from others. You'll need to be able to adapt to each situation and understand that goals and associated plans may change from time to time. Staying cool and logical is vital.
- *Taking initiative.* You will earn credibility and the confidence of your bosses when you identify and initiate work without being told what to do. This means that, as a product manager, you shouldn't always have to wait for orders from above.
- *Taking decisive action.* You're expected to use a sound decision-making process based on accurate analysis of all factors and consideration of alternatives and outcomes. Ultimately, you must act in the best interests of the product's business, its customers, and the organization.

ATTRIBUTE CLUSTER 6: PERFORMANCE AND RESULTS

- *Evaluating a product's business and market performance.* Product managers create financial models, market share forecasts, and cash flow estimates in their strategies and business cases. When a product is in-market, you're going to need to assess your results against your plans and explain the variations. You'll be required to take snapshots of your product's business performance. These snapshots are made up of financial data and nonfinancial metrics (key performance indicators, or KPIs). From these, you'll explain what happened, why, and what actions you'll take to keep things moving.
- *Assessing and improving business processes.* You'll contribute greatly to the achievement of business goals when you are able to evaluate the effectiveness of supporting processes. Market insights, strategic planning, and product development are some of the key processes you'll be considering. Within each process, people are doing work, either in parallel or in series. Handoffs take place along the way, and work-flow bottlenecks often occur. Your astute oversight will provide you with clues as to how to improve the processes to ensure that all of the parts of the organization are optimally engaged.
- *Being accountable.* If you're to produce business results, you must be accountable to ensure that goals are achieved and results are realized.

EXAMINING YOUR EXPERIENCE

Now that the attributes have been identified and described, it's time for you to reflect on them. One way to do this is to study them further and consider the degree to which you perform in each area. These are shown as the rating points in Figure 2.3.

Figure 2.3 Rating Points for Your Product Management Acumen

Rating	Description	Points
Limited	You haven't had many opportunities to focus on this skill or apply it on the job.	1
Intermittent	You have had some opportunities to use this skill from time to time, and continue to develop familiarity with its usage.	2
Frequent	You apply this skill often, yet you encounter situations that challenge you and you may need advice or coaching from your manager or others.	3
Consistent	You effectively and consistently use this skill and are able to coach others.	4

The idea is for you to review each item across the six attribute clusters and get a sense of where you are and where you might want to focus your efforts to improve. This kind of self-review is also a good way to structure a conversation with your managers about the areas you can improve on to raise your game and get ahead (as in get promoted!). Your review is encompassed in the Product Management Acumen Assessment.

THE PRODUCT MANAGEMENT ACUMEN ASSESSMENT

The Product Management Acumen Assessment is a way to help you evaluate your skills and experience that reflect some of what's included in the six attribute clusters, as well as other items related to topics that I discuss elsewhere in this book. It covers key areas associated with the role of the product manager and also helps you to identify the degree of domain expertise you have. You can use this online tool to identify areas on which you might focus;

Figure 2.4 Product Management Acumen Scoring

Level 1	Total Scores on the Assessment
1	0–38
2	39–75
3	76–105
4	106–130
5	Greater than 131

you can also use it as a benchmark to compare your own performance against a global database of other product managers. To access the Product Management Acumen Assessment, go to this link: <https://survey.sequentlearning.com/s3/PMAcumen>. When you complete the assessment, you'll get a report of your scores, and you'll have information to compare your scores to the global population of those who have also taken the survey. Also, at the end of each chapter, as well as in Chapter 11, I'll provide you with an opportunity to create some action plans to improve in each area.

After you take the assessment, the system will add up your rating points, grouped into five levels according to the scheme shown in Figure 2.4.

DOMAIN EXPERTISE

As I indicated earlier, part of this assessment is associated with your domain knowledge and expertise. There are two dimensions involved: industry or sector knowledge and subject area expertise (as related to academic study). With respect to industry knowledge, you can easily associate this with a standard classification system established by MSCI (see www.msci.com). These include:

- Financial services (bank, brokerage, insurance, asset management, real estate development)
- Industrial (aerospace, logistics, trucking, manufacturing, construction, mining, machinery, rail, etc.)
- Consumer products—discretionary (automobile, consumer electronics, homebuilding, appliances, apparel, broadcasting, hospitality, leisure, media, textile)
- Consumer products—staples (food, beverage, household, personal)
- Energy (equipment, oil, gas, power, etc.)
- Healthcare (medical products, biotech, life science tools and services, pharmaceutical, managed care)
- Information technology (software, hardware, IT services, networking, semiconductors, electronic equipment, office electronics, technology distributors)
- Materials (chemicals, construction, metals, containers, paper)
- Telecommunication services
- Utilities (electric, gas, water)

The other aspect of domain experience is how you most closely associate with one of the following areas:

- Science
- Technology
- Engineering
- Mathematics
- Liberal Arts
- Not Applicable

With the domain part of the assessment, there is no right or wrong answer, and there could be shades of gray as you consider industry and subject area. Further, as you gain experience in different

companies that operate in any number of sectors, your domain expertise will most certainly evolve. As a matter of fact, for me, when I worked in the software business unit for a telecommunications company, my expertise in these two areas developed (telecommunications and technology). Yet, when I went to work for a large enterprise software company, I gained more diverse levels of experience in software development within the business process automation field. While I wasn't a programmer, I was able to define and describe the functionality and features of the software. In the end, I would have earned, at best, a 3 in that corporate role. To make the best judgment call, consider the descriptions shown in Figure 2.5 to ascertain the rating for your domain expertise score. You'll be asked to provide a response when you take the assessment.

Figure 2.5 Domain Expertise Levels

Level	Domain Experience
1	Some familiarity and cursory understanding due to casual interactions and light reading.
2	Studied in school and keep up to date on industry goings-on, but not involved professionally.
3	Establish and maintain connections to communities of practice and/or associations, and have garnered experience through work or other projects.
4	Contribute to the body of knowledge through writing and speaking. Earning a positive reputation in the industry.
5	Developed a solid industry reputation and are sought out by others for subject matter expertise. May participate in efforts to improve the profession through influence of work on standards bodies, working on patentable ideas or other inventions.

COMBINING THE SCORES FOR PRODUCT MANAGEMENT ACUMEN AND DOMAIN EXPERTISE

Once the assessment is complete, the product management acumen levels (1–5) and the domain experience levels (1–5) can be consolidated into two coordinates on a graph that contains four quadrants.

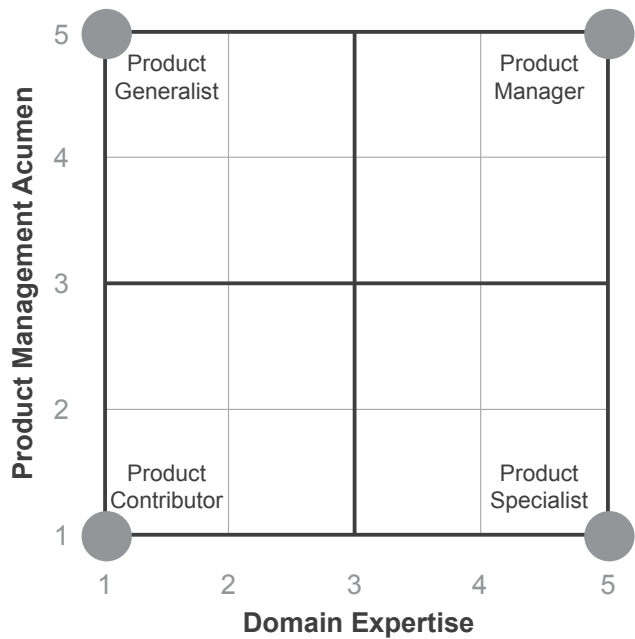
1. *Product Contributor.* You may have a preference to work as—or have been assigned as—an analyst, associate product manager, or other individual contributor with strong support from a manager.
2. *Product Generalist.* You have more experience in several areas of product management acumen and may wish to develop further domain experience with the guidance of a manager, coach, or mentor.
3. *Product Specialist.* You exhibit a greater mastery of a domain (and oft n, technology) and may wish to expand your focus on aspects of business and product management acumen.
4. *Product Manager.* You have a good balance of product management and domain expertise and can work independently to get things done, either with or without direct reports. You may also be assigned as a senior product manager or equivalent role in your company.

Aft r you complete the online assessment, you'll see a summary of your scores, as well as a quadrant model that reveals the two scores: product management acumen and domain. The graphic you'll receive will be similar to that shown in Figure 2.6.

SYNTHESIZING INFORMATION FROM THE SELF-ASSESSMENT

Whether you do a self-examination of your experience as mentioned above or take the Product Management Acumen Assessment, you may wish to take what you learn, dive right in, and start your work

Figure 2.6 Product Management and Domain Expertise Matrix



on any number of action items. This is only natural, as it's a personal process, and most of us want to improve. Such a self-assessment is also important because it provides you with the ability to link the different dimensions of your own professional and career puzzle.

Contemplation allows you to think more carefully about your own strengths and weaknesses. Therefore, I suggest adopting a technique that strategic planners use to capture and synthesize characteristics of their business. This technique is known as SWOT analysis. SWOT is an acronym that represents four main areas on which a business can be evaluated: *strengths*, *weaknesses*, *opportunities*, and *threats*. You can use your self-assessment to capture and synthesize important aspects of your own situation so that you can create strategies for your professional development. Figure 2.7 shows a personal SWOT analysis that you can use as a template.

Figure 2.7 Your SWOT Analysis

<p>STRENGTHS</p> <ul style="list-style-type: none"> ● In which areas do you perform well? ● What evidence do you have? ● What would others say about your strengths? 	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> ● Based on what's included in the other quadrants, what are some of the characteristics that you can work on to continue to improve your effectiveness?
<p>WEAKNESSES</p> <ul style="list-style-type: none"> ● In which areas has your performance not delivered the best outcome? ● What evidence do you have? ● What would others say about your weaknesses? 	<p>THREATS</p> <ul style="list-style-type: none"> ● Are there other areas where your bosses can go to get done what you may not be providing (e.g., replacing you, outsourcing, etc.)? ● What would others say about threats you should be concerned with?

It's a good idea to appraise your strengths and weaknesses and to consider emerging threats before coming up with opportunities to improve a given area of product management acumen. As you evolve, you can consider a number of opportunities that will help you form a more purposeful professional development strategy that can be discussed with your boss or others, helping you to clearly delineate your goals.

There is one more point I'll ask you to consider. Your acquired knowledge may not necessarily equate with your experience. *It's always best to avoid painting an inaccurate portrait of your experience.* Studying the structure of a profit and loss statement in an accounting class, for example, does not equate with the experience of evaluating cost variances in a production environment. Also, if you represent yourself as adaptable and flexible, but you're seen by others as rigid and inflexible, you'll quickly be "discovered," and your role will be marginalized.

REFLECTION AND THE SECOND OPINION

After you do any type of self-assessment, you'll want to reconsider your responses. This is often a deeply personal process because it leads you to insights about your professional makeup. Contemplation allows you to think more clearly about your own strengths and weaknesses.

However, you might find there is some bias in your self-assessment. After all, it is normal for individuals to overlook their own flaws or to misinterpret the consequences of their own actions or behaviors. Your responses on the Product Management Acumen Assessment may not be 100 percent accurate. With this in mind, it's a good idea to validate your responses. You may need a second opinion—or several second opinions. The only true test is to find out how others have observed you or have seen the evidence of your actions and behaviors.

How you get that second opinion will depend, in part, on where you start your career as a product manager, or where you are right now. If you are on the path to recalibrate or reboot, or if you wish to move to a more senior level in the organization, you should be able to solicit the feedback of others. These people may include your immediate boss, your boss's boss, and their peers. You can also speak to coworkers in other functions in the company with whom you've worked. No matter how you put the pieces of this validation exercise together, the benefit of a more complete perspective can be invaluable.

To conclude this discussion, what you feel you do in one work environment may not be what is considered acceptable in another. If you work for a company in an industry where you were considered a domain expert, your stature will change if you switch industries. Be sure to do this assessment with an eye not only on where you are or were, but on where you hope to be. If you make a change, such as a promotion to a different venue or move to another company, your

attributes and therefore your self-evaluation will change, and you may find yourself moving backward, if only until you become familiar with your new position. Also, don't lose sight of the fact that using the Product Management Acumen Assessment can be a great resource for your performance planning and goal setting with your manager.

IDENTIFY AND CLOSE GAPS

After you do this assessment, you'll note that most likely you did not get a top score in every cluster. Having the knowledge of where you are now gives you a chance to target the development of your own experience.

It is better to undertake your performance improvement after you determine what your next strategic step should be. The decision to focus on a particular area for improvement should depend largely on the impact you want to have and the goals you want to achieve.

As you familiarize yourself with the content in the following chapters and gain greater context, the goals you set will begin to become clearer. Then you may wish to fine-tune those goals, perhaps with the input of your boss or even with your peers.

As you read through this book, you will be able to understand more clearly your experience gaps. If you know where you need to be in relation to where you are, then you can clearly focus on areas for improvement and map out your action plan. This is a great tool to use with your boss, too. You can collaborate on goals and plans that will allow you to get promoted. If you find that your boss is not receptive to this or cannot completely help you or coach you in the steps you should take, you may wish to locate a mentor, either inside or outside your company. By doing this, you can leverage as many resources as possible to improve your position.

While it may be easy for you to discover areas you need to develop, the actual work may present some challenges. In essence,

your plan will involve self-learning and coaching. I'll provide some guidelines for this in Chapter 11.

Furthermore, product people are *situational learners*, meaning that they add to their knowledge based on the situations they encounter, just like any practitioner. Therefore, you, as a product manager, must turn on your personal and professional radar to detect opportunities to learn, adapt, and grow. There will be some goals that you can work toward by scheduling some time to do so. For example, to become more of a domain expert, you may arrange one-on-one sessions with various experts inside and outside your organization. On the other hand, systemic thinking may take some time and effort and good coaching in order to learn about cause and effect and the interrelationships between situational variables. This may be more of a challenge to master, so you need to reach out to mentors to have them help you cultivate a given skill or capability.

The main point is that *you will always be a work in progress*. Throughout this book, I will offer you a number of tips and equip you with tools that will enable you to start your journey of improvement—a program that will provide surprising, stimulating results and that will spark your motivation to learn more and more. With these tips and tools you will achieve objectives that could have taken you longer to attain on your own.

CONCLUSION: THE JOURNEY YOU ARE ABOUT TO START

Business and military strategists always try to understand the landscape of the battlefield in order to grasp the big picture and accomplish their mission. This way, they can set their targets and mileposts. They use their battle map as a way to strategically position their resources and to deploy them in order to claim victory.

At the beginning of this chapter, I used the metaphor that product managers parachute into the open field of their organization.

If you land in that field and are assaulted from all sides (meetings, stand-ups, action items, or endless e-mails), you may be inundated and become captive to the needs of others in your own organization—probably without your even knowing it. Obviously, this is an undesirable and unproductive situation. You need to know the components that make for promotable product managers. I have outlined most of the characteristics as part of learning your way around. And that's also where self-assessment comes in.

It's perfectly natural to perceive ourselves in a certain way. However, the challenge comes if our perceptions and beliefs do not match the reality. That's why a good self-assessment will provide you with a data-rich baseline from which you can plot your next move and stay ahead of the curve. When you can paint an accurate portrait of yourself at the outset, you then have the wherewithal to make changes proactively and improve your game.

ACTIONS YOU CAN TAKE TO IMPROVE YOUR CAPABILITY AS A PRODUCT MANAGER

- As you get started or fine-tune your own strategic plan for yourself as a product manager, it's important to familiarize yourself with perceptions of others about the role of product management, about the prevailing culture, and about other dimensions of how your company operates. As you'll learn, people who work in different departments have a range of experiences in working with product managers. Some are positive. Some not so. It's important to find out about key perceptions of these people so that you can figure out how to interact, collaborate, and ultimately, influence.
- The product management acumen assessment doesn't represent the full realm of attributes. It's a starting point. As you deepen your experience and broaden your perspectives, you might want to expand the list to something that considers situations you encounter and what you learn about those situations. This process is a starting point—a place to level-set.

- The SWOT analysis shown earlier in this chapter is an excellent tool to help you identify and prioritize your learning and development goals. It's a good idea to take a look at it once every quarter and review with your manager. The benefit to you is that you're focusing on your own development, keeping alert for new opportunities, and demonstrating to your boss that you're serious about career and professional development.