Leveraging Teams to Get Things Done

Executive Summary

1. Product teams and project teams are both cross-functional but differ greatly in purpose.

2. A product team should run the business of the product like a board of directors.

3. Product teams are accountable for the strategic, market, and financial success of the product.

A cross-functional team is typically defined as a group of people in a company representing various functions involved in all aspects of a product's business. Two main types are product and project. The purpose of a cross-functional *product team* is to manage all the elements needed to achieve the financial, market, and strategic objectives of the product as a business. The product team is made up of delegated representatives from their respective business functions. A cross-functional project team primarily focuses on projects, series of activities and tasks that contribute to the creation or support of a product or service. A properly chartered cross-functional product team, with responsibility for products from beginning to end, will spawn new project teams—small teams responsible for many discrete activities, such as evaluating opportunities, crafting business cases, enhancing and updating products, and orchestrating product launches and releases.

Product teams that are in place across the product life cycle contribute most effectively to the management of the product as a business. A successful product team also focuses on marketing mix management, customer service and support, financial management, and operations management. The product manager is the designated leader with responsibility and accountability for establishing the vision and overall strategic direction of the product. As the coordinator and leader, the product manager also interacts with distributed development teams—technical developers, engineers, and designers who may be scattered across geographic areas.

A cross-functional product team comprises dedicated core team members, associate or extended team members, and advisory members. The RACI (Responsible, Accountable, Consulted, Informed) method helps to define which people in given functions are responsible for, consulted on, or informed about each milestone or deliverable required of the cross-functional team. A Functional Support Plan (FSP) describes the activities, deliverables, dependencies, and schedules for each team member across the entire life cycle, including projects that support the product's business.