Maximizing Product Management's Contribution
Assessing & Ideas for Improvement

As a product manager, do you know how you impact the bottom line or major objectives of your company or division? Do you even know how your activities are tied to objectives? As an executive, do you feel your product managers are delivering high value to the organization?   Do you even know what they are doing?

Product Management has such a broad definition and set of responsibilities within a company that it can be difficult to assess which activities are truly delivering value. It can also be difficult to determine how to measure product management since their actions may not directly affect the core business metrics of revenue, costs and profits.   This article presents a high level means of assessing whether your product management team is delivering all of the value it could, some reasons why it may not be, and some suggested steps to take towards maximizing your team's contribution.

A Model Product Management Team

Before assessing your own team, it's worth diving into what might define a model product management team and their impact on an organization.   A strong product management team:

- Creates a compelling vision of the product including the problem to be solved, the value proposition and the differentiation in the marketplace
- Actively engages customers and understands the market and technology to identify and prioritize new and valuable product ideas
- Actively researches product performance in the market and drives enhancements and programs to meet business objectives
- Leads product definitions and cross-functional planning that enables successful development efforts and product delivery throughout the organization
- Develops and maintains strong relationships across the organization and with key partners and customers, and is viewed as competent and critical to the product success.

In short, a highly functioning product management team has a strong role in both strategic and tactical activities, alignment with and impact on business objectives, clearly defined roles and responsibilities, visibility both internally and externally, and is made up of respected individuals viewed as leaders.

Signs of Trouble in Product Management

Without a doubt, the most observable characteristic of high-tech product management organizations is that *it is done differently in every company and with radically different results.*

And unlike the model product management team above, in many organizations the product managers are primarily or completely tactical, have little impact on business objectives, have poorly defined roles, are not highly visible internally or externally, and/or have low credibility and respect from other functional groups.

To get a sense as to whether your product management org is high performing or not, you need only to look at other company issues as an indicator of a potential problem. These can include:

- Product performance is subpar (revenue, profit, market share, penetration, growth, etc)
- Lack of interesting and innovative product ideas (uninspiring, undifferentiated, no pipeline of game-changers)
- Poor understanding of product performance (adoption, usage, retention, satisfaction, etc)
- Unpredictable or poor record of delivering new products/releases (late, over-budget, incomplete, low quality, poor execution, etc)
- Poor relationships between key functions (such as product management, development, sales, marketing)

Obviously, Product Management cannot be the sole cause of these issues and more than likely there are several reasons and groups contributing to the big picture. However, if you do experience any of these symptoms (and possibly multiple) then it's a good bet that some major corrections can be made in the Product Management team and their activities to improve the results. You can also bet that changes will need to be made outside of Product Management in other functions to make it all sync together properly.

Product Management Speed-bumps

There can be several reasons that Product Management is not functioning at its potential in many organization. Some major reasons driving suboptimal product management performance are:

- Unclear priorities and objectives for product manager and not tied to business results
- Limited or unclear responsibilities for product managers, especially a cross-functional role
- Too much tactical, day-to-day, and project focus with little or no strategic level role
- Attribute or skill mismatch or lack of appropriate training of the product managers
- Too little customer and market engagement to understand needs and priorities
- Too little product/market data collection and analysis to drive product planning and strategy
- Too little executive involvement to align business objectives and mentor product managers
- Poor communication processes and channels across the organization
- Organizational conflict and lack of alignment between functions

While some of these issues can be corrected and overcome by a capable product manager, several of them are outside the product manager's direct control. These are driven in a large part by the executive team, company culture and company maturity. The issues can also be indicators of dysfunction or too much control in other groups, especially Development or Sales.

A highly competent product manager placed into an environment with unclear/unrealistic objectives or into a purely tactical role or subservient to other functions will likely fail to deliver high value and become very frustrated. Additionally, if there is friction within the executive ranks regarding strategy and delivery of products, you can be assured there are organizational silos and barriers to the product management team being successful. It can become particularly acute if the conflict is between Development and Product Management and can result in paralysis of the entire product development activity.

Driving Product Management Success

The keys to creating a highly capable product management team are found in three activities:

1. Aligning clear organizational roles & responsibilities with business objectives and metrics across the org, but especially in Product Management
2. Defining cross-functional processes and deliverables to ensure adequate planning and implementation
3. Hiring and developing core product manager attributes and skills

Defining roles and responsibilities and aligning them to business objectives will help to focus the product management team and provide a means of measuring their success. Developing the necessary processes required across the organization will ensure better hand-offs and checkpoints for overall project and product success. A good place to start on both of these is to place an experienced product manager leader (either Director or VP) at the helm, and potentially augment with outside training or coaching. This person can then begin working with executives and key managers across the organization to define clear objectives, roles and responsibilities, and needed process to achieve to the goals.

Of the three activities, finding and developing strong product managers can pose the toughest challenge. Since product management is more of a hybrid function within companies and matrixed across other functions, the product managers can come from nearly anywhere and be effective. They can often originate from the technical group or sales or support or marketing or finance.

Regardless of their origin, there are some core attributes required for top product managers, including being:

- *Thinkers & Doers* (Curious; data & analysis driven; creative problem solvers; hands-on contributors)
- *Leaders* (Initiators who follow up; are visible; overcome hurdles; have passion, confidence & good judgment; are respected)
- *Collaborators* (Engagers internally & externally; strong communicators; issue resolvers; are respectful)
- *"Multilingual"* (Conversant on strategy and tactics with multiple levels & functions, technical and business, internally and externally)

In addition to the core attribute development, overall skills must be grown and encouraged through experience, training, and mentoring from senior managers, execs or outside coaches. Training can develop intellectual awareness, a solid learning foundation and some tactical skills but it should be supplemented with follow-up face time and one-on-one coaching for best results.

Exposing bright and creative product managers directly to executive mentors and coaches can have a significant impact on their ability to think strategically and to drive product strategy. This is an area that can be very weak in companies, with even the product management director often not engaged with executives on a regular basis regarding overall business challenges and issues. Thus product management is constantly one step (or more) out of sync as changes occur and are forced to be reactive instead of proactive. While other functions in the company can benefit from this executive or coach association, few have the ability to reciprocate back to the company in such an impactful way as product management.

Finally, it is acknowledged that sometimes the wrong individual is in the job, which will ultimately undermine product management success. The product managers or leader simply have key missing attributes or too big of a skill mismatch for your current needs. They will need to be placed elsewhere in the company where they can still contribute due to their knowledge or experience, or eventually let go altogether.

Summary

The Product Management team can have a significant impact on the product strategy and success of the products. In order to achieve its full potential, the executive team must be in alignment on the goals and objectives of the group and overall roles, responsibilities, and processes in place across the organization. The individuals on the team must also have a broad and diverse set of attributes and be viewed as competent leaders in their role. Continued development of the product management skill sets can be achieved through appropriate training and a continuing engagement with executives and external coaches to expand both their tactical and strategic capabilities.