



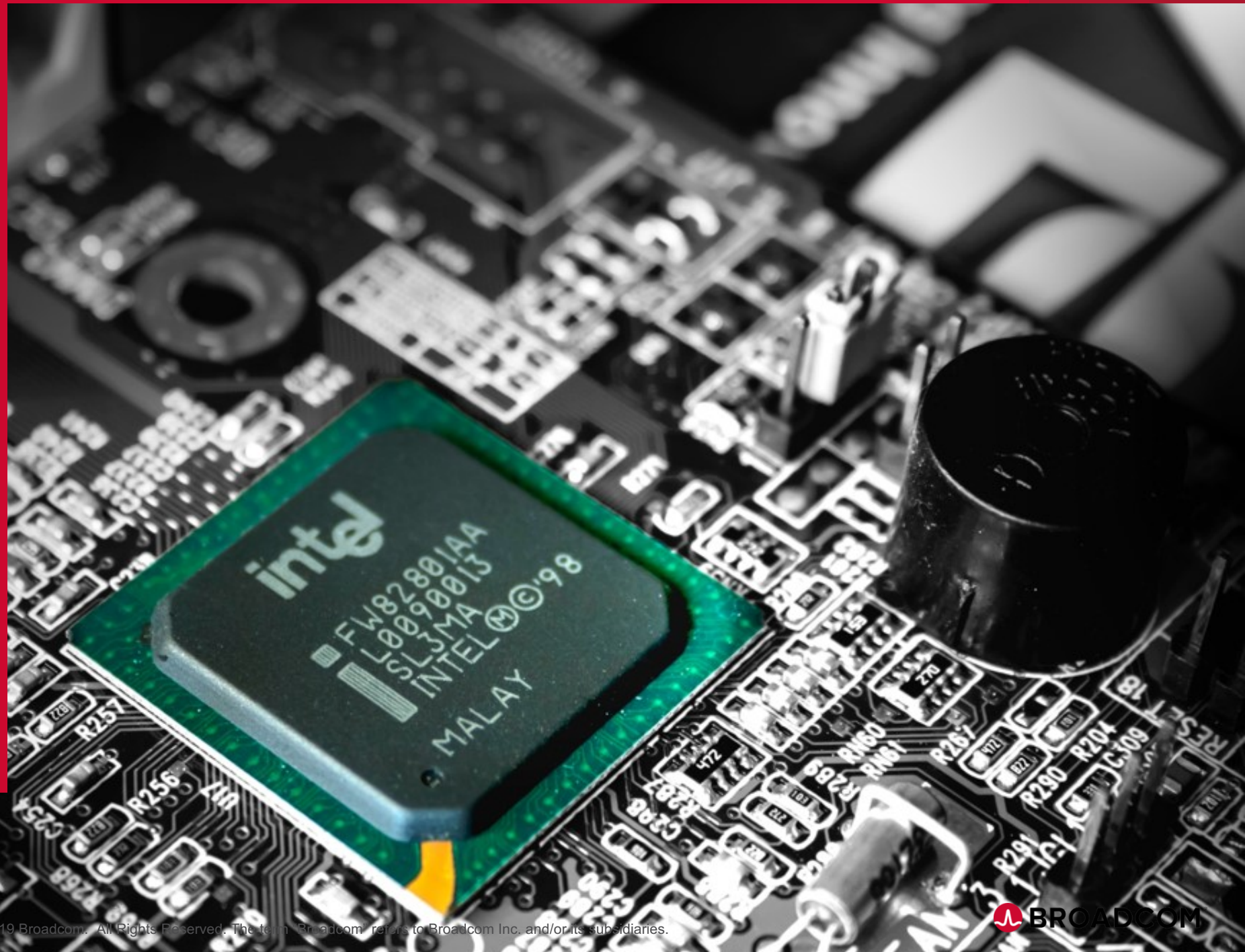
Projects-to-Products: A Practical Guide for the Transition

Brian Nathanson

October 2, 2019

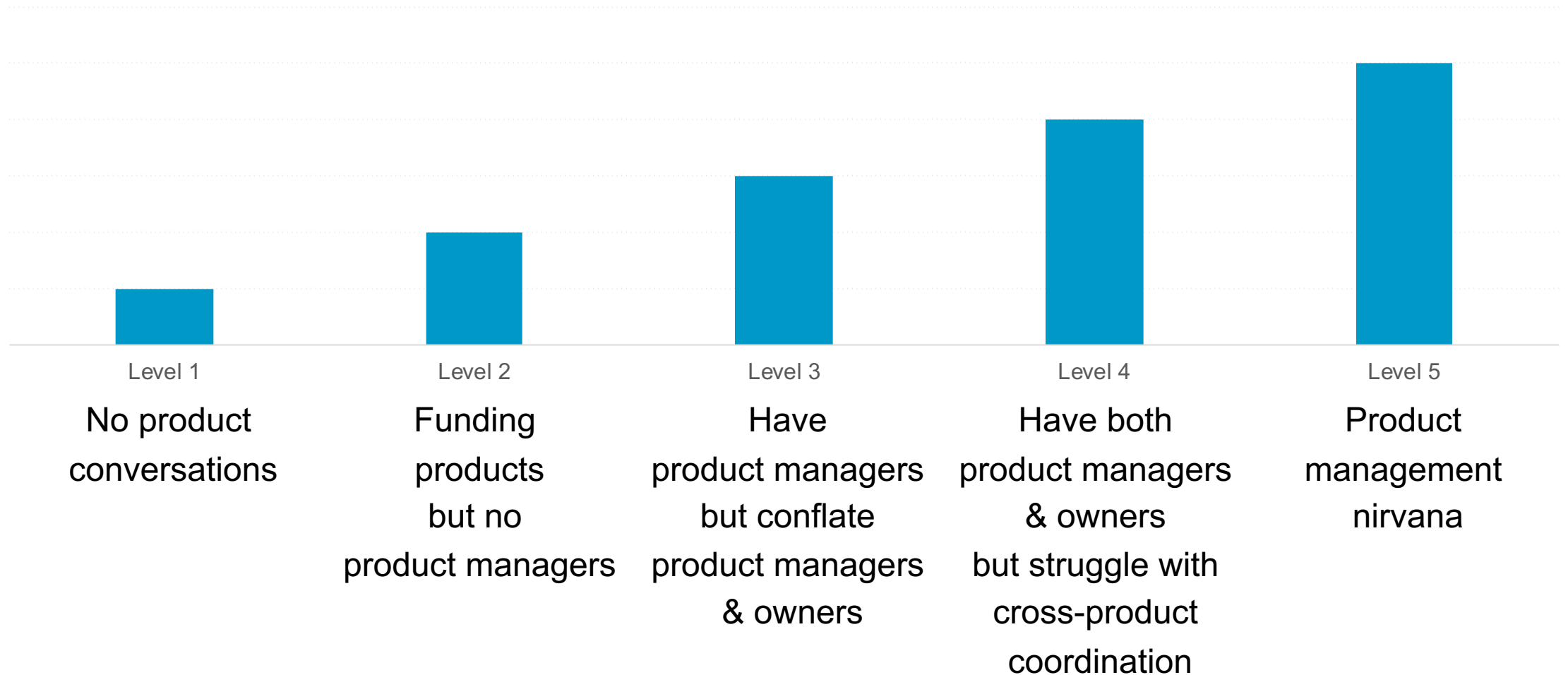


How Did
We Get
Here?



Where Is Your Organization?

A Mini-Maturity Model for Projects-to-Products Transition



Overall Goal of This Course

To Help You Think Like a Product Manager

so that

You Can Help Your Organization Make the Transition &
Quickly Identify/Fill Gaps that you may have

Agenda

- Part I: Speak a Common Language
- Part II: Product Management vs Project Management
- Part III: Cross-Coordination (aka Scaling Agile)
- Part IV: What to Do Next

Part I: Speak a Common Language



A Common Language

- Product
- Value
- Product Manager
- Product Owner
- Release

What is a Project?

- Set of related activities
- Definite beginning & end
- Creates a unique product, service, or result
- Receives explicit funding in the form of money and/or people

What is a Product?

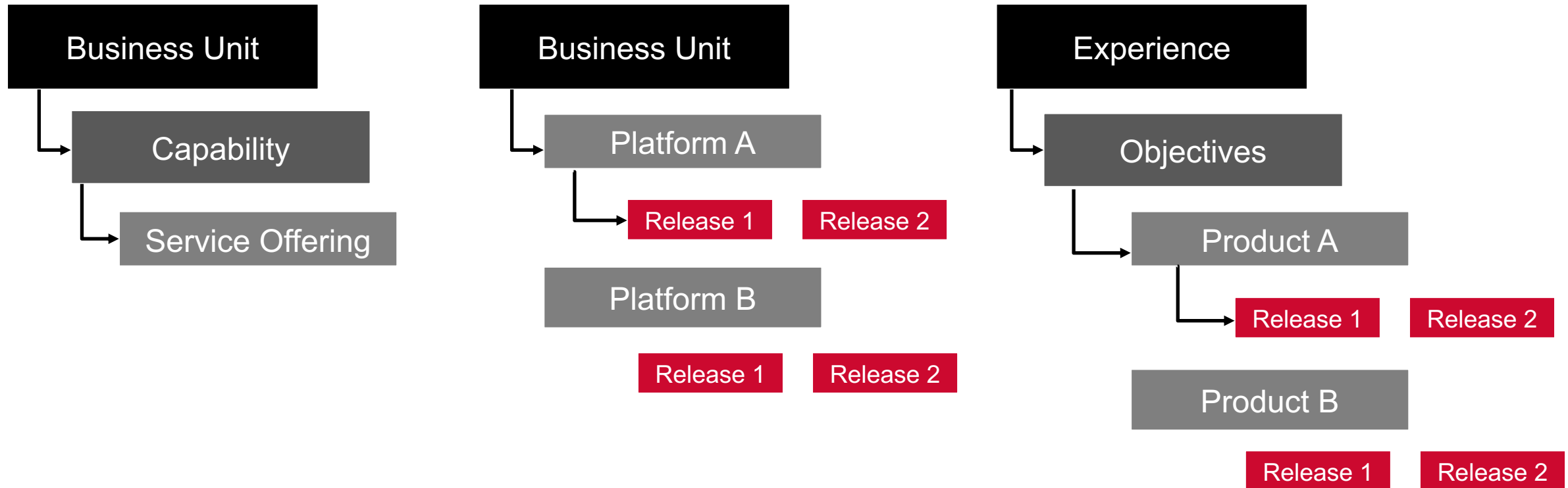
- Sustained asset
- Indeterminate life
- Delivers value that can be articulated in reasonable business terms
- Receives recurring explicit funding in the form of money and/or people

One Example of a “Product”

- Airline Check-In (may be used internally or externally)
 - Flightline Operations
 - Seat Selection (may be contracted out)
 - Baggage Handling
 - Booking (Changes)
 - Frequent Traveler
 - Promotions/Marketing
- Goal is to put people on planes in as smooth a process as possible
- Cross-management/dependency with mobile app, airport operations, etc.



Product Construct is all about your “Go-to-Market” approach



Customer examples of “Product” Hierarchy: Capabilities, Platforms, Products, Services, etc.

- What you call these sustained assets differs based on what you offer and how you “go to market” – internally and/or externally
- It’s important that you either all speak the same language or know how to translate

What is Value?

- Perceived importance, worth, or usefulness of something
- Different types of value
 - Commercial/market value (e.g. revenue, cost savings)
 - Sentimental value
 - Social good value (aka intrinsic value)
 - Political/Social status value (aka bragging rights)
- Two key elements
 - Agreed upon “value element” for your organization (e.g. Epic, Marquee Feature)
 - Description should be in terms a reasonable non-technical person in your industry understands
- While value that can associated with metrics is usually preferable, value can also be subjective or qualitative – as long as stakeholders agree that it exists

Who is the Product Manager? What do they do?

- Each product is run or guided by (a) Product Manager(s)
 - Understands the (internal or external) audience the product serves
 - Understands the value the product provides (or is intended to provide)
 - Manages & messages the strategic vision for the product
 - Maintains accountability to the funding stakeholders (investors)
 - Maintains accountability to the business for forecasting & (financial) performance
 - Should be able to clearly articulate the value delivered in return for the investment
- Product Managers spend the majority of their time working with customers
- Skill set has several key differences from the project management skill set
- **Manage your internal products the same way as your external products.**

Product Manager vs Product Owner

- Most products also have one or more Product Owner(s)
 - Understands the (internal or external) audience the product serves
 - Understands the value the product provides
 - Manages one or more aspects of the technical delivery of the product
 - Maintains accountability to the Product Manager for technical delivery
 - Should be able to clearly articulate the value delivered in return for the investment
- Product Owners spend the majority of their time working with the engineers
- Skill set aligns better to existing project management skill sets
 - Also few key differences
- **These are two distinct roles; both are required to be successful.**

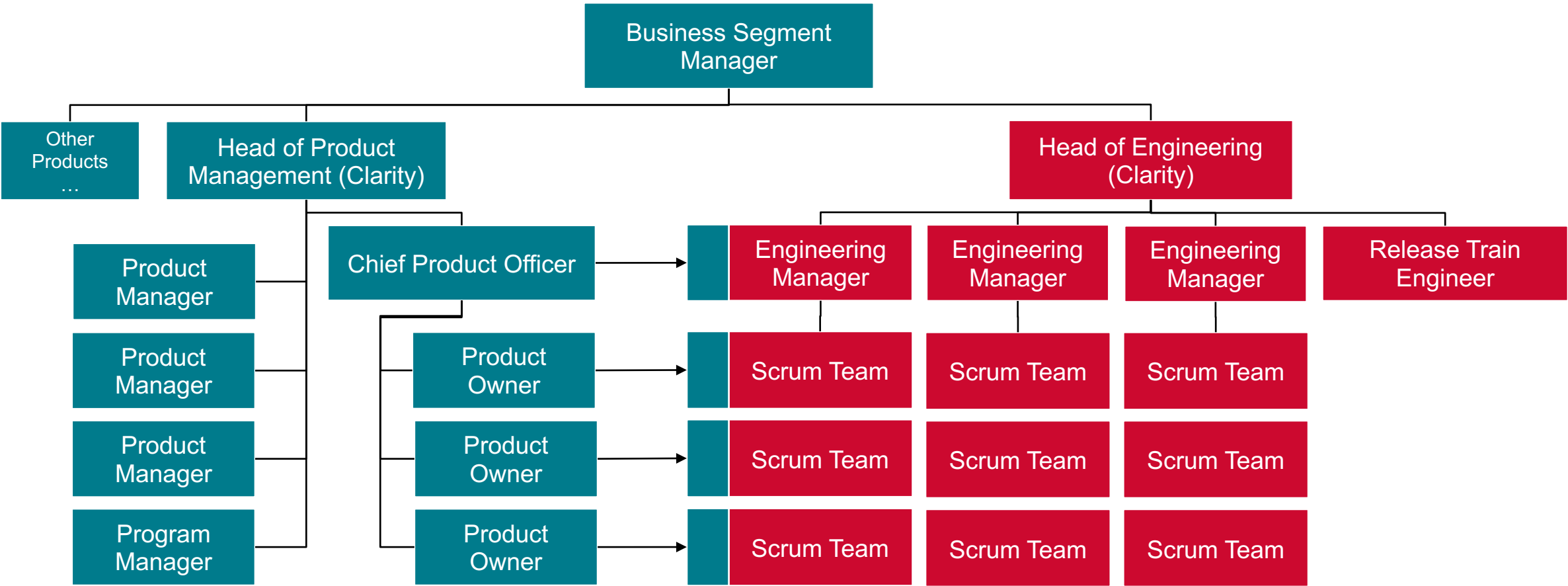
Do You Have Releases? You Should!

- From a psychological perspective: An event is required in order to recognize value
- That event is a “release”
- A release event
 - Occurs at a specific point in time
 - Encompasses all the value elements since the last event
 - Allows the audience a chance to become familiar with & appreciate the value being delivered

A Common Translation Example

- Product → Capability
 - Value → Epic
 - Product Manager → Capability Manager
 - Product Owner → Product Owner
 - Release → Launch
-
- Know what these terms are for your organization
 - Be prepared to manage translation between business units

How We Are Organized



Part II:

Product Management vs Project Management





MYTH: Product Management is Backlog Management

“Modern” Product Management Combines 3 Key Roles/Concepts

- Product (Lifecycle) Management
- Product Marketing Management
- Brand Management

Product Management

- aka Product *Lifecycle* Management
- Traditional backlog / engineering-related stuff (integrated supply chain)
- Design / develop / test / launch / enhance / recycle
- Product Owners handle the bulk of this activity BUT
- Product Managers need to at least be aware enough of what's going on to make prioritization decisions if necessary
- When agilists talk about *optimizing flow*, this piece is what they are referring to

Product Marketing Management

- Product Marketing Management
- Part of the “whole product” approach to product management
- Focuses on the awareness of, adoption of, and satisfaction with the product
 - Includes many non-engineering aspects of product “packaging” such as training & support
 - Also includes “market-sensing” activities that inform the future direction of the product
- Product Managers – whether for internal or external products -- should spend a majority of their time in this area
- Releases? They are primarily a marketing event

Product Marketing?

- There is a big difference between Product Marketing and Event/Field Marketing
- In technology circles, most people know about Event/Field Marketing
- More interested here in true Product Marketing Management

Two Books I Like for Understanding Product Marketing

- *Crossing the Chasm* by Geoffrey A. Moore, ISBN 0062292986
- *The Innovator's Dilemma* by Clayton M. Christensen, ISBN 1633691780

Crossing the Chasm

- My Main Takeaway: Existence of the Technology Adoption Life Cycle
- Main point is that the *psychology* of the early market & mainstream market *differs*

Innovator's Dilemma

- My Main Takeaway: The Dilemma Itself
- What made your product successful up until now may doom you when the next big thing comes along

“Buyer’s Journey”

- My Main Takeaway: People Make “Buying” Decisions Constantly

Brand Management

- Reflects the emotional investment customers make in your product(s)
- Trust & Consistency are key
- Brands are often larger than an individual product or products
 - Brands adhere to the people/organization delivering the product
 - Provides flexibility to leverage established trust to address the Innovator's Dilemma

State of PMO Branding

68% of organizations have a PMO, down from 80% 3 years ago

Only 49% of organizations with a PMO say that it is an enterprisewide PMO

60% of organizations with an enterprisewide PMO say it is focused on business strategy

Only 41% of organizations with an enterprisewide PMO say it is highly aligned to the organization's strategy

The \$64K Question: Project Management vs Product Management

- Social Login: All 3 are defined in the original scope of the work
 - Amazon
 - Google
 - Facebook
- Due to various challenges, only 2 of 3 will be delivered by the deadline
- Project World: Add resources (if possible) and/or extend the deadline to get all 3
- Product World: Convince stakeholders that the 2 that will be delivered are the highest priority 2 out of the 3 (MVP) and that the 3rd will be delivered next release (if at all)
 - Agile Reality Check: And if all 3 still need to be delivered then nights & weekends are in order

The \$64K Question: Project Management vs Product Management

- Projects benefit from being single run events that can keep people's interest
 - Any decently run project can ramp up excitement for positive change
- Product models, on the other hand, have to run more like full businesses
 - Constantly competing for mindshare with other products
 - Consumers can suffer from fatigue (e.g. get tired of you) if you flood them too much
- If it sounds like I'm trying to convert Project Managers to Product Marketers
 - I am, but not as a career choice → You don't have to join your marketing department
 - Be aware that these skills/tools are proven and out there to address many challenges that are new to Development teams and organizations
 - You need both Product Manager and Product Marketing skills to successfully scale agile

Part III:

Cross-Coordination (aka Scaling Agile)





MYTH: Accountability needs be to throw out the window to keep our skilled talent (developers) happy

Agile Manifesto Shifted Risk from Developer to Employer

- Prior to agile, if technology turned out to be too complex to develop in the agreed-upon timeframe, the developer took it on the chin because they would miss the deadline
- In purist agile, the risk of complexity transfers from the developer to the employer
 - Continuing complexity will just keep getting pushed to the next development cycle
- In practical terms, risk of complexity should be shared between the two sides
 - Developers deserve some protection against having to commit to something they don't know enough about
 - Past *a certain point* of learning, however, they should expect to commit to delivery by a specific date

The image features a teal background with a horizontal band of a slightly darker shade of teal. Numerous small, colorful confetti pieces in shades of pink, orange, yellow, and blue are scattered across the entire image, appearing to fall from the top. The text "THE NEW PMO" is centered within the darker teal band.

THE NEW PMO

Working with Deliverables & Deadlines

- “Rebranded” Program Management
- *A deliverable is a package of one or more value elements (epics, etc.)*
- Typically a deliverable must be delivered by a *deadline* for full value
- Deadlines *cannot be moved* under normal circumstances
- **Important to identify deadlines & deliverables to coordinate across products**

One More Role: You NEED Chief Product Officers



One More Role: You NEED Chief Product Officers



- The Chief Product Officer (CPO) coordinates across teams for a particular product
 - Ideally, all Product Owners report to the Chief Product Officer
- The CPO works with Product Management to determine realistic development goals for each development cycle
- The CPO also monitors development activity to determine whether it is proceeding in an intelligent fashion or identify if there are gaps or holes *from a customer or end-user perspective* (that's why it's not a VP of Engineering role)
- Characteristics of a strong CPO
 - In-depth knowledge of & passionate commitment to the product
 - Open-minded to various options but able to make decisions when necessary
 - Able to think laterally – draw connections between events that other people may not realize
 - Enough technical knowledge to call out BS but not so much that they try to override the teams
 - Empathizes with people to the point where they are the *trusted* authority

Part IV:

What to Do Next



What to Do Next

- Today
 - Document your terms
 - Product; Value (Unit); Product Manager vs Product Owner; Program Management
 - Allow some autonomy here -- just keep a translation guide handy if necessary
 - Take inventory
 - Is an inventory of “products” available? If not, start with what you fund and work from there.
 - Do you have product management skills in the organization? Product marketing skills?
 - Start thinking about how to brand your cross-coordination (if “program management” doesn’t work)
 - Begin crafting a game plan to address any gaps from the assessment (we’re here to help)
- Over the Next Few Weeks
 - Start the process of enlisting your organization’s power users and other opinion leaders
 - Evangelize the concept of “product thinking” and begin to define CoE activities in this area
 - Leverage your organization’s front office product managers to help train your technology workers

What to Do Next

- Long-Term
 - Product vs Project
 - Not everything is a product; projects should be used in specific situations that call for them
 - If a project results in a product, the future product manager should be involved from the beginning
 - Cross-coordination
 - Identify and promote your Chief Product Officers
 - Figure out how you intend to catalog deliverables or commitments from a particular product
 - Work to obtain buy-in from all product managers on this method
 - Meet regularly to view/record dependencies between deliverables and determine impacts
 - Product Thinking (Innovator's Dilemma)
 - By centering a product on business value instead of a particular technology or system, product managers should spend considerable time on future trends that might improve their product
 - Evaluate vendors & partners by their willingness to experiment and investigate new options as well as their savvy in determining which technologies have staying power

A photograph of a winding asphalt road through a dry, hilly landscape. The road curves through the foreground and into the distance. The hills are covered in dry, yellowish-brown grass. A red banner with white text is overlaid across the middle of the image.

The Projects-to-Products Transition is a Journey

We Are Here to Help You Along the Way

- Pleased to announce the introduction of a new blog devoted to this topic

www.projects2products.com

- Paired with a new webinar series

Projects-to-Products: Practical Help for Your Evolution

Every Tuesday at 12:00p ET, beginning Tuesday, November 5

Sessions focus on Product Management related topics

Presented specifically from the perspective of PPM practitioners

Other Workshops We Are Considering

- Defining Products and Value for Your Organization
- Reinvention: Converting Project Managers to Product Managers
- Product Marketing Management for Project (or New Product) Managers
- Rebranding Program Management: Scaling Agile to the Enterprise
- How We Did It: Clarity Case Study in Agile Transformation
- How to Manage Your Products (or Outcomes) with Clarity PPM

Questions?



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Thank You





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