The Agile Product Manager / Product Owner Dilemma

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An Unapologetic Product Guy

• CMO at Enthiosys, agile product mgmt consultancy
  – Business models/pricing, roadmaps
  – Innovation Games® and customer needs
  – Agile transformation, interim PM executive

• Repeat offender at software prod mgmt
  – Product Owner, 25 years as Product Mgr

• “The Art of Product Management”

• Agile 2009 PM/PO track

• Founded P-Camp
Agenda

• **Context, scope, terminology**
  – Development-only or inbound/outbound cross-functional?
  – Product strategy vs. vision vs. backlog
  – “Business value” vs. quarterly revenue goal

• Why talk about product managers and product owners?

• What does a product manager do?
  – Or… what do I mean when I say “product manager”?

• How does this map to product owners?

• Recommendations
My Biases

• Focus on commercial software
  – Revenue-driven software companies and software-dependent products
  – Long-term success is measured in revenue, market share

• Agile development is a (huge) part of business agility

• Most product failures are market failures, not development failures

• Product line strategies should exist before dev teams start serious work

• Good product managers have first-hand experience marketing/selling/installing software
Disjoint Communities

Product Managers

Agile Community

Nearly empty, very lonely
Product Owner? Product Manager?

- Most Agilists think narrowly about product owners
  - Core member of agile team
  - **Physically present most of the time**
  - Driving user stories and sub-iteration decisions
  - Showcase provides primary customer input

- Most product managers are not yet Agilists
  - Majority of work to deliver products (revenue) happens outside Engineering
  - Markets must be experienced directly, not filtered through Sales or Marketing or surveys
  - Servicing multiple inbound and outbound queues
What Does Product Management Do?

Executives
- strategy, forecasts, commitments, roadmaps, competitive intelligence
- budgets, staff, targets

Product Management
- market information, priorities, requirements, roadmaps, MRDs, personas, user stories...

Development
- software

Mktg & Sales
- Field input, Market feedback
- Segmentation, messages, benefits/features, pricing, qualification, demos...

Markets & Customers
Product Management Planning Horizons

- Executive (Exec)
- Product Manager (PM)
- Development Team (Dev Team)

- Strategy
- Portfolio
- Sprint
- Daily

- Many years
- Years
- Many months
- 2-9 months
- 2 weeks
“Above The Release”
## Pragmatic Marketing® Framework

<table>
<thead>
<tr>
<th>Market</th>
<th>Strategy</th>
<th>Business</th>
<th>Planning</th>
<th>Programs</th>
<th>Readiness</th>
<th>Support</th>
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<tbody>
<tr>
<td>Competitive Landscape</td>
<td>Product Roadmap</td>
<td>Innovation</td>
<td>Requirements</td>
<td>Launch Plan</td>
<td>Sales Process</td>
<td>Presentations &amp; Demos</td>
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<td>Technology Assessment</td>
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<td>Use Scenarios</td>
<td>Thought Leadership</td>
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<td>“Special” Calls</td>
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<td>Status Dashboard</td>
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<td>Referrals &amp; References</td>
<td>Channel Support</td>
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<td>Channel Training</td>
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### Less Technical
- Business Plan
- Positioning
- Marketing Plan
- Pricing
- Buying Process
- Customer Acquisition
- Distribution Strategy
- Buy, Build or Partner
- Customer Retention
- Product Portfolio
- User Personas
- Program Effectiveness

### More Technical
- Market Problems
- Distinctive Competence
- Win/Loss Analysis
- Technology Assessment

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Pragmatic Marketing® Framework
What Does a Product Owner Do?

• “In Scrum, a single person must have final authority representing the customer's interest in backlog prioritization and requirements questions. This person must be available to the team at any time, especially during the sprint planning meeting and the sprint review meeting.”

• Responsible for
  – Defining the features of the product
  – Deciding release date and content
  – Profitability of the product (ROI?)
  – Prioritizing features according to market value
  – Changing features and priority between iterations
  – Accepting or rejecting work results

• How developers have defined product management
Ideal Product Owner Must Be…

- Omniscient, telepathic
- Represent true market needs without spending a lot of time “in the field”
- Manage complexities of detailed stories as well as marketplace financial tradeoffs
- Very difficult to do “solo”
  - Nearly impossible without some product management experience
# Product Owner’s Calendar

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<td><strong>Stand-up</strong></td>
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<tr>
<td><strong>Iteration Planning: Stories</strong></td>
<td>Identify features for next iteration</td>
<td>Requirements meetings</td>
<td>Requirements meetings</td>
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<tr>
<td><strong>Iteration Planning: Tasks</strong></td>
<td>Conceptual model/arch - future iterations</td>
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<tr>
<td><strong>Assist with design</strong></td>
<td>Monitor progress, accept stories</td>
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<tr>
<td><strong>New stories, reqs for next iteration</strong></td>
<td>GUI prototypes for next iteration</td>
<td>Help write tests</td>
<td>Get gross-level estimates next iteration</td>
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<tr>
<td><strong>Monitor progress, accept stories</strong></td>
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<td>Updates to reqs, rankings based on demo.</td>
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<tr>
<td><strong>Assist with acceptance tests</strong></td>
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<td>Assist with acceptance tests</td>
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<td>Assist with acceptance tests</td>
<td>Demo/Review</td>
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<td>Retrospective</td>
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*Borrowed from Catherine Connor, Rally*
Two Sizes of Product Owner

• “small p” product owner
  – Focus on iterations (up through releases)
  – User story elaboration, backlog management
  – Available to dev team hour by hour
  – Customer showcase (rather than primary market research)
  – Internal recruit, often limited product management experience

• “Big P” Product Owner, aka Chief Product Owner
  – Strategic view of customers, profitability, markets
  – Sets broad direction, owns resource allocation
  – Deep experience with customer segments

• In my experience, “Big P” Product Owners call themselves:
  – VP/GM of Business Unit
  – VP Product Management
  – VP Engineering
PO/PM Organizational Map

GM - VP PM - VP Eng/CTO

Product Management Organization

product owners

more market-focused

more technical
“small p” product owner

customer information, priorities, requirements, roadmaps, personas, user stories…

product owner

Executives

Development

Marketing/Sales

Customers

software
## Adapted Pragmatic Marketing® Framework

**Market**
- Competitive Landscape
- Technology Assessment

**Strategy**
- Product Roadmap

**Business**
- Business Plan
- Positioning
- Marketing Plan

**Planning**
- Business
- Positioning
- Marketing Plan

**Programs**
- Marketing Plan

**Readiness**
- Program Effectiveness

**Support**
- Program Effectiveness

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**Key Terms**
- backlog, accept work
- stories, NFR
- burn down/up
- retrospectives
- all-team tasks

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Much More to Do

• IMO, Product Owner role adds 40-60% more work for a traditional product manager

• PM is like to be overcommitted already
  – Too many constituents, queues, roles
  – Heavily time-sliced
  – PM capacity planning is a challenge

• Natural for PMs to ignore how stretched they are

• Agile highlights/worsens existing problem
Solo Product Manager fails the agile team if…

- Part-timer, not fully engaged in team
- Lack of detail on stories, acceptance tests
- Stale items in backlog
- Handwaving and bluster
- Best of intentions, but pulled in too many directions
- “Build what I meant”
Solo Product Owner fails the market if...

- Weak on **actual** economic value: pricing, packaging, upgrade barriers, professional services, discounting, competitive dynamics
- Disconnected from cross-functional teams that turn software into products (Marketing, Sales, Support…)
- Trading off company-wide product strategy in favor of product-level features
- Substituting showcases for broad market input
Scalable PM/PO Models

People and organizations matter. Consider:

1. Small product, co-located team
   – Agile product manager is the product owner

2. Complex product
   – PM covers strategic/outbound, PO (TPM) for inbound
   – Report up through same PM management chain

3. Distributed teams
   – One or more PMs at main Eng location, heavy travel schedule
   – Every remote team has a PO (or PM)
   – Frequent, intense collaboration among all PMs/POs

4. Pool of PM/PO talent with strategic leadership
   – Larger departments, enough resources to allocate
   – Pair up, mix and match, share, segment, be creative
Recapping My Biases

- Titles don’t matter, but activities and roles do
- A seasoned Agile Product Manager can also be a Product Owner
  - Cover both roles for **one** moderately complex product
  - Heroically for **two** products?
- A Seasoned Product Owner can **rarely** also be a Product Manager
  - Outbound coordination and Sales/Marketing/Field role don’t fit into schedule or expertise
- Product Management and Engineering have a historically complicated relationship
Take-Aways

- **PM/PO:** One of the reasons Agile delivers better software
- Activities and roles matter more than titles...
- **Product Manager POV:** Agile makes PM job bigger
  - Market demands and first-hand interactions don’t go away
  - Challenging for one PM to cover both roles
- **Product Owner POV:** customers are the market
  - Need deep and complex market inputs to represent users/customers/markets
  - Must partner with PMs or grow into full PM role
- Emerging staffing and training problem
- Think about skills mix, R&D geo-distribution
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