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Moving from Projects to Products

Your Guide:
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Agenda

- Introductions
- Why Move from Projects to Products?
- What is a Product?
- The Role of Product Manager
- Product Managers vs Product Owners
- Understanding the Customer Relationship
- How to Prioritize
- The Balancing Act with Engineering
- Taking Credit for What You Deliver
- MVP is a myth
- Accounting for It All: What's Different
- Questions

Introductions

- Take 5 Minutes
- Turn to a Person Near You
- Introduce Yourself
- Business Cards

Why Move from Projects to Products?

In a word ... flexibility



- Product management processes better match the way that technology investment should be modeled today as we move away from large capital projects to investments in digital assets
- Project processes in most organizations lock in scope
- Managers need the authority to change scope in response to changing conditions (internal or external)
- Moving from Projects to Products grants Product Managers the **authority & autonomy** to flexibly change scope and meet needs as they arise

What Is a Product?

Same customer audience, same delivery team



- Products *persist* from year-to-year
- For practical purposes, a product is any offering (solution, application, basket of applications) that has:
 - A consistent customer audience that all use the product for similar purposes
 - A consistent delivery team responsible for providing the offering
- In some organizations, the lack of consistency causes problems in identifying “products”
- Products may not be called “Products”; the name doesn’t actually matter

The Role of Product Manager

Product managers manage *scope*

- Product management is based on the following principle
 - There will *never* be enough supply to meet the incoming demand
- Thus, a product manager's #1 responsibility is to prioritize scope
 - What to deliver and when
- The product manager's primary role is to sell the plan to the audience
 - Because, remember, we are acknowledging upfront that you won't all get what you want
- The product manager's #1 asset in this role is their **product knowledge**



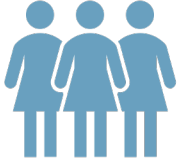
Outbound vs Inbound



- Both roles are *critical* for product success
- Most organizations do OK on the Product Owner (inbound) role
 - If you're having issues here, speak up
 - The main struggle we hear about is inability to write up good features
- Most organizations struggle with the Product Manager (outbound) role
 - Talking *about* customers rather than talking *to* them (aka talking to themselves)
 - Remember that the goal is to have customers buy in to the product roadmap each and every quarter/timebox
- Your best bet is to have people dedicated to each role
 - While you can have one person do both, it's a heavy load

Understanding the Customer Relationship

“Customers” are not monolithic



- Sponsor (aka Buyer/Funder)
 - Makes the decision to continue to fund/use a product
 - Often does not use the product themselves
- Champion (aka Administrator; sometimes, Power Users instead)
 - Responsible for day-to-day operation of the product
 - Serves as the primary touchpoint for the end users
- End User (aka Customer)
 - The true audience for use of the product
 - Often most interested in getting in and out as quickly as possible
- Also, the concept of MVP is a *myth*; what is viable for one is not for another

How to Prioritize



Transparency in prioritization is key



- Give customers/champions a way to participate in prioritization
 - Voting mechanisms work well as long as you limit the votes available
 - REMEMBER – you want the **top** priorities, not the wishlist of everything
 - *Demand will always exceed supply*
- Product managers have to decide on what to deliver when ← **this is the job**
 - Customer input is just one factor
 - Commercial considerations are another
 - Future option enablement is yet another

The Balancing Act with Engineering

Different leaders have different priorities



- Engineering/Delivery leadership typically prioritizes
 - High performance
 - High quality
 - Lower costs to operate/maintain
 - Lack of disruption
- Business leadership typically assumes the above and prioritizes
 - New features/functions
 - Enhancement to existing feature/functions
 - Overall product appeal to non-technical audiences
- You must **strike the right balance** between these two sides *each cycle*

Taking Credit for What You Deliver

Value isn't value until it is recognized

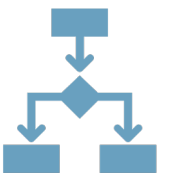


- A lot of agile folks like to say that they “release constantly”
- Build constantly, deliver on cadence, release *on demand*
- Releases (or launches or whatever you prefer) are **value recognition events**
 - Allows teams to celebrate success
 - Allows customers to see the value that has been delivered for them
 - Allows product managers & champions to promote themselves and their product
- Doesn't need to be more than once a quarter, but it needs to happen
- Otherwise people don't really understand what has just been delivered

Accounting for It All: What's Different

In a word ... nothing

- People, especially agilists, confuse changes in planning w/ accounting
- You can plan and execute in an agile fashion and still account the same way
 - The key is helping people understand how to perform the accounting
- There must be a cost allocation basis that
 - Is sourced from the people actually performing the work
 - Is considered credible by your accountants and auditors
- Agile organizations *can still track time* if you believe that's the most efficient way to allocate costs (it takes most developers <1 minute a week)
- Otherwise, you can investigate frictionless cost accounting methods
 - Note that what this means is to calculate the time/cost allocation through some other means (such as normalized story points/counts, etc.)



Questions?



Surveys

Please take a few moments to fill out the class survey.
Your feedback is extremely important for future events.

