

Product Management – The key to success of your product

Software products are conceived when a market gap is identified and a product is conceptualized to address this perceived gap. However, the original vision for a product rarely gets transformed into reality. In fact, industry leaders claim that 80 – 90% of product releases are failures in that they don't meet their intended goals. Countless release cycles are wasted on products that are either not useful or not usable. There are several reasons for this failure and one of them is the absence of product management. This article addresses the importance of product management in building a successful software product.

A large number of ISVs do not have a dedicated individual for the role of a product manager. Many a times those in leadership positions in marketing or engineering don the product manager role as well. One common reason provided by product companies for this is convenience - product managers' responsibilities are fulfilled by existing staff and they don't think it necessary to have a separate individual filling the role – another is that some ISVs believe they are very close to their customers and they know their customer's needs very well, hence they don't need a product manager.

There are several facets that align with not having a product manager, which have far-reaching consequences in terms of success of a product. For example: the product takes a lot of work to fit into an existing IT ecosystem or the product requires hours of explanation before a customer is comfortable with it; in some cases, parts of the product are not user-friendly, except to a tech-savvy audience or the active user base for the product shrinks faster than the revenue generated through it.

Some other symptoms of not having a product manager could include product companies missing target release dates consistently, chasing all opportunities that look like a fit but not really having a defined target audience, and hence not being able to capitalize on product sales; and finally, sales requests being directed to the engineering team resulting in unplanned feature additions to the product.

What do the above things mean to an ISV? It simply means that the product would need to be rebuilt and restructured before it is successful or profitable in a broader market. This stripped-out situation can be avoided with a clearly defined Product Management role.

The need for a Product Manager cannot be stressed any further, yet, the role of a product manager is an ill-defined one in the Software Development environment today. The Product Manager is at different times responsible for:

- Writing of specifications
- Decision-making related to end-user requirements
- Usability of products

- Testing of products
- Planning of product releases
- People management (balancing the priorities of marketing, sales, engineering and management)
- Handling meeting minutes
- Everything that goes wrong – the Fall guy in the product roadmap
- Supporting demos and writing proposals – playing the role of a sales engineer

However, the fact remains that Product Management is one of the three pillars that any successful product company is based on, besides Product Engineering and Product Marketing. What works best is having the top management committed to a strong product management group that is on par with, and not subordinate to Sales.

There is one danger in this set-up that ISVs must learn to avoid in order to become a truly successful product company - when sales hit a slump, management should not panic and let the Sales team call the shots; rather they should work towards identifying the root causes of sales shortfalls. If this practice is followed, there won't be drastic alterations to product roadmaps based on whims and fancies or because something else isn't going right.

Now that we've outlined why Product Management is one of the most important roles in a product company, let us look at the actual role that a Product Manager needs to play.

1. The Product Manager must own the product. One of the primary responsibilities of the Product Manager is to define the product vision and build the product roadmap based on the market need, customer requirements, competition etc.
2. The Product Manager is the face of the customer and he/she needs to bring the customer to the discussion table. All product specifications should be based on customer requirements.
3. Deciding product priorities should be the job of the PM. Constraints of time, resources and difficulty of implementation should not be primary concerns while designing features. The PM should not base his/her judgment on these issues, else there will be a product that may be considered complete but will have no-takers. Features can be further classified as finalized, in-process and ideas. The product cannot ship without those features grouped in the finalized list, while ideas are those that are good to have but not critical to the functionality and can be done away with.
4. The PM must study the market for what it wants and what it is worth before embarking on building a product. This is best done by interacting with the company's marketing and business development teams, and interacting with the would-be end-users/customers of the product.
5. One of the important roles a PM needs to play is that of the Product evangelist. The PM needs to be the cheerleader for the product – of what it can achieve and how it can be used, especially when morale is low or there are doubts about the future of the product.

6. Decision making and conflict resolution are other key areas in product development; other teams expect the PM to take decisions and also face the repercussions for the same. Every PM needs to be a detailed-oriented person who keeps track of all the changes to the product, decisions and priorities, while never losing sight of the big picture (Product vision).
7. The PM needs to be open to new ideas regarding the product, for they mostly come from casual discussions with varied functions and from people who don't decide on market trends.
8. Communication across the organization regarding the product roadmap and company direction

Let us now consider some of the real scenarios that face product companies and how product management will address them.

Scenario I: Our product is quite innovative and hence we didn't find the need to assess competition.

The real problem is probably that the product does not fulfill a market need and does not even provide a competitive advantage. It is essential to identify functionality that would address the basic market need and provide a competitive advantage. This would also mean analysis of the competition.

Scenario II: Our product is implemented with multiple customers and we enhance our product features regularly but this is based on "chasing the loudest customer" approach.

This effectively means that 3-4 features are added to the product on a monthly basis and these are features requested from the loudest customer. This means a lot of customer requests are not acted upon. It is very essential to keep track of every request, and also look at which requests are repeated by multiple customers and give them the priority.

Scenario III: Is it necessary for me to make public my product roadmap?

This actually means that there is no product roadmap, no long-term development plan. Developers are focusing only on monthly plans. It is essential to understand the bottom line here; some customers definitely want to know the product roadmap. A long-term roadmap is also vital to the product company's own vision of where it wants to be in the next 3-5 years.

Scenario IV: Everyone goes straight to development for every issue and request, if not, they go to the president.

Development really would love this attention, whether or not it benefits the organization. Sales would enjoy being able to go straight to development. However, the person to be contacted for issues or feature requests should be the Product Manager or someone performing the role of a Product Manager. Otherwise, it would be difficult to keep tabs on the product status.

In effect, Product Management is a broad, multi-disciplinary pursuit in a Product development organization where it plays the intermediary between conflicting forces of Sales, Customers and Development. It requires a good understanding of what the market really needs and wants, creativity in coming up with a solution to address those needs, excellent communication and people skills and decision-making abilities.

In the final analysis, a Product Manager could be the difference between the success or failure of your dream product!