



**Product Leaders Alliance**



PRODUCT MANAGEMENT PAPER

# The 7 Habits of Effective Product Managers

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# Product Management Habits

## Introduction

Welcome to the 7 habits of effective product management.

First, let me give you little background on why we think these skills are important and how to make the most of this lesson.

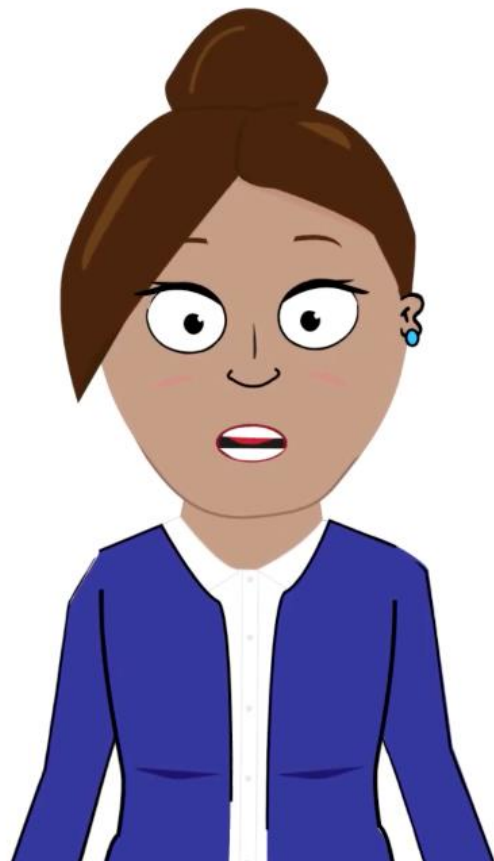
These skills and capabilities have been identified after many years of working with and studying Product Management teams across the globe. We looked at where product managers were making an impact and adding value to their product line and their organization. We also examined why some product managers were ineffective and we worked to understand what was causing their issues.

From these observations, we identified skills, behaviours and capabilities that were linked to high performance and defined a set of capabilities that separated high performing product management teams from their less successful counterparts.

Read through each step and think about you and your team – what could you do this week, this month, or over the next year to lift your performance?

Be sure to take notes as you step through this paper and write down the changes you plan to make with each habit.

We will step through each habit with Peter the Product Manager.



# Product Management Habits

## Habit 1: Stop firefighting and start strategizing.

Meet Peter. Peter is a Product Manager at his company. He is responsible for both product management and development.

One of Peter's responsibilities is presenting his product to the sales team. He produces a detailed 60 slide presentation which lasts an hour. The sales team love his work as it answers all their questions.

The next day, a member of the sales team calls him with a question about the new product. He finds his phone keeps ringing, as sales people call him with questions. Peter is in great demand and is happy the sales team is so excited, but the problem is that he doesn't have any time to think strategically about his product.

He knows that thinking strategically is important. He needs to be alert to the risks and opportunities that occur as his product matures. He is very aware of what happened to Blockbusters, they didn't reinvent themselves when their market moved online. He doesn't want to find his product suddenly becoming obsolete and irrelevant.

Peter quickly realises that he needs to rethink his priorities and starts to produce a Sales Enablement tool set. He hears a lot of the same questions about his product, so he produces a FAQ document, videos and presentations to support the sales team. He puts these resources onto the company's intranet and the next time one of the sales team call him with a question, he directs them to the resources available in the tool kit. Within a few days, the phone stops ringing as the sales team learn to self-serve. Great work Peter!

He addresses emails twice a day rather than constantly browsing them, and he protects his own time – does he need to attend every single meeting and can that one-hour meeting be done in 15 minutes?

He also clarifies his role. He understands that it is his job to focus on what the market wants, but also work closely with the experts in the technical, delivery and support teams to get the product to market. Soon Peter finds that he has gaps appearing in his calendar and that he has space to start to manage his time and balance the tactical and strategic aspects of his role.

He is thinking strategically, reducing product risk and adding value to the company!

### Key Points

1. Understand the value of strategic thinking
2. Plan and prioritize your workload
3. Know your role boundaries and look for ways to empower others

What can you do to stop firefighting and start strategizing?

# Product Management Habits

## Habit 2: Making effective decisions:

As a Product manager you will need to make several critical decisions while managing your product each and every day. The decisions you make will impact your colleagues and customers. This will ultimately determine the overall success of your product. Let's focus on the product launch date.

Peter knows it's important to get his product out to market in the right time frame. If it's late he loses credibility with his sales colleagues and potentially his product misses first to market advantage. But he finds it difficult to achieve – his dilemma isn't unusual – most complex products have a difficult delivery and are often late.

Firstly, Peter sets a clear date. This date needs to be based on delivery capability and customer need. He publishes this date internally, so everyone knows what they're working towards. He also makes it clear that THIS... IS... THE... DATE.

Peter has been a product manager for long enough to know that by simply stating the date doesn't mean it will happen. He knows things can go wrong and they probably will. When something doesn't go according to plan, he holds his date – if he unanchors it he knows it's difficult to re-anchor – he's moved the date once, why not again and again and again...?

Peter produces a product roadmap defining dates for delivery.

HABIT 2:

MAKING EFFECTIVE DECISIONS



# Product Management Habits

To keep the launch date the same, Peter wonders if the answer could be as simple as adding some more people. But is that the right decision? Adding more people to a project often slows it rather than speeding it up.

Peter then thinks of Apple. Their products get to market in the right time window and deliver that wow factor. How do they do it? He understands that they drop lower value features to make the date windows – the minimum viable product concept.

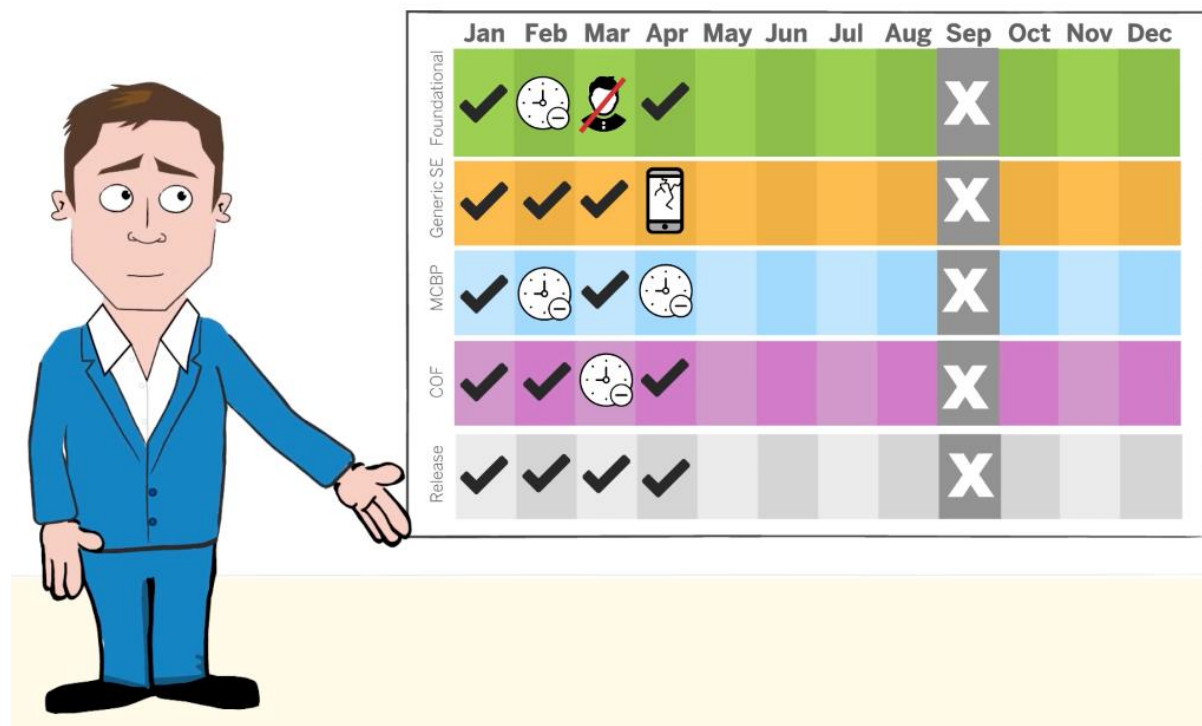
Peter works with his technical, delivery and support teams to prioritise market needs to work out the minimum viable product. He controls communication about his product – offering date windows and high-level product descriptions to the commercial teams rather than a specific and detailed feature lists that might not make the final cut

Using these techniques Peter delivers the right product, hits the date window, keeps his sales team happy, is credible with his customers and is trusted by his technical, delivery and support teams.

Launch dates are just one of many areas where Product Managers need to make effective decisions. Keep in mind the following...

## Key points

- Make dates visible to the team and stick to the dates
- Be cautious of adding people to your team to deliver on the date
- If necessary, remove lower value features to make your delivery date a reality



## Habit 3 – Work to a strategy and a discipline

Like many of his colleagues, Peter isn't the biggest fan of structure. He feels it sometimes slows him down, stops him from being agile and gets in the way of what he really wants to do. As he thinks of it... He can get something to market much quicker if he doesn't bother with the Product Management Excellence structured approach. He thinks these checks and balances in the Product Management framework: Create, Build, and Run only get in the way of him being effective.

But then he thinks... what are the risks? By skipping the Product Management Excellence structured approach Peter might get to market quicker, but the product might not meet what the market needs or deliver a product with a poor user experience.

Even worse, other products might be impacted by his poor planning. Resources may be reallocated from other products and teams which could have had a greater impact. If he doesn't take into account how his product fits in to the larger eco-system, he runs the risk of cannibalising existing product offers. These shortcut efforts will damage the reputation of his product in the market and the company's brand overall.

So, Peter stops. He knows that he should utilize the Product Management Excellence tool kit and follow a structured approach because it will ensure due diligence and consider the wider company product portfolio in relation to his product

HABIT 3:

**WORK TO A STRATEGY AND A DISCIPLINE**





# Product Management Habits

Rather than finding the Product Management Excellence tool kit and structured approach as a burden, he finds that it makes him think proactively and prevents him from taking wrong directions that would cost him dearly further down the line

By following the Product Management Excellence structured approach Peter takes his product to market with a high degree of confidence that it will meet the market need – since the issues and thinking was done before the product was built! This extra effort upfront saves Peter stress and creates long term efficiencies.

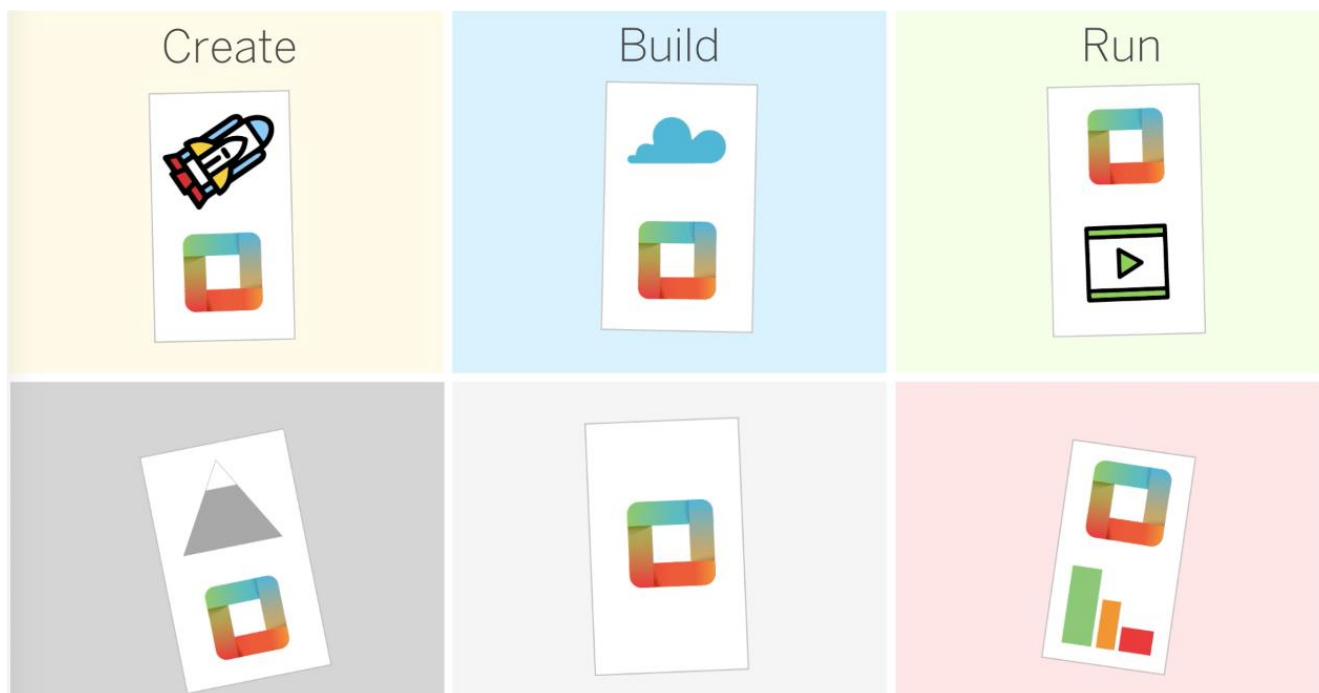
He even sees the benefit across the portfolio – his product is clearly placed, not overlapping and stealing sales from other products or teams.

The Product Management Excellence tool kit and structured approach helps Peter to ensure his product will be successful while complementing the entire product suite. When customers use the product, Peter is confident it will solve a real need which will build even more trust with the company brand.

Remember, without strategy and a discipline an idea gathers momentum and can get delivered to market whether it's good bad or indifferent. The product management process forces us to reflect before we start to do serious work on any of our ideas.

## Key Points

- Skipping the process gives short term gain and long-term pain
- The process is there to support product managers' thinking and strategy
- It helps uncover issues before expensive mistakes are made in market



# Product Management Habits

## **Habit 4 – communicate openly, often and successfully:**

Peter isn't clear on the best ways to communicate his product. He's held a few meetings outlining the product concept, described some features and some technical details. Besides these meetings, he hasn't done much more around messaging. He knows that marketing needs to be looped in, yet shouldn't this happen closer to the product launch?

A few days later the sales teams start to talk –their customers need to know what new products the company is planning to offer that fit in with their strategic direction. The sales team doesn't really understand the detailed technical document provided, and so with the best intentions, they position the product themselves. And each sales person does this on their own – positioning the same product in a different way to each customer.

Peter starts to panic. Each expectation set by the sales team in isolation is manageable, but in combination it builds into an undeliverable product. Peter is in trouble!

Peter starts over. He realizes messaging is a team activity including marketing that starts in the discovery phase. He then visits Product Management Central to reference the tool kit. From here he then finds the value proposition tools that help him, and his cross functional team build a simple, clear value proposition statement. These tools will help Peter clearly define the value of his product to the markets and segments he plans to serve.

He delivers these new insights and messaging through multiple channels – face to face, audio, video and Webinars to multiple teams. Whenever he gets the opportunity, he tells the rest of the company about the value his new product brings to his customers.

With everyone on board, talking about the product in the same way, presenting the same proposition out to market, Peter knows he's on the right track.

Remember, if you don't decide what to say, someone will decide for you

### **Key Points**

- Messaging is a team effort, that involves marketing
- Apply Value Proposition tools early on to message your product and avoid confusion and mis-guided messages later on
- Communicate your messages across multiple channels and teams within your company



## Habit 5 – Know your market

Peter has a great new idea for a product and he's sure it's a winner! Yet he knows that his company isn't interested in an opinion of a product manager- as this is just an opinion. It is critical that Peter builds evidence to ensure his product is customer backed. Although research is time and money, it is critical to reduce risk of failure. So, Peter engages a cross functional team to define the product they think the market wants. He then starts on his research journey.

He meets customers at trade shows and in sales meetings. He even shadows customers as they do their job, so he can truly understand how and when and why they might use his product. He produces reports after these visits and he finds this helps to build confidence and support across the company. Peter updates his Product Plan with these new insights.

He also carries out surveys to see if the research he's done with a few customers is replicated across a larger market.

Now he's really delivering product management excellence with his quantitative and qualitative market research. Peter updates his product plan with these new insights. He is confident that he's on the right track and he's building credibility with his colleagues and customers.

HABIT 5:

**KNOW YOUR MARKET**



# Product Management Habits

Peter's confidence in his new product isn't gut feel and instinct, it's based on proper research and insight. Peter looks and feels like a professional product manager. He knows that even by doing this he's not guaranteed success, but he's greatly reduced the chances of failure.

Launch day arrives. As expected, the product meets the need of the market, sales success follows, and Peter has helped further enhance the reputation of the company brand.

Peter has learnt a really valuable lesson: short cuts in market research can look attractive right up to the point that you deliver the wrong product! Product Management Excellence can only be achieved by thinking and researching before acting. Well done Peter!

Remember, effective product managers get under the skin of their markets to deeply understand what drives their clients, customers and the businesses they serve.

## Key Points

- Market research and customer shadowing is critical to product success
- Time spent upfront on research avoids costly mistakes
- Research helps build credibility with your team and teams across the company.
- Update your product plan with information as it comes to light



## Habit 6 – Get the most out of people

Peter is reviewing his plans for new products next year. It looks like a lot of work! He's excited, if a little overwhelmed! But Peter, like many Product Managers, isn't afraid of hard work as he can easily adapt to a variety of jobs associated with his product!

So, Peter digs in. He works and works, but the task list isn't shrinking, and it's beginning to feel overwhelming. Peter's good but he can't work miracles, and it dawns on him that he needs to engage with the rest of the organisation to utilise their collective knowledge and skills. His one worry; these teams don't report into him, so how is he going to get work done by people he has no direct authority over?

Peter looks to product management excellence guiding principles: Complete end to end responsibilities and accountability, not ownership. He knows to be effective, he needs to also manage his time wisely and build win-win relationships with the cross functional team to get all the tasks done.

Peter refers to the Product Management Excellence Central tool kit and locates the team charter guide. The team charter is created at the outset of a project and serves as the foundation for developing high performing teams. By conducting a team charter discussion early in the process, it will help break down complex tasks, clearly define roles and help the team measure success. This will go a long way to motivate and leverage the teams' expertise.

HABIT 6:

**GET THE MOST OUT OF PEOPLE**



# Product Management Habits

Peter also thinks about how he can gain influence with this team. One way he can gain influence is by leveraging his market insights – armed with credible market knowledge, this will help him get his point across and become more influential. Peter not only starts doing market research, he provides some relevant examples with his cross functional team.

Peter is now listened to, and it is not his opinion versus hundreds of others, it's his capability to be the voice of the customer that sets him apart. With his market insights and a team charter in place he is able to overcome project adversity and influence others. Now the team can concentrate on getting good work done.

Peter is now more influential with his team and his insight drives a better product to market

The team is aligned as one awesome unit, delivering product with real market benefit  
And superior products are delivered to happy customers!

## Key Points

- Developing a team charter will align your cross functional team
- Conduct and share market research
- Product managers don't have direct control, instead they develop influence
- Influence comes from being a credible voice of the market



# Product Management Habits

## Habit 7 - Own Your Product

For Peter being a product manager at his company is much like being a CEO for his product. When you think of a CEO, they are surrounded by a team of experts from Finance, Design, Legal and Marketing to name a few. The CEO may not be an expert in all of these areas, yet they certainly need to have broad knowledge and skills across these areas.

Peter has a similar challenge. He needs insight and knowledge into key areas around his product and he realizes he can't do this alone. To start, Peter develops a product definition and develops a Business Model Canvas. He then creates a financial business case and determines an effective pricing strategy. What about Interchange, Security and Fraud? It all seems overwhelming. What can Peter do?

To start, Peter accesses the market readiness checklist located on Product Management Central. This helps him better understand where his product is today and defines all activities that still need to be completed. It also helps Peter to bring together his cross functional partners to align on key deliverables. Peter is on his way to ensuring a successful product launch. Great job Peter, now you are thinking like a CEO!

Peter is proactively owning his product management, yet there are some tools, process and systems he still needs to be knowledgeable with. He visits Product Management Central. He searches the platform for content, like Value Proposition or Financial Models and he finds a wealth of learning resources at his fingertips.

PMC helps Peter access Product Management Excellence learning programs to develop his knowledge and skills. He can access courses, videos, books, articles to up his product management game. He can also recommend these resources to his colleagues with a click of a button and track his personal development. WOW pretty cool!

Peter is now thinking like a product CEO. He is owning his product and aligning his team for a successful product delivery. Peter is continually sharpening his product management knowledge and skills making him prepared for future challenges.

### Key Points

- Best product managers are "Product CEOs" who leverage a cross functional team
- The Market Readiness Guide will help you align the team on key deliverables
- PMC central is the place to improve your product management knowledge and skills

# Product Management Habits

## Conclusion

Thanks for watching the 7 habits of effective product management. Over this lesson you have been exposed to the skills, behaviours and capabilities that are linked to high performance product managers. Now it is time to review these habits in relation to your role and team within the company.

## Here's a simple exercise

First, rank the 7 behaviours from high to low in terms of how well you and / or your team is performing today.

Then, examine the top 2 highest ranking habits and reflect on why these are your top habits. Then, write down 2-3 ideas on how you and or your team can capitalize on these strengths within the company.

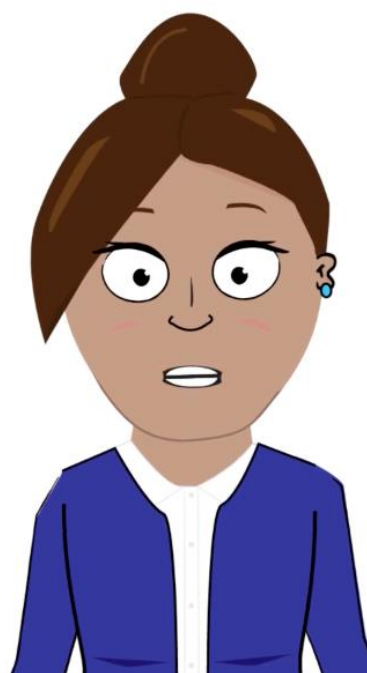
Next, think of your 2 lowest ranking habits and reflect on why you ranked these at the bottom. What can you do to change your behaviour and lift you and or your teams' performance within these 2 areas?

Think of some development activities, tools or support that you and or your team may need to turn these habits from weaknesses into future strengths? Write down at least 2-3 ideas for each habit!

Now to make this change a reality it is up to you. What can you do this week, this month, or over the next year to lift your performance?

Once you have recorded your plan, be sure to share your findings and ideas with your colleagues and your manager. Start today by embedding these new ideas into your daily habits and future routines.

5. Know your market
3. Work to a strategy and a discipline
4. Communicate openly, often and successfully
1. Stop firefighting, start strategizing
7. Own your product
6. Get the most out of people
2. Make effective decisions



## Get involved

We appreciate your feedback and thoughts.  
Join or start a discussion on market mapping.  
Share your examples, ask for feedback, let us  
know how it made a difference to your  
business.