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Intro to Agile Product Management
About Rich Mironov

- Veteran product manager/software exec
  - “What do customers want?”
  - Organizing agile/lean product organizations
- 6 startups, including as CEO/founder
- “The Art of Product Management”
Agenda

- What’s a Product Owner?
  What’s a Product Manager?
- Scope and Failure Modes
- Starter Organizational Models
Where Do We Find Agile Product Managers?

- **Commercial software companies**
  - Responsible for technical delivery AND revenue results
- **Scaled-up agile organizations**
  - At product / portfolio / strategy levels
- **Usually a formal position**

*Our focus is on jobs-to-be-done and skills, not titles*
Scrum Teams

from Dan Rawsthorne & Doug Shimp: “Exploring Scrum - the Fundamentals”
What Does a Product Owner Do?

• Usually one PO per team, not one PO per product
• Intense sprint-level focus: stories, backlog, prioritization, acceptance
• Represents the customer’s interest in backlog prioritization and requirements questions... available to the team at any time
• Feeds the hungry agile beast
Feeding the Agile Beast

Steam engine “firemen” need to shovel coal constantly, otherwise the train will stop.
Agile/Scrum: Product Owner Focus

Product Backlog
Epics & User Stories

Release Backlog
Epics & User Stories

Sprint Backlog
User Stories

Accepted story ("DONE")

Potentially releasable software

Software release

N sprints

Charter

Release planning

Sprint planning

Daily Standup

Review
Demo, feedback

Retrospective
Process improvement

Sprint: 1 to 3 weeks
No changes in duration or goal

1 day

product owner focus
What Does a Product Manager Do?

• **Drives delivery and market success of whole products**
  
  o Targets market segments, not individual customers
  
  o “What does this **segment** need/what will it **pay for**?”
  
  o Technical features, acceptance and adoption
  
  o Resolves inevitable competing priorities
  
  o Aligns all functional groups
    (development, sales, marketing, support, partners, finance...)
Product Managers Define Value for Specific Target Segments

• **Commercial software = many customers**
  - Profitability is entirely about scale
  - Nth subscriber or copy at near-zero cost

• **We propose value to prospects**
  - Customers rarely compute value/ROI for us
  - “If you use our help desk automation app, your support staff will be 15% more productive”

• **We segment markets for similar customers**
  - Exclude those who want very different solutions
  - Exclude those who don’t accept our proposed value
What Does a Product Manager Do?

Product Management

- Conversations, priorities, market information, requirements, roadmaps, epics, user stories, backlogs, personas...
- budgets, staff, targets
- strategy, forecasts, commitments, roadmaps, competitive intelligence
- Field input, Market feedback

- Development
- Mktg & Sales
- Markets & Customers

- Segmentation, messages, benefits/features, pricing, qualification, demos...
- product bits
What Does a Product Manager Do?

• **ACTIVITY and OUTPUT (what people see)**
  o Write epics/stories, meet customers, cajole, pitch prospects, call meetings, accept epics/stories, praise teams, distract Sales, present roadmaps, catch arrows

• **OUTCOME (where we earn our salaries):**
  o Make technical/market trade-offs for revenue and adoption
  o Deflect interruptions
  o Turn away poor deals, customers and partners
  o Balance short/long-term; revenue/architecture
• Logic and facts are insufficient
  o Your development team will **never** be big enough
  o Sales teams paid to close deals this quarter
  o HIPPO

• Responsibility without authority

• Where strategy meets implementation
Business Value: Slightly Estimatable

- **Business value error bars > effort error bars**
- **Blending of**
  - Hopes for future revenue
  - Promises of future operational savings
  - Quality (not a linear scale)
  - Future development efficiencies
- **Allocating our scarcest, most valuable resource (**YOU!**)**
- **Someone has to force-rank backlog/programs**
Thought Experiment

Imagine if...

• Our epic/project business value estimates were +/- 70%
• 1 in 6 delivered absolutely no value

• Would that change portfolio planning?
• Interactions with stakeholders?
There’s nothing more wasteful than brilliantly engineering a product that doesn’t sell, or a project that doesn’t matter.
Good Idea Train

• **Pulls into product station every day**
  o From customers, sales, support, execs, engineers...

• **Delivers hundreds of “good ideas” each day**
  o Few are new or earthshaking
‘Small p’ Product Owner

- backlog, priorities, epics, user stories, personas, demo feedback

- Product Owner

- Development
  - product bits

- Executives

- Mktg & Sales
  - showcase customers

- Markets & Customers
Product Manager Has More Levers

- **Engineering output**
  - Product features
  - Order of delivery

- **Product/market/business**
  - Pricing
  - Competitive positioning
  - Partners and resellers
  - Service / Support
  - Fit with corporate strategy
  - Product split, merge or EOL

*After: Greg Cohen*
**Product Managers: Oversubscribed, Overcommitted, Burning Out**

*Not what we intended, but...*

- **Most product management teams already understaffed**
- **Product ownership adds 40-60% more critical work**
  - Urgency of stories, backlog grooming, sprint planning, standups, acceptance...
- **One person can “do it all” for a single agile team**
  - But typical Dev:Product ratio is 25:1, not 10:1
Product Manager fails agile team(s) when...

• Part-timer, not engaged with team(s)
• Lack of story detail, context
• Stale backlog
• Best of intentions, but pulled in too many directions
Not what we intended, but...

- **Selection (hiring) focuses on SME/BA, technical skills, story writing**
- **Little focus on market-side experience**
  - Engineering’s belief in rational/technical customers
  - Requirements are out there to be “gathered”
- **Often lack organizational blocking skills**
- **Short-term assignment or career path?**
Product Owner Failure Modes

Product Owner fails “the business” when...

- Weak on market realities: whole product, benefits, competition, pricing, field relationships
- Unable to hold back interrupts
- Showcase customers as good proxy for broader market
Most product failures happen here
Shared Product Scope

**Product Manager Focus**

- **Product Backlog**
  - Epics & User Stories

- **Release Backlog**
  - Epics & User Stories

- **Sprint Planning**

- **Daily Standup**

- **Sprint**
  - 1 to 3 weeks
  - No changes in duration or goal

- **Accepted Story**
  - "DONE"

- **Potentially releasable software**

- **Software release**

**Product Owner Focus**

- **Charter**

- **Release planning**

- **Sprint planning**

- **Review**
  - Demo, feedback

- **Retrospective**
  - Process improvement

- **Release Retrospective**
  - Process improvement

- **N sprints**
Minimal Product “Organization”

“management”

more technical

more market-focused

VP or Founders

Heroic Single Product Manager/Owner + team
Dysfunctional Product Organization

- VP Eng/CIO
  - Product Owners + team
- VP Marketing
  - Product Managers

“management”

more technical

more market-focused
Peer Product Organization

- GM / VP Eng / VP Products / CPO
- ProdMgmt Director / Product Strategist
- Product Manager (as Owner) + team

"management"

more technical
more market-focused
Mentor Product Organization

GM / VP Eng / VP Products / CPO

“management”

more technical  more market-focused
Agile Product Takeaways

• Product management scope includes market success as well as technical delivery
• Agile stretches/stresses commercial product organizations
• Teaming, collaboration and skills are more important than titles
• Honest, deep, serious, ongoing validation of real customer/user value leads to best outcomes and least waste
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