

42TM Rules

*of product
Management*

EDITED BY BRIAN LAWLEY
AND GREG COHEN
280 GROUP PRESS



“42 Rules of Product Management” Book Excerpt

Learn the Rules of Product
Management from Leading Experts
from Around the World

**By Brian Lawley
and Greg Cohen**



E-mail: info@superstarpress.com
20660 Stevens Creek Blvd., Suite 210
Cupertino, CA 95014

BOOK EXCERPT Table of Contents

- Intro
- Rule 2: Work on Products You Are Passionate About
- Rule 4: Think Like an Entrepreneur
- Rule 5: Learn to Say "No" to Customers
- Appendix B: The Product Management Manifesto
- About the Authors
- Getting the book from Super Star Press

C o n t e n t s

NOTE: This is the Table of Contents (TOC) from the book for your reference. The eBook TOC (below) differs in page count from the tradebook TOC.

Intro	1
Rule 1	Rules Are Meant to Be Broken	4
Rule 2	Work on Products You Are Passionate About	6
Rule 3	Beware the "Requirements Death Spiral"	8
Rule 4	Think Like an Entrepreneur	10
Rule 5	Learn to Say "No" to Customers	12
Rule 6	Product Management Is Inherently Political	14
Rule 7	There Is a Fine Line between Knowing It All and Being a Know-It-All	16
Rule 8	Market Research Must Be Actionable	18
Rule 9	The Two-Week Rule	20
Rule 10	Market Needs, Not Individual Requests . . .	22
Rule 11	No Surprises	24
Rule 12	Be Data-Driven by the Consumers of Your Product	26
Rule 13	90-360-3	28
Rule 14	Creativity Opens Up More Possibilities . . .	30

Rule 15	Get Your Hands Dirty	32
Rule 16	Get Out of the Office	34
Rule 17	You Do Not Own Your Product	36
Rule 18	Carve Out "Think" Time	38
Rule 19	Get the Market Segmentation Right!	40
Rule 20	Clarify Product Positioning	42
Rule 21	Define and Align Your Roles and Responsibilities	44
Rule 22	Write It Down!	46
Rule 23	Make Sure You Have Clear Priorities.	48
Rule 24	Salespeople Don't Just Want to Make Lots of Money	50
Rule 25	Create a Culture of Openness	52
Rule 26	Align Your Product Strategy with the Company Strategy—Then Sell It	54
Rule 27	Short, Standardized Cycle Times Drive Predictability	56
Rule 28	Find Market Problems Worth Solving	58
Rule 29	A Business Is Not a Democracy.	60
Rule 30	Agility Is Key to Product Management Success.	62
Rule 31	Tap Into Your Customers	64
Rule 32	Determine Your Marketing Approach Early and Wisely	66
Rule 33	Let the Customer End the Debate	68
Rule 34	Differentiation Isn't Enough, You Have to Be Better	70

Rule 35	Act Like a Child	72
Rule 36	Decide What You Are Going to Do and Not Do	74
Rule 37	Trust and Leadership Through Good Relationships	76
Rule 38	Great Execution Trumps a Great Product Idea	78
Rule 39	Be All You Can Be	80
Rule 40	I Can See Clearly Now: The Power of Transparency	82
Rule 41	Always Be Learning	84
Rule 42	These Are Our Rules. What Are Yours?...	86
Appendix A	Contributing Authors	88
Appendix B	The Product Management Manifesto	98
Appendix C	Product Management Resources	100
Appendix D	Product Management/Marketing Templates	102
Appendix E	280 Group Services	104
Appendix F	References	106
Authors	About the Authors	108
Your Rules	Write Your Own Rules	110
Books	Other Happy About Books	112

Intro

Back when I started my career as a product manager, things were quite different than they are today. There were no books or training courses. There were no product management associations, blogs, or newsletters. Email was just in its infancy, and the World Wide Web was merely an experiment being conducted by a small group of elite technologists. The only way that you learned how to be a great product manager was by trial and (often painful) error. Occasionally, if you were lucky, you would have a manager who could teach you the subtleties and mentor you (I had several and they made a huge difference in my career).

My, how things have changed. There are all kinds of resources available to help you learn the profession of product management. Product management has grown up; companies are recognizing what a key role it plays in the success or failure of their products and their overall results. And along with all of this, there are many product management experts who have emerged that are enthusiastic about sharing what they have learned about the profession.

The goal of this book is to expose you to the wisdom and knowledge from a group of the world's leading product management experts. Among the contributors, there are leading authors, professors, CEOs and vice presidents, bloggers, consultants, trainers, and even a few salespeople and engineers. In total, there are over five centuries of collected wisdom represented here.

To put the book together, we reached out to a large number of people throughout the world. (If you were not included, please don't be offended. Email us and let us know so we can include you in future projects like this.) The rules were submitted over a two-month period. Each rule stands on its own, and they are not in any particular order in the book.

NOTE: We received more rules than we were able to publish. We will be posting these on our Product Management 2.0 Blog at: <http://280group.com/blog> and in our newsletter, so make sure you sign up.

It is our sincere hope that the rules in this book will help make your product management career more enjoyable and more successful. And equally important, we hope that it will lead to you shipping products that your customers love and that are wildly successful and highly profitable.

Brian Lawley
CEO and Founder, 280 Group
October 2010

2

Work on Products You Are Passionate About

Brian Lawley,
CEO and Founder, 280 Group

The one common factor that I have noticed about the best product managers is that they choose to work on products that they are very passionate about.

Let's face it, product management can be a tough job. We often have a lot of responsibility yet little formal authority. There are multiple groups of stakeholders (customers, management, salespeople, support, etc.) who all have ideas and demands that they wish to see included in our products, which means we end up having to say "no" often. In some cases, we work in engineering-driven companies, which creates a culture where it is difficult to influence and have a big impact on the products we manage.

I also believe that product management can also be the most interesting job in the world. Being able to set product strategy, lead your team to create products that your customers love, and be responsible for the overall success of a product can be exhilarating.

The one common factor that I have noticed about the best product managers is that they choose to work on products that they are very passionate about. It could be a passion for the technology, for solving a hard customer problem, or for changing the way customers work or play. Or it could be a passion for capturing a market and implementing a winning strategy. But, nonetheless, there is passion for what they are doing.

I have managed many different products in my career. In my experience, the times when I enjoyed my job the most were when I was working on something that I had tremendous passion for. At Apple, I was the product manager for the Macintosh Human Interface—though it was an incredibly difficult job, I loved what I was doing. At Symantec,

I was in charge of C++ and Java development tools. Although the product didn't excite me, the prospect of capturing the market when Java first appeared did excite me, and we managed to do just that.

So why is passion so important? Even in the best of product management jobs there are always going to be some very difficult challenges. If you are working on something that you don't care deeply about you simply won't have the tenacity and persistence to do what needs to be done in order for the product to succeed. This drive to succeed has to come from within. No one can "command" you to be passionate about your product. I have seen many product managers fall into the trap of working on things they really don't care about and ultimately they end up hurting their careers and chances for advancement.

The other reason that passion is so important is that it is infectious. If your team sees that you are excited about and committed to what you are doing, it will carry over to them. Your salespeople will be more excited about selling your products. The engineers will be more excited about what they are building. And your company will know that your products are important and are going to succeed.

Life is short. Work on something that you really care about. If you aren't doing this right now, make a commitment to make a change. Either make the change or else find some aspect about the products you are managing that can get you excited. Perhaps you can set a market share or revenue goal and get the corresponding strategy and tactics into place to see if you can make it happen. Or perhaps in parallel with your day-to-day work you can identify some unmet customer needs and help your company bring a brand new product to market. Whatever you do, don't waste your life by working on something you don't care about deeply.

4

Think Like an Entrepreneur

Linda Gorchels, Director of Executive Marketing Education, Wisconsin School of Business

At its most basic level, to think like a product manager requires thinking like an entrepreneur.

One of the expectations I received from a product manager during a recent corporate training session was to *learn how to think like a product manager*. While there are many perspectives and buzzwords that could be thrown at this objective, at its most basic level, to think like a product manager requires thinking like an entrepreneur.

Let's expand on that a bit. While people may argue that entrepreneurs have more control over everything than do product managers, the reality is just the opposite. It is the rare entrepreneur who is independently wealthy with easy access to materials, operations, and labor. Most entrepreneurs have a vision for a product or service they are passionate about, but have to find the resources to actualize the vision. They must craft business plans to solicit money from venture capitalists or banks. That's not unlike the challenges product managers face in developing business cases for new products. The business case is essentially a proposal for an investment of time and resources from the firm. In fact, some firms expect product managers to treat the management team sort of as angel investors who must be convinced of the future value of the product concept being proposed.

After receiving guarantees of funding, entrepreneurs may need to source materials or locate contract manufacturers. They must work carefully with third parties they don't directly manage to accomplish the design, development, and commercialization of their envisioned products or services. Similarly, product managers must constantly accomplish their goals through organizational

functions over which they have no direct authority. They must use their skills of persuasion and diplomacy to make things happen.

Entrepreneurs often need to work with independent sales representatives or channels to reach the intended market. To help these groups function more effectively, entrepreneurs must provide not just product knowledge but also an understanding of the target markets and the best approach to reach these markets. That's akin to the challenge product managers face when training and motivating the sales force. There is a strong need to empathize with the needs of salespeople to advance the sales process.

The common link between the entrepreneurial business plan and the product manager business case is clarity of customer need. Strong entrepreneurs and strong product managers know the profile, needs, emotions, and purchase drivers of their customers. They don't think exclusively in terms of product features/benefits, but rather how these features/benefits align with customer goals better than competing offerings. They have a strong command of marketing and customer-focused competencies.

Entrepreneurs share several common traits that influence the way they think. Entrepreneurs embody traits of risk-taking, passion, focus, product/customer knowledge, and tolerance for failure. Strong product managers share these traits (or elements of these traits), which influence their thoughts and decision-making processes.

Let's carry this analogy one step further. Successful entrepreneurs can grow successful companies. (As an aside, serial entrepreneurs start *several* companies. Our focus here is NOT on serial entrepreneurs but rather those more focused on a single economic endeavor.) As their companies grow, the passion, focus, and connectedness with the product/customer becomes diffused. That's where product managers come in. Product managers can restore the passion, focus, and connectedness with the product/customer for their areas of responsibility.

So the bottom line is: to think like a product manager requires thinking like an entrepreneur.

5

Learn to Say "No" to Customers

Ivan Chalif, Blogger, The Productologist

Saying "no" lets product managers focus on delivering superior products rather than ones that are merely sufficient.

Product managers talk and listen to many stakeholders, because they want to understand the needs and desires of the market. An important part of that process is sharing, especially the strategic product road map. Sharing this information does two things:

1. It lets the customer know that you are willing to let information flow both ways. This helps them share more specific details (the kind product managers **really** need) and not feel like they are providing information for free.
2. Sharing also lets them see the future plans for the product and how their future plans fit with what has been mapped out.

While there are certainly benefits to sharing the road map with customers (and even sometimes prospects), it comes with drawbacks, too. Every customer has needs that are specific to their business. They frequently look to the product manager (and the product road map) to help them resolve those needs.

In many cases, that information is valuable in helping the product manager address the needs of an industry or vertical market, or even a type of user. Unfortunately, it can also lead to adding features to the product that serve only a few users. These choices are sometimes unavoidable, but, over time, they can lead to bloat, misdirection, and mediocrity of the product.

As a result of reviewing the road map and **not** seeing what they want on it, or in the time frame that they want it, customers make requests to raise the

priority of a particular feature or to add a new capability to the product that was not being considered. This is where "no" comes into play for product management (see Rule 2 by Brian Lawley). Saying "no" lets product managers focus on delivering superior products, rather than ones that are merely sufficient.

Let me use the following to illustrate the value of saying "no." This is a real experience I had with a customer who repeatedly requested a feature that was very low on the priority list. No other customer (or prospect) had asked for anything similar, so it remained low on the list because it didn't align well with where we were planning to take the product.

Every conversation I had with the customer team included a question about when they would get the feature that they had been asking for so long. Early on, I would provide a response that is common amongst product managers: "We have captured the requirement for your requested feature, but it is not assigned to the next release." While this settled the discussion for the moment, it only delayed revisiting it the next time there was a release announcement.

Ultimately, I drew a line in the sand and told the customer that even though the feature was important to their business, I did not see that it would ever be in the product. Despite the customer team initially being quite upset and frustrated with my response, and getting a call from their CEO about her disappointment about the state of the product and its ability to meet their needs, telling them "no" was the right decision for them and the product.

I spoke with the customer team again several months later with a decidedly friendlier outcome. They told me that because I had told them that they wouldn't get the feature (rather than the feature being delayed), they had decided to invest in building the capabilities they needed in-house and were very happy with the results. And they were happier with my product too.

They had the feature they wanted, exactly how they wanted it, and within the time frame that they wanted. And all of this was made possible because of the power of "no."

B

The Product Management Manifesto

I am a Product Management Professional.

I am dedicated to bringing great products to the market. Products that delight my customers. Products that are massively profitable for my company. Products that help change the way people work and live.

In the course of managing my products, there are thousands of small decisions that must be made and tasks that must be accomplished. The sum of these can add up to a phenomenal product. I choose to own the responsibility for making this happen.

I am an expert in all areas regarding my products, customers, the market, technology, competition, channels, press, analysts, trends and anything else that must be taken into account in order to win.

I have a strong vision for my products and develop winning strategies that align with my company's goals and ensure that our investments of time, money, and energy are well spent.

I am committed to using the best methodologies, tools, templates, and techniques available to be more efficient at my job.

I have a plan for my career, and I will further my professional status by attending training courses, becoming certified, and reading books, blogs, and newsletters to learn best practices.

I am the voice of my customers and represent them in every critical decision that is made.

I am a leader. I develop strong alliances with everyone that I need to in order to ensure the success of my product. This includes sales people, engineers, support, customers, channel and business partners, management, the board of directors, and anyone else necessary. Some of these people will be very difficult to work with, but I will find a way to make everyone successful as a team.

I refuse to settle for mediocrity, and I will be tenacious and professional in my approach to getting the best possible results.

I believe that Product Management is one of the toughest, yet more rewarding jobs in the world. Though I will face great odds and challenges, I refuse to become jaded or negative.

Though I have all the responsibility, it is highly likely I have little or no formal authority. Therefore, I will do whatever it takes to persuade others to do what is right for customers and my company.

This manifesto may be downloaded at:
<http://www.280group.com/pmmanifesto.pdf>.

About the Authors



Brian Lawley is the CEO and founder of the 280 Group (<http://www.280group.com>), which provides product management consulting, contractors, training and templates. During the last twenty-five years of his career he has shipped more than fifty successful products. He is the former President of the Silicon Valley Product Management Association, won the 2008 AIPMM award for Excellence in Thought Leadership for Product Management, and is the author of the best-selling books *Expert Product Management* and *The Phenomenal Product Manager*. Mr. Lawley has been featured on CNBC's World Business Review and the Silicon Valley Business Report and writes articles for a variety of publications including the *Product Management 2.0* newsletter and blog. Mr. Lawley holds a BS in Management Science with a minor in Music Technology from the University of California, San Diego and an MBA with honors from San Jose State University.



Greg Cohen is a Senior Principal Consultant with the 280 Group and a fifteen-year product management veteran with extensive experience and knowledge of Agile development, a Certified Scrum Master, and former President of the Silicon Valley Product Management Association. He has worked and consulted to venture start-ups and large companies alike and has trained product managers throughout the world on Agile development, road mapping, feature prioritization, product lifecycle process, and product management assessment. Greg is the author of the book *Agile Excellence for Product Managers* and a speaker and frequent commentator on product management issues.

Greg has a background in B2B software and Software-as-a-Service (SaaS) including spend analysis, business analytics, contract management, network security, and medical technology. Prior to consulting, he has managed over a dozen products from concept through deployment and end-of-life for Silicon Valley companies such as Instill (acquired by iTradeNetworks,) Idealab!, and Pandesic (a joint venture between Intel and SAP).

Greg earned an MBA with honors from Babson College and a BS in Mechanical Engineering with a second major in Electrical Engineering from Tufts University.

Getting “42 Rules of Product Management”

(<http://www.happyabout.com/42rules/42rulesproductmanagement.php>)

“42 Rules of Product Management” can be purchased as an eBook for \$14.95 or tradebook for \$19.95 at:

<http://www.happyabout.com/42rules/42rulesproductmanagement.php> or at other online and physical book stores.

Please contact us for quantity discounts sales@happyabout.info or to be informed about upcoming titles bookupdate@happyabout.info or phone (408-257-3000).

Learn the Rules of Product Management from Leading Experts
Around the World



Brian Lawley is the CEO and founder of the 280 Group (www.280group.com), which provides product management consulting, contractors, training and templates. During the last twenty-five years of his career he has shipped more than fifty successful products. He is the former President of the Silicon Valley Product Management Association, won the 2008 AIPMM award for Excellence in Thought Leadership for Product Management, and is the author of the best-selling books 'Expert Product Management' and 'The Phenomenal Product Manager.' Mr. Lawley has been featured on CNBC's World Business Review and the Silicon Valley Business Report and writes articles for a variety of publications including the Product Management 2.0 newsletter and blog. Mr. Lawley holds a BS in Management Science with a minor in Music Technology from the University of California, San Diego and an MBA with honors from San Jose State University.



Greg Cohen is a Senior Principal Consultant with the 280 Group and a fifteen-year product management veteran with extensive experience and knowledge of Agile development, a Certified Scrum Master, and former President of the Silicon Valley Product Management Association. He has worked and consulted to venture start-ups and large companies alike and has trained product managers throughout the world on Agile development, road mapping, feature prioritization, product lifecycle process, and product management assessment. Greg is the author of the book 'Agile Excellence for Product Managers' and a speaker and frequent commentator on product management issues. Prior to consulting, he has managed over a dozen products from concept through deployment and end-of-life for Silicon Valley companies such as Instill (acquired by iTradeNetworks,) Idealab!, and Pandesic (a joint venture between Intel and SAP). Greg earned an MBA with honors from Babson College and a BS in Mechanical Engineering with a second major in Electrical Engineering from Tufts University.

**BUSINESS & ECONOMICS : MARKETING -
PRODUCT MANAGEMENT**

\$19.95 US

superstar
press

<http://superstarpress.com>

