

The Marketing Journal for Technology Product Managers • A Pragmatic Marketing® Publication

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Volume 4 Issue 2

2006

A Fact-Based Approach
to **Outsourcing for
Product Managers**

Surviving Product Management

**The Content-Free
Buzzword-Compliant Vocabulary List**

**Degrees of Ability: Hiring Into
Product Management**

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Craig Stull
Pragmatic Marketing, Inc.

Managing Editor

Kristyn Benmoussa

Contributing Writers

Peter E. Cohan
Louis Columbus
Jacques Murphy
Barbara Nelson
Adele Revella

Interested in contributing an article?

Email submissions to

kbenmoussa@pragmaticmarketing.com

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Pragmatic Marketing, Inc. was formed in 1993 to provide product marketing training and consulting to technology firms by focusing on strategic, market-driven techniques. Pragmatic's training courses emphasize business-oriented definition of market problems, resulting in reduced risk and faster product delivery and adoption. Since its inception, Pragmatic Marketing has successfully graduated over 30,000 product managers and marketing professionals. For more information, visit www.PragmaticMarketing.com or call (480) 515-1411.

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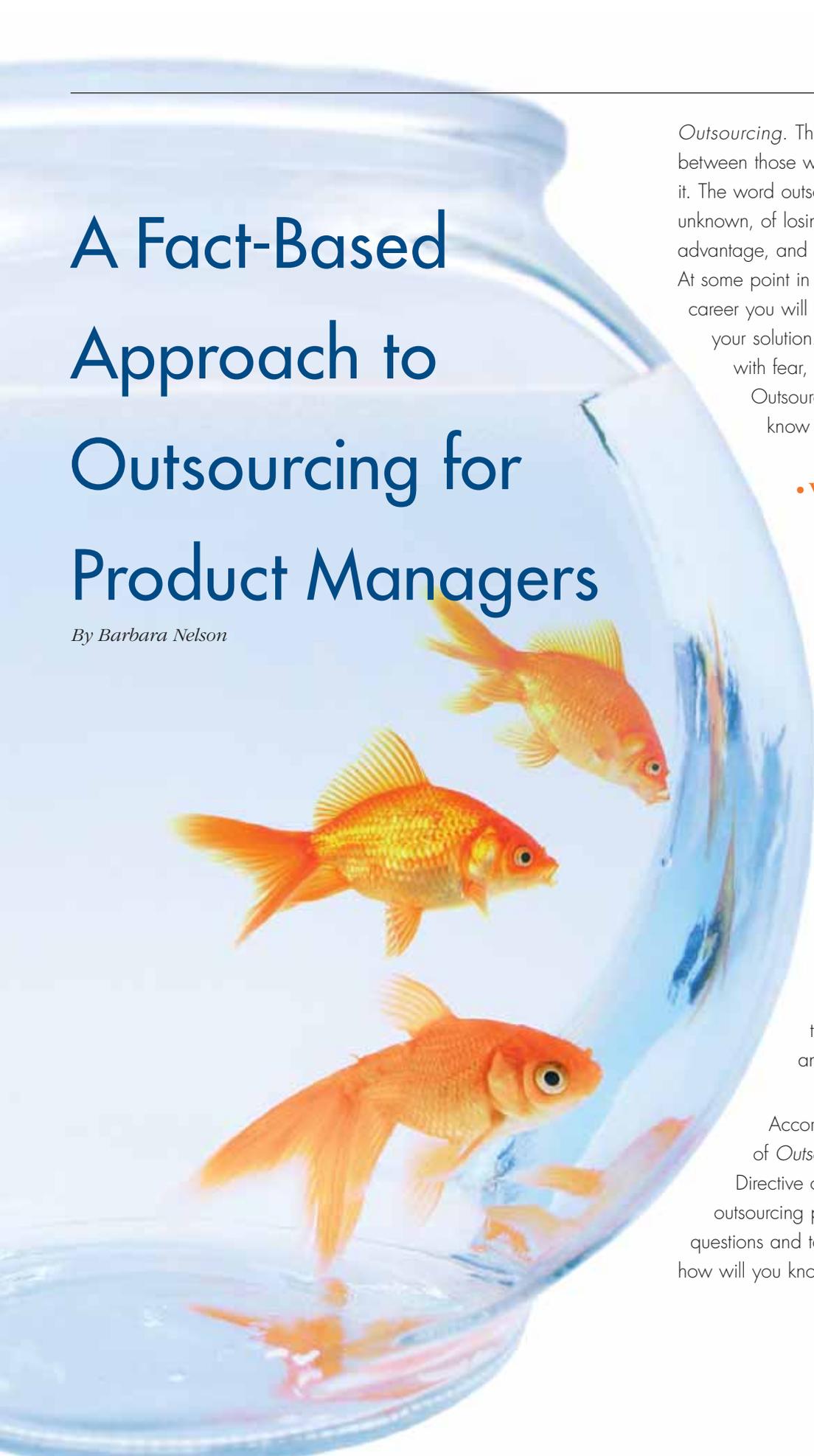
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A Fact-Based Approach to Outsourcing for Product Managers

By Barbara Nelson

Outsourcing. The word itself polarizes forces between those who love it and those who loathe it. The word outsourcing invokes fears of the unknown, of losing jobs, of losing competitive advantage, and of losing intellectual property. At some point in your product management career you will be asked to outsource part of your solution. Before you become paralyzed with fear, ask some critical questions. Outsourcing can be risky if you do not know the answers to these questions.

- **Why are you doing this?**
- **What are you outsourcing?**
- **Who will do what?**
- **Where will you do it?**
- **When will you connect?**
- **When should you start?**
- **How will you do this?**

Answering these questions can give you the confidence that outsourcing is a well thought out strategy, not just another corporate fad.

According to Bob Booton, author of *Outsourcing In-a-Box*, the "Prime Directive of Outsourcing is to pick the right outsourcing partner." Unless you answer these questions and take a fact-based approach, how will you know you have the right partner?

Why are you doing this?

At the root of any outsourcing decision is why you are doing it. The most obvious reason is to save costs. Executives read about “global outsourcing” and immediately assume “if you outsource, it will be cheaper.” If you do this well and can make it repeatable, you can save money. But if you are expecting a quick return, you (and the executives) will be disappointed. Competitive pressures often drive companies to outsource. If others are doing it, should you? Be careful that you are not doing it simply because the competition is outsourcing.

Other reasons to outsource are increased capacity and reduced time-to-market. There are never enough resources in your company. If you get someone else to do the work in parallel to your other development efforts, then theoretically you will get the solution sooner. Think manufacturing capacity. Additional plants. But, software capacity is a different animal. Adding engineers or quality assurance resources will not necessarily provide the same payback in terms of time and cost savings. Increasing “capacity” does not give you the multiples you would get in manufacturing because of the increased complexity of adding more humans to the project. (Remember “The Mythical Man Month”? Three people working in parallel cannot deliver a baby in three months.)

Time-to-market is linked with capacity. Integrating all of the resources into the total solution may give you a quicker time-to-market, but then again, it may not. Frankly, the challenge of development is what to leave out, not what to put in. And remember to add time and resources to assure the quality and delivery necessary to meet your customers’ needs and expectations. Your reputation and brand are at stake.

Outsourcing is an excellent way to expand the company’s development skill set. Does your organization lack the technical skills necessary to deliver part of the solution? If so, your choices include: hiring the skills (which might be more expensive than outsourcing);

partnering with someone who already has the technology you need (which will require integration, but this may be less risky than outsourcing the development completely); or outsourcing the development to an organization that already has the technical skills.

Outsourcing functions or projects that are not core to the company allows you to concentrate on your own distinctive competence. On the other hand, if you are outsourcing something that contains the company’s intellectual property (IP) and distinctive competence, you put your unique advantage into someone else’s hands, possibly in a country that may not recognize your country’s patent and IP laws! What would prevent them from selling the knowledge to the competition?

Where does the customer fit in your decision? Assess the impact to your customer. This is directly related to the focus on your distinctive competence. If you provide world-class customer service, are known and valued for it, and it is unique in your marketplace, then why would you outsource the function or project to an organization that does not know your customers, their culture, or their language, and may be separated from you and your customers by an ocean? There may be legitimate reasons, but cost should not be the only driver for this decision.

What are you outsourcing?

There are companies today providing outsourcing services to technology companies for just about everything:

- Research
- Development
- Quality control
- Documentation
- Service
- Manufacturing
- Marketing
- Distribution

Which function or project are you thinking about outsourcing? The “what” and “why” are closely related. Assess the risk in outsourcing the function or project. If there are risks, what is the mitigation strategy? For example, what will you do if you are outsourcing software programming and the project begins to fall apart? What safeguards do you have for getting source code on a frequent, regular basis?

Not only will you choose which function to outsource, but you should choose which project to outsource. In the beginning, choose something with less risk so that you can get the mechanics right: maintenance projects, porting, executing tests. Basic functionality that does not have many issues. Automating something well known. And remember that you should not outsource a project that is part of your unique value in the market.



Who will do what?

This is about roles and responsibilities—in both organizations. Before you start the project, it is essential to clarify who does what and when. Key roles in technology development include:

Product Manager

This role defines the problem to be solved. In a market-driven organization, this role looks for valuable and pervasive problems to solve in the market segments you are targeting and problems that the market is willing to pay to solve. The product manager writes requirements, which are the capabilities to solve the problem: the “what,” not the “how,” of product definition.

When a judgment call is required—and it will be—who will decide? In every development project there are items that remain unspecified. Should it be fast or easy? Should it be 1,000 items or one million? This or that? A market representative must be nearby or the developer must make a decision. As anyone who has built software knows, these judgment calls are rarely raised to a review board; the developer just decides.

If a product manager also assumes any of the following roles, she or he will not have time to do the strategic product management activities necessary to be focused on the market and the customers.

Product Architect

This design role defines an approach to solve the problem, the “how,” not the “what.”

Development

This role builds the product. In software development, this is the programmer who writes the code.

A lead developer might be one of the interface points between the two organizations.

Quality Assurance (QA)

In any project, this is a critical role responsible for assuring quality. This role needs to be involved in the planning to ensure the product requirements are verifiable and that the specifications meet the requirements, before anything is built. When outsourcing, this role becomes even more important than when the team is all in the same location. Being together in close proximity means you can have quick iterations, review sessions, and hallway conversations to verify that everyone is on the right track. Valuable time is wasted in rework (or quality problems in the field) if you outsource without thinking in advance about quality.

Some of the QA functions might be done locally and some might be outsourced. For example, the up-front verification of the requirement and specification might take place on your side of the ocean. Building the test plans might take place on your side of the ocean. The actual validation against the test plan might take place remotely. Regression testing might take place remotely.

Program Management/ Project Management

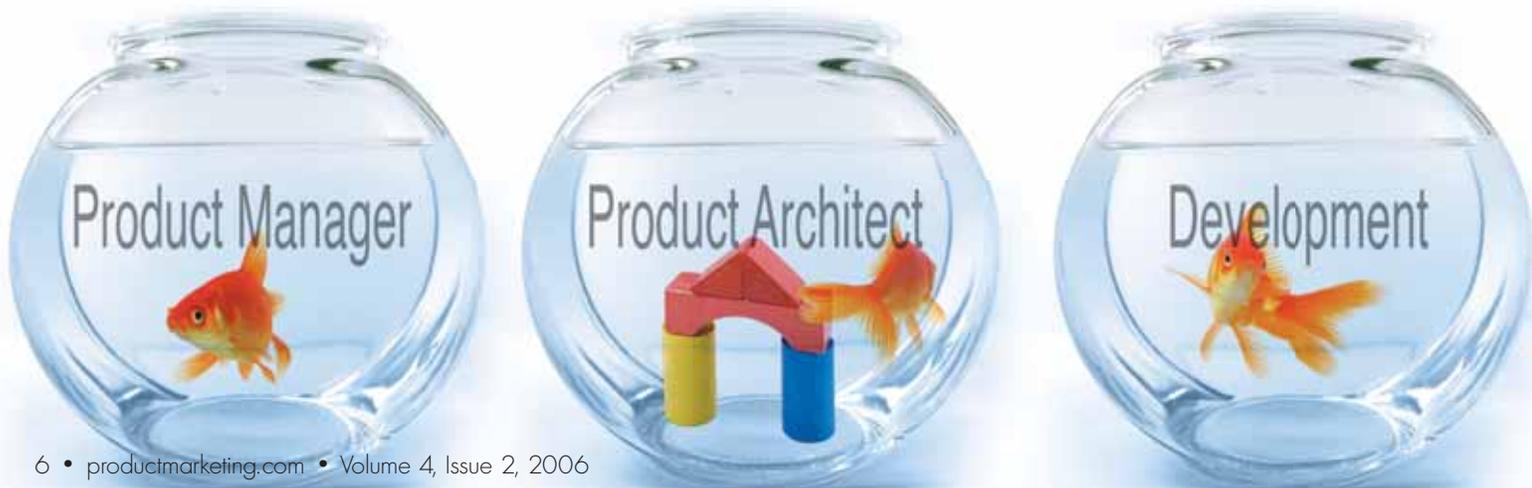
As companies grow, these roles are split into two functions. In smaller companies, both aspects of the role are done by one function (or as a part-time job by someone with good project management skills).

The program manager is responsible for ensuring the project has the right resources and skills at the right time during the development project and that Development is proceeding according to plan. This role assesses the risks of the interdependencies of the different resources and manages them accordingly. The project management role keeps track of the individual tasks; the percentage of complete items; schedule slippage; Gant and Pert charts; and updating the project in products like Microsoft® Project.

When outsourcing a project, this role might become the key interface point between the two organizations. That means this role travels back and forth between organizations.

Account Manager

This role might exist on either side as the person responsible for the overall relationship and expectation setter between the two organizations. This person would not necessarily be as involved in the day-to-day operations as the other roles are but becomes the focal point for anything that needs to be escalated to management such as technical issues or scope changes. In smaller organizations, this role might be assumed by either program manager or product manager.

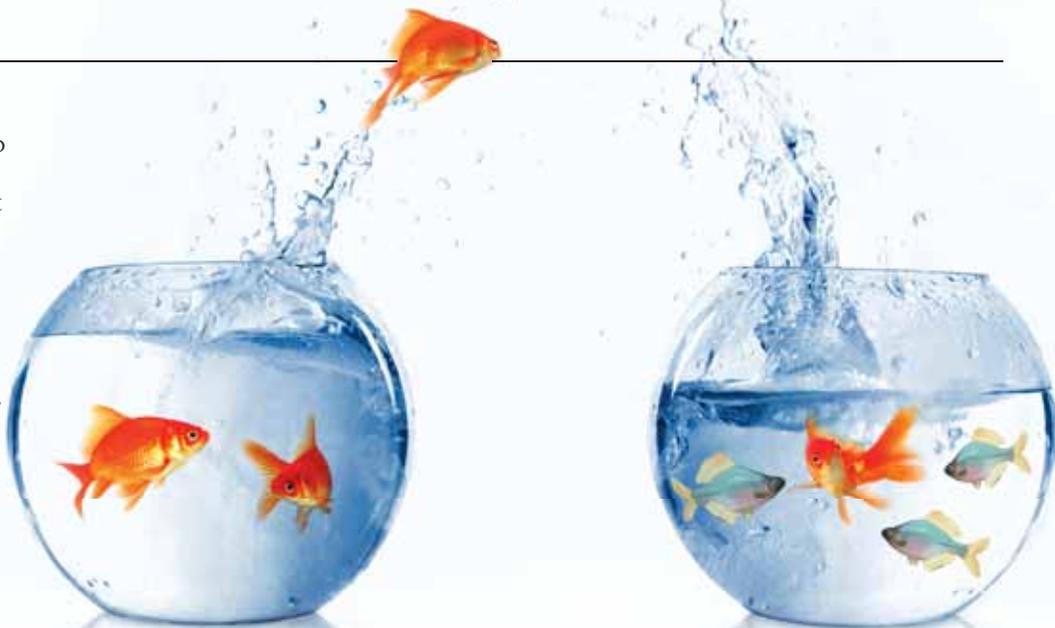


If you are outsourcing within the same company (using a remote group that is made up of employees within the same company), then the account management job may be done by the program or project manager.

To be successful with critical projects, someone from your company must work with the outsourcing partner at their location, not just visit occasionally. Increasingly, outsourcing firms are insisting on an onsite project manager to coordinate with the offshore location. If you do not provide one, they will. Invite someone from their company to work with you at your location. Although today's technology allows remote meetings and remote sharing of information and projects, you are still dealing with human beings. Remember the value of face-to-face meetings and the benefit of cross-pollination on both sides. This allows you to have formal and informal communication take place every day.

Choose which roles are most appropriate depending on the size and nature of the project. When you outsource across an ocean or to a country with a different culture or language, have a product architect on either side of the ocean. The architects become the conduit between organizations.

For complex projects, each of the above roles may need someone on either side of the ocean. As we add people, it is even more critical to clearly define who does what and when. The counterpart on either side of the ocean needs to understand cultural and language differences and be diligent about formal and informal communication methods.



Where will you do it?

Until you choose a potential partner, you cannot answer the specifics of this question. But once you have narrowed the choices, where will the partner be located? With any remote operation, there are always communication issues. Small, co-located teams seem to get things done more efficiently because of the informal communication that can occur. This includes:

- Impromptu reviews
- Meeting for lunch
- Hallway conversations
- Frequent iterations
- Seeing the expression on someone's face

This is not to say that outsourcing or remote operations will not work! Just be aware of the risks and decide how to overcome them.

Multiple companies, multiple countries

Cultural issues have significant impact on successful projects. Are there differences between the West Coast and East Coast of the United States? What about the Midwest? Or the South? And even within the United States, there are time zone issues. Different product labs within the same company have differing development and process standards.

The difficulties with remote operations within our company are exacerbated when working with other companies. In particular, the company culture differences are more pronounced. To be successful, you need to develop a good working relationship with a key contact in their company. This might be an account manager, alliance or partnership manager, or channel manager.

When working with a team in another country, you must anticipate the language differences. Even when the operation belongs to your company, remember that the other team lives in a country where things are probably done differently. People in other cultures may not be comfortable asking questions for clarification or may make different assumptions. But, as other countries start increasing capacity and skills (whether part of your company or in another company) and as demand grows, costs rise. It is basic supply and demand. We already see this in software development in India and Ireland.

Are you frightened yet? You can do this! Remember, if you do not, someone else will. →





When will you connect?

One of the reasons companies think outsourcing is a good idea is the increase in capacity. By outsourcing across the globe, we can have 24 x 7 operations. While we sleep, they work; and vice versa. But as you move into implementation you will soon realize that somewhere someone has to be available during the middle of the night. We need on a regular basis real-time communication (phone, video, web, live chat) while we are both awake. The window of time when we are both awake is not very long (end of day for one, beginning of day for the other). And there are time zones where there is not any overlap during the “normal” workday, so someone has to stay longer or arrive earlier than normal.

If we do not find common times to connect on a frequent basis, we waste a lot of time waiting for the other to reply back to resolve an issue or answer a question. No one likes waiting, so often the developer guesses and goes down a path that ends up being the wrong path. Time for rework. If you have someone from your project team at their site, and someone from their side at your site, some of these issues can be resolved before they cross the ocean.

When should you start?

Outsourcing can add additional time to the project for the up-front planning, agreements, environment setup, etc. If a program or project manager needs to temporarily relocate to the outsourced site, time must be allocated for finding housing, dealing with travel and work visas, etc. If the project requires exchanging confidential data on a regular basis, agreements and secure transmission methods must be established. If the project is within the same company, some of this will be easier, but processes still must be documented and established. Does the outsourcing site have the necessary hardware, software, networking, and tools to do the work? Many times, the projects require specific versions of compilers or networks, and huge problems hamper the start of outsourced projects that were unable to quickly get the development or testing environment set up. Also, remember training. Though the technical skills may be available, the project may require some knowledge transfer or specific training.

For outsourced projects, plan on at least one additional month in the up-front setup and formalization of the process. This is the minimum! This also assumes that there is at least one full-time person working on the logistical details. If your project has less than that, plan on more time. For more difficult issues, such as inter-country laws, inter-company legal agreements, or specific technology or skill requirements, add even more time up front.

How will you do this?

The best approach is to hire an expert. Outsource the outsource expert? Yes, sort of. But if you want to make this repeatable, you also need to groom internal resources to be excellent at outsourcing. If this will be a key function in your company, you ought to have executive ownership of the function.

The fundamental mechanics of outsourcing can be divided into beginning, middle, and end of the project.

Beginning (Pre-development)

What problems are you solving?

Before you even make the decision about what to outsource, clearly identify what problem you are trying to solve (internal problem or customer problem). Based on the problem, discuss what the optimal solution might be. Look at different options. Understand the value of solving the problem. How long do you have? Then, and only then, should you make the decision to buy the technology, build it yourself, or partner (outsource).

Do you have the right partner?

Do not choose the partner until you know what problem you are trying to solve. Different outsourcing companies are good at different things. Choosing the right partner is essential to your success, but you cannot choose the right partner until you have the other questions answered.

Who will do what?

Look at the various roles. Where will they be located? Who will do what? Who is accountable for the success? What are the handoffs and deliverables?

How will you protect your IP?

Even though people sign Non-Disclosure Agreements and contracts, be sure to conduct due diligence on the partner, and research the country’s laws about patent and IP protection. You are probably still vulnerable. You may need to hire an expert in IP protection to help you.

Middle (During development)

How will you communicate?

You will need multiple communication methods. Today's technology brings many options. Not only will you need to explore the technical fit (telephone, voice over internet protocol, web communication, intranet/internet/extranet, collaboration, document management, email, instant messenger, face-to-face meeting), you will need to calculate costs, security, availability, and reliability of the communication vehicle. What are the Sarbanes-Oxley implications for top-secret projects?

What feedback mechanisms will you use?

Successful outsourcing requires disciplined forms of documentation. If requirements are not clearly documented and communicated, QA cannot verify that they are met. If requirements are changed, the documents need to change. Look at all of the artifacts you will need to communicate requirements, specifications, documentation revision controls, scope change controls, status, and key issues. A stage-gate process will ensure that you are not moving to another phase of the project until you have met the objectives of the previous phase.

How will you validate with customers?

Successful commercial projects require customer involvement and validation throughout the process. It is too late to wait until the beta testing phase to get customer validation! Think of projects you have worked on in the past. By the time you reach beta, there is momentum and tremendous pressure to finish the product so you can ship and recognize revenue. If significant design flaws are uncovered during beta, you will not be able to redesign during that cycle.

Include customer validation steps in the plan. The product manager should make sure it happens, but does not own the usability testing itself. (This is part of the "how" and the design, owned by the product architect.)

End (Post-development)

Did you solve the problems?

When defining the product, start with the problem to be solved, then during the planning phase, validate with customers that the product requirement will allow them to solve their problem. Then, QA ensures the product requirement is verifiable and that the specification meets the requirement. Finally, QA assures that the product built meets the specification. Part of the test plan should be to ensure the problem was solved!

Conclusion

Outsourcing has actually been around for a very long time. In today's world with the internet and technology improvements that allow global communication, outsourcing has now become a global business. It is not going away. As a product manager, ensure you know what problem you are trying to solve before you race to outsource the solution.

Answer the questions in this article, and take a fact-based approach to outsource the right projects with the right partner for your company.



Barbara Nelson is an instructor for Pragmatic Marketing. She has 21 years in the software industry, including VP of Product Marketing for a leading provider of business and accounting applications.

Contact Barbara at bnelson@PragmaticMarketing.com

Resources

If you Google™ the word "outsourcing," it would take a lifetime to get through the links. Here are a few resources to get you started.

Outsourcing Pipeline is a publication that helps untangle the webs of outsourcing strategy and practice. It stays on top of breaking news, research tools, expert advice and analysis, practical how-to features, and insights into industry trends. Sign up for this free newsletter at www.outsourcingpipeline.com

ITBusinessEdge offers free reports, including *Outsourcing for Strategic Advantage*, at www.itbusinessedge.com

Outsourcing In-a-Box, by Bob Booton

With companies moving their manufacturing, software development, and critical business processes to offshore suppliers, outsourcing has become the global issue of our time. *Outsourcing In-a-Box* is a practical guide to getting started. Bob Booton has been an outsourcing guru for Fortune 100 companies such as Sun Microsystems Inc., Compaq, and Solectron Corporation. Go to www.outsourcinginabox.com to order the book.

**[Does it seem that product managers are
weighted down with tactical activities?]**



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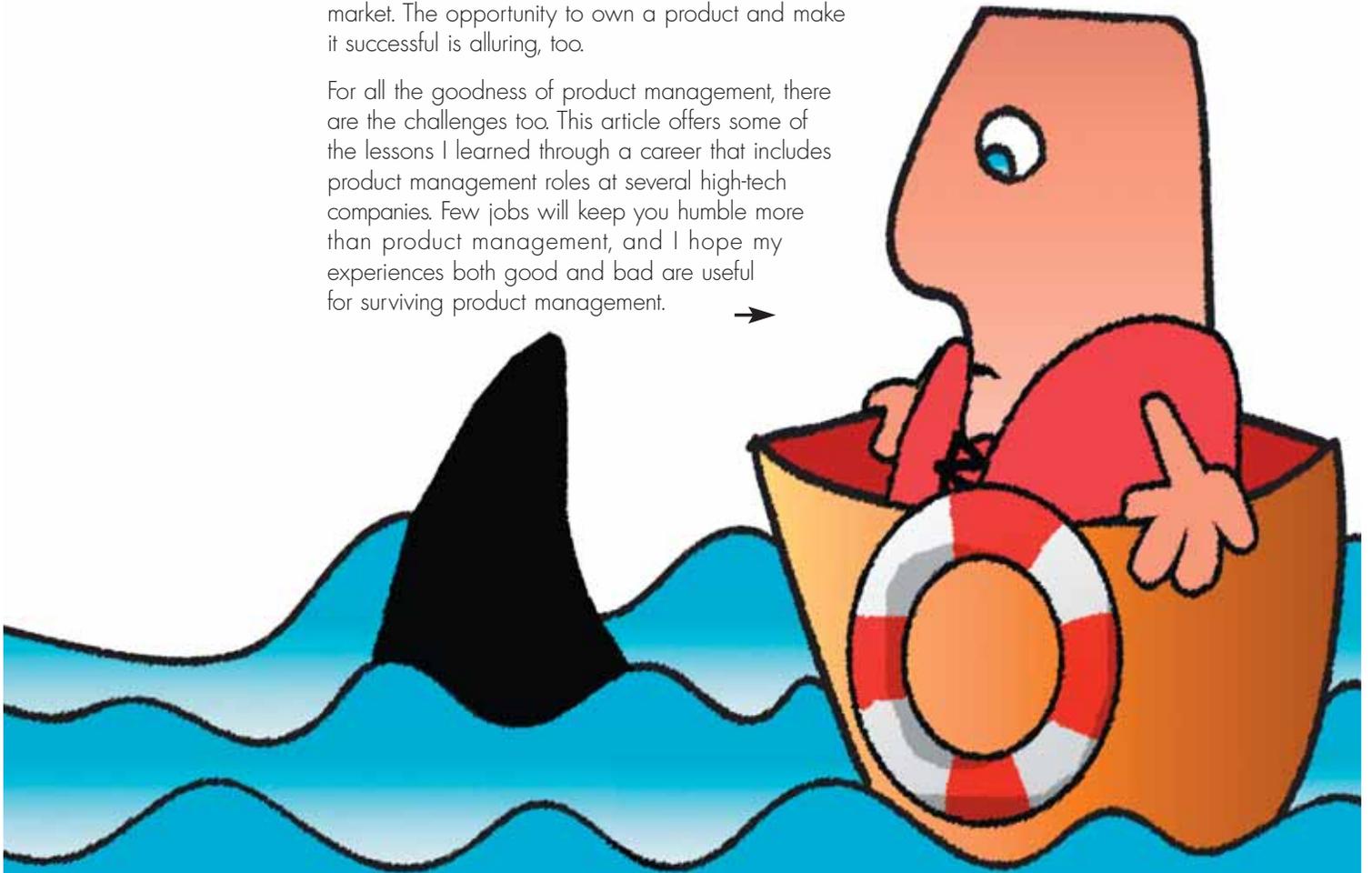
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Surviving Product Management

By Louis Columbus

Let's face it. Managing products is hard work. Personally, I always marvel at the people who just nail product management jobs and make it look effortless. There is something alluring about product management. It is the chance to take concepts from the abstract to the concrete and see the impact in the market. The opportunity to own a product and make it successful is alluring, too.

For all the goodness of product management, there are the challenges too. This article offers some of the lessons I learned through a career that includes product management roles at several high-tech companies. Few jobs will keep you humble more than product management, and I hope my experiences both good and bad are useful for surviving product management. →



Essentials of product management

Passion for your products and their success matters more than organizational power. The role of a product manager is full of opportunities to find passion for the product today, its future roadmap, sales strategies, finding and growing a sales champion, and working with and supporting service. In short, the best product managers have a passion for their products' success. They rarely coerce cooperation through formal power by invoking a VP or C-level executives' name or position, but their passion and intensity earn them respect. Passion is the fuel of the best product managers; it propels them beyond doing "just enough to get by" to delivering exceptional work, projects and results.

Aggressively manage expectations. In some companies product managers are considered the final authority on future product enhancements, current and future pricing, launch dates, PR and lead generation efforts to which even analyst firms subscribe. With this much authority, Sales, Channel Management, Operations, and Production—in short every affected group in a company—looks to Product Management to make product commitments, to respond to competitive pressure, and to capitalize on market opportunities. If your company has an intranet, post the product roadmap and product management plans, in detail by product, for everyone to view. Deviating from the product roadmap for special orders needs to be aggressively communicated to Sales, Channel Managers, Operations, Engineering, Finance, Services and many other organizations affected by the product introduction, as do pricing moves and product direction.

Resolve to know your competitors better than the industry analysts. Become an expert in every aspect of their business.

- Get 10Qs and other filings from the SEC for publicly available companies.
- Run a D&B report of all competitors every three months to see how their business is going.
- Take the hardest-hitting competitive points and publish them to your direct sales force, including inside Sales.
- Distribute the trending data to your indirect partners and keep the best competitive analysis for your direct sales force.
- Publish how-to-sell-against papers on each competitor every six months to capture the current knowledge for both direct and indirect channels.

Pricing competitive analysis deserves its own effort. When managing high-volume products, such as PCs, laptops or accessories, it is easy to have a constant view of how your pricing measures up relative to competitors by simply checking competitors' and their channel partners' websites. Tracking your competitor's price relative to your own on a daily basis delivers the data necessary to fight for price moves and lower per unit costs from Purchasing, Procurement or Operations. Consider hiring a few interns from a local university to do the daily analysis and to establish trending graphs and presentations. I recommend the interns work twenty hours a week, the first half of each weekday. Pricing from competitors is typically re-vamped nightly with website refreshes, so having interns capture this data during the first hours of the day gives you immediate visibility into pricing moves.

The first 90 days in a product management role is critical. This is the time the best product managers get their reputations established, start delivering on projects, show their

strengths and weaknesses, develop alliances, and set expectations for the next year or two. It is critical during this time to avoid being isolated and getting buried in emails and distractions. The best product managers are those who interact with the departments they will need to work with in the future, build alliances, start to earn trust, and get to know the true role of Product Management and where it is positioned within the company. During interview cycles, you get the organizational chart view, but now is the time to get the real view—by reaching out to departments you will work with includes Sales, Marketing, Service, Engineering, Production, Operations and the customer base. If you can, get out and see at least three to five customers, coordinating this with Sales, and also spend time with your internal "customers," going as far as to publish your project list for everyone who relies on you. Work to deliver projects before their deadlines, and ask frequently for feedback. The goal during this first 90 days is to become part of the fabric of the company and to spend as much time as possible learning the organization and its most pressing needs before going after huge projects.

Grow sales champions, even if it means you do pre-sales support. Sales and Product Management often have a cordial yet distant relationship because Product Management needs Sales to raise the most critical metrics there are, and Sales needs Product Management for market and product information. Many product management groups avoid pre-sales support because it becomes all-consuming. But structuring pre-sales support in terms of escalation of the best opportunities coming to Product Management for face-time with product experts is critical to fostering a relationship with Sales and to eventually grow a sales champion. Just manage your time to ensure this does not become an all-consuming job.

Look for as many ways to connect with the outside world as possible. There is a tendency in Product Management just to live inside the company's four walls and only occasionally go outside for channel partners, resellers, salespeople, and customers. A big part of what makes a great product manager is the reverse; They know the world of their salespeople, channel partners and customers better than anyone else because they work very hard to break down the barriers that separate them from what is really happening. Consider doing a blog to bounce ideas around and learn about what is going on outside your company.

Making cross-functional teams work

Credibility is the capital you trade with, start with humility. Passion and credibility go hand-in-hand. Building credibility starts with a focus on earning respect from Engineering, Product Marketing, Sales and other departments you regularly interact with. Building credibility starts by building trust. Trust comes from being transparent. Building credibility takes time, and so often product managers

feel they must be the instant expert for their products, when building credibility is much better accomplished by admitting what you do not know and asking for help. Humility and honesty gain respect, as does asking for help and being reciprocal about sharing thanks for getting it. Be sure to serve up plenty of recognition to those that help you too, copying their managers on thank-you e-mails when members of other departments go out of their way to help you reach your goals. Start laying the foundation for positive relationships where you get the reputation for sharing credit and thank you early and often.

Replace the frequency of cross-functional meetings with an intranet site. Respect the time of cross-functional team members by distributing marketing, sales and business plans, specifications, and documents via an Intranet site. Distribute links and ask for feedback, and only have cross-functional meetings when there is enough to discuss and it warrants everyone's time. You can also use an intranet site for managing the approval cycles for documents as well, and if you have an organization that is comprised of team members across

a wide geographic region, use meetings and conference calls for exceptions and have the workflows on the intranet site handle the routine tasks.

Create a buzz around new product introductions by creating Champion Awards. In one PC company that had to rely on engineering resources from another project to get its product line built, tested and ready for launch, Product Management created Champion Awards signed by the Directors of Engineering, Marketing, General Manager for the Division and CEO. These were personalized and framed by product managers, then presented the same week a member of Engineering completed a task that was above and beyond their primary job in support of the product launch. These were presented at cross-functional meetings by Directors of Engineering and Marketing.

Under-commit on launch dates and over-deliver on them. Product introductions are when companies signal to the outside world just how coordinated they are—or not. There is major pressure to move launch dates up from Sales, Channel Management, Marketing, and at times from Operations and Production as well. With as much pressure as there is to move up a launch date, build at least 20% of extra time into schedules because delays inevitably occur. →

There are literally hundreds of blogs written by product managers, but these few stand out as both entertaining and insightful:

AlwaysOn™
<http://www.alwayson-network.com/>

Creating Passionate Users
http://headrush.typepad.com/creating_passionate_users/

Guy Kawasaki's Let the Good Times Roll
<http://blog.guykawasaki.com/>

Seth Godin's blog is full of great marketing ideas
http://sethgodin.typepad.com/seths_blog/

Geoffrey Moore's blog on innovation
http://geoffmoore.blogs.com/my_weblog/

Of course, www.productmarketing.com is also a great resource devoted specifically for product managers.

Lessons learned from working with Engineering

There is the roadmap, and then there is the schedule. If there is one painful lesson I learned when I was a product manager, it is that there is a major difference between a product roadmap and a launch schedule for new products. Price adjustments are made based on existing products' current pricing levels, margins and discounts in addition to product cancel dates, or discontinue dates. In short, even the best companies have trouble meeting launch dates, holding to commitment dates for product enhancements, and even product discontinuance dates. This is not a criticism of Engineering because delays in product introduction, pricing, and product retirements happen for a multitude of reasons. Staying as connected as possible to Manufacturing, Engineering, and pricing managers can make your product launch more effective by orders of magnitude.

Share product ownership with your products' engineers. Partner and team with Engineering, and specifically spend much time understanding their perspective on your products. Share ownership for the product and its future, and work to create a cooperative environment with Engineering.

Relentlessly pursue product expertise. Becoming a product expert starts by realizing that there is no such thing as an "instant expert." Working with Engineering to appreciate which decisions they made on your product and why goes a long way towards giving you a solid foundation to manage your products as effectively as possible.

Be a de facto leader of development via customer and competitive intelligence. This takes much effort, and it is worth it for any product manager to establish their role as delivering in-depth customer and competitive intelligence. Often when the next generation of a product is being developed, Engineering needs input on what customers are looking for. By committing to be the leader in terms of customer and competitive intelligence, you can that much more effectively guide product development.

Lessons learned from working with Product Marketing

Get on top of lead generation performance for your products. Marketing may not have this data, but actively get this information from the sales department for all product managers so you can start building your products' sales funnel and how many leads are needed at the wide end of the funnel to result in closed sales. Then work with Marketing to understand the sales funnel for your products. See if you can create the sales funnel for your products using their data, and see why some leads drop out of the pipeline.

Create a Google™ AdWords strategy for your products. This is very economical as a lead generation strategy, so push to get AdWords created for your products. Define the specific keywords to include competitors and their products, as well. The cost per click can be well under \$1 and the leads finely tuned.

Have a constant stream of white papers and knowledge going to prospects. This is doubly true in emerging markets where prospects are looking for guidance and insight into which new technologies are reliably working. Prospects want to understand what new technologies mean to them; they do not want messages slammed at them. Educate and be the trusted advisor in new markets, and you will sell more.

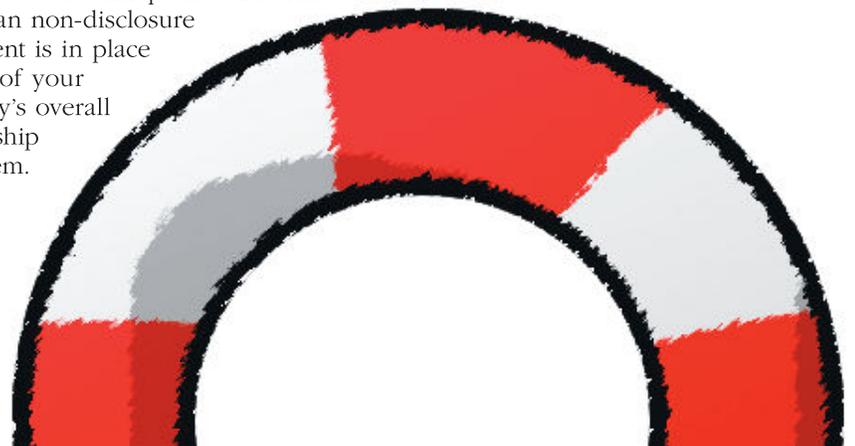
Use industry analysts often. In certain software segments, industry analysts are relied on for guidance by IT buyers, and as a result they have insights into what is being purchased and why. Get industry analysts to visit your company and present competitive updates once every three to six months. Also get their insights into your product roadmap and direction. Ensure a non-disclosure agreement is in place as part of your company's overall relationship with them.

Managing new product development and introductions

Managing new product introductions is the most strategically important task product managers undertake. According to research completed by the Corporate Executive Board*, 20-25% of companies rely on new product introductions for the majority of their revenue during every 36 months of operations. Corporate Executive Board also reported that in a recent survey, 43% of executives said that new product introductions are the single most important strategic tool with the highest impact on total company performance. Product managers are often called on to be the project leads for their product's introductions. This role takes the most amount of coordination, effort and time investment.

The steps required for launching a new product vary significantly by company and industry. The Corporate Executive Board defined a generic product development and launch process, which includes the following steps. Keep in mind many companies tailor these steps for their specific needs, yet the progression is a good indication of what needs to be done to develop and launch products:

* Corporate Executive Board, Marketing Leadership Council. *Developing a Marketing Checklist for New Product Launches*. August 2005. Washington, D.C.



I. Idea Creation

- a. Teamwork with R&D, Marketing, Product Management and Engineering
- b. Voice of the Customer Programs are also included in this step, which focuses on bringing in insights from customers that potentially re-define the direction of the product and service strategies.
- c. New product ideas are prioritized during this phase and a decision is made about which products to monetize.

II. Concept Definition

- a. Feasibility analysis completed (technical requirements; detailed financial analysis; materials, human resources and production requirements; post-company support)
- b. Detailed market study (market definition, assessment of competition)
- c. Identification of legal/patent/copyright issues
- d. Key deliverables from this phase include the initial business case, technical specifications of the product, and a project management plan that includes roles and responsibilities.

III. Design and Development

- a. Physical design of product or definition of service
- b. Prototyping (physical or computer representation of the product)
- c. Alpha testing (batch testing to confirm product requirements, trial production to confirm assembly and manufacturing suitability)
- d. Detailed marketing and operations plans
- e. Updated financial analysis
- f. Key deliverables from this phase include extensive testing of the product concept against market, financial, technical, and physical criteria.

IV. Product & Service Validation

- a. Beta/gamma testing with existing and potential customers
- b. Trial production run
- c. Resolution and negotiation of legal/patent/copyright issues
- d. The key deliverables from this step include validated, pre-production products available for the market

V. Production and Distribution

- a. Final assembly line tooling and in the case of software products, feature freeze and gold master CD created
- b. Securing distribution channels including value-added reseller recruitment and selection.

VI. Product Launch

- a. Development and implementation of marketing launch plan (product positioning, advertising/promotional strategy, final pricing)
- b. Sales force training
- c. Development of sales and product support materials
- d. For a great drill-down on this step, consider these following books. Catherine Kitcho's book *High Tech Product Launch* has good insights into launching software applications and high-tech products in general. The book *New Product Launch: 10 Proven Strategies* by Joan Schneider and Jeanne Yocum is also a must-read for any product manager having to do a product launch.

The above is meant only as a high-level overview of the steps involved in new product development and product introductions—clearly each of these steps could be drilled into with much greater granularity and depth.

One of the most popular approaches to managing new product development and introductions is the stage gate process. Dr. Robert G. Cooper's book, *Winning at New Products: Accelerating the Process from Idea to Launch*, is a must-read for any product manager who works in an organization that has standardized on stage gate steps for launching new products. Even if your company is not using the stage gate process, this book has some great pointers on developing and launching products.

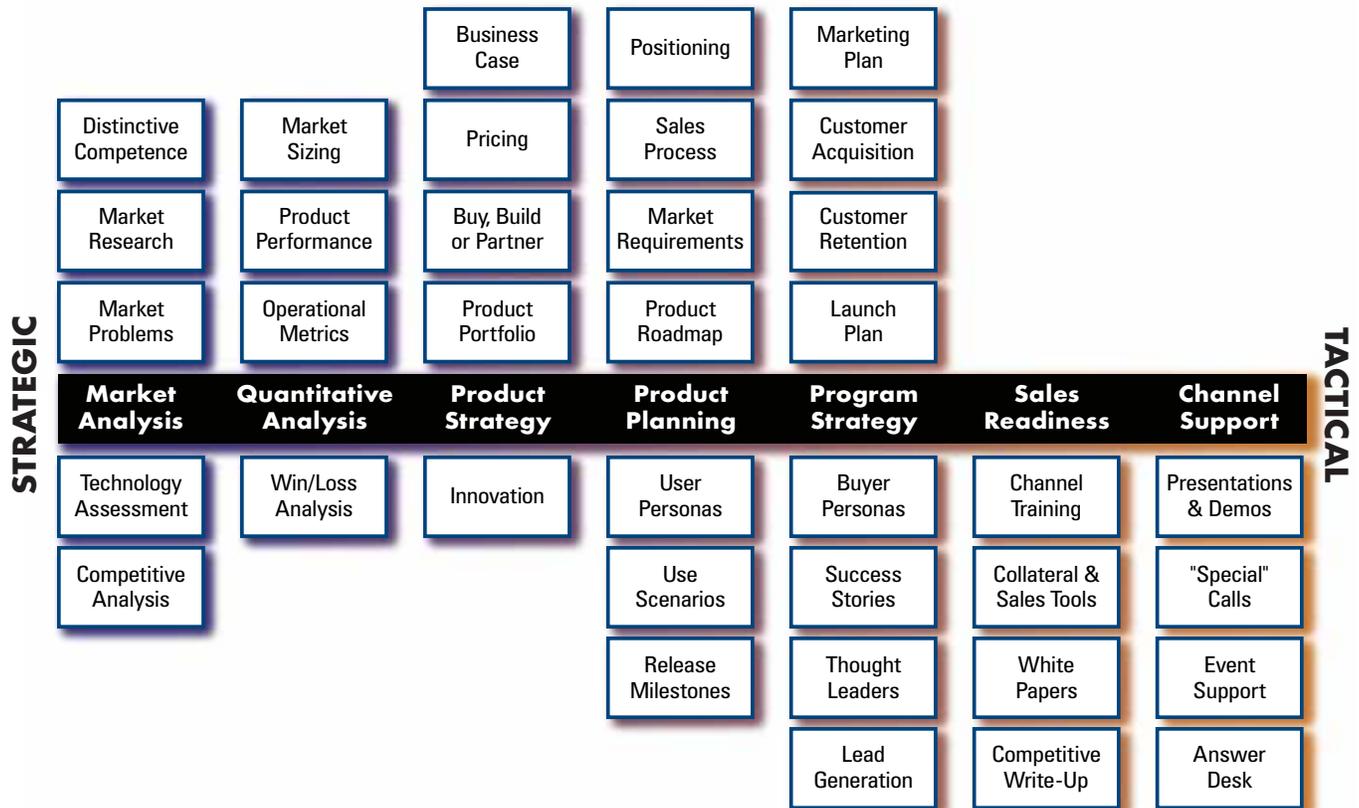
Summary and wrap-up

Product managers, through their efforts, have great potential to make a lasting impact on companies and entire industries. Exceptional product managers are marked by a passion to make their products, engineering staffs, and sales persons the stars of their companies. They are content to be the enablers of accomplishment and the "backstops" of products, so to speak. A great product manager is like a terrific coach; they orchestrate people, resources, and strategies to make their teams successful first and always.



Louis Columbus is Senior Business Development Manager, Cincom Solutions. Formerly a Senior Analyst at AMR Research, his career has included senior management positions where he served as Vice President, Marketing and Business Development. Louis has published fifteen books on a variety of technology areas including Microsoft operating systems, peripherals and the application service provider arena. You can reach Louis at lcolumbus@cincom.com

Pragmatic Marketing Seminars



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The recognized expert in technology product management and marketing, Pragmatic Marketing's common sense approach is built on years of experience and best practices. The Pragmatic Marketing seminars introduce a framework that gives technology marketers the tools necessary to deliver market-driven products that people want to buy. Our framework is the foundation for all our courses, from identifying markets and their problems to writing market requirements to creating go-to-market strategy that meets your corporate and revenue goals. Since 1993, over 30,000 attendees have been trained to "think with the grid."

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DAYS 1 – 2

I. Strategic Role of Product Management

- What is marketing?
- Definition of the role of product management
- Contrasting product management and product marketing
- Assigning ownership of responsibilities
- Identifying the “first steps” with gap analysis

II. Market Analysis

- Distinctive competence
- Market research
- Market problems
- Technology assessment
- Competitive analysis

III. Quantitative Analysis

- Market sizing
- Product performance
- Operational metrics
- Win/loss analysis

IV. Product Strategy

- Business case
- Pricing
- Buy, build, or partner?
- Thought leaders
- Innovation

V. Product Planning

- Positioning
- Sales process

VI. Case Study

VII. Delineating Responsibilities

- Communicating market facts to Development, Marcom, and Sales
- Drawing the line between Product Management and the other departments

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DAY 3 – Requirements That Work™ *(For those who write requirements)*

VIII. Building the Market Requirements Document (MRD)

- Writing requirements
- Implementing use-case scenarios
- Programming for the “persona”
- Determining product feature sets
- Creating the MRD

IX. Analyzing Business and Technology Drivers

- Reviewing specifications
- Prioritizing the product feature set

X. Getting (and Keeping) Commitments

- Product contract
- Getting the product team in sync
- Getting executive support
- Communicating the plan in the company and in the market

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"Our powerful software is flexible, intuitive, easy-to-use and integrates seamlessly with your other tools. Robust and scalable, your organization can enjoy the benefits of our best-of-breed, world-class offering."

How many times have you read this in marketing materials for software? Does it provide you with any real information, or is it simply a string of meaningless buzzwords?

When you or your team uses these words and phrases in a presentation or software demonstration, you risk loss of credibility. Presentations and demos, in particular, need to focus on facts—not supposition—in order to achieve technical proof or generate a real vision in the customers' minds.

Here is the list of words that can get you and your team into trouble—we call it the "Content-Free Buzzword-Compliant Vocabulary List":

1. Robust
2. Powerful
3. Flexible
4. Integrated
5. Seamless
6. Extensible
7. Scalable
8. Interoperable
9. Easy-to-use
10. Intuitive
11. User-friendly
12. Comprehensive
13. Best-of-breed
14. World-class

The Content-Free Buzzword-Compliant Vocabulary List

By Peter E. Coban



How can you communicate the ideas behind these buzzwords and stay in the land of facts? Look for concrete, fact-based examples that illustrate the ideas.

For example, instead of saying, “Our software is robust,” you might state “This software is deployed and in day-by-day production use by more than 10,000 users around the world today.” Or, alternatively, try “Our users enjoy a 99.98% uptime on a 24/7/365 basis.” The more specific information and hard numbers you provide, the more credible your claims are.

Similarly, you can replace the trite and hackneyed “user-friendly,” “easy-to-use,” and “intuitive” claims by being focused and sticking to the facts. You can cite the specific number of mouse clicks necessary to complete a task, for example. Or, perhaps you can reference that users of your out-of-the-box software have never found the need to purchase training. Just the facts, ma’am—no hyperbole!

A good test you can apply to your own material is to ask the question, “In *whose* opinion?” If it is a quote from a customer, then that is terrific, and you should identify the quote accordingly. However, if the answer is that it came from your marketing department—or your lips—then you should find a way to rework the statement.

For example, if you find a phrase in your literature or presentation materials, such as “Our powerful software...,” then you should ask in whose opinion is it powerful? You can turn this from useless fluff to real stuff by providing

a working example: “Our customers state that our software reduces their typical workflow cycle time from several days to less than an hour.”

CRM (Customer Relationship Management) software is a key topic of discussion in many organizations today. Nearly every CRM software vendor says their tools are “powerful.” In whose opinion? Are they able to lift tons of steel or send satellites into orbit? What makes their software powerful?

Replacing items on the Content-Free Buzzword-Compliant Vocabulary List with substantive claims provides you the opportunity to differentiate yourself from most competitors. Compare “Our powerful software is world-class...” with “Our software enables 10% increases in close rates and 14% reduction in sales cycles, and customers also report substantial increases in the quality of leads generated and pursued...”

Two of the worst offenders on the Content-Free Buzzword-Compliant Vocabulary List are “seamless” and “integrated.” Everything, it seems, is “seamlessly integrated” with everything else. Why, then, is there so much work for companies that provide integration capabilities?

Once again, providing real-life, fact-based examples is a solution that enables you and your team to rise above the competition and earn a positive reputation for being fact-based. “Our Sales Force Automation solution automatically enters all tasks, appointments, and telephone calls into your Outlook® calendar, without requiring a single mouse-click. Set it

up once from the Preferences Menu and our software keeps all of your calendar operations synced and up-to-date with Outlook.” Much better!

“Scalable” is easy to improve upon. With regards to the number of users, how about: “Implementations of our software range from single users in sole-proprietorships to over 2,500 users in Fortune-500 companies.” If you are referring to concurrency, consider something like “Our ASP installation is currently supporting companies with a handful of daily transactions to organizations who are processing well beyond 10,000 transactions every hour.”

When a vendor says their software is “flexible,” are they talking about software capabilities, or their willingness to be flexible with their licensing policy or pricing? Use specific examples that are focused and relevant to the customer at hand, whenever possible. Using verifiable, real-life statements will encourage your customers to respond with a more positive, open attitude—which will help you in achieving your objectives.

How about “world-class”? What does this really mean? If your customer is concerned about local language and currency support, then you can speak directly to these capabilities. “We provide support for the major European languages, Japanese and Cantonese, and handle direct use and automated conversion of the currencies used in each of the relevant geographies.” Stick with the facts, avoid meaningless buzzwords, and enjoy increased success with your presentations and demonstrations.

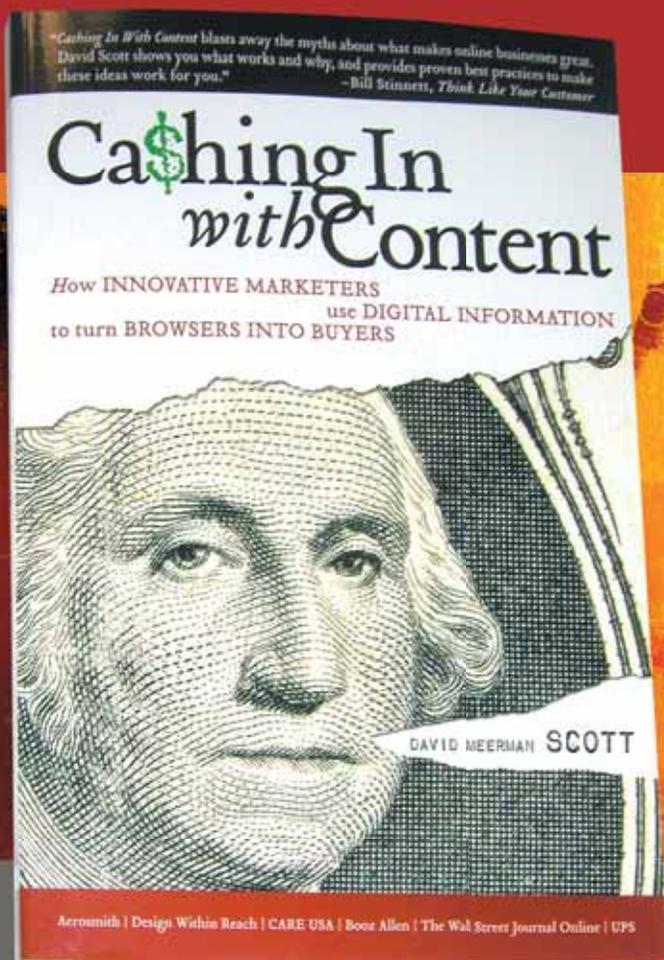
pmc

Powerful
Robust
World-class
Intuitive
Scalable



Peter Coban is a founder and principal of The Second Derivative, focused on helping software organizations improve their sales and marketing results (www.SecondDerivative.com). He moderates “DemoGurus,” a community web exchange dedicated to helping sales and marketing teams improve their software demonstrations (www.DemoGurus.com). Peter authored Great Demo!, a book that provides methods to create and execute compelling demonstrations. You can contact Peter at PCoban@SecondDerivative.com

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Book Review

For most product marketers, the website is someone else's job. So why review this book here? Because *Cashing In with Content*, by David Meerman Scott, is not about graphics, search engine marketing, or the latest web technology. It's about the quality of the information that defines high-performance websites—the compelling, original content that builds the company's reputation as a trusted resource or drives visitors to the next step in the buying process. Product managers who want to convert web visitors into prospective buyers and repeat customers will find plenty of useful ideas in this engaging and practical handbook.

David Meerman Scott evaluated over 1,000 websites and selected just 20 case study examples for the book, observing that the majority of sites fail to impact the company's strategic or revenue goals. Sure, the site may look pretty. Some may even win design awards. But the information that could affect market attitudes and buying decisions is either missing or hard to find, leaving a fortune in new and repeat business on the table. *Cashing In with Content* is a simple but thorough presentation of the practices that differentiate interesting, actionable websites from all others.

Notably, Scott's selection of content-rich sites covers a wide range of consumer-oriented e-commerce companies, traditional business-to-business corporations and several non-profit and political organizations. Some of the companies are well-known—Howard Dean's site is one example—while others are emerging businesses that use the web as a strategic tool in their battle against larger, more established competitors. Aware that technology marketers can learn from marketing practices outside of the industry, Scott even looks at the success of rock band Aerosmith's site and Alloy.com, which caters to teenage girls. Each case story offers fresh insights into how to organize content to move people to do something: buy, subscribe, apply, join or contribute.

What is surprising and especially useful about Scott's work is that all of the stories converge into a simple set of best practices. Presented as actionable ideas extracted from the case studies, his practices can be applied individually or collectively, either incrementally or as a comprehensive set of ideas for a major release of the site.

This book is a must-read for anyone who has apologized for their site and explained the problem away as someone else's job. It prescribes a course of action that is perfectly suited for the role of product manager as market expert, focusing on the importance of quality content and leaving the problems of color, graphics and technology to others.

While your competitors are busy copying one another's websites, you will be implementing innovative strategies . . . derived from some of the most successful sites on the web.

Reviewed by Adele Revella, Instructor, Pragmatic Marketing's Effective Marketing Programs™ seminar.

Email Adele at arevella@pragmaticmarketing.com

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Degrees of Ability: Hiring Into Product Management

by Jacques Murphy

Product Management is not a job for which people can go out and get a degree. You can get a degree in Computer Science that covers the knowledge you need in order to start out as a programmer. You can get a degree in Marketing that gives you the basic foundation to get started in Marketing or Advertising. But there is no college-level degree in Product Management, as far as I know.

This makes it a real challenge to find, evaluate, and hire good product managers. With so few objective external indicators, you have to define the product manager position very clearly and scrutinize candidates to see if they are a good match.

So what do you look for when you want to hire an ace product manager to champion your product and move forward relative to the competition? After some years doing Product Management and many more before that doing things that all relate to Product Management, I see the ideal candidate as having a combination of four critical elements.





The four factors

When looking for people who will make good product managers, I look for a combination of four factors, namely natural talent, artful skills, bitter experience, and hard work. All these things need to be in place to make for a solid performance.

1. Natural Talent is basic abilities that people seem to have possessed throughout their career or school years. It forms the foundation of what they can do and how well they do it.
2. Artful Skills are developed and consciously honed over time. These did not usually come naturally or automatically to someone, but over time the person has learned how to use them to good effect.
3. Bitter Experience is a real-world perspective that comes from past frustrations, limitations, and failures. Except for the unluckiest among us, it takes time to build this up.
4. Hard Work is the ability to put in a steady and sustained effort towards accomplishing a project or goal. Without it you do not get very far using the first three factors.

Natural talent

Natural talent forms the basis upon which the other factors can be built. So it is important to have a bedrock of natural talent that a product manager can draw on to be successful in the many and widely varied tasks that they will need to complete.

A person's natural talent can vary widely in terms of what exact talent or talents they have. Here are some talents that are important for Product Management:

Marketing flair. The ability to makes things sound appealing to people who are likely to buy them. The ability to persuade and get people excited about ideas and projects.

Technical aptitude. The ability to understand complex technology, hardware, and software and figure out how all the pieces work together, not to mention potentially new ways for them to work together.

People sense. The ability to collaborate and communicate with people and motivate them to get things done and improve their efforts.

Analytical ability. The ability to see a situation, break it down into its component pieces, and understand how and why it works the way it does and how that could be changed.

Business sense. The ability to see how things and people can be built into an organization that makes money, and profitably.

Synthesizing ability. The ability to join seemingly different things together so that they create a whole that is greater than the sum of the parts. This is something that product managers need to do a lot, especially when it comes to joining the business and technical aspect of things.

A good question:

Your goal in asking the question is to find out where a person's natural talents lie and how those talents have been applied to improve Product Management.

“Of all the types of things you do when you work (or study, if this is someone starting out their career), what is your favorite? Give some examples of how you have applied that in your jobs (or in school).”



Artful skills

Artful skills are not what comes to you naturally. They consist of the many necessary skills that round out your abilities at work. There are often lots of tips and tricks you have to pick up in order to learn to use them well. Frequently you start out wielding skills as a clumsy tool, and then become better at it over time.

For example, so much of the time Product Management is a balancing act between technical and business imperatives. The ability to balance two things that do not balance naturally takes lots of skill. You have to hone your communication skills and make use of many tricks of the trade to get the right mix between the business and the technical in order for your software product to succeed.

Another example: Using the psychology required to be a change agent requires lots of focus and skill. It is hard to be the person who is pushing comfortable people to go where they are not comfortable. To get organizations to change requires the ability to communicate, to inspire, to cajole, to push, to prod, and to uproot with grace, humility, and humor.

A third example is presentation skills. For some, these come naturally, but for others, you need to first learn the basics, then learn about and cleverly incorporate the hundred tricks and ideas that make a decent presentation great. Using your listeners' names where appropriate, using your audience's terminology to make the subject seem familiar and comfortable, bonding with everyone in the room, these are all skills that require both science and art to use successfully.

A good question:

You want to hear about a skill that did not come naturally, and you want to hear how someone got more adept at it.

“What is one of the skills that you feel you have developed over the years? What tips or tricks do you use? For that trick you just mentioned, when would you use it and when would you avoid it? Can it backfire?”

Bitter experience

This is one of those areas where you hope to benefit from the experience someone has gained in other places, rather than this being something they will learn on the job with you!

Nothing helps someone do a good job like experience. And product managers have such widely ranging duties, that often change from month to month and even year to year, that the broader the experience they have, the better. And in my experience, you learn more and faster the hard way.

And I do not use the word “bitter” lightly. Product managers often have idealistic goals for their product. When they meet the reality of a poorly managed sales force, an inefficient development team, a lack of understanding by the management team of marketing basics, or unmotivated employees, they may watch their high-flying projects crash and burn.

Bitter experience helps teach a product manager how to pick up the pieces and move ahead despite the fact that what they just attempted has failed. It also teaches a product manager what to do less of, what to do more of, and what not to do the next time they try.

Because product managers take many paths to get to their position, you do not necessarily need bitter experience as a product manager per se. Experience with team efforts, marketing campaigns, sales calls, and other projects can all be useful to a product manager.

A good question:

Look for signs that the candidate analyzed what went wrong and their thinking evolved to be more realistic.

“Can you give me an example of a hard lesson that you learned? What happened exactly? What did you learn? And how have you applied that lesson since?” →



Hard work

Without the ability to persevere, to try, try again when at first you don't succeed, to keep taking little steps toward the big goal, you will not get much accomplished. Product managers may see some of their good ideas come to naught, and it takes a certain amount of will power to keep going, and to keep trying, and to try other things.

Does it help if a product manager is stubborn? That is a tricky question. Being stubborn could be good or it could be bad. I would say that when you take someone who is naturally stubborn and they learn how to add on some artful skill, such as patience and people skills, being stubborn can be made to serve them well. But being stubborn can just as easily backfire on someone who must rely on influence and collaboration to get things accomplished.

A good question:

You are looking for someone who understands that hard work is basically a very practical, tactical approach, spending time and effort and keeping at it. But they also understand there is an element of planning and smart timing—maybe even politics—involved.

“What does the term ‘hard work’ mean for you? Is hard work necessary? When you know you have a major project to accomplish, how do you go about making sure that it gets done?”

School degree or school of hard knocks?

When looking for someone who will make a good product manager, it is always a useful consideration to wonder how book learning and theory measure up to hard-won experience. I recommend you look for a balance of both.

Theory can be very important for understanding systems, seeing patterns, and creating the strategies that will help drive your product forward. Schooling can provide that. But you also need to have seen how strategies can be most effectively applied, and where they can go wrong.

Many paths to product management

Probably the most challenging part of hiring a product manager is the fact that successful product managers have taken many paths to get where they are. Since product management is not a major, rather something you find out in the field once you start working, many people stumble upon it by chance, and discover they love it.

Look for someone whose experience, regardless of which path they took, covers many of the components of software product management, such as software marketing and development, sales, strategy, QA, customer service and relationship building.

Marketer or technical?

Here is another question most organizations face: do we hire someone who is a marketer or technical? Can we find someone who is both? Do we want both, or do we want just one?

Candidates who come to you from other product management positions may often have worked only on the marketing or technical side. It is vital to understand where a candidate stands on the spectrum and to be clear about where you need them to stand, so that you hire the right match.



Certification and seminars

I would be remiss if I did not mention that while there may be no product management majors out there, there are organizations that develop standards and standard levels of skill for product managers, including certifications. Look into whether a candidate has been active in an organization for product managers.

Companies like Pragmatic Marketing® offer consulting and technology marketing seminars that helps set a standard methodology, language, and approach to product management. Find out if the candidate has attended any programs such as this.

You know for sure only after they start

Finally, there is the longstanding problem of hiring people. Even the most carefully conducted interviews do not always mean the new hire will work out. You just never know for sure until they start working for you. This is as true for product managers as for anyone else. But you can use the ideas above, and especially the questions, to find the people who stand the best chance of doing well on the job, and who can make your product more successful.

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Jacques Murphy has over 17 years of experience in the software industry. He writes an email newsletter called Product Management Challenges that focuses on increasing software product momentum in terms of development, marketing, sales, and profitability in order to improve the product's competitive position. To regularly receive helpful tips for software product management, send an email to jacquesm@epix.net with "subscribe" in the subject line.

Each year, Pragmatic Marketing conducts a survey of product managers and marketing professionals. The objective is to provide Pragmatic Marketing clients with industry information about compensation as well as the most common responsibilities for product managers and other marketing professionals.

The table below shows the profile changes over a four-year span.

Profile changes	2005	2001
Age	36	35
"Somewhat" or "very" technical	87%	80%
Female:Male	33:67%	39:61%
Masters degree	46%	33%
Organization		
Report to a director	46%	48%
Report to a VP	28%	28%
Report directly to the CEO	5%	n/a
Are in the marketing department	15%	50%
Are in the product management department	21%	22%
Are in Development or Engineering	12%	16%
Are in a sales department	5%	7%
Impacts on Productivity		
Emails daily	75	85
Average # of meetings	15	12
% going to 15 meetings or more	50%	23%
Working with Development		
Researching market needs	66%	73%
Preparing business case	54%	51%
Performing win/loss analysis	19%	17%
Monitoring development projects	79%	75%
Writing requirements (the "what" document)	77%	73%
Writing specifications (the "how" document)	52%	29%
Working with Marketing Communications and Sales		
Writing promotional copy	49%	43%
Creating web content	23%	n/a
Approving promotional materials	47%	54%
Working with press and analysts	16%	n/a
Training sales people	51%	52%
Going on sales calls	44%	37%

[Can you see past the current product release?]



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Pragmatic Marketing has always been focused on the unique challenges of marketing technology products and services. The framework we teach—refined and perfected over 20 years—highlights both “best practices” and practical ones to find and develop profitable opportunities, plan market-driven products, and create winning promotional and sales campaigns. Each seminar offers immediate actionable ideas, templates, and tools.

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The Industry Standard in Technology Product Management and Marketing Education.

Rock-Solid Marketing Captures Mindshare and Market Share for 100+ Software Products

In the software world, differentiating a product across a complex, ever-changing competitive landscape is a monumental challenge. Now imagine trying to achieve that feat for more than 100 products.

That is exactly the task facing Aggie Haslup, Worldwide Vice President of Marketing for Quest Software®. Quest provides innovative products to help IT professionals manage their applications, databases, and infrastructure. She and her global marketing team are carving out mindshare and driving market share for a software portfolio that tops 100 products—some developed organically, many amassed through the acquisition of more than 35 companies. The company's consistent growth—ten consecutive years of revenue growth—is a testament to their success.

“Clearly our product marketing challenge is rooted in complexity,” says Haslup. “It starts with the sheer volume of products and sales people, and it extends to our business model, which emphasizes steady growth through innovative product development and acquisition.”

The numbers are staggering. More than 18,000 customers worldwide have selected Quest Software to help them get more performance and productivity from their applications, databases, and infrastructure. Today, the company operates more than a dozen development labs with more than 1,000 developers. Hundreds of sales people

around the globe are selling scores of products under the Quest banner. This sales organization is built on a tiered model—with direct and indirect salespeople, enterprise account managers, and telesales representatives, as well as a growing channel partner network. The company continues to acquire new companies and launch new products at a rapid-fire pace—each of which must be positioned and marketed, both internally and to Quest's target audiences.

According to Haslup, there is only one way for Marketing to succeed in the face of that volume of complexity: “You have to start with the right people, and then build in scalable, repeatable processes. For our company, with its size and the number of acquisitions, we cannot have one-offs.

We need centralized, standardized product marketing templates and best practices.”



Case Study

The importance of being market-facing

That is where Pragmatic Marketing® comes in. Haslup attended her first Practical Product Management® class years ago. “The instructor just nailed it,” she remembers. “This was the first class that offered a forthright, realistic approach to the challenges of product marketing in a technology company and, more importantly, the consequences of not listening to your customer.”

She adds, “I have never laughed so hard as in that class, nor was I ever so panicked. The instructor, Steve Johnson, brought all the pieces together and very carefully outlined the risks of being driven internally instead of externally. The class really drove home the point that you should not invest in *any* product unless you have spent time outside the walls, talking to customers and prospects about the need for such technology. And the sooner you can listen to your customer in the marketplace, the better off you will be.”

Haslup also came to the realization that implementing sustainable processes across a technology company takes time. “It does not happen overnight. It is hard work to change. Good intentions are not enough. You must have discipline. Fortunately, the Pragmatic course reflects that reality. It is absolutely obvious that the people who designed and teach the curriculum have lived this life. They have made the mistakes; they have had the successes. The fact is, marketing in the software industry is a complex job. You have to address development, support, product management, corporate and product marketing, and sales. Pragmatic Marketing brings it all together and acknowledges that it is complicated and needs to be simplified with practical methodologies. And they present a realistic framework for doing just that.”

Positioning: the heart of marketing

Quest has embraced the Pragmatic Marketing Framework and puts people from across the company and around the world through its paces. One of the key takeaways has been the power of positioning.

“When you have as many products as Quest does, communicating compelling messages is imperative,” she emphasizes. “Our customer in marketing is really the sales force. When we roll out a new product, the message had better be simple, clear, and stated from a business perspective. That challenge is magnified with a global audience. Put simply, we have to figure out how to secure every salesperson’s mindshare. It’s not about impressing them; it is about crafting a straightforward message that they are confident delivering.”

One of the methodologies Haslup instituted at Quest is a strong positioning document as the starting point for every product launch—whether built or acquired, new or an update. “We use the positioning document as the heart of our process. Our product managers and product marketing managers work together to ensure it has the right value proposition and that it is customer facing. Until that is done, the rest of the marketing engine cannot start. The positioning document becomes the foundation for everything else that follows: the press release, ads, lead generation, the website, training programs, case studies, and the list goes on.”

She emphasizes that writing a value-based, rather than a technology-based, positioning document is tough to do. But it is also critical. “Since our customer is Sales, we have to educate them first and get buy in. Just because a product manager can eloquently and confidently articulate a value proposition does not mean it will fly. Unless we put it in words that resonate with our sales teams, it is not scalable.

“Beyond that, when a salesperson gets messaging on a new product or an update of an existing product, he or she must be able to quickly absorb the content and not wrangle with the context,” she continues. “We make sure the orientation of all our sales tools is the same—every FAQ is presented the same way, and the collateral or presentation or competitive information is all in a familiar template. We emphasize consistent delivery of the information using best practices and templates. And we have a ready-for-market checklist for every product we are launching.”

A prime example of the effectiveness of that process is Quest’s recently launched product, called Availability Manager for Exchange™. “We developed the positioning document for that product six months before launch,” says Haslup. “We built an entire integrated marketing campaign, primed the pipe, got sales ready, got the marketplace ready, and briefed the analysts. It was a closed-loop system following the Pragmatic Marketing methodology.”

She concludes, “We now have people working together as a team on a common goal and feeling successful. We have created virtual teams to align with our product and acquisition launches. Those teams comprise people from different parts of our organization, but we collaborate as a single unit. Marketing is the hub. We ensure the integration between Product Management and Sales. In fact, you could say we are the glue that holds it all together and makes it stronger.”

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May 8 - 9 (10)*	Houston, TX
May 16 - 17 (18)*	San Jose, CA
May 22 - 23 (24)*	Long Beach, CA
May 23 - 24 (25)*	Boston, MA
June 5 - 6 (7)*	Chicago, IL
June 5 - 6 (7)*	San Francisco, CA
June 20 - 21 (22)*	Toronto, ON, Canada
June 26 - 27 (28)*	Bedford, MA
June 26 - 27 (28)*	Santa Clara, CA
July 10 - 11 (12)*	Vancouver, BC Canada
July 24 - 25 (26)*	Austin, TX
August 7 - 8 (9)*	San Jose, CA
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