

Pittsburgh Product Strategy Network

Recommended Practices Report

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Skill Set and Personality Traits of a Product Manager

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Background

On February 25, 2003, the Pittsburgh Product Strategy Network and the Pittsburgh Chapter of TiE (The IndUS Entrepreneurs) presented the panel discussion *"Effective Product Management: Making it Happen."* The purpose of the panel was to discuss the roles of product managers and product management as a discipline for launching and guiding the development of technology products.

While there were a number of topics covered in the panel discussion, this report highlights the portion of the discussion concerning the skill set and personality traits of an effective product manager and includes additional ideas from the author.

Participants

The panel consisted of a number of professionals and executives with years of experience at successful product launches with technology companies. The panel was moderated by Krishna Pendyala, the Vice President of Business Development for iGate Corporation. Panelists included Greg Coticchia, CEO of Logic Library, Ken Ramoutar, Chief Marketing Officer for ASA, Mark Sherman, Program Director for WebSphere Business Development for IBM, and John Zappa, principal of Beechwood Consulting. Jim Harter, the author, is a principal consultant for KIBAN Corp and minority owner of TallySoft.

Discussion

There are a number of ways that a company creates the position of product manager (PM.) Frequently, the position evolves and an individual falls into it because of a vacuum in the organization. Other times it is a conscious decision by management to create the position. Regardless, there are certain traits that typify a successful product manager.

The nature of the tasks involved necessitate an individual with knowledge of the technology of the product being developed, business expertise in the target vertical market, marketing skills, project management skills, sales skills, negotiating skills, and finally P&L management.

Technology knowledge is needed because the product manager must understand not just what the product can do, but also the limits of the technologies so that it will not be oversold. The PM is also frequently called upon to write the requirements for the product and its extensions. The PM need not be a product developer, but must understand the development process and the technologies surrounding the product – their capabilities and limitations.

Business experience in the target vertical market is also needed because the PM is the one who must translate product features and functionality into business solutions for the customer. A solid understanding of the vertical market helps the PM to identify the sources of pain that the product could alleviate or preclude.

Marketing skills are related to this. The product manager must drive the marketing process. Again, the PM need not be a great marketer but must understand the function and can navigate the way to create a compelling message to bring the product to market. The PM also must make good decisions about distribution channels and marketing partnerships.

Project management skills are needed because time and resources are scarce and need to be controlled. Inevitably, there is little slack in the process. Thus, the product manager must also keep close watch on the development process to ensure that milestones are being met.

Early in a product's lifecycle, the product manager is the one who understands the product best. Therefore the PM is also the best qualified to sell it to early adopters. However, the sales process does not stop with the customer. The PM must also be able to sell people within his own company on his vision for the product. The PM must get buy in by all concerned or the PM will not get the resources allocated to accomplish that vision.

The latter process frequently draws on their negotiating skills. Internally, the PM negotiates the allocation of resources. Externally, they negotiate with the customer. Especially for new product launches, early adopters have specific requirements that must be met but sometimes time and budget prohibit their early delivery. The product manager must be a solid negotiator to keep the customer, the development group, and company management on the same page. Frequently, this is the most important skill simply because the product manager has so little true authority to make decisions.

This is where P&L management comes in. Smart companies give their product managers P&L responsibility for their products. The product manager by nature is balancing the cost of the product with the market demand. In the end, it comes down to dollars. It is only reasonable that he have P&L responsibility for the product.

The bottom line is that the product manager must be the owner of the product. The basic personality must be that of an entrepreneur who starts with little or nothing and builds something big. The PM is challenged by the tasks in front of them but has the self-confidence, courage, and perseverance to see the job through to success.

This description is just short of a classic renaissance man. We must recognize that no human being does all of these tasks perfectly. But the product manager need not be the best at any of

these tasks. Rather, the PM must do all of them competently and depend on others to extend their skills to fill in the gaps.

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