



10 Best Practices for Successful Product Management

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Speaker Biography

- Name: Yossi Zohar
- Title: Portfolio Marketing Director
- Company: Amdocs Inc.
- Years of experience: 22 in IT/software, 15 in product management/marketing
- Relevant Fields of Experience:
 - Product Management, Product Line Management, Business Line Management, Product Marketing, Business Development





Company Profile

Company name	Amdocs
Number of employees	17,000
Global presence	50 countries
Revenue (2008)	3.2 Billion
Positioning	The market leader in customer experience systems innovation
Offering Portfolio	Business and Operational Support systems (BSS and OSS) Software, consulting services, system integration and managed services
Key customers	The largest telecoms in the world

Prologue: The Role of the Product Manager

“A **product manager** researches, selects, develops, and places a company's products”

“A **product manager** considers numerous factors such as target demographic, the products offered by the competition, and how well the product fits in with the company's business model.”

(Wikipedia)



**How many product
management-related
customer interactions
do you initiate every
quarter?**



Rule # 1: Never compromise on having direct customer interaction

- Remember - your role is to understand customer needs and translate them into product requirements – no one else will do this job for you
- This is also the key to accurate requirement prioritization that in turn helps make scope decisions faster

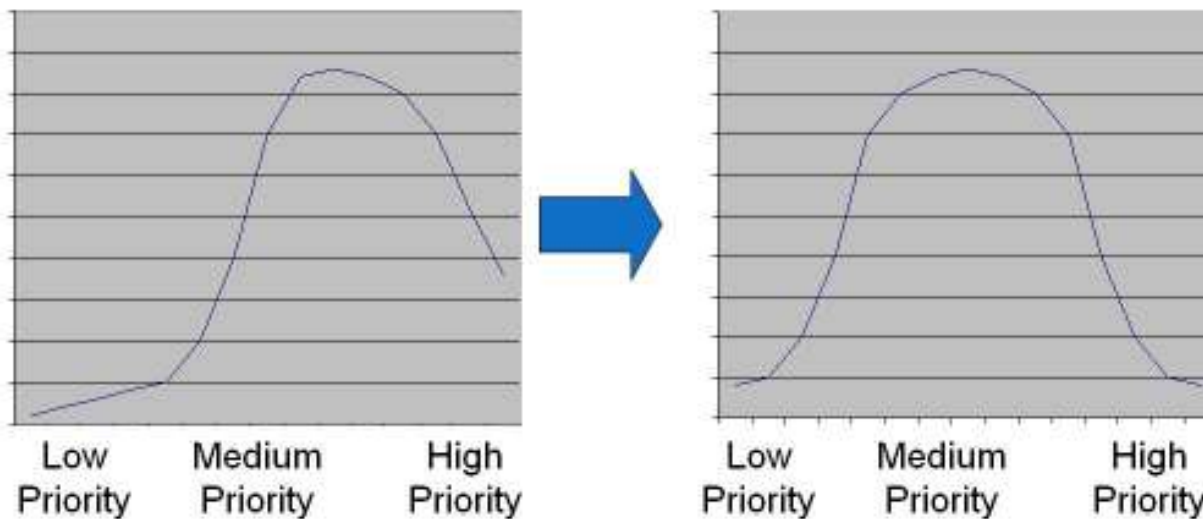


**What is the typical
distribution of
requirements by
priority?
(high/medium/low)**



Rule # 2: Thoroughly prioritize your requirements

- As scope is always restricted by time, resources and/or budget, you will need to make fast decisions as to the scope
- Requirements prioritization is a key
- Use sub prioritization if needed to assure “bell curve”



**How many de-scoping
decision points do you
go through in every
release?**



Rule # 3: Maintain a “Scope Dashboard” Throughout The Release Lifecycle

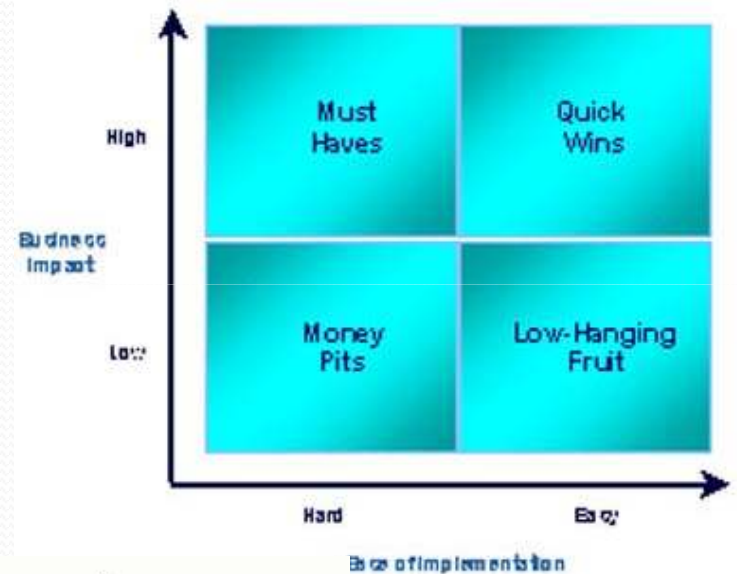
Feature	Priority	Estimated Cost	Customer commitments /expectations	Business Impact of de-scoping
Total in scope				
Total out of scope				

**What is your de-scoping
turnaround time upon any
change in release timeline,
budget and/or resources?**



Rule # 4: Be Ready to make hard de-scoping decisions...quickly!

- Time = Money
- You are a bottleneck!
- Any delay in scope decision-making immediately translates into:
 - Further scope reduction
 - Delays in the release
 - Waste of budget
 - Quality compromises
 - Release with no business value
- “One bird in the hand is better than two birds in a bush”



**Are you being
constantly challenged
by your development
manager?**



Rule # 5: Do your homework so you can face your development manager...with confidence!

- The “dominant developer manager” syndrome
 - Has own ideas and “pet projects”
 - In many companies, focused on maximizing employee utilization and development quality but not on maximizing scope and business impact
 - Constantly challenges your strategy
 - May not share timely information that may impact the scope
- What should you do?
 - Know your customer and market
 - Explain business impacts for any scope change
 - Demonstrate fast and smart decision making – avoid being the bottleneck
 - Build credibility and respect by giving them respect first – do not challenge development expertise



**Have you managed a
product foundation
transformation as part
of a release?**



Rule # 6: Thoroughly assess business impacts of foundation/architecture enhancements

- Foundation/architectural enhancements may have significant impacts on your customers
- Always ask yourself:
 - How will the change improve our customers' lives?
 - Are there any upgrade impacts for existing customers? What would be the associated cost/effort to upgrade?
 - Will the change cause regression in functionality?
 - Will the change impact the Total Cost of Ownership of our products?
 - Will the change impact performance and/or usability?
 - If there any doubt based on the above questions, is the change really necessary?



**Does your company
fund the development of
prototypes before a new
innovative product is
developed?**



Rule # 7: Factor Prototyping into your plan to mitigate “product revolution impacts”

- Prototyping is recommended to help mitigate the risks involved in “revolutionary” product enhancements on the existing customers
- Prototype early in the process, preferably before the real product development starts
- Prototype to assess technical feasibility
- Validate your Prototype with selected customers to validate market acceptance
- Don't be afraid to make hard decisions based on the prototype (e.g., no go, re-evaluation of strategy)
- Remember:
“Prototypes support - not replace – requirements”, (Forrester)



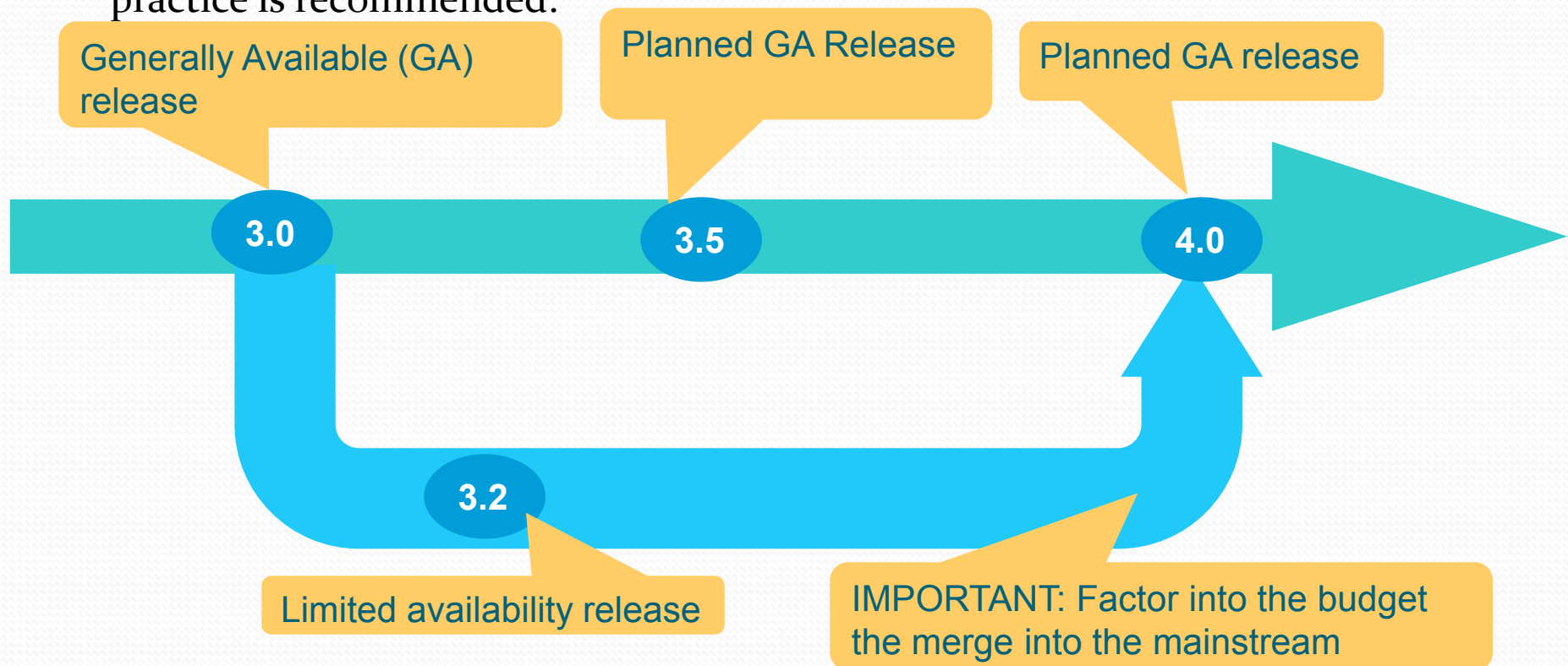
**Have you had to handle
product requirements that
come in at the eleventh
hour from a key account?**

**How did it impact your
release plan?**



Rule # 8: minimize the impact of the “Unexpected Key Account Requirement Syndrome” on your roadmap

- Last minute requirements (even if funded by customer) may jeopardize the scope, quality and/or timely delivery of a release
- However, as these situations happen in many companies, the following best practice is recommended:

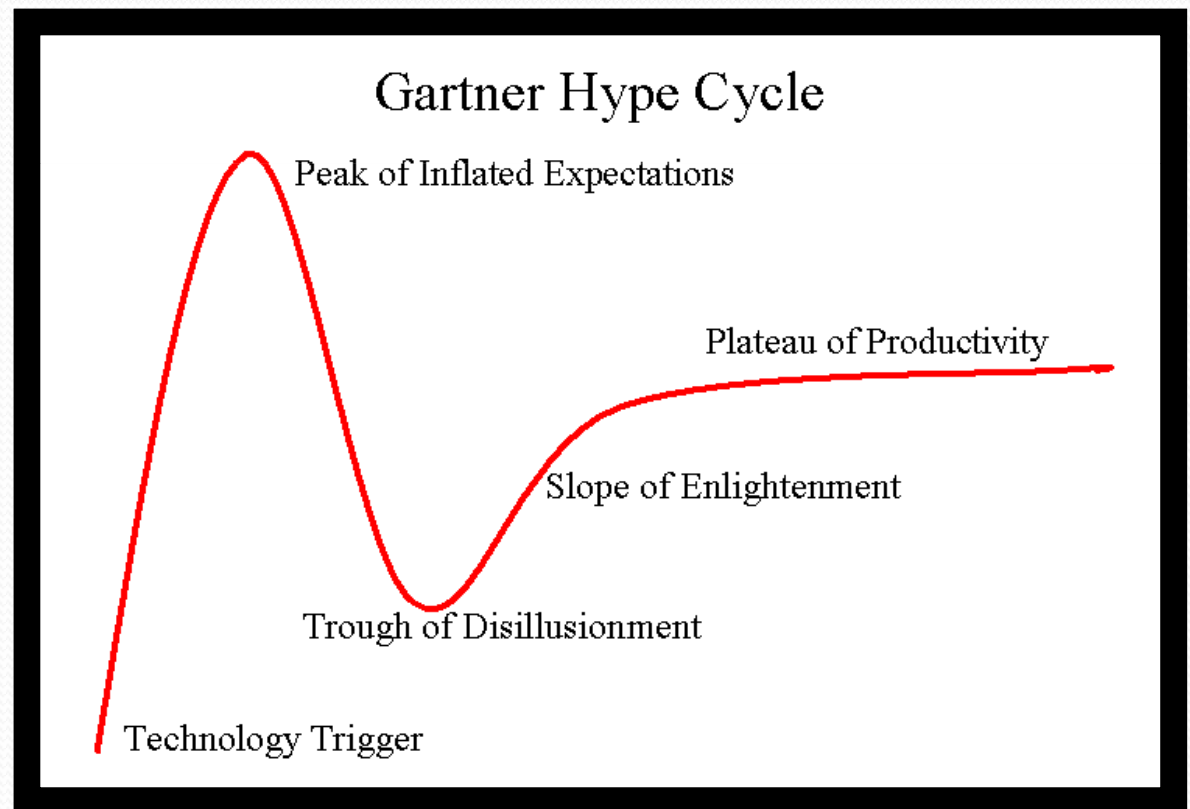


**Have you made an
investment in a new
technology “hype” that
ended up being
irrelevant later?**



Rule # 9: be cautious of adopting new technology “hypes”

- Not being an early adopter is sometimes better for business (even if the competition is doing it)
- Don't forget – you have a responsibility for your products' customer base
- Ask yourself: “do they really need this now?”
- Ask yourself: “am I going to get more business from this initiative?”
- Whatever you do – remember to prototype!



What leads your product strategy?

- Key account requirements?
- Strategic release themes?
- New markets / lines of business the company is interested to get into?
- Customer base wish list?
- All/some of the above?



Rule # 10: Always be prepared to justify your release scope through conflicting pressures

- Build a scope decision criteria
- Assess each alternative scope proposal based on customer, market and R&D impacts
- When pre-selling to stakeholders, remind them that a “win-win” scope compromise is better than further delays and de-coping
- Make your recommendation to management based on this framework to assure smooth approval process

Evaluation Criteria	Key Account focused scope	Theme-focused scope proposal (e.g., innovation, TCO, etc.)	Market-focused scope proposal	Balanced scope proposal
Customer Impacts				
New deals secured				
Customer commitments met				
Market and business Impacts				
Improve positioning vs. competition				
Improve revenue and margin this fiscal year				
Fit within broader product portfolio				
Alignment with company's vision and strategy				
R&D Impacts				
Minimize risks				
Fit within roadmap				
Impacts on R&D budgets and overheads				

**Are you
hungry for
more wisdom?**



Bonus Rule # 1: Be Persistent

- Stick to your strategic goals
- Avoid the “zig zag” syndrome
- De-scoping is not a sin, but frequent changes to the entire strategy is guaranteed to damage your internal and external credibility



Bonus Rule # 2: Define ROI-driven Products

- Think about:
 - What business metrics would your product improve for your customers?
 - How those metrics translate to monetary gains?
 - Can the product monitor those metrics and produce periodic reports?
 - Gathering multiple ROI case studies to be used by marketing to promote sales





Bonus Rule # 3: Hone in on your product's business performance

- When pitching to management, prepare a business plan
 - Pricing and packaging (for how much we sell it)
 - Business model (how we sell it, what's included, etc.)
 - Channel planning (who will sell, how much will be sold)
 - Laying out a 3-year forecast and showing when we return the R&D investment
- Measure the product's business performance on an on going basis
 - Revenue Booking vs. revenue recognition
 - Costs vs. revenues (cost of license/maintenance/services/3rd party)
 - Deal P&L
 - Product line P&L

My Contact Information:

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Good Luck and
Thank You for
Listening!

