

Succeeding with Scrum: Start by Creating an Effective Product Vision[®]

By Roman Pichler

An effective product vision ensures the success of SCRUM by guiding your team and aligning stakeholders and customers. Learn how to craft this all-important unifying product vision to succeed with Scrum!

True North

Have you ever worked on a Scrum project where the overall goal was not clear? Where you had a product backlog

but the people involved in the development effort only vaguely understood the purpose of the release? It happens more frequently than any of us would like, even on projects with multi-million dollar budgets! Often Scrum's emphasis on "getting work done" is misunderstood as a rush to develop with not enough thought to where the project should be going. Don't make that mistake. Every Scrum project needs a product vision that acts as the project's true north, sets the direction and guides the Scrum team. It is the overarching goal everyone must share – Product Owner, ScrumMaster, team, management, customers and other stakeholders. As Ken Schwaber puts it: "The minimum plan necessary to start a Scrum project consists of a vision and a Product Backlog. The vision describes why the project is being undertaken and what the desired end state is." (Schwaber 2004, p. 68)

(Continued on page 7)

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Inside this issue

The Main Thing is Keeping the Main Thing The Main Thing - page 2

August Event Review: From Technology to Product: Small Solar Growing Big - page 4

Creating Your New Space - page 6

...and more

SVPMA July Event Review

From Product Management to CXO with Brent Lang, President and COO of Vocera

By Greg Cohen

Brent Lang first addressed the SVPMA over three years ago on Product Management Process when he was the Vice President of Marketing at Vocera. It was a great pleasure to welcome back Mr. Lang, now President and COO of Vocera, to share his thoughts on how product managers can prepare themselves for C-level roles in their companies. The talk focused on the similarities between product management and CXO roles, the differences, and key skills to develop during the journey.

Before joining Vocera as its sixth employee in 2001, Mr. Lang had spent six years in product management at 3Com, worked for Monitor Consulting, had an undergraduate degree in engineering from the University of Michigan and a Graduate degree in business from Stanford University. He also brought with him the discipline and dedication needed to win a gold medal in swimming, which he accomplished in the 400 meter relay in

(Continued on page 10)

The Main Thing is Keeping The Main Thing The Main Thing

By Alan Armstrong

A mentor of mine used to repeat this line fairly often to me: “*The main thing is keeping the main thing the main thing*”. The quote comes originally from Stephen Covey.

Like many of Covey’s aphorisms, this one sounds simple, yet is hard to put into practice.

There are (at least) two reasons for this:

1. You don’t know what your *main thing* is
2. Other people drag you in to their *main thing*

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The main thing for Product Management

Product Managers can find it difficult to define their *main thing*. Is there only one? Some PMs focus on development, and view product requirements as their main thing. Others focus on sales, and view sales support as theirs.

I don’t subscribe to either of these extremes. Yes, at times, we must cater to one department or the other.

But the *main thing* for a Product Manager on my team breaks down into three categories. It’s my article, so I get to name three main things:

1. **Know thy business:** Attending to the health of the product line *as a business*.
2. **Know thy buyer:** Understanding the *experience, context, and needs of buyers* before, during, and after a purchase.
3. **Now Lead:** You must enable and empower others in the company to carry out the detailed tasks.

Yes, R&D needs requirements, and yes, of course, sales people need training. And quite often, you will be the one to provide both.

But if you are doing either of these and cannot tell me how they connect to the main things, we will have a problem. And if others won’t follow your lead, you’re doomed.

Things that distract you from the main things

The problem with the definition above is its breadth. To truly attend to the business and the buyers is a huge job and can lead to burn-out. What’s worse, if you spread yourself too thinly, you will fail at everything rather than succeeding at something.

It is crucial, then, that you circumscribe your activities. Put boundaries around what you can do. There are two ways to get distracted:

1. Corporate work: Executive off-sites, special projects for the CEO, portfolio reviews, corporate budget meetings.
2. Line-work: Working the booth at a trade-show, writing copy, detailed requirements or product design, sales calls, product demos.

(Continued on page 3)

(Continued from page 2)

Which one of these traps do you or your staff fall into? I think it must depend on personality. Some people are more naturally drawn to one or the other.

Keeping the main thing the main thing

Fixing this problem is not easy. Product Management is by its nature a cross-functional job that almost never ends. It will never be easy, but some tips might help:

1. **You need support:** You need marcom to write copy. You need creative support. You need a product designer to create detailed requirements. You need a development manager to understand the business to assist you with feature triage.
2. **Let them do their jobs:** Perhaps more than anything, you need to let others do their job. You need to lead them, empower them, but stop short of doing their job. You must *allow others to succeed or fail under their own steam*. You might imagine that you can do it better than they can do it. But if you do it, you're missing the main thing.
3. **Narrow the concept of your job:** Few companies staff to do Product Management properly. Saeed Khan has argued in the past that you can never have too many product managers. And while this may be true in theory, few companies invest sufficiently in product management. If this is the case for you, figure out the one or two areas where you need to make an impact. It *may* be in the product, but it *may* equally be in sales. It may switch from time to time depending on the cycle you are in. This is very difficult, but try planning things out with your boss.
4. **Organize and staff for effective Product Management:** If you are in a position of leadership, your *main thing* may be to bring the company into line organizationally. To be successful, product management needs *design execution, time and money to study buyers, and support from the rest of the organization*.

Homework assignment

Questions to consider for you, your team, and individuals on your team:

1. What is your *main thing*?
2. How does your main thing align with my suggestions? (Know the business, Know the

buyer, Now Lead.)

3. What kind of distractions are you prone to? (Corporate work? Line work?) List them. Talk them over with your staff or your management. Make these a point of development for each member of your staff and for yourself.
4. Do you need to narrow your job? If so, what tactics will you use?
5. How can you get buy-in to focus on your main thing?

Final remarks

The trouble with the *main thing*, as with so many others of Stephen Covey's ideas, is that they require you to ignore, or de-prioritize tasks that would normally give you great satisfaction or immediate praise. You may need to recuse yourself from some Executive Work that strokes your ego. Or you may need to put up with product design that is lower than your own standard.

Whatever your temptation may be, start by knowing that you have it. Decide when to wade in to a distraction ... sometimes you must.

Perhaps there is one more main thing: Know thyself. If you know your own temptations, you can start to overcome them. Good luck. Let me know how it goes. ☘

Alan Armstrong, Founder and Managing Director, Eigenworks Inc. Alan created Eigenworks in 2007 to provide fundamental product management services, to do the hands-on strategic work that is so often ignored by well-intentioned but overly-busy product people.

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SVPMA August Event Review

From Technology to Product: Small Solar Growing Big with Ben Tarbell, Director of Product at SolarCity

By Greg Cohen

Ben Tarbell, Director of Products at SolarCity, presented at the August SVPMA meeting about the opportunity for solar energy and how SolarCity defines and prioritizes product innovation. Prior to joining SolarCity, the speaker led the sustainable design practice at IDEO, which when combined with his year living in Kenya and Senegal, gives him a unique lens to view the current gold rush in cleantech. Ben set the stage with a quick history lesson that took us back nearly 40 years.

The 70's oil crisis drove the first wide-scale awareness around the need for rethinking our energy needs. The US government's response was to push conservation. This led to the idea of sustainability and lowering our impact on the earth or as Ben put it "doing less bad." Sustainability has now led to cleantech, which is about win-win: make money, save the world, and do the right thing. Quoting the Rocky Mountain Institute's tagline, "Abundance by design," the speaker used Tesla Motors as an example of a no-compromise cleantech product. Tesla cars go 0-60 in under four seconds, are twice as efficient as the Toyota Prius, and are very sexy.



Mark your Calendars for these upcoming events:

- Sept. 26th - Social Networking Picnic Potluck (members only)
- Oct. 7th - Brian Lawley, founder and CEO, 280 Group
- Nov. 4th - James Morehead, VP of Product Management, SupportSoft

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As the world tries to reduce its dependence on gas, oil, and coal and shift to renewable energy sources, solar stands out as being one win-win option well suited to the goal. There is more solar energy than annual worldwide needs and the cost of solar halves every decade. The solar photovoltaic market is currently over \$5BB and growing at over 30% per year. SolarCity entered this market in 2006 to provide solar power system design, financing, installation and mounting for residential and small commercial customers. The company currently operates in California, Arizona, and Oregon. The company has done well servicing tech and green enthusiasts or "early adopters," but solar's moment of truth has now come and to succeed and go mainstream, it must cost less than the utility. SolarCity is helping to lead this charge and has innovated across the value chain, including product, sales, installation, monitoring and financing to achieve grid parity in some markets.

To achieve efficiencies and scale, SolarCity developed its own energy service management software. The main applications are:

- SolarBid – Models expected energy production and use.
- SolarWorks – Tracks jobs from design to install.
- SolarGuard – Monitors every installed system, including savings generated, electricity output, and environmental impact. This is critical for their SolarLead program described below and for their performance guarantees.

SolarCity has also innovated with its SolarLease program. Homeowners can install a solar system on their homes without the large upfront investment or assuming any risk. SolarCity owns and maintains the equipment and the customer receives a monthly bill from SolarCity and a reduced utility bill. The combined bills should be lower than if the utility provided all the power. SolarCity was also the innovative force behind community installs, by providing preferred pricing for communities that installed systems at the same time.

The speaker then shared the 4-pillars of SolarCity's product design methodology which was adapted from IDEO.

(Continued on page 5)

(Continued from page 4)

Culture

- Inverted hierarchy - At the top of the SolarCity Hierarchy is the **customer**, followed by **employees** who engage with customers, such as sales and installers.
- Continuous improvement.
- Action oriented.

Customer Voice

- Field time and direct observation are critical.
- Customer feedback is highly valued.
- Sales input counts and trying to understand why prospects say 'no'.

Prototyping

- It's better to push a concept out sooner and get real feedback than polish it until it is perfect.
- Fail first, iterate, and succeed sooner.
- Focus.

New Products

- SolarCity has bucked conventional wisdom and entered into the first solar partnership for thin film photovoltaics which were considered to expensive for residential use.

- Thin films have great aesthetics and an attractive price per kilowatt.
- Module level power conversion, simplifying install and removing the need for a dedicated inverter. The speaker referred to this as "smaller increments of optimization."
- Power use monitoring (ie not production), which allows people to understand how they use electricity and can conserve more.

With its continuous stream of innovations across a wide range of disciplines, SolarCity is well positioned in the cleantech marketplace, and product managers have much to learn from the company's techniques.



Greg Cohen is a principal consultant at the 280 Group (www.280group.com) and on the board of the Silicon Valley Product Management Association. He has over a decade of product management and marketing experience, including Software-as-a-Service, channel sales, open source software, and agile development. Greg can be reached at greg@280group.com.



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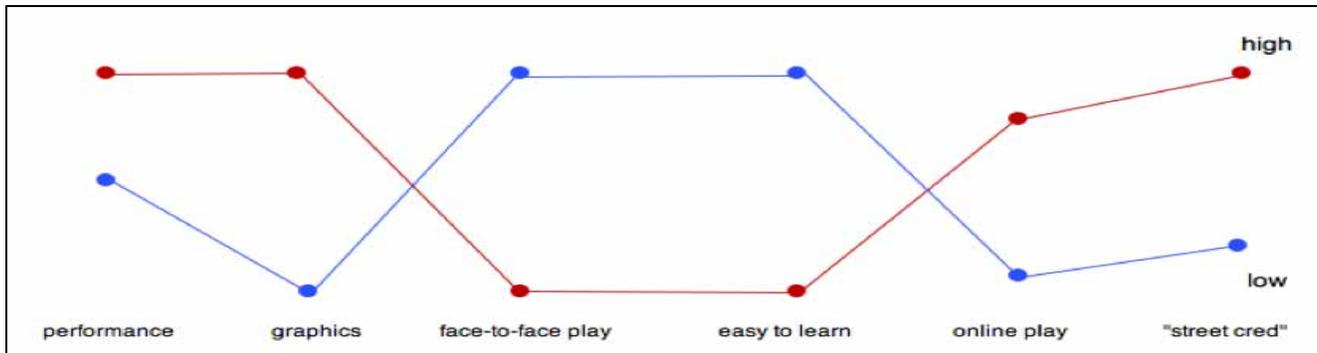
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Creating Your New Space

By Cindy Alvarez

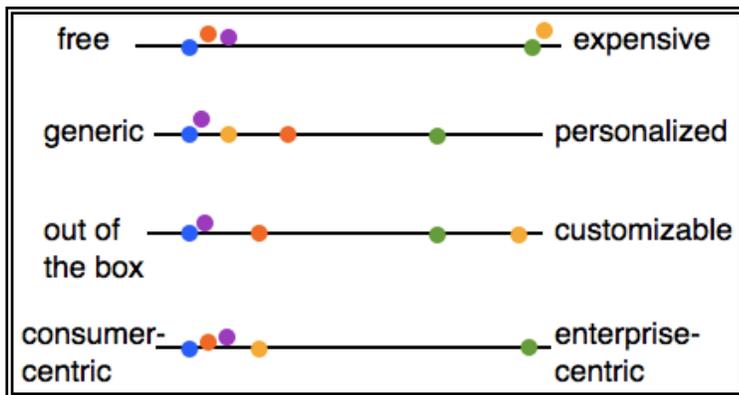
One of the product management books I frequently recommend is “Blue Ocean Strategy: How to Create Uncontested Market Space and Make Competition Irrelevant”. When you’re looking at creating a product roadmap, it forces you to take a broader perspective than the immediate tactical “copy what our #1 competitor is doing”.

To understand “blue ocean strategy”, look at the Nintendo Wii. Nintendo looked at what the competitors were prizing highly (performance, tech specs, highly detailed graphics rendering) and what they were essentially ignoring (low learning curve/”pick up and play”, real-life group play) and flipped those:



Here’s how I applied it to a real product roadmap exercise. When looking at my current company’s place in our industry landscape, I started with a traditional SWOT analysis. But SWOT, I think, is a better tool for seeing *where you are* than seeing *where you should go*.

So I looked at our competitors and made a list of all the elements they bragged about, or where they claimed superiority over a competitor. For each element, I drew a continuum - instead of just using “low” and “high”, I used more descriptive terms. Basically, a Blue Ocean-like strategy chart flipped on its side:



The attributes are going to vary from product to product (these have been changed a bit from my original document), and a more mature market is going to have tighter clusters.

Interestingly, my current product line is the first one I’ve worked on where the “ease of use” / “expert” continuum isn’t relevant.

With all of the consumer products I’ve worked on, that is usually a big differentiator: are you targeting consumers who want to learn the whole system in 5 minutes, or consumers who pride themselves on learning details and being experts?

There are always limited resources, which means as a product owner you can never fight on all fronts. But with some good analysis, you can choose your battles wisely and win them. ☘

Cindy Alvarez consults with startups who need product management expertise but are not ready to hire a full-time product manager. She blogs about product management and user experience at The Experience is the Product (<http://www.cindyalvarez.com>) and runs the Smarter Product Managers book club (<http://groups.google.com/group/smarterproductmanagers>).

(Continued from page 1)

Six Questions

"Vision is the art of seeing things invisible," observed the English writer Jonathan Swift. The product vision paints a picture of the future that draws people in. It describes who the customers are, what customers need, and how these needs will be met. It captures the essence of the product – the critical information we must know to develop and launch a winning product. Developing an effective product vision entails carefully answering the following questions:

1. Who is going to buy the product? Who is the target customer? Who is going to use the product? Who are the users?
2. Which customer needs will the product address? What is the product's value-added?
3. Which product attributes are critical to address the customer needs selected, and therefore for the success of the product? In which areas is the product going to excel?
4. How does the product compare against existing products, both from competitors and the same company? What are the product's unique selling points? What is its target price?
5. What are the sources of revenue and what is the business model?
6. What is the target timeframe and budget to develop and launch the product?

Answering these questions gives us the information to

create a business case. It allows us to decide if and how the project should proceed.

Creating the Product Vision

Since the Product Owner is responsible for the success of the product and its return on investment (ROI), the individual should lead the vision-creation activities through close collaboration with the team. For innovative projects, this team may include business and technical people; for instance, marketers, product and user interface designers, and developers. The more innovative and complex the product is, the more functionality is provided, the more effort is required to create it. For new-product development projects and major product updates, market research and prototyping activities are usually carried out. Since it may take several weeks or even months to compile the relevant information in this case, running one or more sprints is the best way to carry out the visioning work. Contrast this with a small product update or a maintenance release where creating the vision may only take a few hours or days.

The Heart of the Product Vision

At the heart of the product vision is the description of the selected customer needs and the necessary product attributes meeting those needs. This requires that we first select our target customers and then the relevant customer needs, thereby deciding which market or market segment the product is going to address. Then we identify the product attributes, those critical high-level requirements the product must fulfill to meet the needs.

(Continued on page 8)



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(Continued from page 7)

Product attributes typically comprise both non-functional and functional requirements. Non-functional requirements include performance, robustness, and usability requirements. Functional requirements describe specific product functions or features, for instance making a call or sending an email. The product attributes serve as a guide for the team; they constrain the solution space – the set of all possible solutions.

Describing product attributes at the right level of detail is a balancing act that requires close collaboration between the Product Owner and the team. Under-specifying attributes causes a lack of guidance and direction. Over-specifying product attributes results in making decisions earlier than necessary and negatively impacts the team's creativity. The techniques useful to describe attributes include personas and scenarios, use cases, and user stories.

Desirable Qualities

Like any important goal, a good vision equally appeals to our intellect and to our emotions. It should motivate and inspire people. The product vision should be shared and unifying; clear and stable; broad and engaging; and short and sweet.

Shared and Unifying

Everyone involved in the development effort must buy into the vision: Product Owner, ScrumMaster, team, management, customers, users, and other stakeholders. A shared vision creates alignment and unifies everyone involved in the development effort. It facilitates effective teamwork and enables team learning. Involving the entire Scrum team and the stakeholders in creating the vision facilitates buy-in and the creation of a shared vision.

Clear and Stable

The product vision must be clear and easy to understand to create alignment and a common purpose, and to avoid misinterpretation and confusion (Lynn&Reilly 2002). The English term vision is derived from Latin visio, which translates to "seeing, view, notion, idea." The product vision should hence allow us to see the future product. The vision should not be fuzzy or hazy. Vision changes, particularly with regards to customer needs and critical attributes, can cause confusion, de-motivation, and project failure. Small adjustments are usually fine, as long as the product's value proposition stays the same.

(Continued on page 9)

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(Continued from page 8)

Broad and Engaging

The product vision should describe a broad and engaging goal: a goal that guides the development effort but leaves enough room for creativity; a goal that engages and inspires people, fosters creativity, and generates buy-in.

Short and Sweet

The product vision should be brief and concise (Pichler 2008). It should contain only information critical to the success of the product. The blockbuster products researched by Lynn&Reilly (2002), for instance, had visions with no more than six product attributes. The product vision is, therefore, not a feature list and should not provide unnecessary detail.

The Elevator Test

The classic way to validate the product vision is to answer the elevator test: "Can you explain your product in the time it takes to ride up in an elevator?" Moore (2006, p. 152). Passing this test ensures that your product vision is clear, engaging, and brief (assuming we ride up a building with the right height and don't get stuck). Notice that the elevator test does not tell us if we have selected the right customer needs and the right product attributes; only early customer feedback can do that.

Summary

An effective product vision guides the Scrum team and aligns stakeholders and customers. Spending time and money to have a shared, stable and clear vision in place is a worthwhile investment. The trick is to spend just enough time in visioning – as little time as possible but as much as required; to use Scrum to create the

vision; and to ensure that as many of the team members involved in the vision creation as possible also transform it into the actual product. ☘

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(Continued from page 1)

Seoul in 1988. During the past eight years at Vocera, Brent identified the target market for the company's innovative VOIP over WiFi technology, helped develop its business plan, shifted its focus to address vertical markets, and led the product vision. Vocera now has 140 employees and its technology is deployed at over 600 hospitals.

Brent pointed out that being a product manager is a lot like being a CEO but on a smaller scale. As a product manager, you run your own little business. You have a product council to which you answer, you have to understand the business case, focus on what drives revenue, balance priorities and resources, and even seek funding for your projects. This is analogous to being responsible to a board of directors for the company, having a business plan, prioritizing and allocating resources, and, in a start-up, raising money for the business. Similarly, you have to lead through influence. Even as CEO, although you have the power to dictate, you must motivate your staff by setting the vision. As a product manager you need to get everyone on your team to represent the best interest of the product, while as a President, you must get the e-staff to prioritize the company's success over their department goals.

There are also some differences, product managers are much closer to the product and the technology, can be more focused, and it is easier to set priorities. The CEO is spread across more disciplines and faces more distractions such as cash position and board opinions. Mr. Lang also commented that product management is definitely more fun.

The key skills that are important to develop as a product manager and will translate to a CEO role are:

Listening – Product managers must be a funnel for the market and identify patterns in their research.

Consensus building – This is a necessary skill for any team and cross functional effort.

Leading with a vision of the future - A feature list will not motivate. The product manager must paint a picture of why the features matter.

Trusting – When there is disagreement, trust that the intentions of your co-workers are in the best interest of the company and focus on figuring out why they are reaching a different conclusion.

Influence – Product managers, like CEOs, must lead through influence and motivation.

Selling – The CEO is always selling the board, employees, and investors much like the product manager is always selling the development team, the executive

team, and customers.

Making tough tradeoffs and setting priorities – Product managers and CEOs must balance limited resources and focus on the priorities that will yield the highest return.

Time management – Product management is a high intensity job that requires you to stay on top of important details to succeed.

Knowing how the business makes money – Understand all components of revenue such as subscription, capital, maintenance, etc.

Drawing upon Patrick Lencioni's work "The Five Temptations of a CEO," Mr. Lang cautioned to avoid choosing:

- **Status over results** – It's not about your reputation but about doing the right thing for the company
- **Popularity over accountability** – If your staff loves you, you have a problem
- **Certainty/accuracy over clarity** – Avoid trying to gather more and more data when you have enough to set your course in the right direction. You will learn the rest on the way.
- **Harmony over productive conflict** – If you don't foster constructive conflict, you will identify convenient answers but miss the best answers.
- **Invulnerability over trust** – When was the last time you admitted you were wrong? You must open yourself up to get to the right answer.

In closing, Brent discussed some lesson learned along the way. Your first priority should always be to build strong relationships. The voice of the customer is king at all levels of the organization, and you should start acting like the CXO today. He also reflected on his Olympic swimming career stating that life is a marathon and not a sprint. Although the 50m race is a 20 second event, to succeed requires 20 years of preparation for five hours per day. You cannot predict when you will see your time drop. You just have to show up everyday and put in your best. But you do need to know where you want to go and manage your time effectively to get there. ☘

Greg Cohen is a principal consultant at the 280 Group (www.280group.com) and on the board of the Silicon Valley Product Management Association. He has over a decade of product management and marketing experience, including Software-as-a-Service, channel sales, open source software, and agile development. Greg can be reached at greg@280group.com.