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Product Development

What It Takes to Become a Great Product Manager

by Julia Austin

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Because I teach a course on product management at Harvard Business School, I am routinely asked, "What is the role of a product manager?" The role of product manager (PM) is often referred to as the "CEO of the product." I disagree because, as Martin Eriksson points out, "Product managers simply don't have any direct authority over most of the things needed to make their products successful — from user and data research through design and development to marketing, sales, and support." PMs are not the CEO of product, and their roles vary

widely depending on a number of factors. So, what should you consider if you're thinking of pursuing a PM role?

Aspiring PMs should consider three primary factors when evaluating a role: **core competencies**, **emotional intelligence (EQ)**, and **company fit**. The best PMs I have worked with have mastered the core competencies, have a high EQ, and work for the right company for them. Beyond shipping new features on a regular cadence and keeping the peace between engineering and the design team, the best PMs create products with strong user adoption that have exponential revenue growth and perhaps even disrupt an industry.

Core Competencies

There are core competencies that every PM must have — many of which can start in the classroom — but most are developed with experience, good role models, and mentoring. Some examples of these competencies include:

- conducting customer interviews and user testing
- running design sprints
- feature prioritization and road map planning
- the art of resource allocation (it is not a science!)
- performing market assessments
- translating business-to-technical requirements, and vice versa
- pricing and revenue modeling
- defining and tracking success metrics

These core competencies are the baseline for any PM, and the best PMs hone these skills over years of defining, shipping, and iterating on products. These PMs excel at reflecting on where each of these competencies have contributed to the success or failure of their

products and continuously adjusting their approach based on customer feedback.

Emotional Intelligence

A good PM may know the dos and don'ts of a customer interview, but the best PMs have the ability to empathize with customers in that interview, are tuned in to their body language and emotions, and can astutely suss out the pain points that the product or feature will address. A PM with a high EQ has strong relationships within their organization and a keen sense of how to navigate both internal and external hurdles to ship a great product. Here's a deeper look at how the four key traits of EQ, as defined by Daniel Goleman, relate to the PM role:

Relationship management. Probably one of the most important characteristics of a great PM is their relationship management skills. By forming authentic and trustworthy connections with both internal and external stakeholders, the best PMs inspire people and help them reach their full potential. Relationship management is also vital in successful negotiation, resolving conflicts, and working with others toward a shared goal, which is especially challenging when a PM is tasked with balancing the needs of customers, resource-constrained engineering teams, and the company's revenue goals. Authentic and trusting relationships within an organization can lead to more support when additional funding is needed for a product or when an engineer must be swayed to include a quick bug fix in the next sprint. Outside an organization, these skills could encourage existing customers to beta test a new feature for early feedback or to convince a target customer to try the MVP of a product still in stealth mode. These relationship skills can also be what makes the difference between having irate customers because of a bug introduced into the product and those who say, "No worries, we know you'll fix this!"

Self-awareness. PMs must be self-aware so as to remain objective and avoid projecting their own preferences onto users of their products. If a PM is in love with a feature because it addresses their own pain points — PMs are often super-users of the products for which they are responsible — they may cause a user to say they love it too, just to please the PM ("false-positive feature validation"). If not self-aware, a PM may push to prioritize a feature they conceived even when all the customer interviews and evidence are stacked against it. This lack of self-awareness could derail more-important priorities or damage the PM's relationship with engineers, who may lose confidence in their PM when the feature isn't readily adopted by users.

Self-management. Being a PM can be incredibly stressful. The CEO wants one thing, the engineering team another, and customers have their own opinions about feature priorities. Managing tight deadlines, revenue targets, market demands, prioritization conflicts, and resource constraints all at once is not for the faint of heart. If a PM cannot maintain their emotions and keep it cool under pressure, they can quickly lose the confidence of all their constituents. The best PMs know how to push hard on the right priorities, with urgency but without conveying a sense of panic or stress. These PMs also know when to take a breath and step away to regroup.

Social awareness. According to Goleman, the competencies associated with being socially aware are empathy, organizational awareness, and service. PMs must understand customers' emotions and concerns about their product as much as they understand the concerns of the sales team on how to sell that product, or the support team on how to support it, or the engineering team on how to build it. PMs have to have a deep understanding of how the organization operates and must build social capital to influence the success of their product, from obtaining budget and staffing to securing a top engineer to work on their product. Finally,

social awareness ensures the best PMs service their customers with a product that addresses their jobs to be done, which is ultimately what drives product-market fit.

(Read more about what Paul Jackson has to say about EQ and PMs here. And here's an interview with Sam Lessin, former VP of product management at Facebook, who says he has "never successfully trained empathy.")

Company Fit

If the best PMs have well-developed core competencies and a high EQ, does that mean they are destined for success no matter where they work? Not necessarily. In fact, taking these skills and personality traits and applying them to the right company is what will ultimately guarantee success.

I have yet to see a standard job description for a product manager, because each role is ultimately defined by the size, type of product, stage, industry, and even culture of the company. If you possess the core competencies and high EQ needed to be a successful PM, the next step is to unpack who's hiring and what they are truly looking for.

Here are a few of the key areas in which companies differ in what they want from a PM:

Technical skill. The type of product, who uses it, and the type of company will determine how technical a PM needs to be. For example, Google requires PMs to pass a technical skills test regardless of what product they'll work on. If the company is building a SaaS CRM, there may be more requirements around experience with go-to-market and customer life cycles than around how the product is built. By contrast, if it's a data science product with machine-learning algorithms

and APIs, the role may require a lot more technical depth to not only understand how to build the product but also how to talk credibly with the customers who will use it. That said, having a basic technical understanding of what is under the hood and mastery of the tools that PMs use is definitely important for the role, anywhere it is. Colin Lernell has more to say about these necessary skills here. If you are an aspiring PM and are concerned that you lack the basic tech skills for the role, you might consider taking online courses such as the renowned Introduction to Computer Science (CS50) course offered by Harvard University or one of the many intro and advanced technology courses offered by The Flatiron School.

Company philosophy about PM. Every company has a different philosophy about the product development process and where PMs fit into that process. Below are the three most common types, with pros and cons:

- **PM drives engineering.** This is a "throw it over the wall" approach, where PMs gather requirements, write the quintessential product-requirements document, and hand it off to engineering to spec out the technical requirements. Contemporary organizations may do this process in a more agile and collaborative way, but the expectation is that PMs know best about what customers need and engineering is there to serve.
  - Pro: Engineering can focus on coding without a lot of distraction; this tends to work well for waterfall development shops with long life cycles.
  - Con: Engineers lose sight of the big picture and do not develop empathy for customers, which can lead to a poor user experience. Often there are unhealthy tensions when technical debt and "plumbing" work needs to be prioritized over customer requirements.

- **Engineering drives product.** Companies that make more-technically-oriented products (such as cloud, big data, and networking services) tend to be engineering driven; engineers advance the science in their domain and PMs validate solutions or create front-end access points (UIs, APIs) to tap into this new technology. There can be a collaborative relationship and feedback loop between customers, PMs, and engineering, but typically PMs are serving engineering in these companies.
  - Pro: Breakthrough technology can offer customers things they didn't even know they needed. VMotion at VMware was a great example of this. An engineer thought it would be cool to do, a PM figured out how to monetize it, and it became a billion-dollar game changer for the company.
  - Con: Engineers chase the shiny new thing, over-architect the solution, or iterate forever, seeking perfection before getting customer feedback. PM input on priorities is ignored, which sometimes includes the most-basic needs of customers.

- **The PM-engineering partnership.** In these cases, there is a strong yin-yang between PM and engineering, with joint discovery, decision-making, and shared accountability. Engineers join PMs in customer interviews, and PMs are in sprint meetings to help unblock tasks or clarify requirements. But the two roles respect the line where one starts and the other stops. PMs understand what's being coded but don't tell engineers how to code, and engineers have empathy for customers' needs but leave the prioritization to the PMs.
  - Pro: A streamlined prioritization process that values technical debt and plumbing projects; better design processes leading to a more positive user experience; higher-performing teams with improved product velocity, quality, and, typically, happier customers.
  - Con: Breakthrough innovation may not get greenlit; time-to-market may seem to lag (though I'd argue that what's released is

far better aligned with customer needs and more likely to successfully scale).

I'm clearly biased in favor of the third type of philosophy about PM (as is venture capitalist Fred Wilson), as I've experienced all three and found the yin-yang to be most effective. But that's not to say the others are notably bad — it really depends on what type of product you're building, the company stage, and more. Regardless, when considering a PM role, the philosophy of PM at the company could be the deciding factor on fit for the role.

Stage of company. The role of the PM at a startup is far more likely to be responsible for "all the things," whereas at a mature company their role will be more distinctly defined. (Banfield, Eriksson, and Walkingshaw's book *Product Leadership* has a section that has a lot more detail on this topic.)

- **Startup.** Beyond discovery, definition, and shipping, PMs may also be responsible for pricing, marketing, support, and potentially even sales of the product. These PMs thrive in a scrappy environment and are comfortable with ambiguity and frequent changes to direction as the company works toward product-market fit and learns to operate at scale.
  - Pro: PMs are likely to be more involved with company strategy, get exposure to senior leadership and the board, are able to take more risks, and make a bigger impact. They also have more influence and authority over company resources.
  - Con: There's typically little to no mentorship, role models, or best practices within the company. (You may have to seek it externally.) Budgets are typically tight, and PMs may not have the requisite experience to succeed at some of the things they're tasked to do.

- **Mature company.** The PM may have a narrower scope and have coworkers who handle pricing, go-to-market strategies, and so on. And they are likely to be part of a larger team of product managers.
  - Pro: PMs are more likely to have mentoring and role models, as well as development standards and best practices. Close association with an engineering team can create strong relationships over time, which is great for long-term impact and career growth. And if the product has market fit, there is an established customer base and performance baseline to work from, versus guessing until you get it right.
  - Con: PMs have less exposure to company strategy and are just one of many voices of the customer. They can get "lost" in the system and have to deal with more politics and tight budgets.

Founder/CTO/CEO relationship with PM. Especially in earlier-stage companies, it's important to know how involved the founder/CEO/CTO is in the product process. If they are deeply involved, the PM role may play more of a support role, to flesh out their ideas or validate concepts with customers, versus conceiving and driving ideas of their own. This can be great fun for some PMs who enjoy partnering with founders and C-level executives and collaborating on the product evolution. But for other PMs, it can be very frustrating if they prefer to take more ownership of the product direction. It can also be challenging if the more technical founders or C-levels prefer working directly with engineers. This can leave PMs out of the loop or undermined (sometimes unintentionally), causing not just personal frustrations but delays. When considering a PM role that may work closely with the founding leadership team, be sure to find out their expectations of the PM function and decide whether this is the right fit with your interests.

There are, of course, many other factors to consider for any role, such as the type of product you are building (B2B, B2C, industry), the people

with whom you'll work, the overall company culture (diverse, inclusive, flexible work hours, remote culture), and, of course, the compensation and benefits. There are also lots of articles on hiring product managers to get perspective on what the hiring managers are looking for — I especially recommend my friend Ken Norton's piece "How to Hire a Product Manager." However, if you are striving to be a great product manager, consider all of the above before signing on to your next gig. Developing core competencies will be an ongoing activity throughout your career, and leveraging EQ will ensure a more positive experience. But where you work, how they work, and who you work with and for will ultimately determine your long-term success.

A version of this article first appeared on the author's website.

Julia Austin is a senior lecturer at Harvard Business School and serves as a director, adviser, and executive coach to a number of early-stage companies.

