# Lab: Review a Product Development Scenario

**Overview:**

In this lab, you will review a scenario with the goal of defining the role of a product manager and creating a list of skills required for the product manager working in the given scenario. You are also given a comprehensive list of skills in the attached Excel spreadsheet, from which you can select the skills that you think the product manager will require.

**Scenario:**

You are a product manager at Heavy Auto Manufacturer, Inc., working on a new AI feature for semi-trucks. Your company specializes in developing trucks that have automatic controls. For example, some of the vehicles have automatic braking systems that intervene when a vehicle gets too close to the truck and adjusts speed based on distance and weight.

The CEO asks the VP of product development to develop a product that will help the company stand out from the competition. He’s friends with some professors at the state college, and they have been working on AI technology that enables automated controls. The first area they want to target is the fuel system. The idea is to reduce fuel consumption and regulate the amount of fuel the truck needs based on current conditions rather than a constant supply of fuel. The AI system would inform the driver how to steer the vehicle based on conditions and have a feature where the system takes more control. They have discussed the possibility of testing the system on their trucks and possibly integrating it into their systems, depending on how the testing goes. If it is a success, Heavy Auto Manufacturer, Inc. has a chance to lead the market for AI and trucks.

You are the product manager, and before you get to work, you need to figure out what’s needed to get the project off the ground. You will be responsible for the product level and have the opportunity to work with another senior product manager who thinks more at a strategic level.

**Exercise:** Define the role of a product manager and create a list of skills required for the product manager working in the given scenario.

**Step 1:** Review the given scenario and list at least 2 items for each of the following:

Risks you will face:

* Technological Feasibility: The AI system for fuel regulation and automatic control might face unforeseen challenges in terms of technology, integration with existing systems, or accuracy in predictions.
* Regulatory Concerns: With AI systems in trucks, there could be legal or regulatory barriers related to safety, testing, or compliance with transportation laws, which could delay or prevent market entry.
* Integration Challenges: Ensuring seamless integration of the new AI fuel system with the existing truck systems and infrastructure might be more complex than anticipated.
* Customer Adoption: Even if the technology works well, there may be resistance from truck drivers or fleet owners who are hesitant to adopt new technology, especially when it comes to autonomous control features.
* High Development Costs: The cost of research, development, and testing could exceed initial estimates, especially with complex AI technology, which may impact profitability or delay the product timeline.

Rewards you will get:

* Market Leadership: If successful, Heavy Auto Manufacturer could establish itself as a leader in AI technology for the trucking industry, Setting a benchmark for future innovation.
* Improved Operational Efficiency: The AI feature could reduce fuel consumption, improve driver safety, and reduce operational costs, making the product more attractive to customers.
* Increased Market Share: If the AI system proves effective and reliable, it could attract a larger share of the semi-truck market, increasing sales for Heavy Auto Manufacturer.
* Customer Loyalty: Offering a groundbreaking AI-powered fuel-saving feature could create strong customer loyalty, as it would directly address pain points like fuel inefficiency and operational costs.
* Technology-Driven Differentiation: Positioning the company as a technological innovator in AI and autonomous driving systems for trucks could create long-term brand value and set it apart from competitors.

Challenges you will face:

* Cross-Functional Coordination: Coordinating with engineers, AI experts, and external parties (such as university professors) to align on technical requirements and development could be complex.
* Managing Stakeholder Expectations: Balancing the CEO’s high expectations, the VP’s strategic input, and the product team’s technical constraints could lead to misalignment in project scope, timeline, and outcomes.
* Balancing Innovation with Reliability: Ensuring that the AI system is not only innovative but also highly reliable and safe for real-world truck operations is a key challenge.
* Testing At Scale: Conducting real-world tests with a fleet of trucks that are large enough to validate the system under varied conditions, while ensuring safety and minimal downtime, will require careful planning.
* Managing the AI Learning Curve: The system will need to continuously improve its decision-making capabilities through machine learning, and managing its iterative process could be time-consuming and require ongoing adjustments.

People with whom you would need to collaborate:

* Senior Product Manager: Collaborate with the senior product manager to ensure that the product vision aligns with the company’s strategic goals and long-term direction.
* AI Experts/Researchers: Work closely with the professors and the technical team developing the AI algorithms to ensure they understand product requirements and real-world applications.
* Engineering Team: Regular collaboration with engineers will be crucial for integrating the AI system into the truck’s existing infrastructure.
* Legal and Regulatory Team: Work with the legal team to address regulatory concerns and ensure the product complies with industry standards and safety regulations.
* External AI Consultants or Universities: Collaboration with external experts from the state college or other AI institutions may be essential for development and research.
* Supply Chain Team: To ensure that any hardware or modifications required for the trucks are sourced and implemented efficiently.
* Marketing Team: Work with the marketing department to develop go-to-market strategies and clearly communicate the benefits of the new AI system to customers.

Scope of your work:

* Product-Level Management: Oversee the entire product development process, from ideation to testing, focusing on the AI system’s functionality, integration, and user experience.
* Collaboration with Stakeholders: Communicate across teams, managing the flow of information between technical teams and non-technical stakeholders.
* Testing and Evaluation: Manage the testing phase to ensure the AI system meets the required standards for safety, fuel efficiency, and usability.
* Feature Prioritization: Determine the most essential features of the product and prioritize them for development to ensure a successful launch.
* AI System Development Oversight: Oversee the development of the AI system’s algorithms, user interface, and integration with the trucks, ensuring that the feature is developed to meet both technical and customer needs.
* Customer-Feedback Integration: Implement a system for gathering feedback from test drivers or early adopters and use that data to improve the product.
* Regulatory Compliance: Ensure that all regulatory requirements for AI-powered vehicles are met, from safety protocols to environment standards, before launch.

**Step 2:** Identify the skills that you think would be most applicable for you as a product manager working on this project. You can select skills from the list below. (Feel free to add your own skills too.)

**Product manager skills list:**

* Collaboration: Work closely with cross-functional teams, including AI researchers, engineers, and the senior product manager.
* Scoping and prioritization: Define the scope of the project and prioritize tasks to ensure the product delivers value on time.
* Engineering: Basic understanding of engineering principles and AI systems to work effectively with the technical team.
* Operations
* Market research
* Focus groups
* Marketing
* Reliability engineering
* Quality systems management
* Relationship building techniques
* Testing: Ensure rigorous testing of the AI system and its integration with the trucks to ensure its functionality and safety.
* Change management
* Product lifecycle management: Manage the product from ideation through to testing and launch, overseeing all phases of development.
* Sales
* Advertising
* Artificial Intelligence and data analytics: Knowledge of AI technologies, especially in the context of automated control systems and data-driven decision-making.
* Assembly
* UX (User Experience) Design
* Business Acumen
* Analytical Skills: Assess the effectiveness of the AI system in terms of fuel savings, user experience, and system performance.
* Strategic Thinking: Align the product with the company’s long-term strategy and ensure that it provides a competitive advantage in the market.
* Communication Skills: Effectively communicate technical concepts to non-technical stakeholders and manage expectations across teams.
* Project Management Skills: Oversee timelines, budgets, and deliverables, ensuring that the project progresses smoothly.

**Additional Skills to Consider:**

1. **Risk Management**: The ability to identify, assess, and mitigate potential risks is crucial, especially with new technologies and uncertain variables such as regulatory challenges or unforeseen integration issues.
2. **Customer-Centric Mindset**: Understanding the specific pain points of truck drivers, fleet owners, and other stakeholders is essential for creating a product that genuinely addresses their needs and enhances user experience.
3. **Negotiation Skills**: The ability to negotiate with external partners, suppliers, or even regulatory bodies could help move the project forward smoothly. This could also be useful when discussing terms with the university or AI experts involved.
4. **Budgeting and Financial Management**: Strong financial acumen is required to manage the project budget, ensuring that the AI development costs, testing, and implementation stay within reasonable bounds, balancing innovation with financial feasibility.
5. **Change Management**: As the project progresses and the company adopts new technologies, it will be essential to manage the organizational change and ensure that employees and stakeholders are aligned with the new direction.
6. **Decision-Making Under Uncertainty**: Since this is a pioneering project involving new AI technology, the product manager will likely need to make decisions with incomplete information, requiring good judgment and the ability to act decisively.
7. **Supply Chain Management**: Given the physical nature of the product (trucks), it may also be important to manage the sourcing and delivery of parts, components, or systems that will be used in the AI system.
8. **Ethics and Data Privacy**: As AI involves data collection and potentially sensitive information (e.g., vehicle behavior, driving patterns), an understanding of data privacy regulations and ethical AI use is becoming increasingly important.
9. **User Training and Documentation**: The product manager may need to ensure that clear user guides, training materials, and support structures are in place for drivers, fleet managers, and other users who will interact with the new AI system.
10. **Vendor Management**: If the project involves third-party vendors (for AI software, hardware, or data), managing those relationships and ensuring their deliverables meet project standards is another key responsibility.