

Chapter 3:

PRODUCT MANAGEMENT VS. PROJECT MANAGEMENT

The Internet Changed This Too

In the previous chapter, I wrote about how important it is to clearly distinguish the roles of product management and product marketing. Many companies suffer from another related problem: when the roles of product management and project management are combined.

The reason so many Internet companies still define product management as including project management is because many of our practices came from the shipped software world. In the shipped software world (such as the *Office* software products from Microsoft became famous for), it is common to have product managers cover the project management role. However, while it might work for shipped software, this approach just doesn't migrate well to the Internet.

To understand why, first a little bit of Internet history. When Internet services came about, around 1996 or so, at first we struggled with whether to continue to call ourselves product managers, because things like a travel Web site seemed more service-oriented than a traditional shipped software product. But we quickly got over that.

We initially tried to continue having the product manager cover

the project manager role. Early internet companies like Netscape and Yahoo! tried this approach but they ran into a problem: in the shipped software world, the product was generally packaged as a self-contained unit, with one release package serially following another often months or even years later. So the product generally was in the same granularity and frequency as the project, making it relatively easy for the product manager to double as the project manager. But in the Web services world, this model breaks down.

Most Internet service companies found that they needed to make more frequent, smaller releases to a larger common code base. And since a typical project required more work than a release interval (usually ranging from weekly to monthly), this quickly turns into parallel development and the *software train model* of releases. Most Internet companies beyond the startup phase use this train model.

The train model is really a topic unto itself. The most important point for this book is that a train requires active and strong project management which is not tied to specific projects, but rather to the release as a whole. A train typically contains features from many projects and product managers, and it has significant coordination requirements such as release management, engineering, site operations, customer service, and product management. Some Internet companies refer to the project manager of a release train as the train's *conductor*.

If you use the train model, and you have project managers dedicated to the release trains, you generally don't need product managers to cover project management too.

Back to the history lesson. As the release process at companies like Yahoo!, Netscape, AOL, and others became more sophisticated as the products and sites grew, the project management responsibilities were untangled from the product management role, and all of these companies developed very strong and dedicated project management competencies. Many newer Internet companies such as eBay and Google could not release the quantity and quality of software they

do without their very strong project management team spanning product management, engineering and site operations.

Long story short, for Internet services companies, it is important that the roles be separate. You'll thrash in release management if you don't, and releases will consistently be delayed and take longer than they should.

If you are creating shipped software, I still think it's useful to separate the roles. This is more due to the nature of product management, which is all about discovering a product that is valuable, usable and feasible; versus project management, which is all about executing to deliver that product.



What Makes A Great Project Manager?

Look at any successful company and you'll find a set of people who stand out and are the ones that really make the difference from other companies. It may be the difference between a great product or a terrible one. Or the difference between getting the business partnerships the company needs to reach its customers or getting lost in obscurity. Or the difference between getting the product out or having it stuck in perpetual delays.

eBay is by anyone's definition a very successful company, and it has some extremely strong people in each of these areas and more.

eBay has a very unusual product development process, but three key characteristics of this process stand out: it is extremely productive, extremely demanding, and it is a process predicated on an extremely strong project management competency.

The person that established this project management competency for eBay was Lynn Reedy, the very best project management mind I've ever had the privilege of working with. Before I joined eBay I thought I was pretty good at project management, but she showed me where the bar really was.

In some companies (much of Microsoft for example), the product

manager is also responsible for running some or all of project management. I believe that developing strong project management skills is a big advantage for product managers. At the very least, your product will get to market faster, and—ultimately—it could make the difference between getting your product shipped at all. However, I also argue that the product manager and the project manager should be separate roles.

I think most people equate project management with *Microsoft Project*. But this is missing the real point of project management. Here are the seven skills that I think characterize great project managers like Lynn:

Sense of urgency. Just by walking into the room Lynn would instantly convey a sense of urgency. Pre-meeting banter was maybe 60 seconds, and then it was down to business. Partly this was due to her unique diet of sugar and caffeine, but in fact a sense of urgency—and efficiency—is at the heart of the eBay culture and was best personified by Lynn.

Framers. There are so many reasons for aimless, unconstructive meetings, but one of the biggest culprits is that it's not always clear to the participants exactly what the purpose of the meeting is, what problem is to be solved, and what the specific issues or obstacles are. Great project managers understand how to clearly and concisely identify and frame problems and run constructive meetings.

Clear thinking. The typical business issue generally includes multiple underlying causes with a healthy dose of politics, personal agendas and personalities thrown in. This results in a murky confusion that if left unaddressed, delays development progress. The project manager needs to isolate the separate issues, and untangle the emotion and baggage to expose the underlying problem and get everyone focused on pursuing the solution.

Data driven. Great project managers understand the key role that data plays in informing them about precisely where they are and where they need to go. They are constantly looking to improve the product development process and the result, and they know this begins with measurement. It is all too easy to just shoot from the hip—especially in time-sensitive situations—so it's essential for the project manager to insist on the data to make sure the decisions are made with the facts behind them.

Decisiveness. In most organizational models, the members of the product team don't actually report to the project manager, yet he or she must drive decisions. This is where the project manager must

communicate the sense of urgency, clearly frame the problem, have rational and transparent reasoning, and make decisions based on the data. The project manager also needs to know when it is appropriate to collect data and recommendations from the team, and when to escalate issues to senior management.

Judgment. Much of the above hinges on good judgment—knowing when to push, when to escalate, when to get more information, and when to take someone aside and have a little private chat. This trait is harder to teach, but experience can help.

Attitude. Finally, there are always hundreds of very valid reasons why a product isn't ready to ship—not enough resources, not enough time, not enough money, etc. The job of the project manager is to get over each and every one of these obstacles. At their core, great project managers are great problem solvers. The great project manager doesn't make excuses, she makes it happen. She is tireless and unstoppable.

I truly believe that eBay would not be the success it is today without the project management discipline Lynn brought to the company and the culture.