



Product Manager or Project Manager – Do you know? Does it Matter?

Are you a Product Manager or are you a Project Manager? Does it even matter? In recent weeks, I have had some very candid discussions with clients and companies who are considering adding consulting expertise to their current product management function. The dilemma for these companies who are looking to “insource” this function is discerning whether or not consultants, who traditionally have Program and Project Management expertise, can lead and manage product development, new product introductions, product sales or product marketing initiatives. Can they bring the requisite expertise and do they have the right tools? As the product lifecycle has shortened and the number of products that an organization can offer has increased (take web products and services for example), product management resourcing has become an acute issue.

The definition of a product manager or product management has not changed but the products that an individual can manage have. The web product managers today use tools and platforms like viral marketing, and social media to develop products in days, if not hours. They draw ROIs and business cases on napkins, and can provide detailed market analysis based costs per click, and average revenue per user. Still, these product managers must understand their product’s lifecycle, manage product feature development and testing, build out the optimal distribution channels, and continue to meet the customer/consumer wants and needs.

A close friend of mine currently works for a global products conglomerate as a product/brand manager. His company designs, creates, manufactures and distributes consumer goods that you see on the shelves of Wal-Mart and Target – tangible goods like paper towels and razors. I asked him what it meant to be a product manager in a products company. He had some great insight and thoughts on some of the key differentiators that make an excellent product manager, which I have incorporated here to create what we defined as the three pillars of a great product manager.

Customer/User Focus

A product manager must always focus on and understand how consumers benefit from his company’s product. He must also understand the competitive environment and how product price is another attribute that must match the target consumers’ needs. Software and internet product managers talk a lot about the “user”. You have to know your users. Market research companies have come up with some names for target demographics (soccer moms, technophiles, Gen X), but at the end of the day, whatever you want to call them, you have to know your customers, current and future. I

don't believe the old adage, "The Customer is King" is applicable here, but it's close – in fact, the customer might not know that he needs or wants a product yet, like a \$4.00 Starbucks latte.

Distribution Knowledge

In the modern retail environment, you have to understand how your product packaging stands out on the physical or virtual shelf – "Design is becoming the new point of differentiation". A great product manager needs to know how to position his product on the "shelf" so that it sells or is used. What are the key terms and phrases (Adwords for all you Googlers and internet marketers) that will "wow" people (99.9% accurate pregnancy test or 5 Signs of Cleanliness) about your product? On Facebook, how does your game compare to other games on that platform – how is it positioned or distributed? What is your product ranking on a Google or Yahoo search page?

Visionary

The highest quality product managers seem to always look beyond their focus category or competitors. These folks seem to possess a thirst for knowledge, design, and innovation across other products/services and will always look to see how these things can be applied to improve their respective products. True thought leadership is founded in the ability to look beyond current conventional wisdom and be inspired by all aspects of creativity. Visionary product management means creating or borrowing ideas from anywhere in order to create new and innovative perspectives.

Does It Matter?

So, do Project and Product Managers have the same skill set? Is there any overlap? Here are my answers: No, and yes, a little. Product managers still need to lead and manage multiple projects in order to bring a product from ideation to operational support and ultimately retirement (cradle to grave). They need Program and Project Management skills to effectively manage multiple initiatives – skills that most good consultants possess.

Can a Project Manager be a Product Manager? It really depends on the individual. Companies need to evaluate the individual's ability to quickly build the three product manager pillars or establish that the individual currently possesses these traits. People with engineering backgrounds do really well as product managers because they are usually well trained in process and have the ability to decompose and understand the technical aspects of a product very quickly. This is not to say English majors can't be product managers. Industry background and functional knowledge help tremendously in product management as well. There is definitely overlap between the Program and Project Management expertise of consultants and Product Management, but at the end of day you need to search out those individuals that possess a combination of both and the three product manager pillars mentioned earlier.

Please send me your feedback – I would love to hear from you and continue the discussion.

About the Author

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This article was first published on www.michaelskenny.com on July 13, 2010.

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