



Overcoming Common Product Planning Problems

*Presentation for the Northern
California Chapter of the PDMA*

For further information,
please contact:

Eric Finch, Director
Worldwide Software Practice
Pittiglio Rabin Todd & McGrath
1503 Grant Road, Suite 200
Mountain View, CA 94040
Tel: 650 864-3535
Fax: 650 967-6367
efinch@prtm.com

October 15, 2003

Pittiglio Rabin Todd & McGrath



What we will cover today

Introduction to PRTM

- ◆ Who We Are
- ◆ What We Do

Common Product Planning Problems and Their Impact

- ◆ What Are The Symptoms of a Weak Planning Process
- ◆ What Are The Root Causes

A Process Framework for Product Planning

- ◆ The Five Key Elements of Product Planning
- ◆ The Eight Key Sub-Processes

Best Practice Approaches to Common Problems

- ◆ Practical Solutions to Common Problems

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Introduction to PRTM

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Common Planning Problems and their Impact

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A Process Framework for Product Planning

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Best Practice Approaches to Common Problems

PRTM is a global management consulting firm dedicated to quality results

Founded in 1976, PRTM has 14 worldwide offices and over 400 experienced consultants

We have completed over 6,000 successful projects for more than 1,200 satisfied clients—our level of repeat business is over 90%

Our consultants are seasoned professionals with industry experience, technical backgrounds, and MBAs from top-tier schools



North America

Addison, TX
Costa Mesa, CA
Mountain View, CA
Rosemont, IL
San Francisco, CA
Southfield, MI
Stamford, CT
Waltham, MA
Washington, D.C.

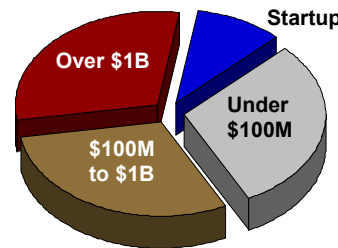
Europe

Frankfurt, Germany
Glasgow, Scotland
Oxford, England
Paris, France

Asia

Tokyo, Japan

Client Profile



Industry Knowledge

Aerospace and Defense
Automotive and Industrial
Computers and Electronic Equipment
Entertainment
Financial Services
Life Sciences
Retail and Consumer Goods
Semiconductors
Software
Telecommunications/Internet

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Common planning problems

Root Problem	Short-Term Impact	Long-Term Impact
Over reliance on one product manager's knowledge and vision to drive product planning	<ul style="list-style-type: none">▪ The product manager becomes the bottleneck▪ Requirements may be late or missed	<ul style="list-style-type: none">▪ Major business disruption if product manager leaves▪ Risk building the wrong product
Lack of balance between top-down and bottom-up planning approaches	<ul style="list-style-type: none">▪ Disappointed customers OR <ul style="list-style-type: none">▪ Disappointed investors	<ul style="list-style-type: none">▪ Slower revenue growth
Product planning is viewed as a one-time project rather than an ongoing responsibility	<ul style="list-style-type: none">▪ Planning is rushed and under-resourced▪ Plans are late or poor quality	<ul style="list-style-type: none">▪ Unable to quickly re-plan in response to market changes

Common planning problems

Continued

Root Problem	Short-Term Impact	Long-Term Impact
Inability to prioritize requirements — everything is high priority	<ul style="list-style-type: none">▪ Engineering sets the priorities	<ul style="list-style-type: none">▪ Development schedules slips because there is no basis to make trade-off decisions
Poor visibility and communication of the product plan	<ul style="list-style-type: none">▪ Time wasted filtering duplicate requests and answering questions	<ul style="list-style-type: none">▪ Product plan quality is below par
Ad hoc planning process is not responsive to changes	<ul style="list-style-type: none">▪ Many meetings▪ Roadmap is not updated and becomes stale	<ul style="list-style-type: none">▪ Unable to quickly re-plan in response to market changes

Common planning problems

Continued

Root Problem	Short-Term Impact	Long-Term Impact
Inadequate description and detail in elaborated requirements	<ul style="list-style-type: none">▪ Requirements are misinterpreted	<ul style="list-style-type: none">▪ Product does not satisfy market need
No sign-off, approval, or commitment process	<ul style="list-style-type: none">▪ Decisions are constantly revisited	<ul style="list-style-type: none">▪ No accountability to deliver results
Planning output is a Word document or an Excel spreadsheet	<ul style="list-style-type: none">▪ Multiple versions proliferate throughout the organization	<ul style="list-style-type: none">▪ Errors and defects show up in the final product

Product planning process critical success factors

Scalable

Process can accommodate growth in the number of products and increased product complexity

Continuous

Product planning is the everyday job of incrementally refining the product roadmap, not a once-a-year fire drill

Flexible

Modifying the product roadmap in response to changing market conditions, business strategy, or technology is fast and easy

Balanced

The roadmap draws upon the knowledge and experience of people from every functional area to create a vision of product strategy—not an individual's or single function's vision

Controlled

The approved roadmap is managed, updated, and available from a central location

Recognize that different organizations use the product plan differently

Group	Primary Uses	Key Requirements
Sales	<ul style="list-style-type: none"> <input type="checkbox"/> Win deals selling “futures” <input type="checkbox"/> Manage customer expectations 	<ul style="list-style-type: none"> <input type="checkbox"/> Credibility—deliver as promised <input type="checkbox"/> Flexibility—quick response to “specials”
Marketing	<ul style="list-style-type: none"> <input type="checkbox"/> Guide product evolution <input type="checkbox"/> Tell a compelling story 	<ul style="list-style-type: none"> <input type="checkbox"/> Content—contains the “right” stuff <input type="checkbox"/> Simple—easy to understand
Engineering	<ul style="list-style-type: none"> <input type="checkbox"/> Guide development activities <input type="checkbox"/> Allocate resources/training 	<ul style="list-style-type: none"> <input type="checkbox"/> Stability—minimize changes <input type="checkbox"/> Measured Commitment—adequately account for technical/schedule risk
Support	<ul style="list-style-type: none"> <input type="checkbox"/> Develop support plan <input type="checkbox"/> Respond to customer requests 	<ul style="list-style-type: none"> <input type="checkbox"/> Visibility—know what’s coming <input type="checkbox"/> Credibility—deliver as promised
Executive Management	<ul style="list-style-type: none"> <input type="checkbox"/> Manage investment <input type="checkbox"/> Set budgets/financial expectations 	<ul style="list-style-type: none"> <input type="checkbox"/> Accuracy—good cost/benefit estimates <input type="checkbox"/> Options—consider all alternatives

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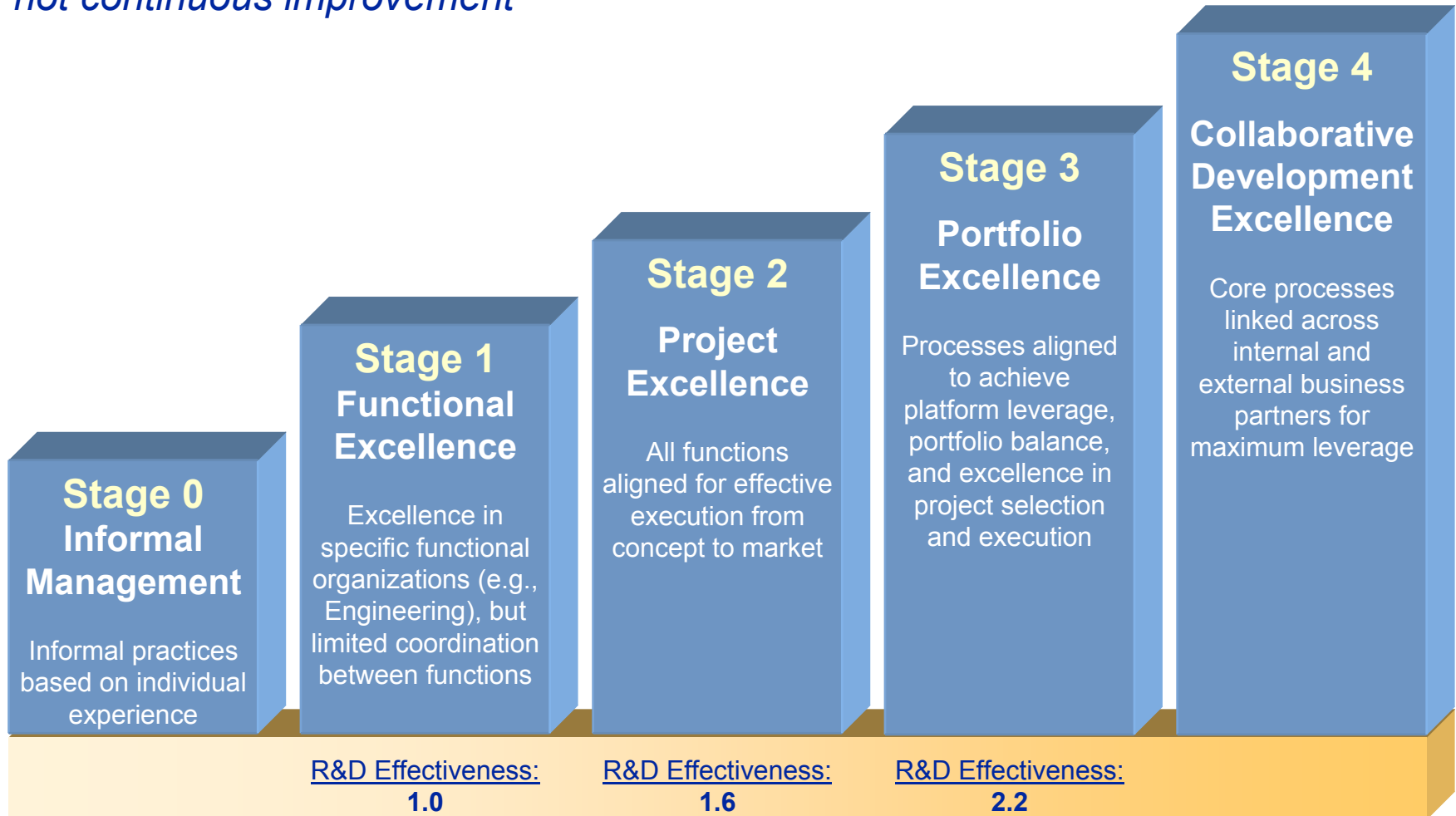
A Process Framework for Product Planning

4.

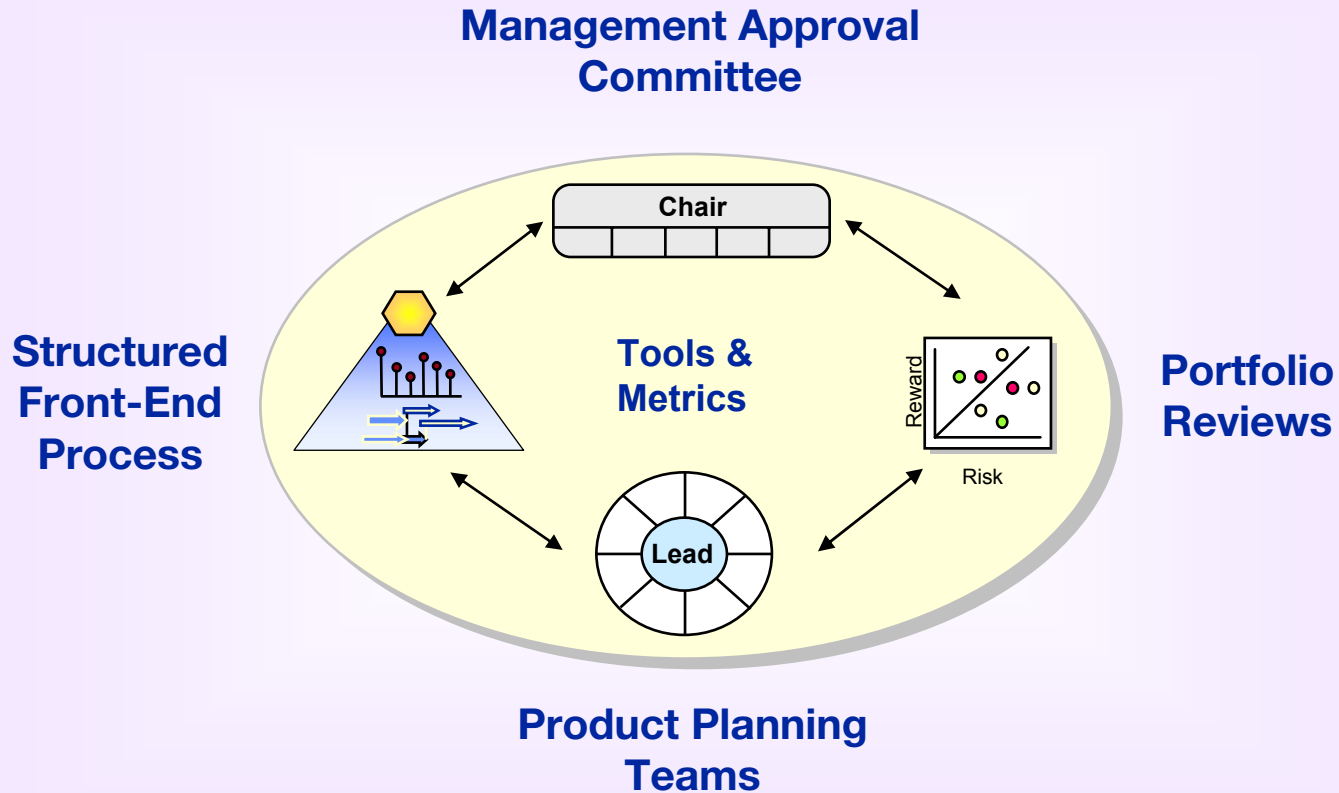
Best Practice Approaches to Common Problems

Product planning is a Stage 3 competency

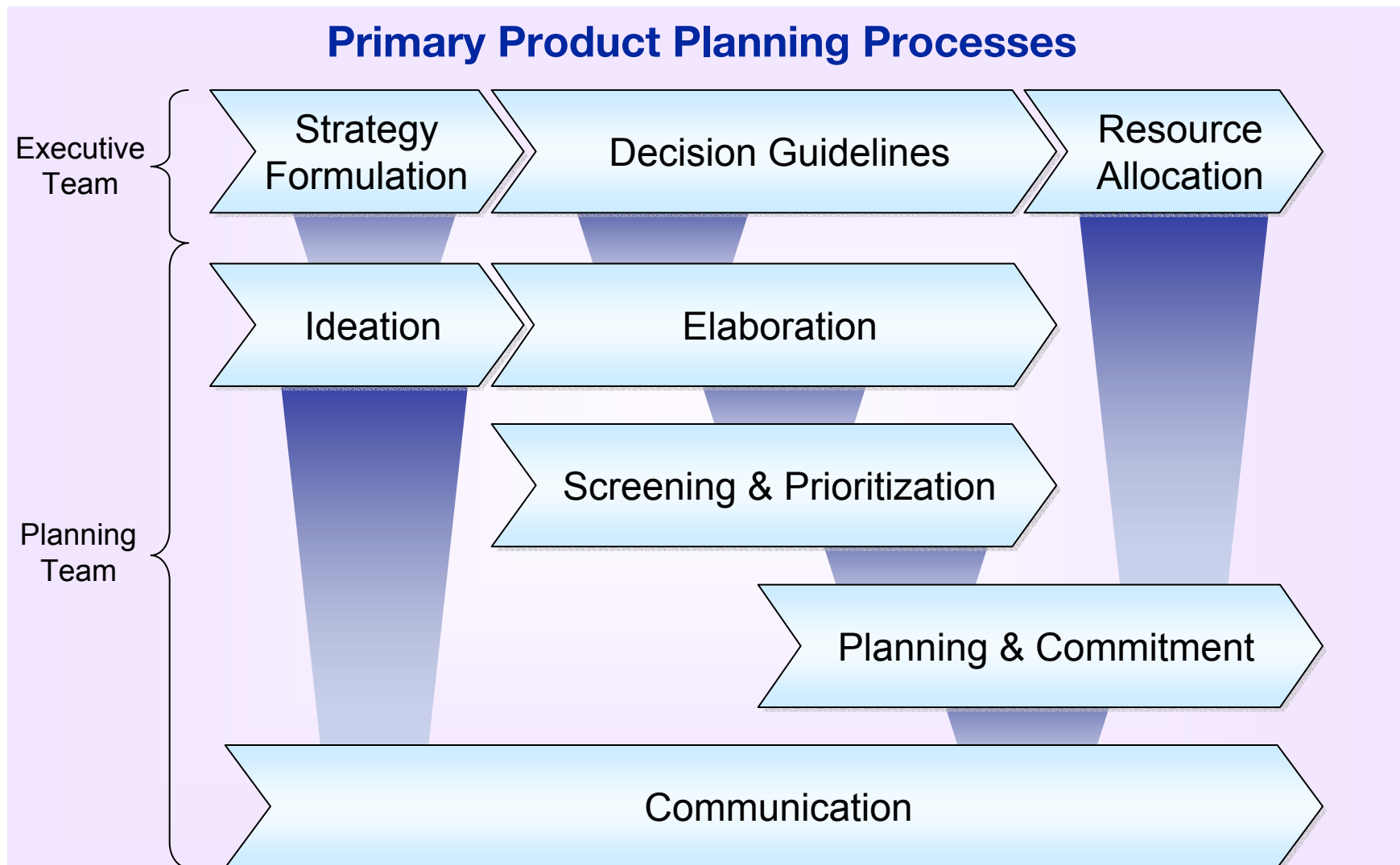
*Each stage represents a **breakthrough**,
not continuous improvement*



The five elements of product planning



Product planning is best viewed as a set of interlinked processes



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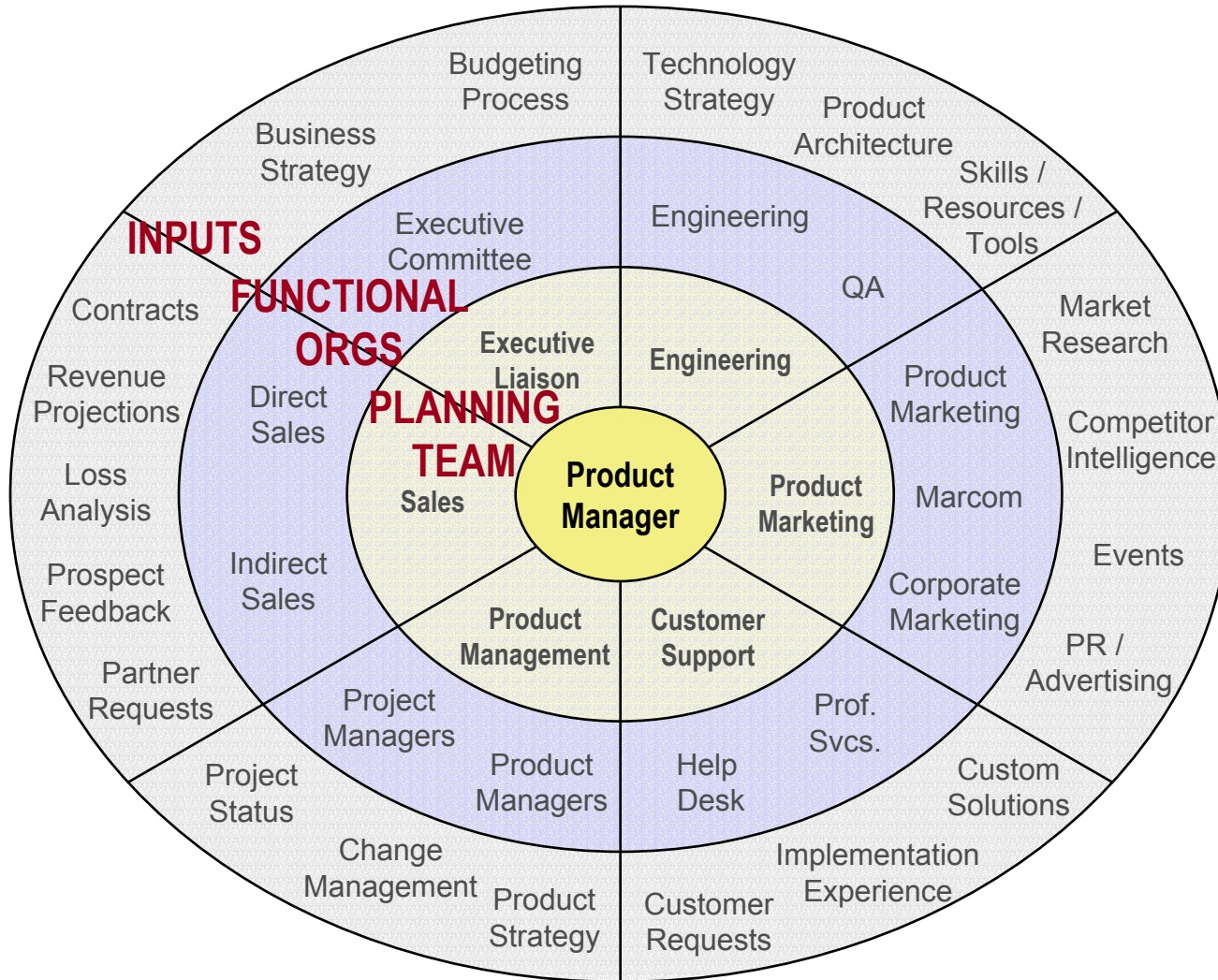
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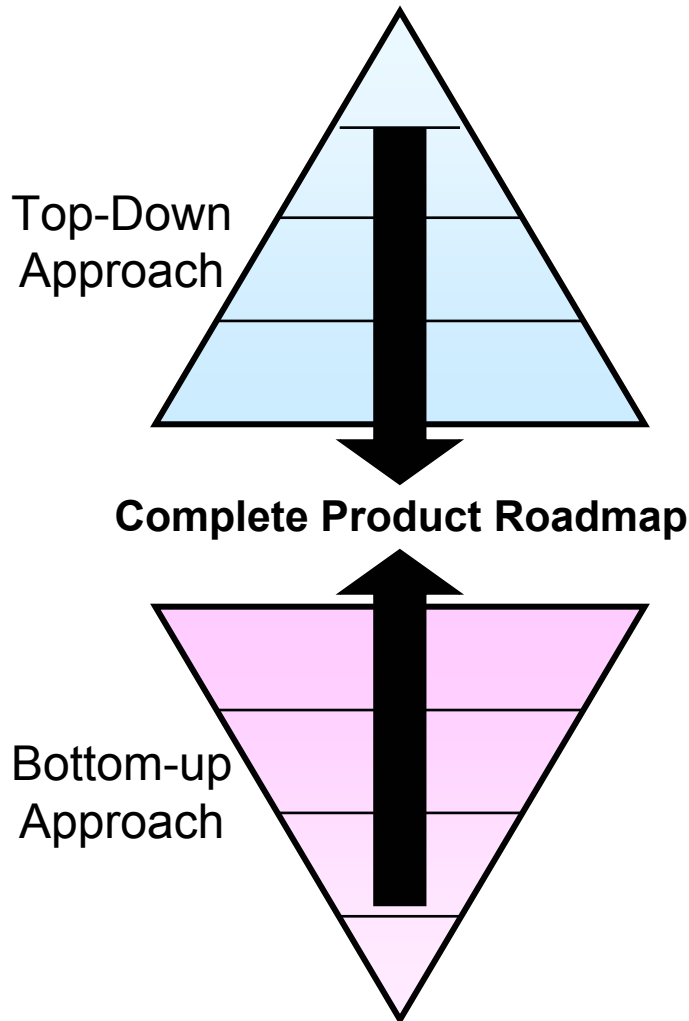
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Best Practice Approaches to Common Problems

Gather inputs from all functional areas



Use both top-down and bottom-up planning approaches



Devise business strategies

Devise product strategies and themes

Propose and prioritize new products and enhancements

Elaborate requirements for new products and enhancements

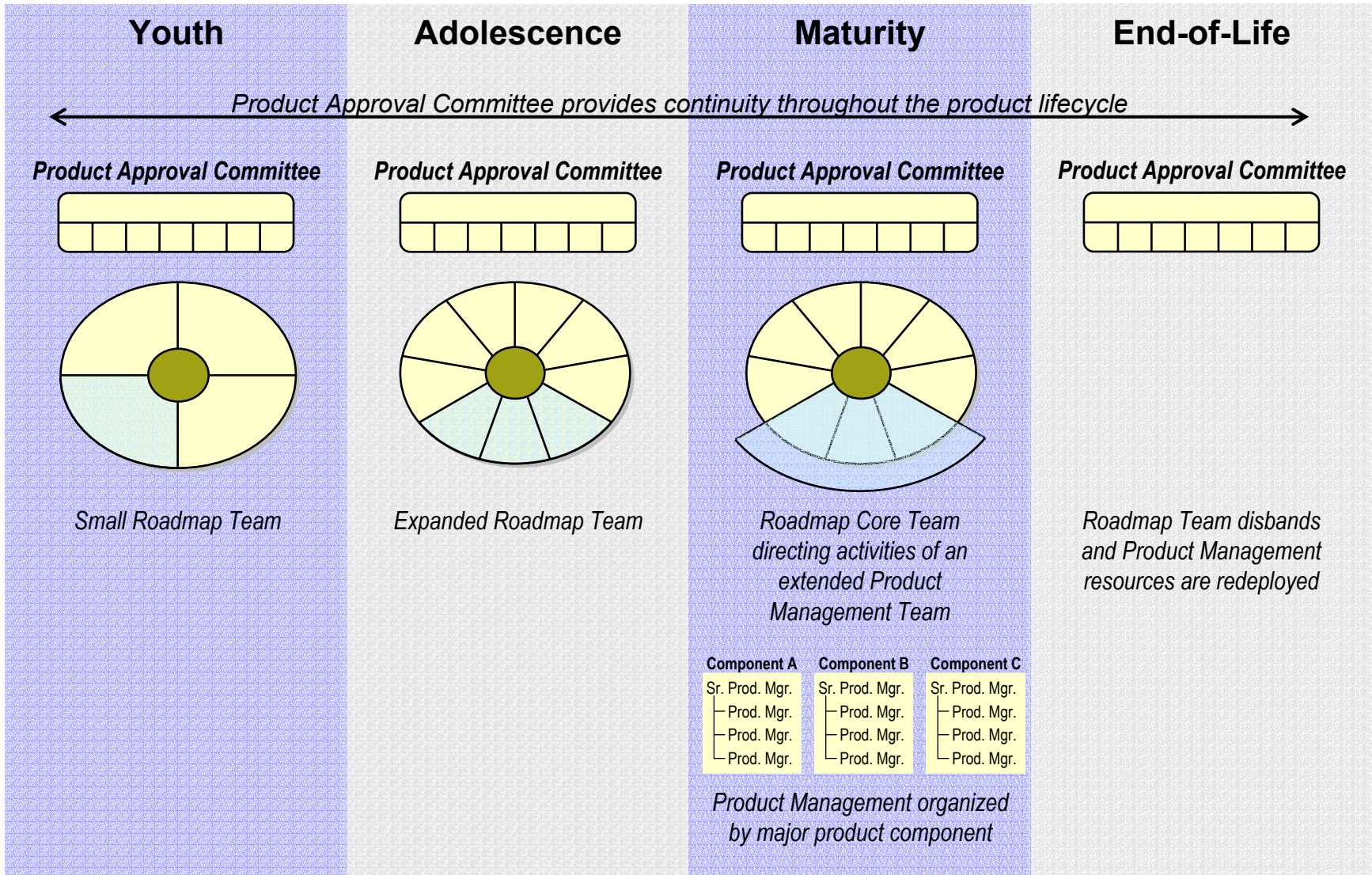
Elaborate requirements for approved feature requests

Prioritize or reject feature requests

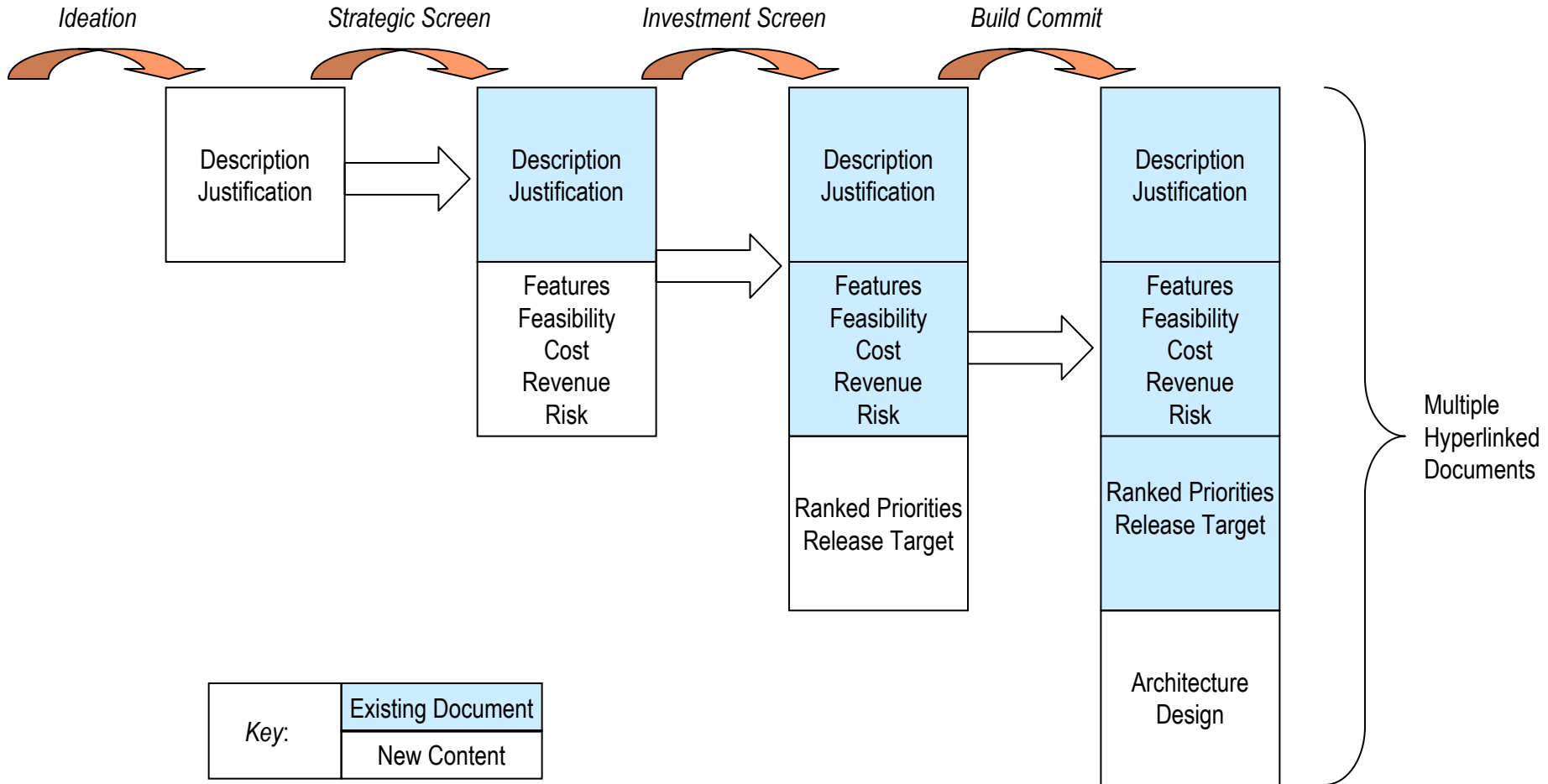
Screen and assign feature requests to a theme

Capture feature requests

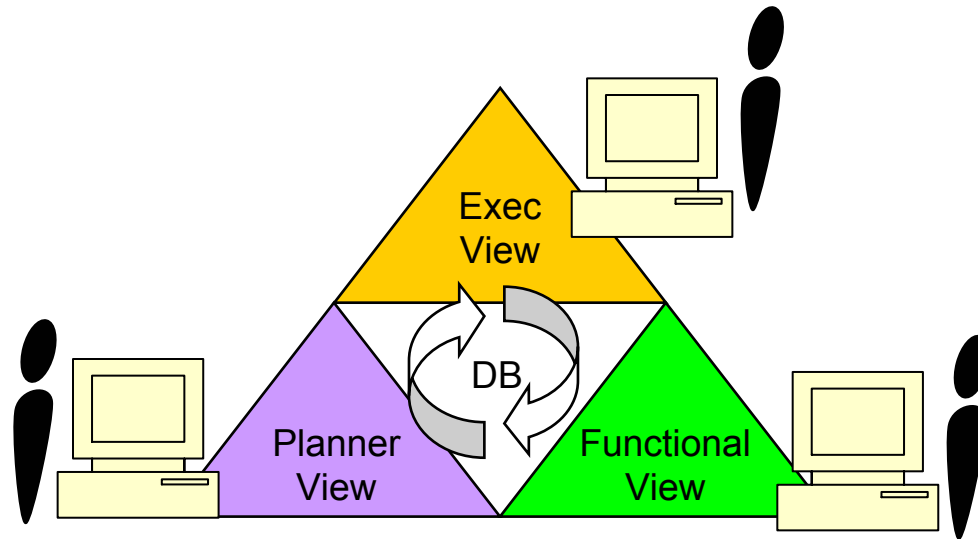
Evolve the planning process through the product lifecycle



Incrementally invest in elaboration

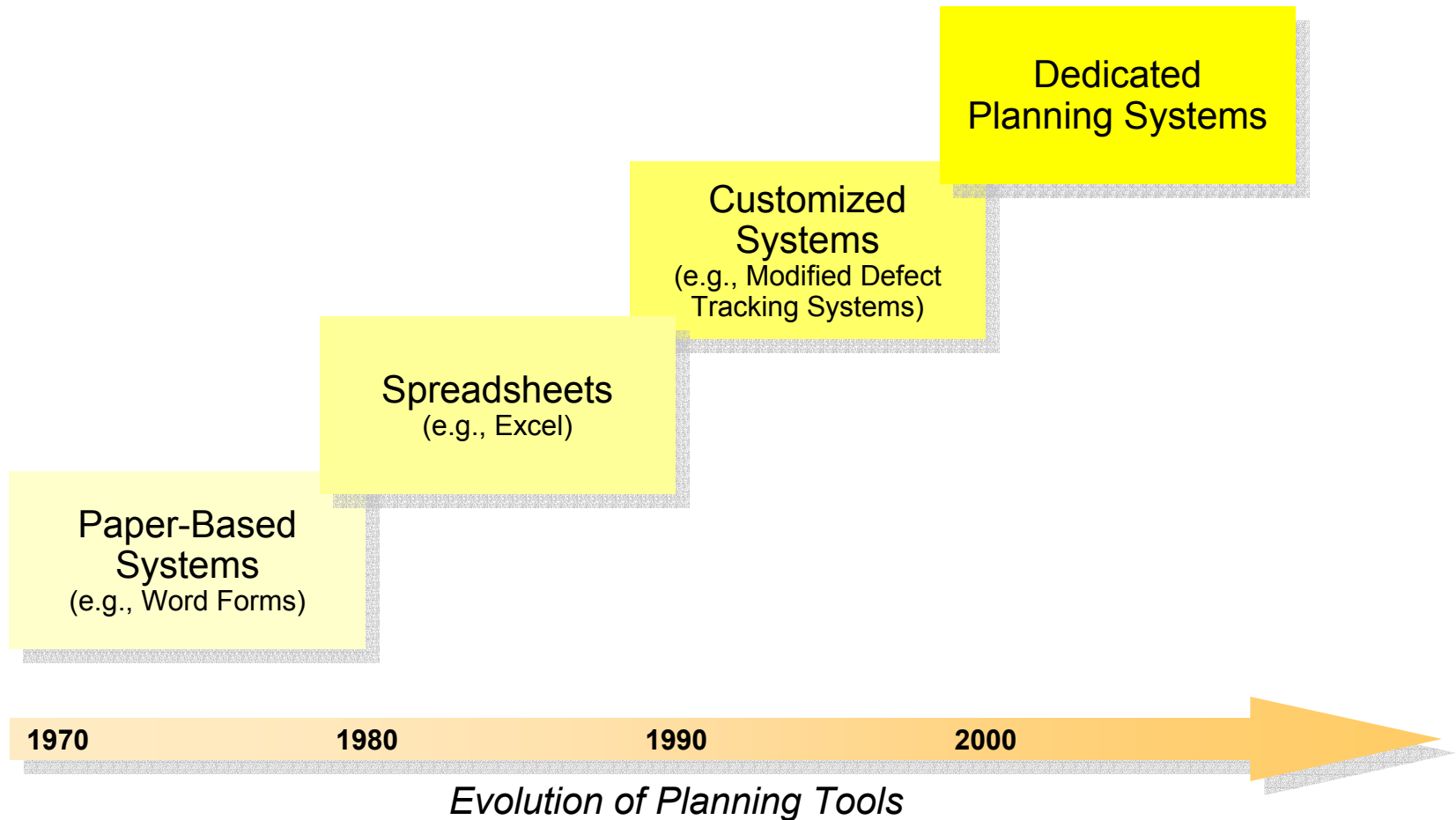


Implement collaborative planning tools



- ◆ Central data repository overcomes versioning issues
- ◆ Uniform input mechanism enforces mandatory data requirements
- ◆ Web interface provides access to employees and partners
- ◆ “What if” analysis and automated workflow improve decision-making and process adherence

Dedicated planning “optimizers” are now emerging



Thank you

For more information, please contact:

Eric Finch

Director

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Mountain View, California 94040

Office: 650 864-3535

Email: efinch@prtm.com