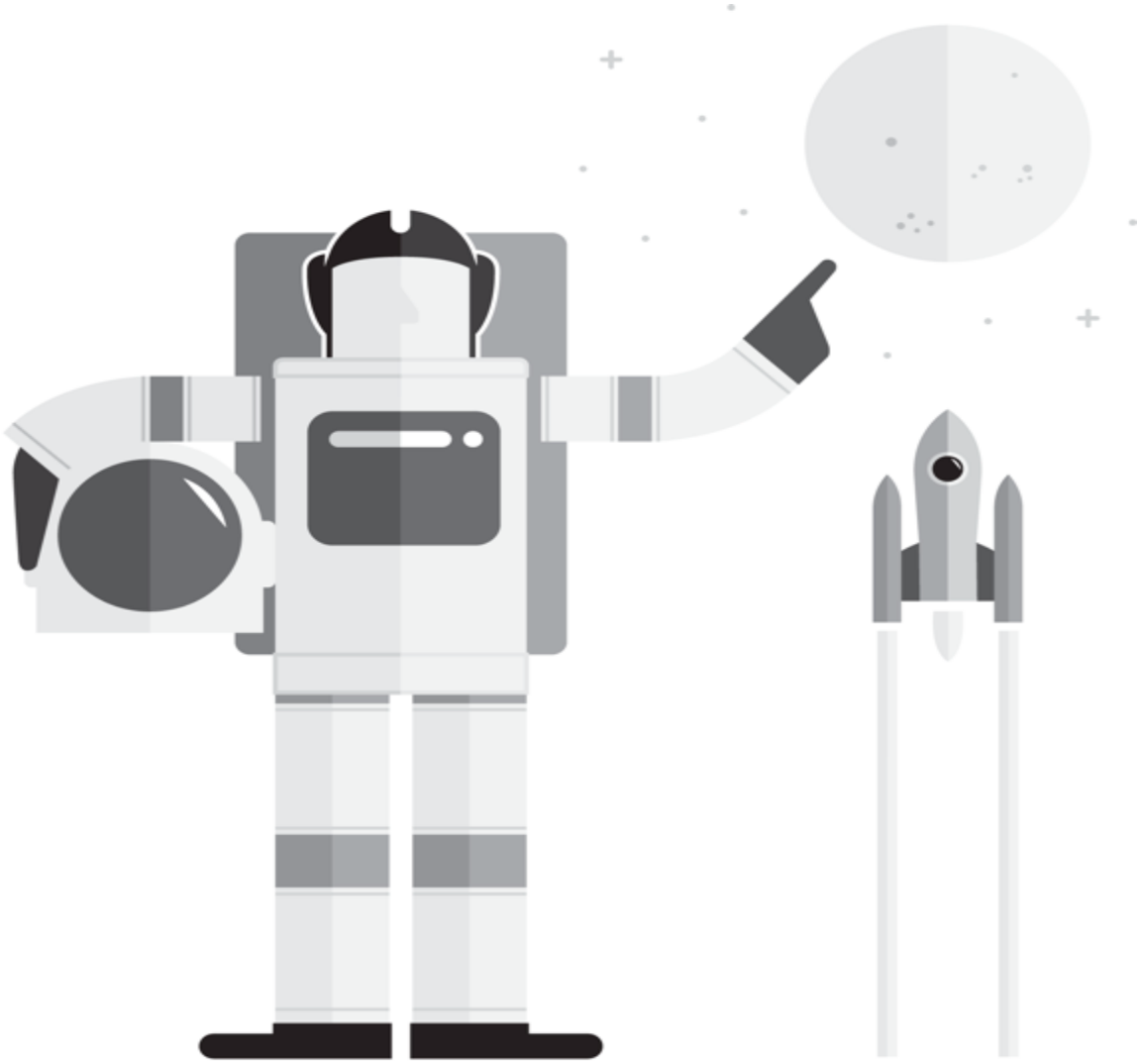
Product Leadership - Introduction



In today's lightning-fast technology world, good product management is critical to maintaining a competitive advantage. Product leaders have become increasingly central to company success, with their choices, decisions, and actions intrinsic to the achievement or failure of the business. Product management teams are growing quickly, yet their roles and responsibilities are still poorly de ned. As with any fast-evolving market nding, developing and guiding successful product leadership is a major challenge, further complicated by the fact that product leaders tend to have all the responsibility for success and failure, but little authority over the assets and resources necessary to deliver those outcomes.

We see product leadership as being both distinct from and inclusive of product management. As we'll discuss in this book, leadership often comes with a lot of executive responsibility, but not always the authority afforded to executives. A great leader almost always has great management skills. Conversely, management can be delivered without any discernible leadership skills. A product manager may be a good or bad leader, but a good product leader must be a good product manager too.

Successful product design and development relies on strong product leadership. Organizations are using combinations of internal teams and agency partners to design and develop world-class products. Managing human beings and navigating complex product roadmaps is no easy task. In fact it's downright rare to nd a product leader that can steward a product from concept to launch without some major hiccups. So, why do some product leaders succeed while others don't? Through our decades of work in the product design and development space, we

have learned what it takes to be a great leader. We've had the privilege of working with dozens of these exceptional leaders, and this book captures their approaches, styles, insights, and techniques to provide a guide for other product managers hoping to emulate their success.

Many of the insights in this book will t the broader de nition of good leadership. That is unavoidable. Product leadership is not an island, and much of what you read here may be relevant to other leadership roles. However, there are also some very speci c challenges to product leadership that similar leadership roles won't face. This book tries to highlight those challenges while being true to the idea that great leaders share universal skills and characteristics.

Who Needs This Book and Why

For the uninitiated it might seem like product leaders are a relatively new participant in the jungle of software product design and development. The truth is that they have quietly been making digital organizations successful for decades. What *is* new is the popularity of the product leader and the attention their work is attracting. We've seen product leadership in many forms over the years, but not until recently has the role of product leader become recognized in the realm of digital products. This leadership role is sometimes different from the product manager role. Leaders do not always manage others, and often their contribution looks decidedly like other executive jobs—guiding the broader organization along a path, not focused on oversight or group tasks. Leaders may not have a team to manage. In some cases they may even operate as individual contributors. As in executive leadership, the best product leaders come from a wide range of backgrounds and are forged in their environment, learning on the job and through the experience of their company and the market.

We feel that there are real challenges ahead for product leaders, the most pressing one being that of identity. As we've mentioned, leadership is not the same as management. In the current product environment, we need better leaders, not just better managers. This is true of the product roles too. We have found that there is too much emphasis on creating, training, and hiring product managers and not enough on product leadership. This is apparent in the signi cant amount of literature and commentary on the rise of the product manager, with very little attention given to the leadership role. Technical product roles are well described and documented, while leadership roles in product organizations remain fuzzy and ill defined. The purpose of this book is to clarify this ambiguity and expose the characteristics of great product leadership.

This ambiguity has not always existed. Before software was ubiquitous, product leadership was the domain of technical people. Engineers and programmers made the core of the software products, so it made sense that they should manage the product teams. As software has become less of a reason for companies to exist and increasingly a platform for experiences, the rise of product managers from backgrounds in marketing, business, and design is more common. We don't believe the ideal product manager has a speci c background or education, but we do see similarities in successful product leaders. Domain-speci c skills

aside, product leadership is more about leading people and less about pushing pixels, writing code, or administering project schedules.

This book has been written for the product leader role in context, not just the person who carries the title. The leader never operates in a vacuum, so this book is for the product leader, their team, and even the people who hire them.

This book describes how the product leader can deliver the success the product organization seeks, whether by crafting a freshly minted product out of thin air or by innovating a decade-old suite. The insights written here are based on our experience working with hundreds of software products, and interviews with dozens of the world's best product leaders, at product organizations such as Adobe, YouTube, Uber, Google, Airbnb, Basecamp, Zipcar, Intuit, Intercom, Sonos, Drift, Rue La La, Transferwise, Upthere, Localytics, Cinch Financial, and Product Plan. It includes insights not just from us but from seasoned product experts like Ken Norton, Marty Cagan, Mina Radhakrishnan, David Cancel, Vanessa Ferranto, Josh Porter, Janna Bastow, Josh Brewer, Melissa Perri, and Colin Kennedy, and from product partners like GV (previously Google Ventures), Mind the Product, Pluralsight, Fresh Tilled Soil, Clearleft, and Rocket Insight.

By categorizing the book into the broad stages of a company's growth and separating the parts into insights for managers, teams, organizations, and customers, we've made the knowledge as accessible as possible. Whether just starting out or midway through their career, product leaders will be able to ip to the part that's most relevant to their needs and return to the book when they encounter new challenges.

This book is not a read-once handbook to be followed to the letter. Neither is it a step-by-step guide on how to be a product manager. It's a framework for product leaders to give their challenges some guardrails and avoid the mistakes made by the many that have come before. These lessons are going to be relevant at different stages of a product leader's career—whether they are working at a small startup or leading the product division at an international corporation—and at each point of an organization's evolution. The stories can be read, internalized, and applied in the way most relevant to the situation, the organization's needs, and the level of product maturity. Topics can be revisited when circumstances change, such as after a move to a new job.

There will certainly be actionable insights that can be applied today, but not everything will be useful right here and now. However, the insights here are largely timeless and trend or technology agnostic. These are skills leaders can use today and in the future, regardless of platform, market, or job title.

ALL THE RESPONSIBILITY WITH NONE OF THE AUTHORITY?

For many product leaders, work life is a constant tension between delivering value to one group and telling another they can't have what they want. Shipping product, and its associated value, is the reason these product leaders get up and go to work. This might sound straightforward, but it isn't without its challenges —challenges that typically aren't just functional, but conceptual too. It's this subtlety that means product leaders are not always product managers. In fact, true product leaders may not have traditional management roles. We'll explore this di erence between managers' and leaders' work throughout the book.

Product leaders work under the pressure of delivering value while managing the expectations of multiple stakeholders. Although the analogy "CEO of the product" might not be ideal, it expresses the high level of accountability associated with the product leader position. But despite having much of the responsibility of a C-level executive, product leaders lack the absolute authority of a CEO. It is worth mentioning that there are notable exceptions in early-stage companies, where the product leader might also be the CEO, but the takeaway here is that leadership isn't always about authority. In fact, in the modern consensus-driven workplace, the assumption of authority isn't guaranteed for true leaders. As Matt Asay, VP of Mobile for Adobe Marketing Cloud, notes, "I don't have actual authority to demand that people do certain things. I can in uence and persuade, but I can't walk into a room and threaten my people to do something or they are red." Authoritarian leadership is going the way of the dodo. As Asay points out, great product leaders lead by in uence and example.

Authority often comes with the job. Product leaders do have authority over certain aspects of the product delivery cycle, but they won't necessarily have authority over individuals or teams in the same way that a traditional manager might. Despite the fact that what product leaders do each day is critical to the success of their organizations, there are insu cient examples of best practices and market-tested knowledge. This is partly because every company has a different set of product challenges, but also because each maintains a unique culture. However, there are best practices and universal truths that apply to all product organiza-

tions. With the help of our experts' perspectives and decades of industry experience, this book attempts to start filling those gaps with insights that are useful to all product leaders.

Apart from identifying best practices for product leaders, the book's aim is to address leadership in a broad context. No leader operates in a vacuum, and aligning their activities with the greater organization is essential for success. Depending on the maturity of the organization, the work that product professionals do isn't always in agreement with the company vision, the customer's needs, and the team's abilities. Getting everyone on the same page is key to successful leadership. This book is about understanding the challenges and the disconnects, and de ning a way for the product professionals to get the insights and knowledge they need to be better positioned to deliver the best value for the business.

Product leadership starts with:

- Understanding what makes product leadership unique and different from marketing, operations, engineering, and other domains, and how it works with them.

- Knowing your organization's unique value and delivering on that value.
- Connecting the product and company value together to ensure consistency.
- Executing on that value to the customer and securing your place in the market.
- Determining what type of product management and leadership your organization needs at what stage of the business growth and maturity, and then recruiting, hiring, and training for that speci c skill set.
- Learning how to build the right team for your organization and then putting in place the process to ensure that team is nurtured and supported.
- Implementing a process that works for your organization. Not all companies need the same process.
- Learning how to appeal to your stakeholders and wider organization so you can build support for your work.
- Learning how to get your product team aligned with the company mission, vision, and values.
- Measuring and evaluating the success of the team's work.
- Establishing a product culture that embraces autonomy with accountability.

WHAT MAKES PRODUCT LEADERSHIP UNIQUE? It's important to understand why product leadership is different from traditional marketing, operations, engineering, and other domains, and how it works with them. As we've said, leadership is not the same as management. They might overlap, but leadership roles di er signi cantly from traditional management roles. Individuals can be leaders. Leaders may not have any direct reports. Managers, by de nition, will have management responsibilities, which means they have a team to manage. This difference is overlooked by many organizations, and it's a problem. Product leaders also need business chops. They are required to deliver solutions that address the needs of

the user and the needs of the company. That intersection is de ned by all the elements of the business. Understanding the financial, marketing, operational, and even the legal and regulatory environment the product lives in will be part of the product leader's remit. It is de nitely not a requirement for product leaders to have a degree or experience in these areas, but they must speak the language and understand the priorities of each role. If approached correctly, the product leader position can be a source of truth and one of the purest forms of unbiased knowledge transfer for an organization. Approached incorrectly, however, the role can be extremely problematic—arguably even fatal—for the organization. We have spent a fair amount of time in many organizations and have found a similar pattern for what bad leaders look like. Most have built-in con rmation bias, don't rely heavily on data, and conjecture repeatedly. A toxic leader has widespread e ects. Teams begin to pick up many of these traits, and long before you know it, the organization is in a pretty bad way. Product management and product leadership are unique in an organization because the role touches so many parts of the business. Whereas some opera-

tions can operate successfully with limited interactions with other divisions or teams, product is tightly bound to all aspects of a business. It follows, then, that successful product leaders will be those that have a holistic approach and are connected to every aspect of the business that supports the product. According to Jim Semick, CEO and cofounder of Product Plan, a tool for developing product roadmaps and delivery schedules, "The problem is that the product is not simply a set of features; the product is the way you talk about the product, it's the way that you acquire customers, the sales process that you go through to actually close a customer, the experience that someone has when they're going through that process. That's all part of the product, at least in the customer's mind."

Semick's list of responsibilities emphasizes the complexity of the role, and the broad impact product leaders can have, but also underlines their lack of authority. Knowing which hat to wear is partly a matter of where you are in the product or business's life cycle. Understanding the best approach at each stage can be the most demanding part of a fast-growing organization. A great product leader, correctly supported by the organization, can be the single source of truth about the success or failure of a product business. Without support from the organization, a product leader isn't going to have the impact they seek. Developing that support is a theme that we'll discuss throughout this book.

THE IDEAL PRODUCT LEADERSHIP STYLE FOR YOUR PRODUCT STAGE

Understanding what type of product management and leadership your organization is ready for will set your team up for success. In theory, the right leaders build the right teams, and that leads to the right results; but in reality, nding the right people can be hard—very hard. Their attitude, experience, skills, and ability to adapt will determine the success or failure of your product organization. Not everyone is cut out to be a leader. Not all leaders perform well at each stage of the business's growth. The best enterprise product manager is unlikely to be the best startup leader, and vice versa.

Ultimately, the job of the manager or leader is to get results through other people. If there's one key takeaway from this book, it's this: *it is not about individual success, it's about getting the best out of others*. That is the leader's responsibility. There are a lot of great books on how to be a more successful individual or a better human being, but this is not that kind of book. The focus here is about making the entire team look good. It's about the results that you can create with and through others.

How This Book Is Organized

The book is presented in three parts in order to make it easy to access the relevant insights for the current stage of an organization. Part I introduces the concepts of product leadership and identi es characteristics that are common across the wide range of product leadership roles and styles. It also considers which characteristics set leaders and their teams apart. Part II breaks the product environment into various stages. Lessons from leaders in organizations of different sizes and different levels of maturity make up the bulk of this part. Finally, Part III explores the challenges facing product leaders as they work with outside teams and resources. For simplicity of reference, the parts of the book have been titled with the common stages businesses go through: startup, emerging, or enterprise. These categories are referenced throughout the book with the acknowledgment that there are gray areas in how a company de nes its stage. Yet despite any oversimplification, these categories are useful in that they allow product leaders and the people they work with to quickly identify what characteristics and strategies will have the biggest impact on their organizations, their teams, and their products.

This book is organized so that product leaders can choose their own adventure. We've arranged the insights and advice by company stage and by proximity to the product leader. In other words, we've placed the product leader at the center of the radiating ripples of team, organization, and customer. This does not suggest that communication with customers should occur only via the proxies of team and organization, but rather that the product leader's primary concern will be establishing a high-performance culture, process, and product by successfully developing the best possible team and communicating to the right organizational in uencers to deliver coordinated value to the customer. By segmenting the advice by organizational stage, the product leader can ensure customers are getting the most relevant and appropriate guidance.

- Current and past product leaders provide insights and recommendations for how to lead a product team through the stages of growth, each of which

may well require a different approach, different skills, and, in some cases, different types of people. For those leaders who remain with a team as it steps through these stages, some personal evolution may be required. Progressing from one stage to another depends on the ability to hold these different strategies in mind while developing stage-appropriate leadership skills.

It's important to emphasize that it's very rare for a product leader to stay with an organization from startup to enterprise. It is more likely to see product leaders focus on their area of expertise with new or different projects and organizations. This book will hopefully provide a template that a product leader can apply in their circumstances.

LEADING THROUGH GROWING PAINS

In early-stage or startup environments, the product leader might also be the founder or one of the rst employees. Freshly minted companies don't have a robust product team, so the style of leadership is appropriately scrappy. The product leader still bears responsibility for painting a clear picture of the future while maintaining a rm grasp on the current reality. "We've talked about what our end state looks like, which of these teams will be working on their own, deciding what they work on directly with customers," says David Cancel, Head of Product, CEO, and cofounder of Drift, of the current state of his startup and their journey toward achieving their future vision. "At this stage, we're not there yet. We're in the progression to get there." Cancel is a veteran of several startups and by his own evaluation feels most comfortable at this early stage of a product business life cycle. "This is the little adjustment you have to make when you go back to early stage or the free customer stage. If you're used to a product design and systems

that depend on the customer to work, then how do they work when you have no customers?”

These are the types of questions this book aims to answer. This tension between the ideal state and the current state is a consistent theme regardless of product or organization maturity. Identifying which stage you’re in is half the battle. The other half is seamlessly transitioning across these virtual boundaries without upsetting the delivery of value to the customer.

Through each stage there will be hurdles and frustrations. This is normal. There is no problem-free option in growing a successful product business, so we suggest you accept the struggle. Or, as endurance athletes say, “Embrace the suck.” This does not mean ignore bad things or sweep problems under the rug; rather, it encourages an understanding of how hard you’re willing to work in order to be successful. What difficulties are you willing to confront to nd meaningful rewards? Will you be willing to have the inevitable hard conversations? No worthwhile journey is without challenges, and it’s essential that product leaders ask these questions of themselves and their team.

Leaders like David Cancel epitomize this desire to ask the hard questions and to embrace the suck. His leadership style is perfectly suited for the ambiguity of early-stage companies, and he accepts that. Accepting where you t in helps to provide direction. It’s also useful to learn from those who’ve had to overcome similar frustrations and build on one another’s success. This book includes the hard-won advice of leaders who have found their path and who can share their stories and recommendations. Cancel, for example, describes the subtleties of early-stage product leadership and how it differs from later-stage businesses: “In the case of the early-stage business, as leaders, we had to make some hypotheses. We had to play the customer a little to get a bootstrapped system. Then, as soon as things were ready, we would get in beta users, and then daily users would be the proxy for customers.” These transitions all require the product manager to adopt an evolving style of leadership. Cancel believes that the

product managers will transition from being proxies for customers (and for their own yet-to-be- hired teams) to guardians of the vision, so the authority can be returned to the team: “Now we have real customers, and we’re focused on getting more diversity in customers. So, little by little, as we get whatever critical volume means to our business, then we can stop, take our hands o things, and let the team start to run themselves.” This book is lled with similar product leader insights. We encourage you to read through each part to understand what these stages and transitions look like.

LEARN HOW TO BUILD AND TRAIN A TEAM

Each product team is as different as the business that supports it, just as each stage of a product organization brings different challenges. Finding, hiring, and training the right team for the speci c demands of the work at each new stage must be done with these challenges in mind. Newer companies might not have the resources that mature organizations enjoy, but they do have agility and speed. Leveraging the environmental advantages to build the right team can have a major impact on the product success. Selecting people who mesh with those environmental factors is the job of the product leader.

For example, the characteristics of an early-stage team will be more generalized than a mature team with highly specialized roles. “In a startup it’s essential that you hire people that are adaptable and can adjust very quickly,” says Product-Plan’s Jim Semick. “They need to act in an environment where there’s uncertainty. That’s the rst thing. The second thing is you want to hire people that are

well rounded. People that can take on roles and expand beyond what you hired them to do.” Semick frequently referenced the importance of respect between team members, something that was reiterated by several product leaders. With so many tensions in an early-stage company, respect and empathy are part of

creating a space where the team can be productive and supportive. Nurturing a team that is respectful of team members' needs and challenges goes a long way to getting a product out the door.

As product teams transition to the emerging-growth stage of a company's development, the challenges they face will change. Colin Kennedy, previously Product Manager for Boston-based Sonos, and now Product Manager at Upthere in San Francisco, describes how these rapidly growing teams are both constrained by resources and infused with new expectations. "We have this mid-size company level of resources, and it's growing faster and faster as we're accelerating our growth and development. However, each product team is still drawn on the charter of starting with a very small number of stakeholders from product management, design, and engineering in the key leadership roles." Balancing growth with the limitations of resources and the startup "keep it lean" mentality is more art than science. Successful product leaders like Kennedy provide insights into how this need for balance can be achieved. Leadership is about helping people be their best. The skills that good leaders have to motivate, guide, and focus their teams is what sets them apart from others.

Even the larger, more established companies put their teams at the center of the conversation. "I work day to day in teams," says Jay Rivera at Intuit's QuickBase. "So cross-functional conversations, whether it be a daily standup or our weekly program reviews, are all about ensuring that you have the right people on the bus and making sure you have the right people in the room at the same time. Cross-function involves product marketing, product development, ops, sales, product management, and HR." This theme of having the right people present to make daily, weekly, or longer-term decisions is ubiquitous in successful product teams. As Rivera suggests, it's about not just having the right team, but also ensuring that the team members come together to deal with the daily challenges. E cient communication and decision making are key to great teams. Poor communication between team members defeats the purpose of having great people.

IMPLEMENTING PROCESS AND PURPOSE-DRIVEN DIRECTION

Process is the sca olding for productivity. It's not a replacement for smart people or customer-driven insights, but provides the framework in which those smart people can work as e ciently as possible. How much process is needed will be a function of the stage of the product and the experience of the team. For smaller, highly skilled teams, a very loosely de ned process will su ce. For larger organizations that have a high churn rate among team members, a bulletproof framework for shipping product will be necessary. Independent teams—like product design agencies or corporate innovation groups—have more flexibility over the processes they employ, and in groups like this it's possible to recruit highly talented people rather than to force a certain process. "We're going to hire smart people. They've got a whole toolkit of tools to use, but we're not going to impose a structural process on them," says Andy Budd, founder and Managing Director of Clearleft, one of the UK's leading product design rms. "We trust them. We're going to give them interesting problems, get out of the way, and let them solve the problem in the best way possible. And that means every single project is very different. And so we try and design the project and the process every single time. It's unlikely we'll try to apply an identical process to every problem because every problem is going to be different." Budd's approach works well for smaller teams that have strong skills aligned around a trusting culture and are ipping from project to project. Larger teams that are deeply focused on a single product or project are likely to need more structure.

The bottom line is that there simply is no right process or single methodology that covers every permutation of product, team, and market. In our experiences in organizations large and small, having the trifecta of smart people, a trusting culture, and a guiding framework can amplify results signi cantly. What is common in high-performance teams is that they are cross-functional, collocated, and autonomous.

The reality of the situation is that product leaders are dealing with humans, and just like the products they build, the interactions of these humans at scale become di cult to manage. Our shared philosophy is that success is more a function of an environment that creates and supports a great attitude than of achieving perfection at every step of the process. Ultimately, whether your team is heavy or light on process, it's crucial that everyone knows what's expected and has a shared language to solve the inevitable problems.

Businesses, and the product organizations they support, are more successful when the purpose is clear. Meaningful work is better for everyone involved. Thought leaders on work culture, like Dan Pink and Simon Sinek, have given us blueprints for how prosperous organizations and teams orient themselves around purpose-driven work. Leaving this to chance is not a good strategy. Creating or adopting processes that align with the "why" of an organization is the work of good product leaders. This book investigates how the top product leaders build teams and processes that focus on the big picture, and not on advancing their personal agendas. Joshua Porter, founder of Rocket Insights and previously Director of UX at HubSpot, re ects on building an environment that maintains a strong customer focus. "When we recruit, or when I recruit, [customer focus] is de nitely a key trait. Something that goes along with that is a lack of ego on the part of the employee. We're looking for people who are not focused on making a name for themselves through their own genius, but who are focused on creating a great product by doing well by the customer." This attention on the customer isn't a standard in product organizations, but it should be. Developing processes that remind teams of the customer and their needs is a big part of the leader's role.

Combining the right process for the product and business stage with a focused purpose gives the team the tools to be successful. It's not enough to do just one or the other. Individuals on high-performing teams need to know why they are

working so hard and what they can leverage to optimize their inputs. If your team doesn't have a clearly articulated vision, then it's hard for them to know how to make a difference. If the team understands the process, they'll understand how to optimize results.

UNDERSTAND HOW TO EVALUATE THE SUCCESS OF YOUR WORK

Success is subjective, but how it's measured is fairly objective. Having a clear set of metrics or criteria that de ne how your organization is meeting its goals is an essential part of the product leader's role. For some leaders, it'll be reframing business goals into measurable metrics like customer acquisition, net promoter score, and lifetime value. For others, especially those product managers managing complex or mature products, their metrics might be very granular. Ultimately all metrics should connect to how the product delivers on its value proposition, as David Cancel of Drift affirms: "All of our metrics are geared on the customer, whether that's usage or activation. Qualitative stuff is actually more important:

what we're hearing from customers, what they're actually saying. We talk to them every day."

The idea that measuring success and failure isn't entirely a quantitative exercise came up several times in the interviews. True Ventures Design Partner Jeff Veen reaffirmed this trend. "I agree that in the sort of post–Agile/Lean world, I think we were overly quantitative. I just think we're getting better at it rather than the pendulum swinging back to qualitative." David Cancel supports the idea of qualitative feedback guiding product decisions: "Any kind of qualitative feedback we have—written, or verbal, or visual—we take as understanding. Are we getting closer to solving the pain that our customer is having? And then are we starting to do that at scale? And then are we discovering new pains? Then when we invest in that new pain, are we seeing the kind of usage that we think is normal? These might initially be wrong because the use case might be different. And if we're wrong, what is the right usage for this thing? We're constantly looking at all these

things at a customer level, at a cohort level, a feature level, and all levels, a plan-side level, at a buyer level, or a user level, all these different ways. And all the teams are measured against those customer goals."

Getting the balance right between qualitative and quantitative, it turns out, is the key to unlocking true customer insight. This cannot be emphasized enough. Neither one is more important than the other, and embracing both is the answer. Teams that tend to be more metrics driven can struggle to make the leap to qualitative research–driven methods. We've heard it argued in our own teams and in our book interviews that getting feedback from customers can be too much work or takes too much time. The solution is to reframe this work: qualitative research is an investment in future savings and value. Creating the practice and honing those skills will reduce the possibility of future failure. Doing the work upfront can prove immensely valuable, and the track record shows that early diligence reveals a better work product. Shipping, then measuring your impact, takes time and e ort to get right as an individual and as a team.

We're going to start with what makes a good product leader. We will also explore how they structure, guide, and mentor their teams to get the optimal results. Every team has its nuances and unique characteristics. The aim of the next part is to identify what common patterns appear in all successful teams. We won't be discussing specific outputs, as these differ for each team, but we will discuss outcomes.