



PROJECT TO PRODUCT

Building the Right Thing in the Right Way

By: Anne Steiner





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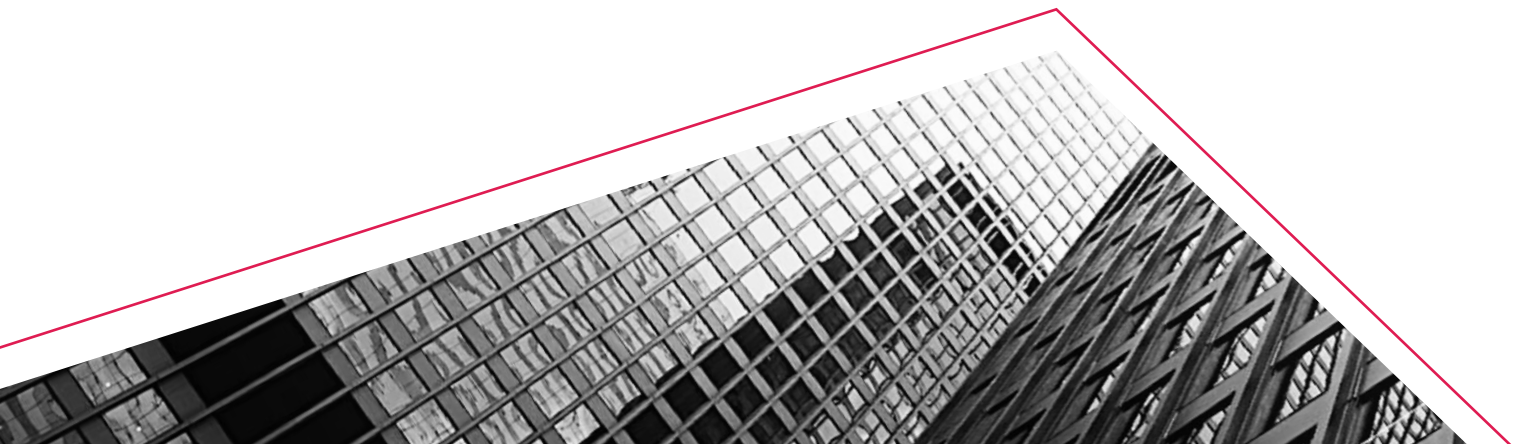
Back in the days before agile really took hold in the software development world, workflow processes were dominated by project management. The process consisted of loads of research, developing a master plan, assigning projects to developers, and then, finally, perhaps two years after the initial idea appeared, there would be a finished product sitting there ready to launch.

Of course, by then the market had often changed, as had the customer's wants and needs. Depending on how dramatic the change was, the product may have been launched to lackluster reception, pulled back in for some massive overhauls, or even scrapped completely.

That's why Agile software development was created in the first place: the system was broken and it needed to be fixed. And, to a large extent, agile development practices have successfully improved that system.

Even so, the old project management principles that once ruled the industry are still very much in place in countless organizations. For the most part, they're well hidden right beneath the surface of Scrum-colored skin and flashy Kanban makeup. But, they're still there. And, as a result, development organizations are still facing some of the same challenges that the old broken system was known for.

The light at the end of the tunnel is that there's a post-Agile awakening happening. These organizations are finding the solution to this pervasive problem, and the solution is [Product Agility](#).





KNOWING THE DIFFERENCE - PROJECT VS. PRODUCT

To understand what product agility actually is, we need to take a step back and consider the meanings of the words project and product in this context:

What is a Project?

According to the Project Management Institute, “a project is a temporary endeavor undertaken to create a unique product, service, or result.” In a software development context, although every project is different, they do tend to share some common attributes:

- The project has a set start time and end time, and a detailed plan with milestones to be reached.
- Effective management and execution of the project is measured by how closely the plan is followed. More specifically this means the adherence to time, budget, and scope.
- The work is assigned to ad hoc teams and sometimes even individuals based on what’s needed to reach the next milestone.
- The project is finished when the product, service, or result is created. Any changes based on customer feedback, enhancements, or future maintenance would constitute a different project.
- A project is considered successful if it was completed on time, within scope, and under budget while product impact and customer satisfaction are often overlooked

No doubt, you can see that traditional project management flies directly in the face of nearly everything the Agile Manifesto declared. You might think it would be impossible for anything like a project to make its way into a supposedly agile development organization. But, as we’ll see in the next section, that’s not true at all.

What is a Product?

A product is anything you build or any service you provide that impacts people. As we'll discuss below, this is a pretty significant shift in thinking about work. However, organizations that have achieved that shift are noticing these qualities:

- A product has no inherent start and stop points, so it expands to include all necessary changes or maintenance along the way.
- Instead of a discrete start and stop, products are similar to living breathing things, like a hypothetical "time horizon" stretching from initial concept to final "sunsetting."
- Ideally, the same core group of experts work together throughout the product's entire lifespan, allowing for deep expertise and a tight-knit working environment.
- Success is measured based on the frequent delivery of value to the customer across the product's lifespan. In short success is measured based on the impact the product has in its market.

Clearly, thinking of your development work in terms of products (rather than projects) falls far more in line with agile principles. Interestingly though, it's actually at odds with some common agile practices, including some that have become so ubiquitous they're almost considered synonymous with agile.

You may be thinking, "But wait, [Scrum](#) gave us the product backlog – a single, prioritized list of stuff we can do!" Yes, but it also gave us the product owner – the all-knowing "voice of the customer," who gets to write epics and stories and order them. Indeed, the output of a sprint is even a "product increment." There is, in fact, a product piece somewhere in there.

Wait again. [SAFe](#)[®] is even more sophisticated. Now, we have stories, features, capabilities, and epics. We get to break down and plan work into both Program Increments (PI) and Sprints. There's even more product in there, right?

And what about Lean Startup? Isn't it the ultimate in product thinking as we seek to identify and to release an MVP as soon as possible for the purposes of validation and learning?

The answer is yes. However, these methodologies all tell us what to do, but not so much how to do it.

When we break down the two, we can find clear distinctions that help map out project versus product. Jeff Gothelf and Joshua Seiden give three ways to shape your mindset around these concepts in an article from the [Sense & Respond Blog](#)¹ that was featured by the Project Management Institute.

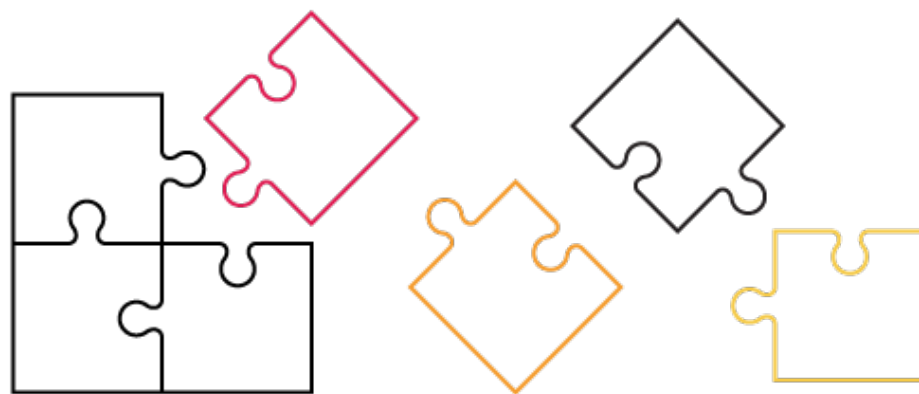


*Projects end. Products are continuous.
Projects are linear. Products are circular.
Projects are components. Products are systems.*



In these comparisons, we see a common analogy: projects are one time events whereas products are ever-evolving cycles that don't have a defined end. Projects can be checked off as done while products are continuously learning and adapting to the environment. Product thinking allows teams the ability to adjust to unpredictable consumer needs and market demands as each variable occurs.

One scenario to think of is that of a puzzle constantly taking new shape. Projects represent a puzzle piece. A singular puzzle piece will not hold much value to a puzzle that is continuously taking various forms. It will work for maybe one version of the puzzle but not the next. That's where product comes in. Product IS the puzzle. Ever changing, ever evolving, gaining new pieces and solutions as it develops.



¹ Gothelf, J., Seiden, J. (2019, October 8). Moving from Project to Product: What Does "Product Thinking" Actually Mean?. Project Management Institute. <https://www.projectmanagement.com/blog-post/57053/Moving-from-Project-to-Product--What-Does--Product-Thinking--Actually-Mean->

Product Agility

With the two mindset explained, the meaning of the term “Product Agility” becomes clear:

Product Agility is not a specific process as much as it is a new way of looking at work. Its focus is on delivering value to the customer, often through fast, iterative cycles of discovery and delivery. And, as a result, it's finally addressing one of the biggest issues traditional project management never could:

It ensures we're actually building the right thing, rather than allowing us to build the wrong thing well.

HOW TO FUEL PROFITABLE GROWTH

There tends to be a common view when discussing Agility, and it's the idea that Agility saves money. This stems from companies viewing IT as a cost center, and believing that if IT becomes more efficient through Agile practices, then it will cost less. The problem with this mindset is that this can result in cutting team members for cost savings, translating to short term profit but long term decrease in revenue growth.

It is important to reframe that way of thinking and to consider “IT spend” as an investment needed to acquire revenue. Rather than solely viewing Agility as a way to be more efficient and cost effective, we should also view agility as a way to steer towards profitable revenue growth. The idea of “steering” represents the flexibility to adapt to the ever-changing market.

This concept will require taking a product-based approach by building products and services that delight customers. Rather than viewing IT as expendable, IT should be the investment. It's really easy to know how much people cost, but it's hard to know how much features will cost. When you focus on budgeting for people and not features, you allow your team to have the flexibility to adjust to new demands and ideas without missing a beat.



Moving from Project-Based Funding

With project-based funding, the scope, time, and budget are estimated up front. After this estimate is created, the next step is to argue for a large sum of money to support this initiative, based on the estimate. The team receives this large chunk of money to span however long the project should take until it is "done." By the time you reach "done" you are left with a gamble when considering the variables that could affect delivery.



WHAT IF:

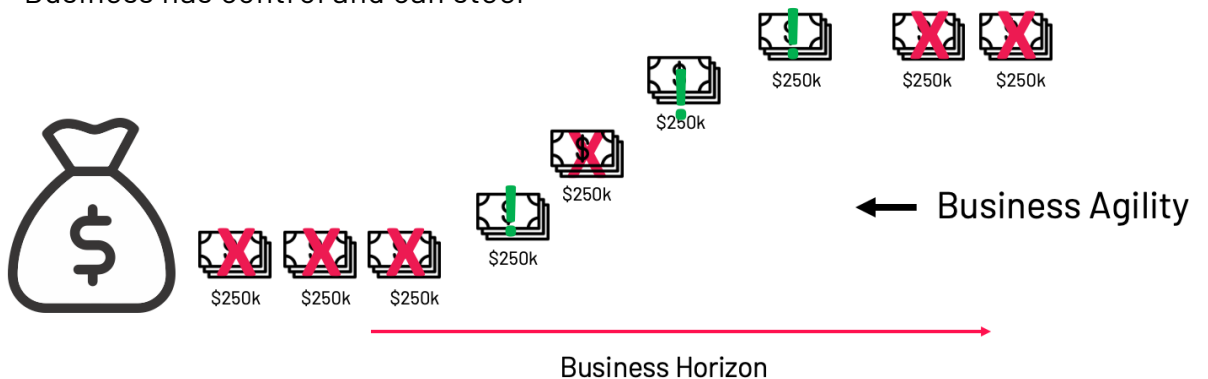
- The market shifts
- Customers' needs shift
- We guessed wrong
- Users don't want it
- It doesn't get built the way we asked
- We go over budget
- We don't deliver on time... and now we've wasted money, considering this was an all or nothing bet, thus prompting us to keep spending even more.

Adapting Product-Based Funding

Considering the risks that come with project-based funding listed above, a new formula was adopted. Product-based funding requires you to allocate an investment to a product line where you can map investment money to staffing instead of to unpredictable features. Product teams can progress against the product roadmap in priority order while blending product discovery with product delivery in order to fuel continuous product learning.

THE RESULT:

- Build less, validate more
- Effectively adjust to market and customer needs
- Make measured investments
- Business has control and can steer



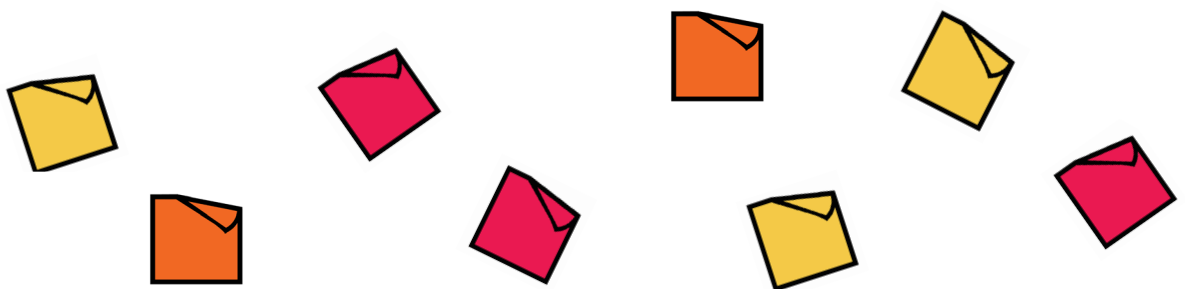
With the business horizon listed on the previous page, we allocate investments in smaller increments. The team seeks to deliver a smaller piece of value to the market and then tests its viability. From that we learn and adjust. With this practice, companies can learn and adjust their course with a fraction of the money spent than it took previously. This is why this funding model leads to enhanced ROI for the organization and better products for the customer. With this strategy, companies will go beyond making “IT efficient;” considering you can’t “efficiency” your way to business growth. Instead, you make your business, which includes IT, maneuverable. Agile gives you the ability to steer while the product mindset/investment model tells you which way to steer. When blended effectively, this adds up to sustained, profitable growth.

MAKING THE TRANSITION - FIGURING OUT THE WHAT TO DO VS. THE HOW TO DO

If you think about the first decade of the 2000s, the agile movement gave us tremendous advancements in terms of process maturity. We learned to work and to deliver in iterations. Then, as we advanced from there, we focused on progress. How can we turn the crank faster? We became more efficient and optimized our agile processes to get the most from the machine.

Now that we can consider delivery to be understood, constant, and largely predictable, it’s time to turn our attention to answering the question, “Are we building the right thing?” To do that, we need to get past the hand waving and into the “how.”

There is a better way to understand and tell the product story. There is a better way to create roadmaps, backlogs, and stories. We won’t necessarily find that way in the pages of our methodology’s documentation, but we can certainly fit it into whatever methodology our company has chosen. In the end our process will be stronger, and more importantly, our product will be too. It all begins with early discovery.

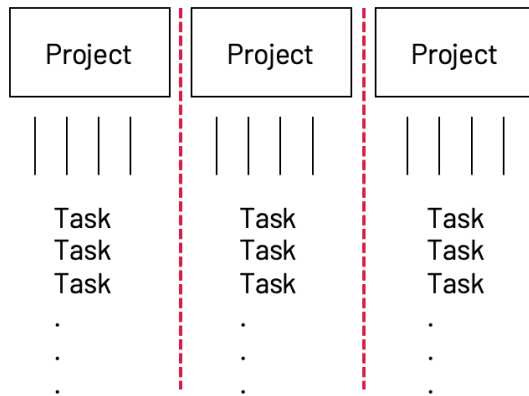


Project Planning vs. Product Horizons

Project Plans are about the work!

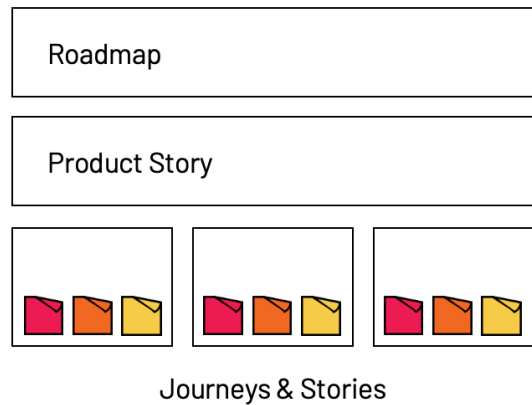
Strategy → Projects →
Milestones → Tasks

DREAM



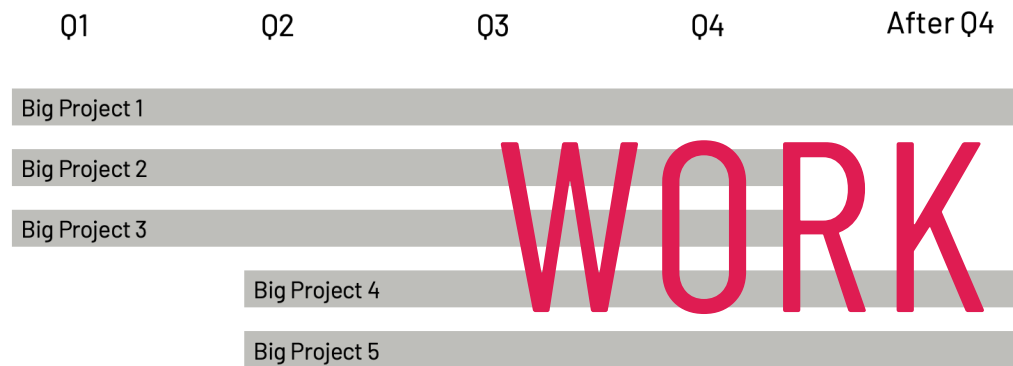
Strategy → Roadmaps →
Journeys → Stories

DREAM

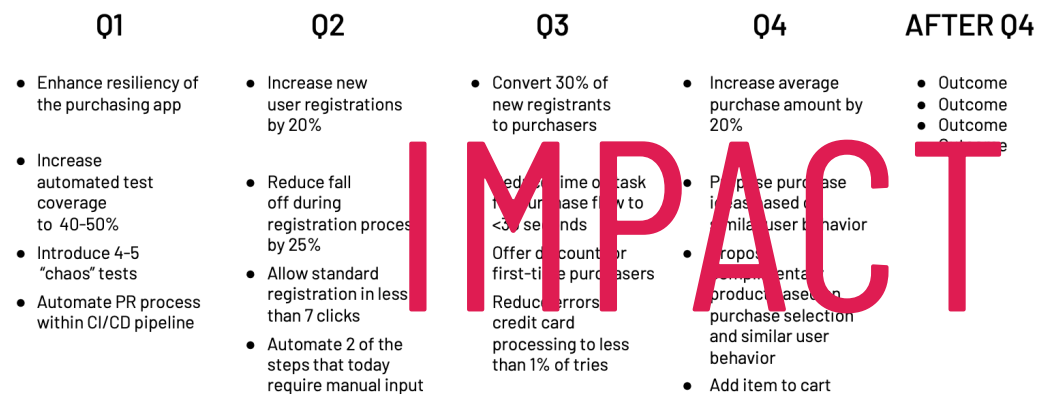


Shifting from thinking *about the work* to thinking about *the impact*.

From Project-Based Roadmaps:



From Outcome-Driven Roadmaps:



Discovery

As opposed to a traditional project planning and strategy period, which could last weeks or months, the official start of an agile product initiative is a brief discovery period that usually lasts just one or two days.

During that period, the following four questions are considered:

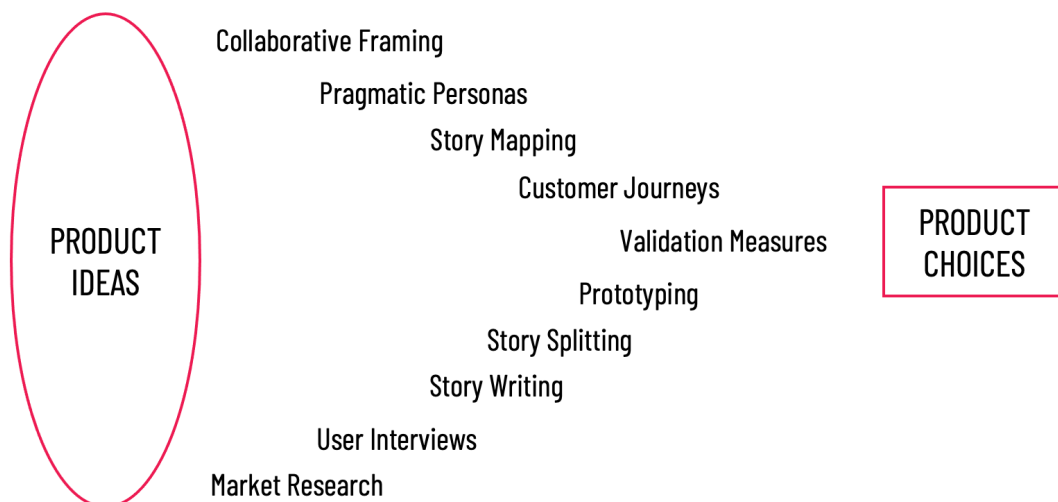
1. *What are we building?*
2. *Why are we building it?*
3. *Who are we building it for?*
4. *How are we building it?*

Make sure to answer those questions as a full product team so that everyone has a common understanding.

Discovery may begin with one or more seeds of ideas that have been collected over time, or it may start with a fresh brainstorming session. The key test of which concepts are pursued lies not in who came up with the idea or how long it's been floating around, but in how effectively those four questions can be answered when considering each idea. The concepts that generate productive answers across the board are worth moving ahead with, while others should probably be scrapped or, at least, deferred to a later discovery session when new information may be available.

The end result of early product discovery is a list of prioritized experiments that are worth investing some time and resources into. That list is our product backlog.

How do you bring ideas to life?



Looking at the Team as a Whole

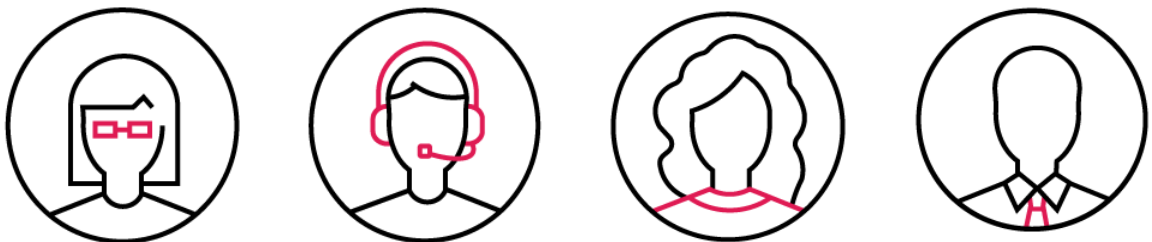
That initial product backlog may only include a few dozen stories to start with, but it's enough to engage a new product team and give them some productive work to dig into. This product team will include members focused solely on delivery – such as front-end developers, back-end developers, and testers – as well as members dedicated to ongoing discovery – such as product managers, product owners, and analysts.

Most importantly, there will be at least a few team members who are involved in both aspects of the product development process. Some examples may include a tech lead, lead QA engineer, or designers. While they're in the trenches writing and testing code, they're also in a prime position to share information back and forth with the discovery folks to inform the work.

It is important to keep in mind that discovery and delivery are two different activities, two different cadences, but they're done by the same product team. If we get into the mindset of separate discovery and delivery teams, we're also separating that handoff between product and engineering or business and IT. Think one team, formed together and bonded around a product.

Team members may come from different areas with different skills. But everyone on the team should feel a sense of ownership for the product. Ultimately, their goal is to solve problems for the customer as a team.

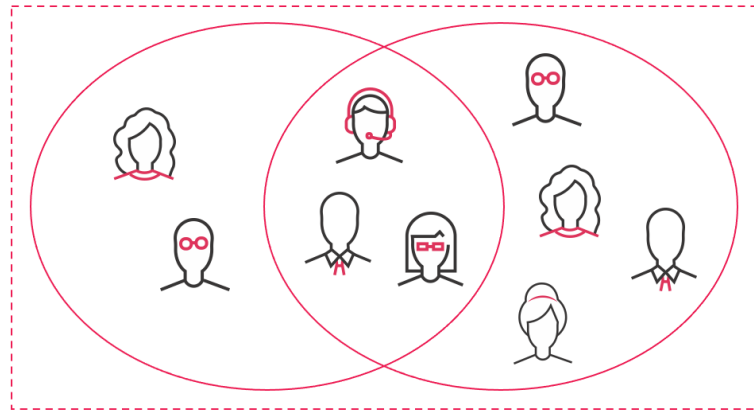
So, as we talk about discovery and delivery, we're approaching it as two different activities or two different cadences, within a single product team or a product line.



Product Team

Discovery

- What problems do customers have?
- What value can we create for them?
- In what order should we create that value?
- Did we build the right thing?



Delivery

- How will we build it?
- How much can we build?
- Did we build it the right way?

As this blended team starts working on the initial product backlog, trying out the experiments, a feedback loop is immediately established between delivery and discovery. One team, two cadences.

The delivery side is constantly considering these questions:

- How will we build this?
- How much can we build?
- Are we building it the right way?

The discovery side is constantly considering these questions:

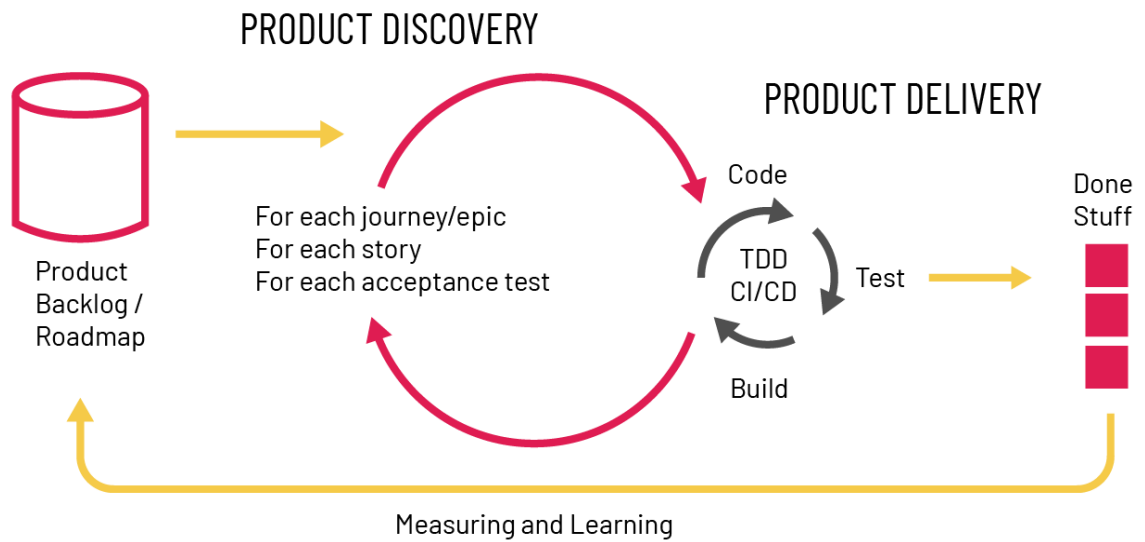
- What problems do customers have?
- What value can we create for them?
- In what order should we create that value?
- Did we build the right thing?

Looking at the Team as a Whole

Now that we've laid the initial building blocks for developing our product backlog, we can start to look ahead and dive into visualization of the product story and identifying journeys (backlog items larger than a story - you may call them epics or features), throughout the product story.

Let's take a look at the whole process:

The discovery group starts by grabbing that next journey off the backlog and authoring it, meaning to add a description that answers the questions "who," "what," and "why." Then we add acceptance tests at the journey level. These are cross cutting tests that describe the behavior we expect the journey to deliver. They are written in test language so that they can be verified.

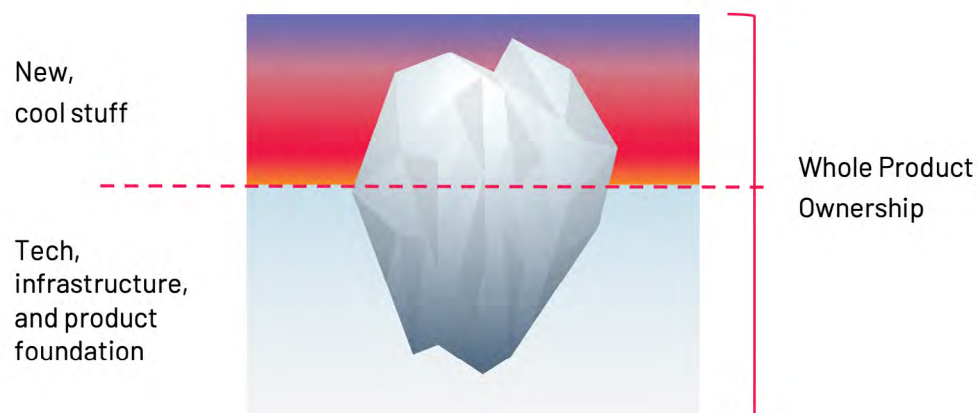


With a general understanding of what this journey is and what we hope to accomplish we can take on some of the cross-cutting concerns as a discovery team. For example, do we need to create some sketches of the user experience? Do we need to understand some architectural pieces? Do we have larger constraints to deal with?

Finally, we go back to our story maps and determine what stories we want within this journey. It's likely that we're just working with titles at this point, as we need to author all the story's details.

The rest is a repeat of the above for each story in the journey. Once we have authored descriptions, defined acceptance tests, and reviewed these stories with the larger team to assign sizes, they are ready to be worked on within a sprint.

This process is continuous from story to story within a journey, and from journey to journey within the product backlog. New stories and journeys will be created, and when product learning happens, you can adjust the product backlog without having wasted all of your hard work. The product now wholly encompasses the new features, the technology, the maintenance and the legacy aspects. That's all your product.



WHAT'S IN IT FOR YOU?

We want to produce what people need. But we also want to do it in a way that's sustainable and doesn't burn out team members. The move to product thinking achieves a team or program of people with a shared product vision. They all have the same information and are going to have the same love for the product, the customers, and the market. Bonus: they're going to care a lot more because they get to be a part of the decisions.

Project thinking means handing things off and building products like a relay race. With each pass of the baton, a piece of the product story is lost. The shift to Product thinking enables us to adapt to change, adjust as we learn, and respond to the market. What does that mean? Better return on an investment. not because we're turning the crank faster -- because *we're building less of the wrong thing and more of the right thing.*



ABOUT THE AUTHOR

Anne Steiner is the Vice President of Product and Technology at Cprime. In her role, she leads Cprime's consulting practice that guides clients in defining, designing, building, and supporting digital products. Anne and her team help companies of all shapes and sizes transform from traditional, project-thinking to being product-driven organizations that emphasize technical agility and continuous learning.

Anne has more than 20 years' experience in tech, working as a developer, product manager, coach, and executive. She excels at helping people in product and delivery roles act as a single team, working together for the benefit of the customer.

Anne also actively promotes building communities of practitioners in the Minneapolis/St. Paul area and frequently speaks at national and regional events.

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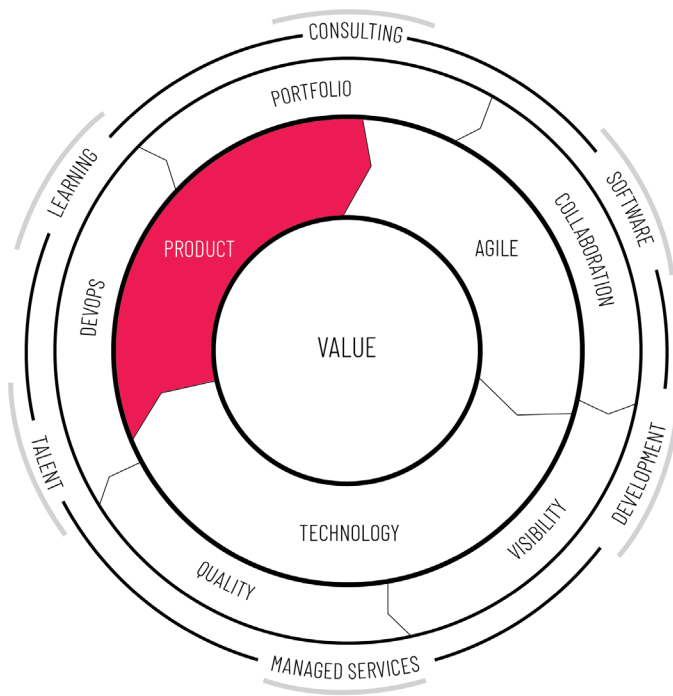
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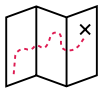


Chart Your Product's Course

Determine the most strategic things to build, and in which order, by creating a product horizon that delivers the most measurable value



Bring Ideas to Action Faster

Apply design thinking and Lean UX practices to get from idea to stories without losing the big picture intent. Create backlogs while at the same time gaining alignment, prioritization, and clarity to your product strategy.



Build the Right Thing the Right Way

Apply modern engineering practices that allow for better technical health and agility. This gives your codebase and environments the ability to shift and maneuver as you learn.



Weave Product Learning into Your DNA

Whether it is at the test, story, or feature level, apply practices that promote continuous validation of value delivered. Measure success in terms of impact versus output.

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