

Communicating Product Line Strategies

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Product Managers and product line contributors do not know how to talk to one another about Product Line Strategies. This can be costly. Adept Group research suggests people who contribute to a product line often do not understand and embrace its strategy.

These findings fall in line with two separate Harvard studies. Each reveals how few managers, perhaps less than 10 percent and not more than 30%, understand their business's strategy.ⁱ Because product line strategy is part of business strategy, it is not surprising the mystery cascades to product lines.

The Adept Group conducted a study among 20 companies seeking insights related to work effectiveness in product development and product management. Over six months, Adept interviewed product line managers and contributors about their product lines and work effectiveness. It turns out strategy clarity may not be as sharp as some people think. Both product line managers and contributors within only three companies thought strategy was well-understood plus describe it similarly.

A Major Problem

Granted, the Adept study is a qualitative assessment of the state of product line strategy. The findings warrant empirical validation across a larger sample sizeⁱⁱ. Nonetheless, the findings are noteworthy because their implications are significant. The lack of a common understanding about a product line strategy can cause significant harm. It undercuts initiatives. It slows down work. And it lessens the delivery of customer benefits while helping competitors.

Ideally, product line strategies should guide people in working collaboratively. Indeed, strategies should lead one function to boost impact from others.

The challenge is that contributors do not hold a common understanding of what a product line strategy should include. This is obvious within the randomness across strategy descriptions. Without a common construct or framework, managers simply create it for themselves. Usually this is in ways that differ from how other managers view strategy. It inhibits communications and hinders good execution. As a result, a lack of understanding undercuts the product line's value.

Most contributors who do not hold a deep understanding of a strategy will simply revert to following instructions from their superiors. Their philosophy is "I do what the boss tells me to do. Strategy is her responsibility."

Keeping your nose to the grindstone is admirable. Unfortunately, it is not enough. Good product line strategies must have good execution. Work, project plans, and roadmaps should not diverge from strategy. Yet many managers state little concern about how their activities align with strategy. And even fewer recognize how their work might increase a strategy's impact or value.

Work Prioritization

Consider how strategy and work prioritization. Product lines need support from Sales, Supply Chain, Information Systems, and Manufacturing. Problems arise when these functions do not recognize the importance of the product line work compared to other work. As a result, each function using their own approach toward work and its prioritization may negatively affect a product line. When work decisions involve multiple functions and multiple product lines, things only worsen.

Communicating a clear product line strategy is critical to its execution. Without a means to think through strategies and a language to communicate it, product lines will fall short of their potential.

The recourse is to adopt a framework specific to product line strategy. When done properly, the framework must set up a means both to create and to communicate good product line strategies. The key is the framework's robustness and simplicity. It needs to hold up to each product line's nuances and complexities. Plus it must be learnable by all players.

A Strategy Framework

The product line strategy framework is simple. It contains five elements:

- 1. Objectives
- 2. The Strategy Essence
- 3. The Execution Roadmap
- 4. Organizational Change Roadmaps
- 5. How these four elements complement one another

Most players will understand objectives and, with a little help, the Execution Roadmap and sub-roadmaps. The Strategy Essence, however, needs a deeper exploration with descriptions and examples.

The Strategy Essence is the core of a product line strategy. Creating a smart Strategy Essence and communicating it are perhaps the most important tasks for any product line team.

A product line's Strategy Essenceⁱⁱⁱ has three parts. Together, the parts explain a strategy's what and why.

- Platform Lever(s) and Organizational Fulcrum
- Chain-link Strategy Alignment and Synergy
- Positioning-Choice

Each part is important. Plus Positioning-Choice the manner they interrelate and amplify one another is critical to a strategy's value.

Training the strategy framework is necessary. All functions contributing to a product line need to understand it. Equally important, a lexicon supporting the framework needs to embed in an organization. Sales, manufacturing, supply chain, brand management, marketing, information systems, and R&D need to use the same words and to communicate actions and intents.



Learn the Framework

Learning and applying the framework is important. Adept offers several venues to help. Our most impactful is a two-day interactive workshop. If product line strategy effectiveness is important to your organization, consider joining the workshop to learn the framework and how to embed it in your organization. You may find more information on the workshop at <http://adept-plm.com/ppm-workshops/>



ⁱ "A mere 7% of employees today fully understand their company's business strategies and what's expected of them in order to help achieve company goals." Robert S. Kaplan and David P. Norton, "The Strategy-Focused Organization," Harvard Business School Press, 2001

-Harvard Business Review article, "When CEOs Talk Strategy, Is Anyone Listening?" June 2013: 29% of people could state their company's strategy... 71% could not.

ⁱⁱ When to Use Quantitative Methods -

https://cirt.gcu.edu/research/developmentresources/research_ready/quantresearch/whentouse

ⁱⁱⁱ Product Line Strategy Essence Anytime Webinar - <http://adept-plm.com/on-demand-webinar-product-line-strategy-essence/>