

The Venn Diagram of Business Analysts and Product Managers

Eric Bin, May 25, 2017

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Thanks for coming out for tonight's Speaker event, I'm flattered to be invited by Leo and the team and hope that what I have to share tonight will prove useful for you.

About Me - Eric Bin

- ❖ Currently the Director of Product Management at Clio supporting a team of 6 PMs (and hiring!)
- ❖ Previously at Amazon, SFU, Coast Capital, and SFU.
- ❖ Product Management is a happy accident for me.

But let's get into tonight's topic.

The Venn Diagram of BAs and PMs

Last October I spoke at the Product Management meet up on the the topic of how to develop a vision for a Product.

In chatting with Leo afterwards, and then subsequently with Eunice, we saw that there were some pretty significant overlaps in the required skills between PMs and BAs - so much so that becoming a PM is a very relevant career path for BAs.

Let's look at a few of those similarities.

Similarities

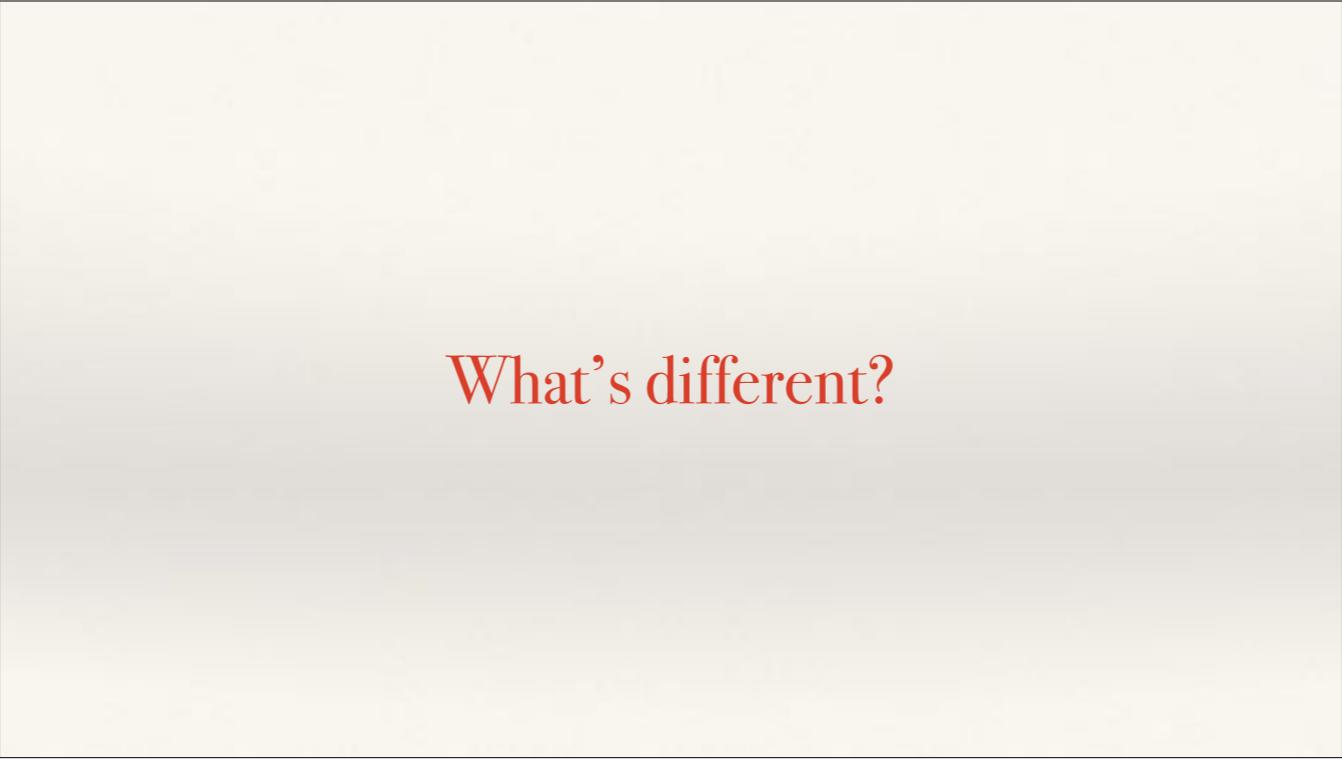
- ❖ Requirements gathering - problem definition
- ❖ Research and analysis - business case development
- ❖ Stakeholder management
- ❖ Strategic analysis
- ❖ Change management

There are just a few high level areas where PMs and BAs can and do overlap in their duties. In fact, when defining what business analysis is, the job titles that the IIBA lists includes both Business Analysts and Product Managers.

Characteristics of good BAs

- ❖ Disciplined
- ❖ Drives decisions making
- ❖ Ensures alignment
- ❖ Clear communicator
- ❖ Great attention to detail

And there are a lot of characteristics of good BAs that are equally valuable in a PM role.



What's different?

So those are some of the similarities between BAs and PMs and I don't want to dwell on those much as I think everyone here already knows about those. Let's talk instead about what's different...

Differences

- ❖ PMs solve problems for people OUTSIDE the company, BAs solve them for people INSIDE the company.
- ❖ PMs are responsible for MAKING decisions, BAs are responsible for ensuring decisions are MADE.
- ❖ PMs set and drive vision and own the overall product roadmap, BAs focus on the current project.

Here are a few differences...

I want to focus our conversation today on the last bullet point - that of setting and driving product vision as I think that's the most crucial difference between BAs and PMs. It's the one that's one of the 2-3 most important characteristics of a successful PM so if you're looking to make a career change into being a PM that's going to be something to focus on a lot.

Owning and Developing a Product Vision

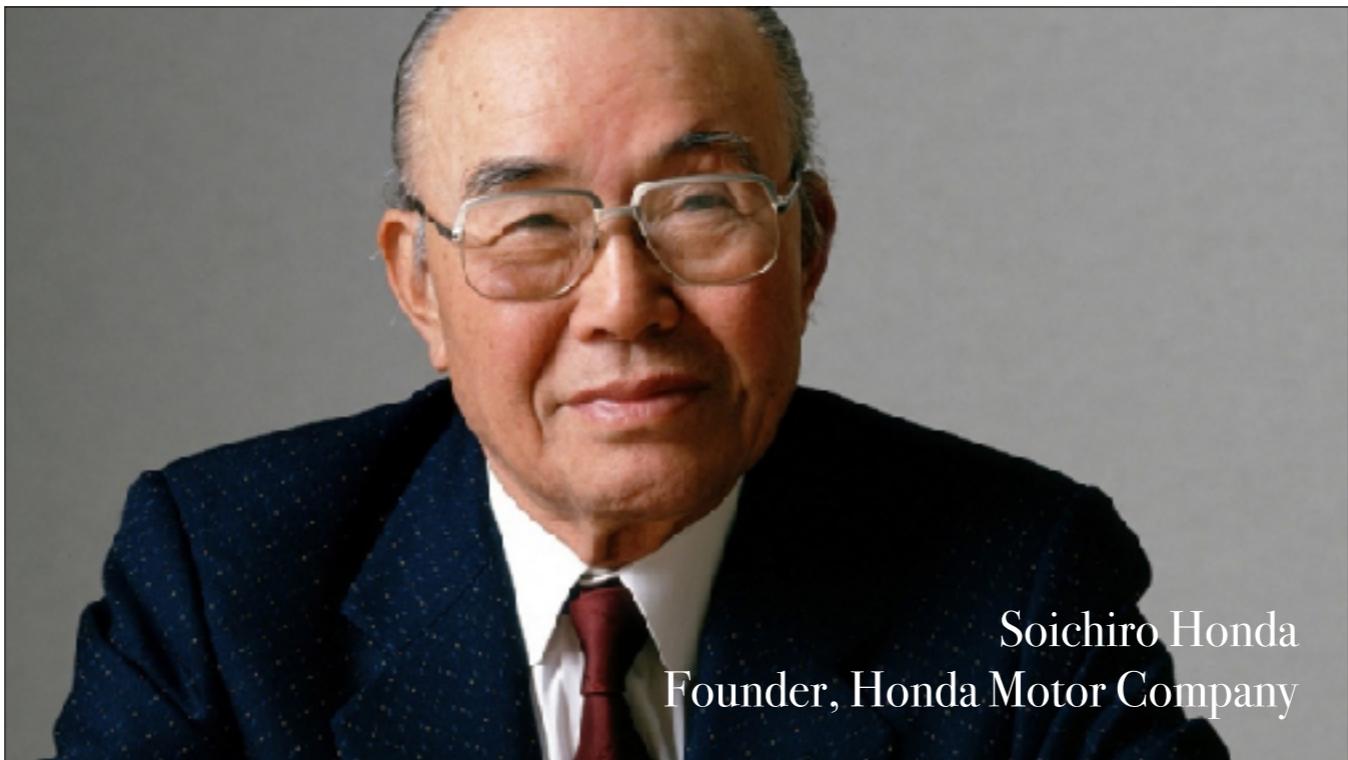
I want to achieve two things with tonight:

- 1) I want to explain what a product vision is and what value it provides a team and
- 2) I want to provide some tools to help you develop a product vision by yourself or within the teams you work in.

I want to start this by telling you about one of my heroes.



Sorry, wrong talk.



Soichiro Honda
Founder, Honda Motor Company

This is Soichiro Honda, he founded Honda back in 1946 out of the ruins of WWII. He's been a source of inspiration throughout my career.



You probably know him by way of his car company.



You may even know him by his motorcycles.



And that in the 80's and 90's his Honda engines dominated the pinnacle of auto racing?



Honda also makes the great line of lawnmowers. That mower you're looking at was, in 2015, the world's fastest lawnmower with a top speed of 116mph.



and boat engines!



Even an airplane!



They're even into robotics and artificial intelligence.



Today their slogan is “The Power of Dreams” which is great reflection of Soichiro’s vision back when he founded the Honda Motor Company back in 1946.



So a bit more background on Mr. Honda. He was the Japanese Steve Jobs or Jeff Bezos during the 1950s.

As a child, he was inspired to a life of inventiveness when he saw a Model T for the first time - this was back in the 1910's. So at the age of 15 he left his home and became a mechanic's apprentice and learned how to work on engines. Eventually he started a company that sold engine parts to Toyota before the war.

He was a hugely hands-on engineer who participated deeply in the creation of many of his company's greatest products. Even after his retirement in 1973 he was involved in every aspect of a product in his new role of "Supreme Advisor".



But his factory was destroyed during the war. Many cities in Japan looked like after the war. People were starving, there was a massive lack of functional infrastructure.



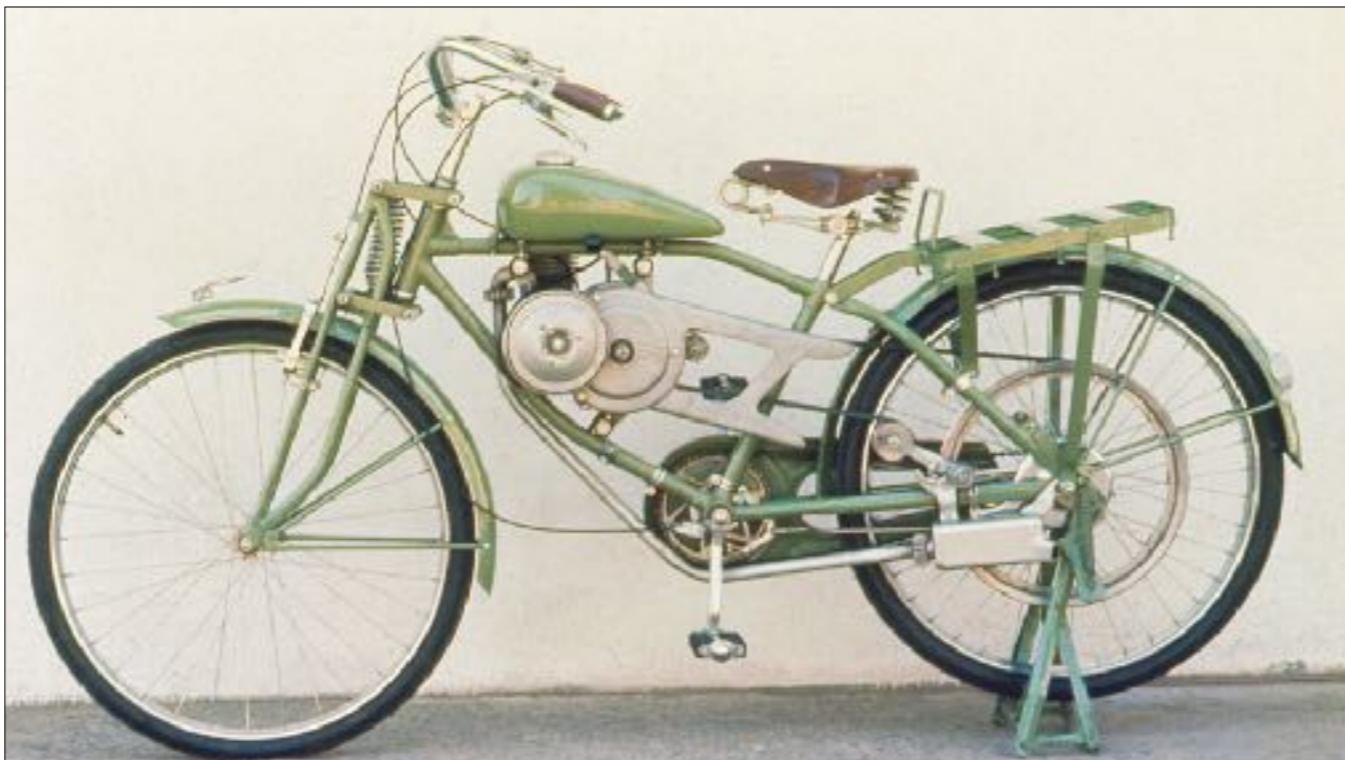
Further out though were farms with food and water but people couldn't get around in resource starved Japan.

And from that he took his own knowledge and realized he could help and thus formed his original vision for Honda.



“Personal Mobility for Everyone”

He realized his skills as an engineer were perfectly placed to solve the problem Japanese people were facing but rather than jumping straight to cars which was his real passion, he started with motorcycles.



The first result of this vision was the first Honda motorcycle, the Type A in 1948. It's not much to write home about as it was just a tiny engine that pulled a belt on what was just a bicycle but it allowed the Japanese to cheaply travel in an era of rations. Pretty MVP.

The Three Joys

- ❖ The Joy of Producing
- ❖ The Joy of Selling
- ❖ The Joy of Buying

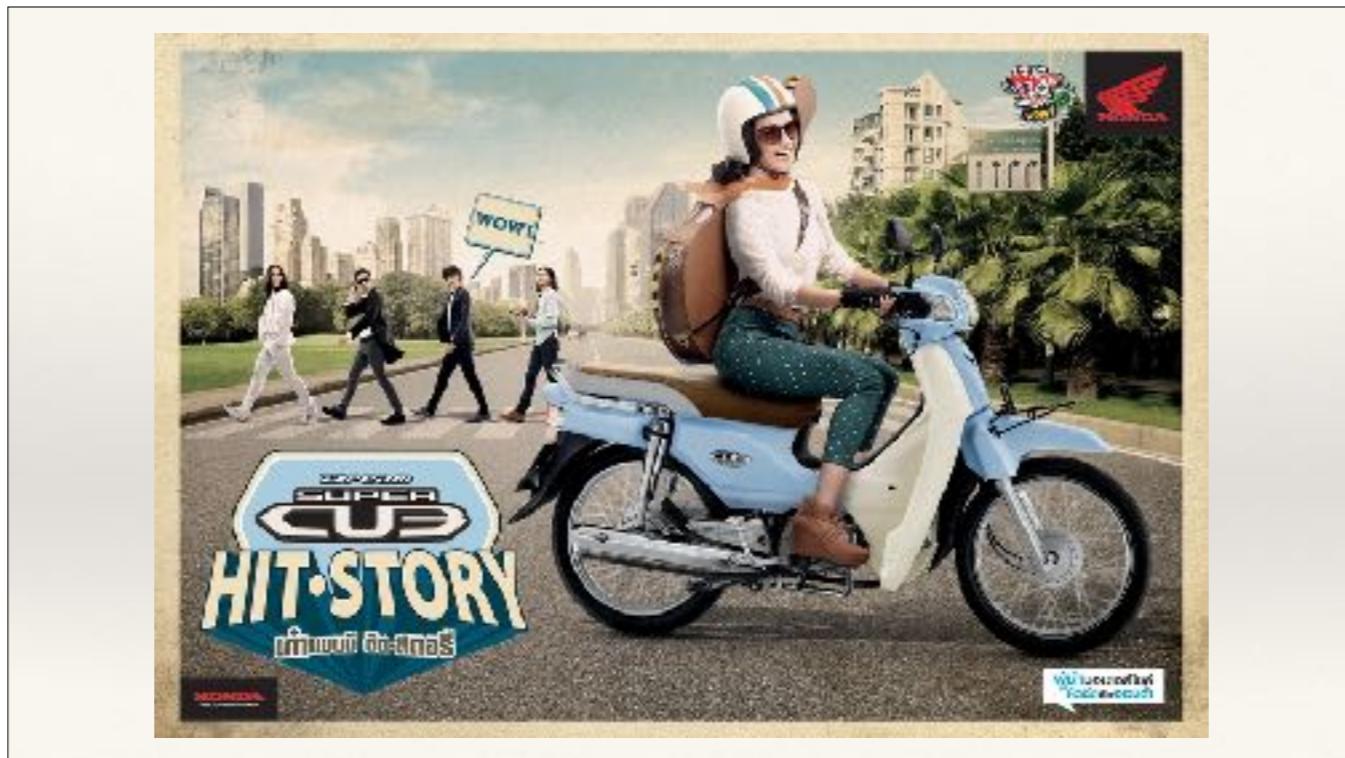


In 1951 he created a set of mottos called The Three Joys which were tenets that described what Honda should be about.

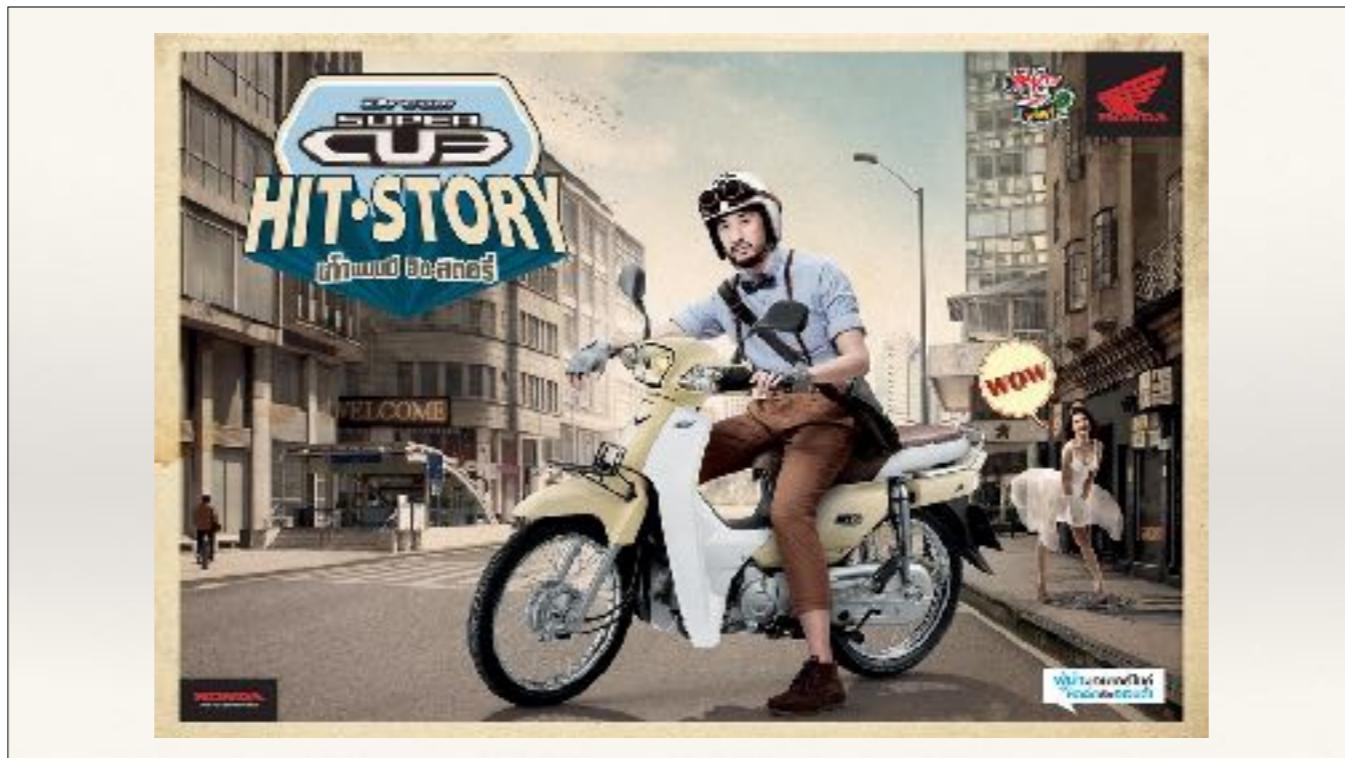
It described the pride of an engineer building a great product, the excitement of a salesman selling something they feel good about, and the pride of being an owner of something well done and high value.



Eventually his vision bore fruit into the exactly what he had imagined - this is the Super Cub. The Super Cub was for anyone - he designed something that lived up to his vision of Personal Mobility for Everyone. Women wearing skirts could easily hop onto the bike with no fuel tank or engine to get in the way.



The Super Cub lived up so well to his vision that even today it's still available for sale in essentially the same form as when it launched in 1958. Today over 87 million Super Cubs have been sold.



During the time that led to the SuperCub he also evolved the vision for his company as he realized that only if Honda were #1 in the world could they be #1 in Japan.



“Maintaining an international viewpoint, we are dedicated to supplying products of the highest efficiency, yet at reasonable prices, for worldwide customer satisfaction.”

This was his new vision for Honda which he published in 1956.

Today if you go to the honda.com website you can still find it as their mission statement - 60 years later.

Probably sounds cooler in Japanese.



These are the original documents. The one on the left is his vision for Honda and the one on the right is Honda's operating policy which is also still published word for word on the honda.com website 60 years after it was originally written.



Biggest motorcycle manufacturer in the world

And today...

In fact, they were the biggest motorcycle manufacturer in the world within 10 years of their founding.

**Biggest maker of internal combustion engines
in the world**

200,000+ employees
\$138B in revenue (2015)

Never had a year where they lost money

70 years!



They've done this while remaining true to Mr. Honda's vision all this time.

Their products are consistently recognizable for the same characteristics whether they are cars, motorcycles, lawnmowers or boat engines. They are practical, reasonably priced, reliable machines that are easy to use and which customers love.

Owning and Developing A Product Vision

So that's the Soichiro Honda and his company. Over 70 years they've maintained a really consistent view of what their company and their products are about and they've become an industrial power around the world.

Honda isn't the only company to have a clear and consistent vision of their company - let's go through a few examples, let me know if you recognize the company I'm talking about. Today, these examples represent the entire company but when they were created they represented companies similar to ours.

**“Our mission is to make the world more open
and connected”**



**“Our vision is to be Earth’s most customer
centric company”**

Who is this?



“Organize the world’s information and make it
universally accessible and useful.”



Why does Product Vision matter?

So that's 4 companies and their respective visions. All unique to themselves but ones that they each live everyday in pretty successful ways. Altogether these 4 companies represent \$1.6 trillion dollars on the stock market.

So why does having a vision matter?



Well, for one thing product managers don't want to be janitors - taking orders and maintaining a product with no say in it.



Ship the **RIGHT** product

We want to ship the RIGHT product.

Get company wide alignment

Things are a lot easier when everyone is rowing in the same direction. A clear product vision is a crucial step in that direction.

Drive autonomy

The more alignment there is the more autonomy teams can have.

I've remarked recently in meetings that, at Amazon, I never had to care about what other teams were working on because I knew that they were just as focused as I was at doing what's best for the customer. Amazon's vision around customers drove every decision that was made and it let me focus on my own work and caused me to stay out of other people's work.

Get stakeholder buy-in (aka. FUNDING and SUPPORT)

You want more funding! You want their support!

When things go wrong you want your stakeholders to stay with you. If you have a clear direction that you've both agreed to then the odds are much higher that they stay on your ship.



“If you are working on something exciting that you really care about, you don't have to be pushed. The vision pulls you.”

—Steve Jobs

How do I create a product vision?

So we've gone through 4 companies and their visions and I've walked through some of the core rationale for why a vision matters but how do you create one? It's probably not hard to come up with some gibberish for a vision but we all want things that we can align around so that we can work faster with autonomy.

Common characteristics of a Product Vision

- ❖ Durable, not swayed by short term trends.
- ❖ Memorable, not disposable.
- ❖ Broad, not narrow.
- ❖ Assertive, not meek.
- ❖ Focus on long term trends and forces.

Let's start with the basics of a product vision. Here's some common characteristics to think about.

“There is no point in having a 5-year plan in this industry. With each step forward, the landscape you’re walking on changes. **So we have a pretty good idea of where we want to be in six months, and where we want to be in thirty years.** And every six months we take another look at where we want to be in thirty years to plan out the next six months.”

-Facebook's Little Red Book blog

On the topic of durability... Facebook takes a really aggressive view of things - they look 30 years out rather than 5 years out.

Optional characteristics of a Product Vision

- ❖ Can state the specific problem that's being solved.
- ❖ Can include tenets or principles.
- ❖ Can include the customer you're solving for.
- ❖ Can state why you are unique.

You'll see some variations in product vision depending on who's writing it. here are just a few that are perfectly acceptable.

I'm going to use Clio's to illustrate this.



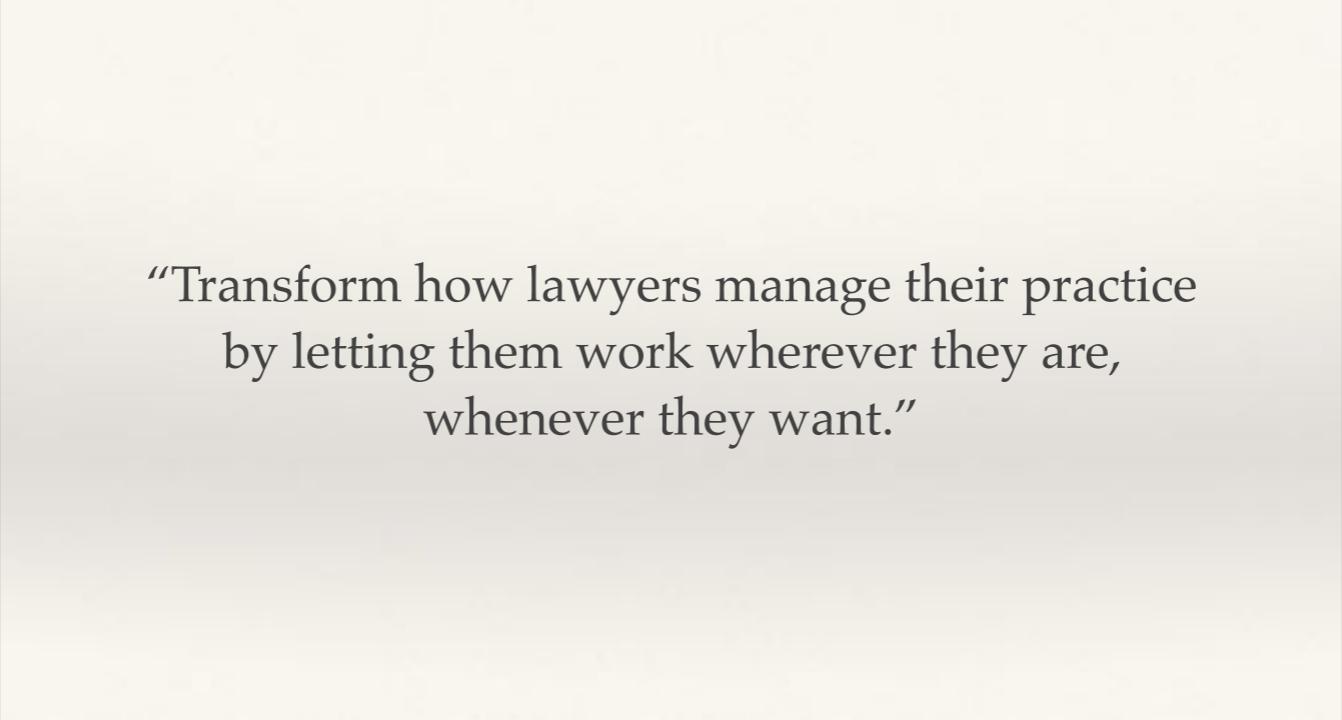
“Transform the practice of law, for good.”

But how do you plan on transforming the practice of law? Are you a research tool? Are you about going paperless? Are you running for President and you expect to bring in Martial Law?

In Clio's case we have a specific niche with legal services - we focus on practice management, the tools a firm uses to manage their cases, and charge their customers.

“Our goal is to transform the practice of law by making it incredibly easy for lawyers to manage and grow their practice.”

Here's the product vision statement that we're working on. But this isn't quite specific enough as we've got 9 development teams focused on specific parts of the product.



“Transform how lawyers manage their practice
by letting them work wherever they are,
whenever they want.”

Here's the mobile team's vision.

We've percolated the company vision down to individual dev teams and have remained true to both the team's day to day and to the strategic side.

Now What?

So I've shared some company level vision statements that started as product vision statements. I've also touched on why its important and shared some examples from the Clio team.

Now the question is what's next?



About 15 slides ago I mentioned that PMs don't want to be product janitors. They're not here to do clean up, they're here to drive long term success which is something the product vision helps you do. It helps you create alignment, it'll help you motivate your team, and it'll engage stakeholders. The product vision keeps you out of the weeds.

BTW: That's no ordinary janitor. That's Gac Filipaj. He was a refugee from the former Yugoslavia who took a job as a janitor at Columbia University and eventually enrolled and got himself a B.A in the Classics with Honours in 2012.



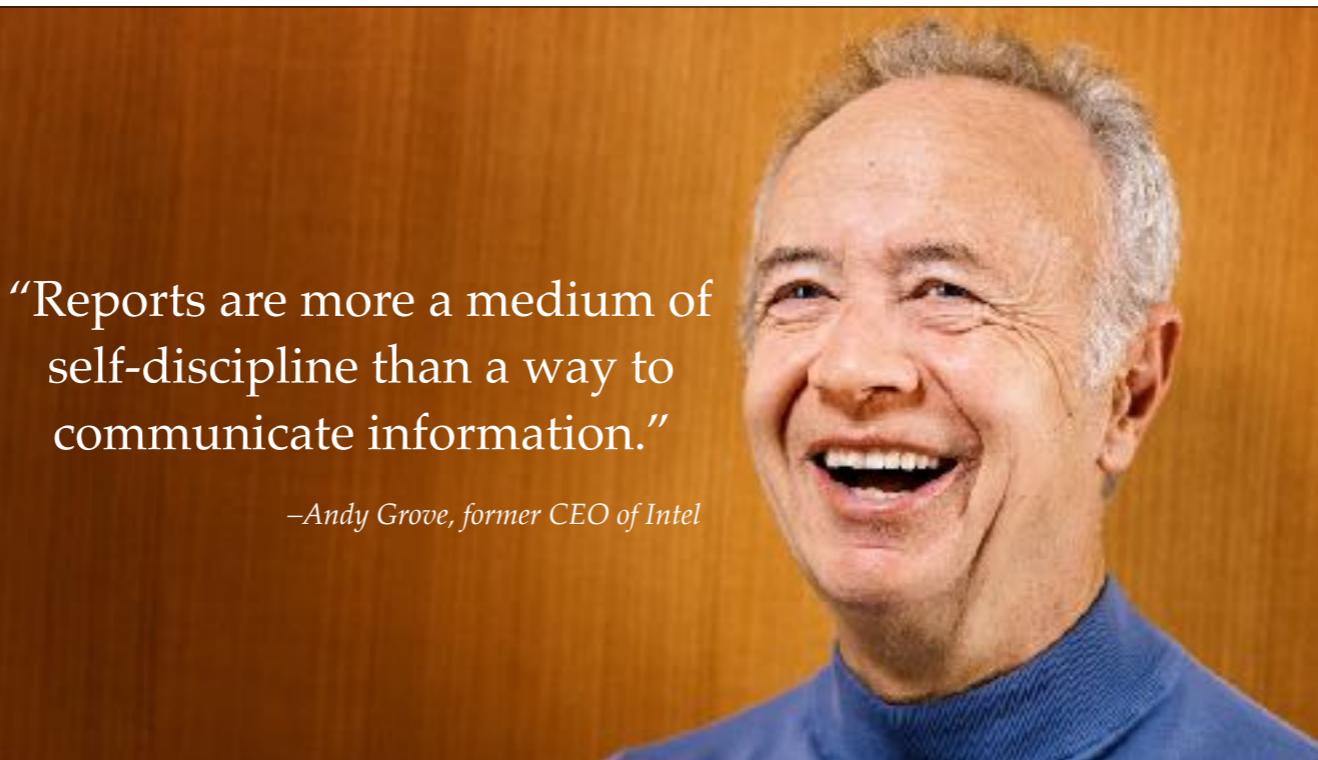
Here he is graduating.

And my suggestion is...

Start writing and keep writing

My recommendation for everyone here is to start writing. As I'm in a room full of BAs I'm going to make the guess that this is not a new skill for you so you're well placed to do this but there are some specific things you'll need to do to form a product vision.

I'm also going to guess that I don't have to advocate about the value of writing but what I'm talking about is a very specific type of writing - one that's intended to help you form a vision for your product.



“Reports are more a medium of self-discipline than a way to communicate information.”

–Andy Grove, former CEO of Intel

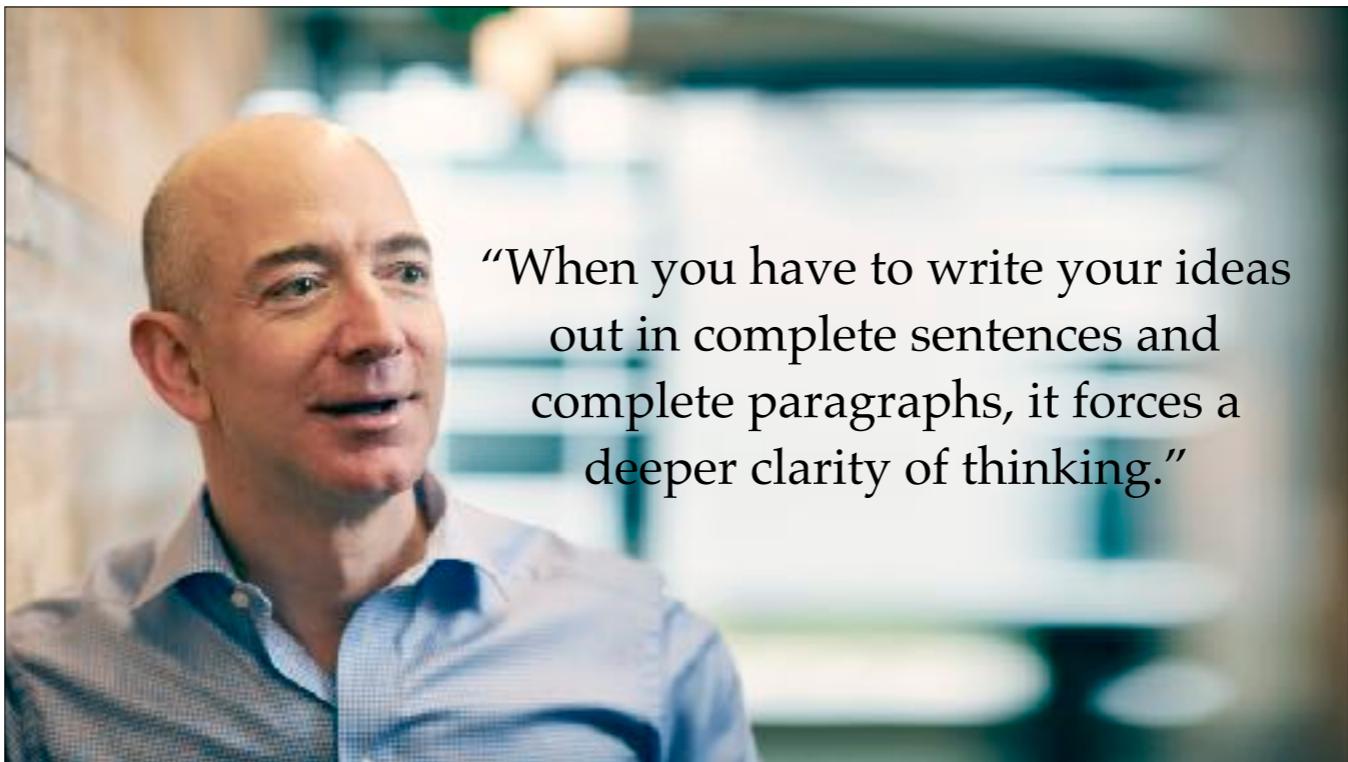
In case there are non-believers when it comes to writing, let me answer the why. Writing forces you to understand your product in a way that a Powerpoint deck never could. The process of iterating, of researching, of thinking results in much clearing thinking.

“Writing not only demands thinking, it is also a means for thinking.”

—Ronald Kellogg, Psychologist

As I mentioned before, I’m advocating for a specific type of writing. Don’t change how you write requirements or user stories. Keep writing those in the way that works best for you.

I’m talking about something that explains your product and which connects the tactical with the strategic and with the company vision.



“When you have to write your ideas out in complete sentences and complete paragraphs, it forces a deeper clarity of thinking.”

What I’m describing is a strategy memo, one that forces you to think about what your product should do, how it will do it, and that forces you to align to your product vision or which forces you to create one.

At Amazon these documents were commonly known as “6 pagers”. They were memos that could span from very high level operating plans or roadmap to a deep dive into a specific feature to investigations into new product opportunities. I want to focus on the operating plans or roadmaps in the remainder of our talk.



6 pagers, MOUs, Briefs, Narratives...

It doesn't matter what you want to call these docs - 6 pagers, MOUs, Briefs, Narratives etc.

I'm going to call them 6 pagers since that's how I was taught.

Components of a 6 pagers

- ❖ Start with a statement about your product vision and why it matters.
 - ❖ Where possible, describe your product tenets / principles.
 - ❖ Include your KPIs, state of the product, and progress against goals.
 - ❖ Describe the state of the market
 - ❖ Key problems you are solving group in themes and projects (recommendations)
- ❖ Appendices. Have your facts with you.

I'm not going to dive deeply into each one as that could take a good chunk of the night and it will likely be unique to each of your particular industries but let's tackle a few of them.

What's a tenet?



They're not tents.

They are principles or beliefs - most often found in religion but very useful in business.

Tenets about Tenets

- ❖ Tenets describe why your team or product exists and describes its intended value for customers.
- ❖ Tenets are durable and codify approaches without being prescriptive.
- ❖ Good tenets are guiding. They help you make tradeoffs by taking a stand.
- ❖ Tenets are concise and precise.
- ❖ Tenets can be aspirational and describe what you want to be.

Let's go through a few examples tenets.

“We hire to add to the collective skill of our team. We expect to learn something from each new hire regardless of their seniority”

—Sample Clio PM Hiring Tenet

“We write for people who practice or are
inspired by our craft.”

-Clio Lab tenet

“We make it as easy to buy from a seller across
the world as from across the street.”

—AbeBooks sample tenet

KPIs, State of Product, Goals

- ❖ KPIs:
 - ❖ Revenue, NPS, Active Users, Growth and Churn metrics.
- ❖ State of Product:
 - ❖ What is the health of the product? Tech debt? Security threats? Scaling?
- ❖ Progress Against Goals:
 - ❖ How has the product done against the goals you've set and why?

“Today, with over 134,772 paid accounts and \$18.88M in MRR, we are the market leader in enterprise security software and will grow MRR by 12% YOY (.99% MoM Net New MRR) while raising NPS to 40 from ~32 by the end of 2017”

State of the Market

- ❖ What's the competitive landscape?
 - ❖ Are you dominant or under threat?
 - ❖ What are the key trends or forces in your market that could upset things?
 - ❖ What are the key risks?

Think of this as your SWOT analysis.

“Our current market challenges are with new companies that focus on a single feature in our feature set and are capable of chipping away at our share of market amongst small firm bookkeepers.”

Themes and Projects

- ❖ Group your projects into themes.
 - ❖ Short term and long term.
 - ❖ Explain why they are important.
 - ❖ Examples: “Revenue growth”, “Mobility”, “Accessibility”, “Grow”

Appendices

- ❖ Back up your statements with facts and metrics
- ❖ Answer the questions that will come up as people read the 6 pager.
- ❖ Graphs, tables, lists.

Things to keep in mind for 6 pagers

- ❖ It's also a bottom up document!
 - ❖ Leverage your inputs - your vision may be wrong!
 - ❖ Be prepared to share with everyone. It's universal.
 - ❖ Plan to iterate many times.
 - ❖ Take a stand. Use your facts.
 - ❖ Read final versions together.

What are the benefits of this specific approach?

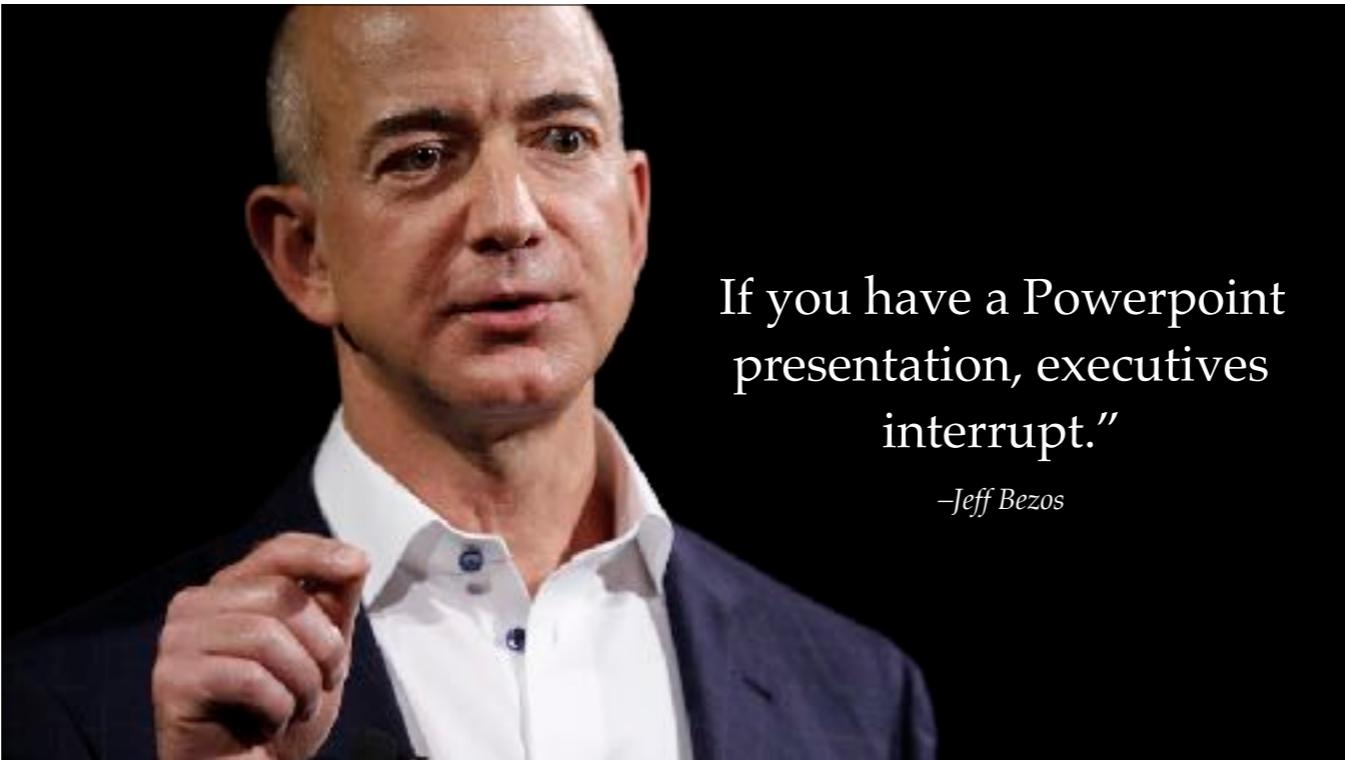
Why write?

Let's talk about a downside. Writing takes a lot of time! 80-120 hours. Our PMs worked 3 weekends in a row to get theirs done. It's an intense process that lends to a much deeper understanding of your product and your goals.

“If we have facts, we'll use facts. If not, we'll
use my opinion.”

—James Barksdale, CEO Netscape

Win more arguments.



If you have a Powerpoint presentation, executives interrupt."

-Jeff Bezos

Allow anyone to understand your area of the business in just 30 mins.

Sit them down, read it with them and let them ask questions.

“PPT is first about itself, and then presenter convenience. Last are audience + content, which is, after all, why the meeting is being held.”

—Edward Tufte

Be more customer centric - the work you put into your document is proof of your effort and desire to understand your customer and the opportunity.

Recap of a 6 pager

- ❖ Summary of the product vision, tenets, and problem you're solving.
- ❖ Include key metrics and inputs.
- ❖ Describe the proposed themes and individual projects.
- ❖ Review with peers and stakeholders.
- ❖ Iterate over and over again.
- ❖ Do it at least once a year.

Drive Vision from Understanding

In the end, the deep diving that comes out of a 6 pager either defines or enhances the vision you have for your product.

The Venn Diagram of BAs and PMs

So at the beginning I said there were lots of similarities between BAs and PMs. Requirements gathering, stakeholder management, writing etc. Those skills are pretty foundational to success in either role.

BAs and PMs are sibling career paths

At the same time there are some differences between the two - one of those differences is the responsibility of creating and driving a product's vision. This difference is a critical difference and one that can mean the difference between an ok PM and a great PM.

Do I want to be a PM?

Reasons you may want to become a PM

- ❖ You love being the decision maker
- ❖ You love working with people outside the company
- ❖ You love setting direction and driving vision
- ❖ You love selling your ideas
- ❖ You love being an entrepreneur



If you dream of being an entrepreneur that doesn't say no for an answer. That is someone who doesn't mind being a little or a lot pushy. That is someone who has big dreams then maybe product management is for you. Maybe you want to be Mr. Honda.

Questions?

Thank you!