

Navigating the Transition from Project Management to Product Management ¹

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Abstract

The transition from project management to product management is a dynamic journey shaped by the ever-evolving landscape of modern business. This paper explores the intricate differences between these roles and their unique contributions to organizational success. While project managers excel in delivering projects efficiently, product managers take a holistic approach, driving the entire product lifecycle and aligning it with consumer needs and strategic goals. The transition between these roles requires a shift in mindset and the acquisition of essential skills, including market research, customer engagement, and long-term product strategy. The paper provides a roadmap for individuals embarking on this transition, emphasizing the importance of understanding organizational objectives, developing product management proficiency, conducting thorough research, assessing costs and value, and embracing the product management mindset. In an era of rapid change and innovation, navigating the path from project management to product management is not just a career transition; it's a strategic imperative for businesses aiming to thrive in the digital age.

Keywords: product management, project management, transition, evolution

Introduction

Project management has always existed throughout history (being found in civilizations such as the Ancient Egyptians, Romans, etc.) however, it was never defined or outlined according to a set of standards or principles until the 20th century (Kwak, 2005). This was the advent of modern-day project management when concepts such as work allocation and job specification became popularized as technology advanced allowing better communication and shorter schedules (Snyder

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and Kline, 1987). As industries have modernized, a new type of management has emerged to assist in the development of competitive consumer goods, product management. Product management focuses purely on the product being developed, from concept to implementation, with a higher degree of focus on the needs of the consumer. This is opposed to a project manager whose responsibilities include personnel organization, budgets, schedules, etc. (*A Guide to the Project Management Body of Knowledge*, 2017). A consideration circulating the industry is that the project manager role will evolve into the product manager role over time, as organizations realize the increased value of product managers. This may not necessarily be accurate. Product managers can manage the team in building, launching, and maintaining a product, their responsibilities lose out on the administrative portions of the project which the project manager addresses.

Within any business in the modern economy, some form of desirable product (a deliverable offering value in some form to its user) is developed and offered to the consumer as the basis of the business money-making model (Fricker, 2012). In addition, as technology has innovated and improved over the years, the definition of a product has expanded from any tangible device to a software-based artifact that fulfills a particular function. While all organizations have recognized the importance of project management to develop new products and maintain their competitive edge within their respective industries, many organizations have failed to see the value of product management in the same aspects (Ebert & Brinkkemper, 2014).

A key differentiation between a product and project management is the clear focus on the success of the business because that success is a direct reflection of the success of the product, product manager, and product team (Ebert, 2007). This success is implemented through the use of many tools and processes, strategic and operational, to select the best product mix, the best projects to pursue, and execution strategies to implement. One of the many benefits of product management is that the product manager can ensure that the products that are developed are aligned with the focus of the business and not just a collection of various artifacts. Product management acts as a business process aide directing a product from its emergence to delivery, particularly in such a way that creates the largest amount of value for the business. Poor product management can lead to continuously changing product requirements or project scope, insufficient preliminary planning for development, and product defects after launch that may affect the overall image of the product and business (Ebert, 2014).

Objective

The objective of this paper is to explore the differences between project management and product management, emphasizing the unique roles and responsibilities of each. Additionally, it aims to guide individuals seeking to transition from a project management role to a product management role, highlighting the necessary skills and mindset shifts required for a successful transition.

Key Metrics for Product Manager Success

The success of a product manager is closely linked to their products in development and launch, as well as the overall success of the organization (in terms of performance and sales). Product managers generally determine their own standards of success as they begin the development process of a new product. Since a product manager focuses on overseeing the needs of the product, successes at the minimum start with determining the objectives that the product needs to achieve. This can be as simple as determining a list of requirements that the product manager creates in conjunction with the stakeholders, development team, and project manager, possibly even some of the future end users of the product (Ebert & Brinkkemper, 2014). Confirming that the product matches all of the requirements outlined in the development phase is a major success for product managers, but adding or eliminating to this list of requirements to ensure the product matches the actual needs of the end users by the time of launch, is a key balance to achieve over the development of the product.

Product managers can also determine successes after development based on the sales generated from the product. At the core, most organizations are dedicated to generating a profit and in turn, push for new developments to match that agenda. Thus, product managers have an innate responsibility to the stakeholders to ensure that the product is generating that profit after launch. This can be managed by working with a marketing department to increase the awareness of consumers about the product. Another consideration after launch could be the need to perform evaluations of product reception or usability from consumers (Ebert, 2007). Results from this evaluation could lead to the product manager finding flaws or bugs that have been occurring in the product since its launch. Product managers can respond to this by returning to the development team and rolling out upgrades or patches for the product that make it more conducive to the customer experience. In addition, these responses can be stored and used as feedback for future projects, helping the organization save on future development and operational costs when developing similar products.

An often-overlooked factor of product manager success is their ability to perform market research, which can include a wide variety of skills. Forecasting trends in consumer thought processes can help the organization tailor their marketing of existing products in such a way that more consumers are drawn to their products. Anticipating the needs of consumers is a key aspect of market research (Fricker, 2012). This can help the organization make decisions regarding which projects to initiate into development as opposed to others; it can even help to see where there are opportunities for growth in the organization, whether there should be expansion into a particular demographic or geographic region. Finally, competitive research is an important aspect of market research. Organizations must know where they stand regarding the products and services they offer as compared to competitors. Product managers need the ability to anticipate and respond, to a degree, to the outputs of competitors to help ensure the success of the organization.

Tools and Strategies

Product managers can use a wide variety of tools to perform their duties in the development and post-launch phase of products, some of these tools may coincide with tools used by project managers to perform their functions (Fricker, 2012). At the initiation of the development phase, product managers generate a product strategy to dictate the goals that the organization expects the product to achieve and how it plans to meet them. A common tool used to develop and convey the product strategy is a product roadmap. A product roadmap outlines the features that the product should embody, in what steps those features (requirements) will be implemented, and what release schedule should the releases of those features follow (van de Weerd et al., 2006). This outcome-driven planning tool is then used in conjunction with the product backlog. The product backlog takes the requirements outlined in the product roadmap and creates a priority level for each of them. This priority level can be based on many factors such as ROI, stakeholder desires, organizational goals, etc. This is useful in the long term to help the development team understand where they should focus more of their efforts and where changes can be made to the product scope while minimizing the effect on the desired end product (Ebert & Brinkkemper, 2014). Product backlogs are an ever-changing tool that should be regularly updated throughout the development and execution of the project.

Another tool that product managers use in performing their duties is customer surveys. These surveys can be created through various software and distributed to consumers through mail, email, or even physical interviews. Surveys can be used to gain insights into customers' needs and desires, which as mentioned earlier can be used by stakeholders and product managers to determine which direction they should take for future products/projects. Surveys can also be used to analyze the

responses of customers to products that are in the post-launch phase to determine what consumers liked or did not like about the product. This information can be filed for later use in developing new products, but it can also be used to roll out improvements to the existing products.

Distinguishing Project and Product Management

Product managers and project managers have many similarities in the tools and methodologies that they may use, but in terms of execution of their duties, there are four significant differences. The first major difference between the two managers is their assessment criteria throughout the development phase. Project managers are assessed more on the process of delivering a successful project while, at the same time, remaining within the constraints they are given and balancing those against the expectations of the stakeholders.

Product managers are assessed on the value generated by the end product that is developed and how well it matches the needs of the consumer/end user (Ebert, 2007). A high-level example of this can be seen when the end-user comes up with a new high-priority requirement that must be implemented for the product to be successfully marketed to the consumer. A product manager's responsibilities dictate this requirement should be implemented immediately, whereas a project manager's responsibilities require them to consider the effects of this change on the overall scope of the project, the budget, the schedule of completion, etc.

The overall focus of a product manager is completely different from that of a project manager as well. Product managers focus on long-term strategies and objectives regarding the product they have at hand, whereas project managers focus on the execution of the project (Ebert, 2007). Product managers have to perform market research beforehand to determine what the needs are of the consumer, the needs of the organization, and competitor movements. From this research, they must create and maintain the product strategy throughout the development of the product and constantly ensure that they are aligned with one another. Project managers have a focus more on the scope of the project, budgeting, and the tasking of the development team. They have to ensure that the project is constantly moving forward in alignment with the schedule and budget set previously, while also managing resources, risks, changes, and other issues that may arise throughout product development. In addition, project managers have to organize and support the development team, while constantly receiving and conveying updates on the progress of work.

The determining factors of success are another major difference between the two types of managers, project managers focus more on the performance metrics of the project team whereas,

product managers focus more on the actual performance of the product once it has reached the consumer. Project managers define success based on how well the project aligned with the scope that was set in the planning phase, the budget that was given to the development team, and the timeframe within which they were asked to execute the project. A few other metrics of success for a project manager include the quality of the final deliverable and how well feedback was incorporated into the development process. Product managers, on the other hand, focus on success factors that are more consumer-facing (Murphy & Gorchels, 1996). These include customer satisfaction, revenue increases, customer retention rates, user acquisition rates, etc.

Finally, the last major difference between product and project managers is the duration of their work. Project managers have a responsibility to the project at hand until the scope of their work is fulfilled. Usually, this is indicated by the execution of a project closeout meeting with the development team where the team performance is discussed and processed for later review when discussing similar projects. From here, project managers will be assigned another project (possibly a completely new team) and they will begin the process anew.

Product managers have a much more long-term responsibility for the developed product, from the inception of the idea of the product and often continuing until the product is retired from service (van de Weerd et al., 2006). After the product is developed, the product manager has to continue to monitor its performance and consumer responses to it and make changes/adjustments. Due to this, it is not uncommon for product managers to be working on multiple products across multiple project teams.

Transitioning to Product Management

The process of transitioning from a project manager to a product manager requires the individual to add a lot of tools, skills, and understanding to their knowledge base. One of the first steps to begin this transition is to begin to understand your organization, its strategic goals, and its organizational goals (Murphy & Gorchels, 1996). This can help develop an understanding of what expectations the stakeholders will have of the product manager and what responsibilities they need to fulfill to perform their duties. Additionally, if a product is assigned then a complete understanding of the product is needed, so the product manager can make an informed decision on which direction to take this product.

Another major transition from project management is to learn to communicate with end users and customers, in addition to the project team and stakeholders. This is a major factor in product

management for a multitude of reasons. There is now an added responsibility to ensure that the consumers are aware and are in favor of the product at hand. A project manager is comfortable speaking with stakeholders and the project team, but now that needs to be balanced with the needs and wants of the end user since that is a new dimension of successful definition in their role. In addition, a product manager has to be able to prioritize between all these individuals and understand which tasks are more important in conjunction with feedback given from parties aside from the development team.

Product managers must learn to conduct their research regarding the product, environment, and market that they are stepping into. The research must be insightful and efficient to help create an effective product strategy that can guide the development of the product in a growth-oriented direction, financially and otherwise. To do this effectively, the product manager has to be familiar with the market: understanding where the competition will arise, the effects of geography on the dissemination of the product, consumer needs and wants, consumer behaviors, market trends, etc. From this information, the product manager must have a creative mindset and abstract ability to develop the product strategy, roadmap, and corresponding backlog (though the project team and stakeholders can assist with this). The current life cycle of the product must be mapped out, its immediate goals, and the overall journey that the product will be expected to take.

Having the ability to gauge costs, value, and successes is a necessary internal skill of product managers. Product managers must be able to determine the value that will be generated by their product, or possibly even every individual feature, to both the consumer and their organization (Ebert, 2014). They must be able to estimate the costs of the development of the product and maintain it throughout its lifecycle, as well as possible upgrades and updates that will need new projects to be made to maintain the product's effective value (Brylova, n.d.). Above all, the degree of success that a particular product has achieved has to be able to be quantified and displayed to the organization (Fricker, 2012). The product manager must be familiar with the wide variety of tools that can assist them in achieving their goals.

Figure 1 provides a visual representation of the key steps and considerations involved in making a successful transition from a project management role to a product management role. It outlines the critical areas of focus for individuals looking to shift their careers, including understanding organizational goals, developing product management skills, conducting personal research, assessing costs and value, and adapting to the product management mindset. This flowchart serves as a roadmap for professionals seeking to navigate the transition process effectively, emphasizing

the importance of acquiring new skills and adopting a holistic, long-term perspective when transitioning to product management.

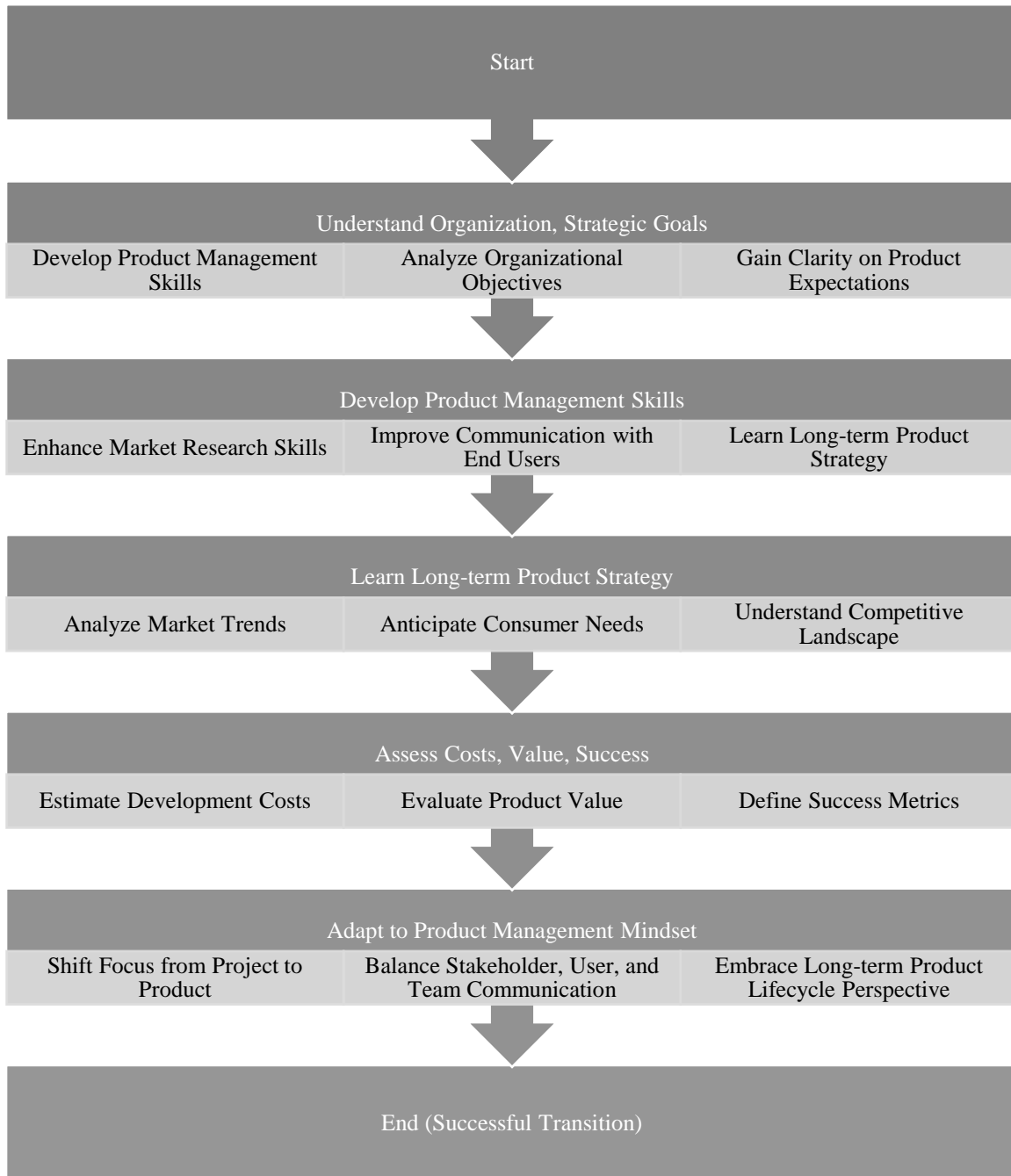


Figure 1. Transitioning from Project Management to Product Management

Conclusion

This paper provides a sneak peek into the evolving landscape of project management and product management, emphasizing their distinct roles and objectives within an organization. While both roles involve managing deliverables, they operate in fundamentally different ways.

Project managers focus on executing projects efficiently. Their success is measured by the project's adherence to criteria like budgets and timelines, and meeting stakeholder expectations. On the other hand, product managers take a holistic approach, concentrating on the product's entire lifecycle, from ideation to retirement. Their success is determined by the product's ability to meet consumer needs, generate revenue, and align with the organization's strategic goals.

Transitioning from project management to product management requires a shift in mindset and the acquisition of new skills, including market research, customer communication, and long-term product strategy. It's essential for individuals making this transition to understand the unique demands and expectations of product management.

Scope of Future Work

This paper only provides a preview of the interplay between project management and product management. There is much scope for further research including:

1. **Case studies of successful transitions:** Further research could examine real-life examples of professionals who successfully transitioned from project management to product management, identifying the strategies and challenges they encountered.
2. **Training and education programs:** Analyzing or developing specialized training programs and educational resources tailored to individuals looking to transition between these roles, including certifications or courses that bridge the gap between project and product management.
3. **Industry-specific insights:** Investigating how the transition from project to product management varies across different industries, as the demands and expectations might differ significantly.
4. **Evolving role definitions:** Analyzing how the roles of project and product managers continue to evolve in response to changing market dynamics, emerging technologies, and shifting organizational priorities.

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Devang Patel is a graduate researcher at Purdue University pursuing a Ph.D. in Technology. He has completed his bachelor's degree in computer and information Technology at Purdue University and is on track to complete his master's degree in the same department by May 2024. His research work is focused on agile project management methodologies, specifically using the Scrum framework and its pedagogical uses in informing students of effective teamwork skills. His main goal is to refine the current pedagogical approaches used to educate students on managing projects and relevant skills to boost their understanding of effective cooperation and collaboration in a teamwork environment.



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Sakhi Aggrawal is a graduate researcher pursuing a Ph.D. in the Technology department at Purdue University. She completed her master's degree in Business Analytics from Imperial College London and her bachelor's degree in Computer and Information Technology and Organizational Leadership from Purdue University. Previously, she worked at Google and Microsoft as a Technical Program Manager working cross-functionally to guide products from conception to launch. Sakhi's research interests include project management, agile frameworks (specifically Scrum), teamwork, self-regulation, and engineering education. Her current research

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Kevin C. Dittman is an American computer scientist, IT consultant, and Professor of Information Technology at Purdue University, especially known for his textbook *Systems Analysis and Design Methods* written with Lonnie D. Bentley and Jeffrey L. Whitten, which is in its 7th edition. He has been with Purdue University for twenty-eight years and is responsible for teaching systems analysis and design, cybersecurity management, and project management courses, at both the undergraduate and graduate levels. He has published numerous other scholarly papers on systems analysis and design, and project management, has over 42 years of industrial experience in the information technology field all relating to systems development, project management, and cybersecurity, and has an active consulting practice. Professor Dittman's current research and teaching interests are systems analysis and design processes and techniques, software development quality and productivity methods, information systems project management, and cybersecurity program governance.