10 Dysfunctions of Product Management

& How Productboard Can Help

Written in partnership with Prodify

PRODIFY™

productboard

"Happy families are all alike; every unhappy family is unhappy in its own way."

Leo Tolstoy
Anna Karenina

Product management is a paradox.
Consider the following questions:

- Does product management deliver outcomes for the business or the customer?
- Is product management an art or a science?
- Does product management succeed by setting the right priorities now or by planning farther ahead?
- Should product managers be held fully accountable for results, or do they lack the necessary authority?

We could keep going with these kinds of questions, but the answer to all of them would still be the same: both! That's the inherent complexity of product management. It's the reason so many companies struggle to understand the role, and even the companies who "totally get it" end up struggling anyway.

The team at **Prodify** has worked with countless product teams over the years. As you might imagine, they've seen hard-working product teams struggling all the time, even under the best of conditions. While there are many things that can go wrong, we've identified the most common dysfunctions in product management and named them so teams can talk about them openly in the hopes of addressing them. If some of these seem familiar, then this is the eBook for you.

We'll dive into each of these dysfunctions so you can see if they are representative of the challenges you're dealing with in your company. You may find you've experienced most or even all of them at one time or another. Rest assured that doesn't signal incompetence or imply your product team is deficient or unskilled. On the contrary, these issues are so prevalent that almost everyone who has worked in product management will have struggled with them at one point or another.

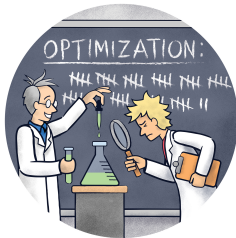# Overview: The 10 Dysfunctions of Product Management

1. THE HAMSTER WHEEL
A focus on output
over outcomes
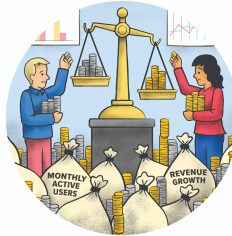
2. THE COUNTING HOUSE
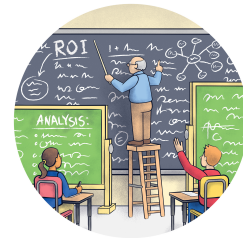An obsession with
internal metrics

3. THE IVORY TOWER
A lack of
customer research

4. THE SCIENCE LAB
Optimization to the
exclusion of all else

5. THE FEATURE FACTORY
An assembly line
of features

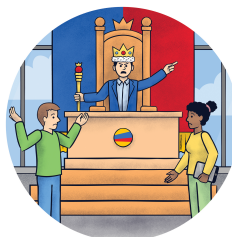**6. THE BUSINESS SCHOOL**
The overuse of
science and data

7. THE ROLLER COASTER
Fast-paced
twists and turns

8. THE BRIDGE TO NOWHERE
Overengineering for
future unknowns

9. THE NEGOTIATING TABLE
Trying to keep
everyone happy

10. THE THRONE ROOM
Whipsaw decision-making
from the person in charge

About the Author

[Rajesh Nerlikar](#) is a Co-Founder and [Principal Product Advisor/Coach at Prodify](#) and co-author of the best-selling product book, [Build What Matters](#).

Rajesh has more than 18 years of product management experience. Over the past 4 years, he's advised and coached nearly 45 companies on product strategy, team development and operations, from startup founders to growth stage product executives to entire enterprise product teams.

Prior to Prodify, he was a technology consultant at Accenture, an entrepreneur, a product manager at Opower, a senior product manager at HelloWallet, a director of product at Morningstar, and the Interim Vice President of Product and Design at Savonix, a Prodify client.

Dysfunction #1: The Hamster Wheel — a focus on output over outcomes

On The Hamster Wheel, all that matters is continuing to run even though you're not getting anywhere. Similarly, sometimes product teams are almost entirely focused on output — especially in terms of solutions and hitting deadlines — with little regard for the outcome. When the goals of a product initiative are not discussed or agreed upon, teams often focus on their output in terms of releases.

User research and product discovery can be time-consuming, and making adjustments based on what you learn from these activities can also impact the project plan. Teams can sometimes have the feeling that they don't want to learn anything new because they don't want it to negatively impact their timeline. They know they'll only be evaluated on whether they shipped feature X on time — regardless of how it's adopted by users.

Compare these two questions and you'll see the difference in perspective:

- Did you ship that feature on time? (output-oriented)
- Did that feature deliver value to customers and grow revenue? (outcome-oriented)

What's the use of shipping a feature on time if no customer wants or is willing to pay for it?

How to overcome this dysfunction

To escape The Hamster Wheel, shift your focus from outputs to outcomes. Start thinking about the value that's associated with everything you build rather than how long it will take you to accomplish them. Discuss the success metrics for each product initiative with your team and stakeholders, and don't start work until there's alignment on how you'll measure the value.

You can use Productboard **to create an outcome-driven roadmap** and emphasize what metrics your proposed product changes are expected to move (rather than just when the releases are planned), such as increasing user engagement or addressing critical user pain points, as evidenced by increased NPS or lower churn.

You can even frame your feature ideas as brief verb-based phrases like "share data with boss" rather than specific solution ideas like "PDF export" to reinforce an outcome-focused mentality.
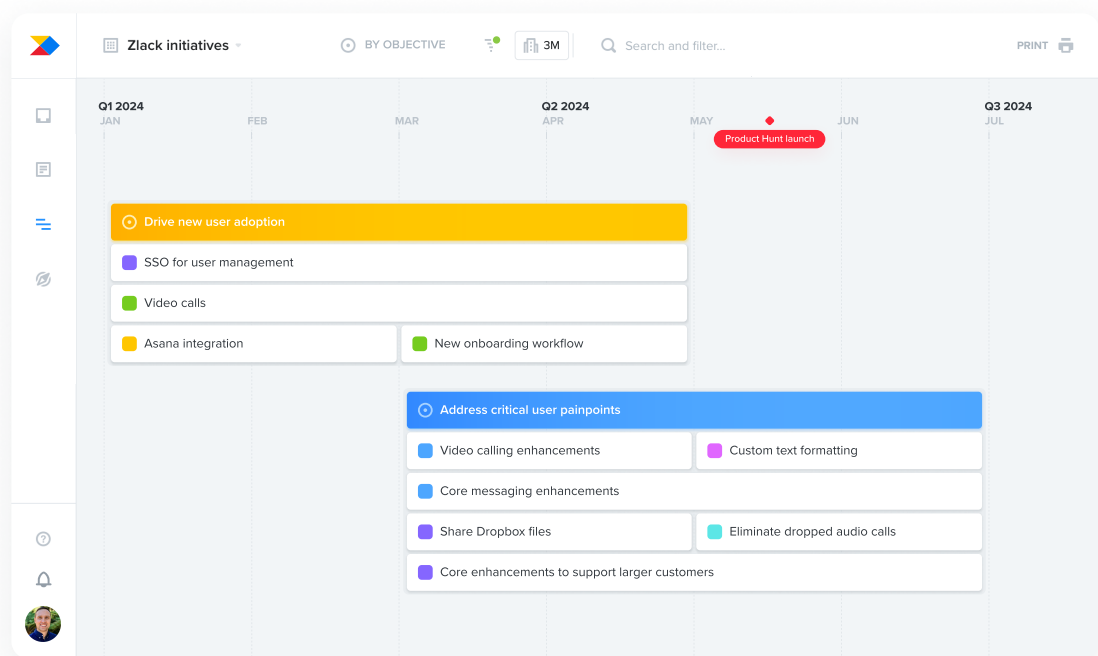
The shift to outcome-focused thinking doesn't end when you're finished building. After the release, be sure to evaluate whether the feature was successful or requires additional iterations to really solve the user's problem. Measure whether the changes delivered the expected outcomes. You can make these types of quantitative measurements with a product analytics solution like Amplitude or Mixpanel. With Productboard, you can also run qualitative surveys with **SatisMeter** in case you chose sentimental KPIs to measure success for a release.

Simply embed a SatisMeter survey in your product interface and ask users to rate how valuable they find the new feature or ask what else they wish feature X would help them do. Then communicate the results to your team and stakeholders, along with any recommendations on the next steps.

If the product team does end up deciding to do additional iterations on the feature that was just shipped, having all those user insights on hand ensures they really do take all the users' biggest issues into account.
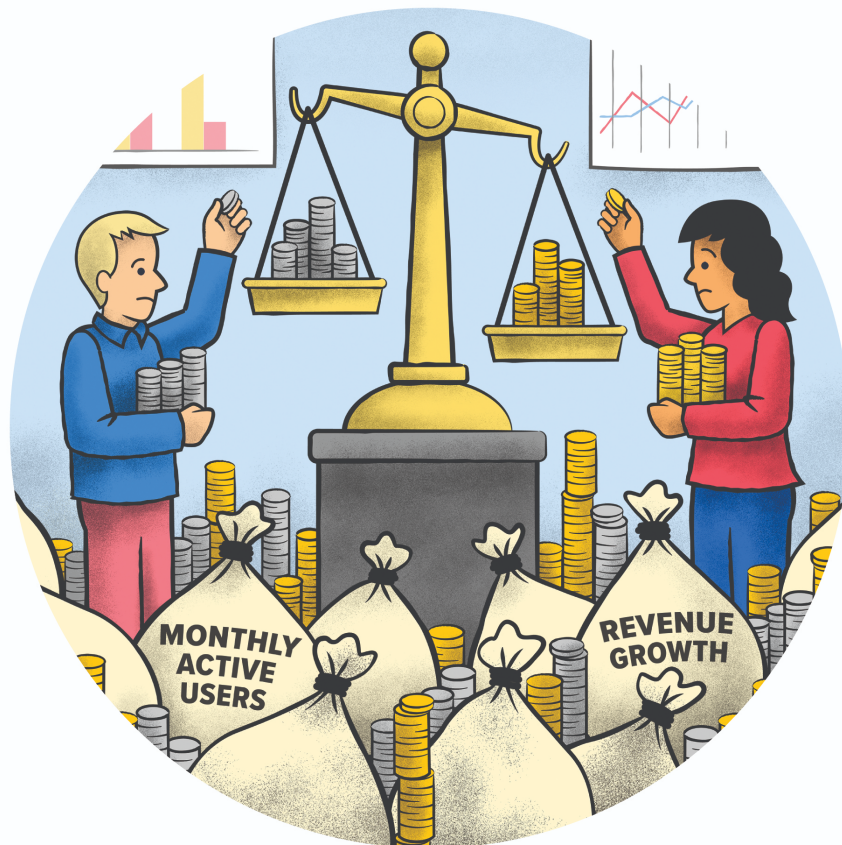
Dysfunction #2: The Counting House — an obsession with internal metrics

In The Counting House, the focus is entirely on internal metrics with no regard for customer success. Many product teams become obsessed with internal metrics like revenue growth, monthly active users, and customer retention. No customer cares about any of these!

While measuring business outcomes is not a bad thing in and of itself, product teams can quickly get led astray when they focus on lagging indicators that are too far removed from the product (like the ones mentioned above).

The key is to find metrics that are closely related to user behavior within the product so the product team has the ability to impact them directly. These metrics should be the best proxies you can come up with for how much value you're delivering to customers. If they're not using what you build, they're probably not finding it valuable.

How to overcome this dysfunction

Overcoming The Counting House requires returning again and again to how the work you're doing contributes value for customers. You can start with a major problem or opportunity and outline a series of needs or tasks that ladder up to it. Then emphasize how your product features or roadmap are helping customers tackle the problem or tasks.

To ensure you never lose sight of your customer's needs, you can **create a hierarchy** in Productboard that emulates how your customers would think about what you're working on. For example, you could use a **Jobs-to-be-Done hierarchy** to show how your work is helping users get different jobs done, as seen in the example below.

⌄ ▢ **Problems**

    ⌄ ⬛ ▦ **I need to set up a new employee**

        🟦 Hiring managers need to be able to extend offers

        🟦 New employees need to be able to be ready to go on day 1

        🟦 Selections need to be sent to provider systems

    ⌄ ⬛ 💰 **I need to compensate my employees**

        🟩 Hiring managers need resources on salary bands

        🟩 Employees must be able to choose their primary bank

        🟩 Direct deposit needs to be set up

        🟩 Time tools must be set in place

        🟩 Summary of payment must be accessible in the UI

    ⬛ 🌱 **I need to support my employees**

    ⬛ 🛠 **I need to administer my organization**

You could also implement **Prodify's concept of customer outcome pyramids** by orienting your hierarchy around metrics your customers would use to measure your product's value, like saving them time in completing a task or hitting a personal goal.

Outcome KPI Pyramids

Key Outcome

Leading Indicators

Customer Behavior / Product KPIs

This may not feel natural, but going through the process of identifying the customer value proposition for each feature in your existing product/on your roadmap can force you to see if your product is helping customers achieve the outcomes they care about.

If you can't articulate why a feature is valuable, it begs the question of whether it's needed.
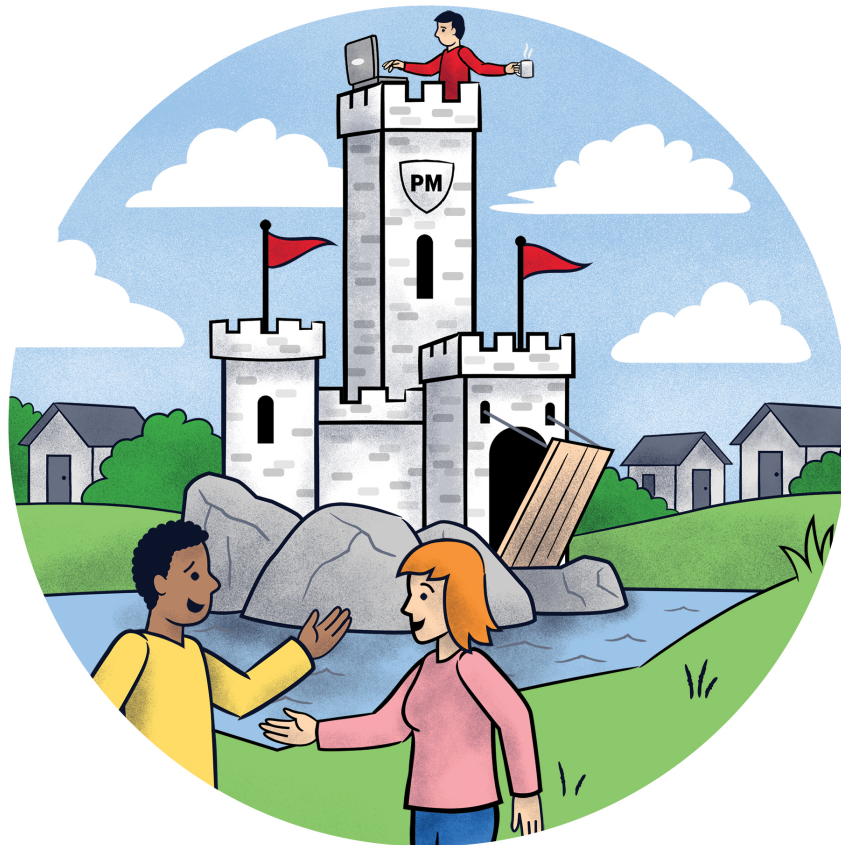
Dysfunction #3: The Ivory Tower — a lack of customer research

New product managers everywhere love the (possibly apocryphal) Henry Ford quote, "If I had asked people what they wanted, they would have said faster horses."

This quote is beloved by new product managers in particular because it makes them feel like they have special insights into what their users really need that the users themselves aren't even aware of. They believe that this "special insight" is what makes a good product manager. And if they believe this, interviewing users or reviewing feedback can feel like a waste of time, so they lock themselves in The Ivory Tower.

In The Ivory Tower, product teams become so removed and so far above the customers that they start thinking they know their customers better than the customers know themselves. Consequently, they never really talk to their customers, which means they risk building a product no one wants or needs. This is one of the most common and egregious dysfunctions.

This can also lead to mistrust between product management and other departments. Product management feels like they're building the right product (though they may not be), so when the product doesn't perform well, they assume the fault lies elsewhere.

The Ivory Tower is a trap. Stay on the ground with your customers.

How to overcome this dysfunction

You can break out of The Ivory Tower by creating regular touchpoints with your customers. Whenever possible, speak with them directly so you can learn more about their specific context as well as their needs, desires, and pain points.

And don't forget about all of the customer-facing teams you have at your company as well. Sales, customer success, and customer support teams talk with customers and prospects regularly — and many of your colleagues on these teams are just waiting for the opportunity to share what they're hearing with the product team.

Take it a step further by treating customer-facing teams as an extension of your user research team. Consider how you might equip them with the same mindsets that your user researchers have so they can provide even more valuable inputs as opposed to simply relaying feature requests verbatim. For example, sales reps can get in the habit of asking follow-up questions to understand the actual need or success metric a prospect or customer was trying to address when they asked for a specific feature.

Productboard makes it as simple and seamless as possible for customer-facing teams to gather and share these insights. All the context they've collected gets routed back to Productboard and associated with the relevant feature ideas, so when it's time to prioritize features or move forward with designing and delivering them, it'll be on hand to inform every product decision. For example, you can:

1. **Use the Insights board** to identify trends around what users really need. Link user insights directly to feature ideas to inform prioritization, design, and delivery decisions.

2. Collect feedback and ideas directly from users via the **Portal**.

3. Define customer segments using company data from Salesforce (or your CRM of choice), as well as product usage data from Amplitude or Mixpanel. This lets you zero in on your target segment's most pressing needs.
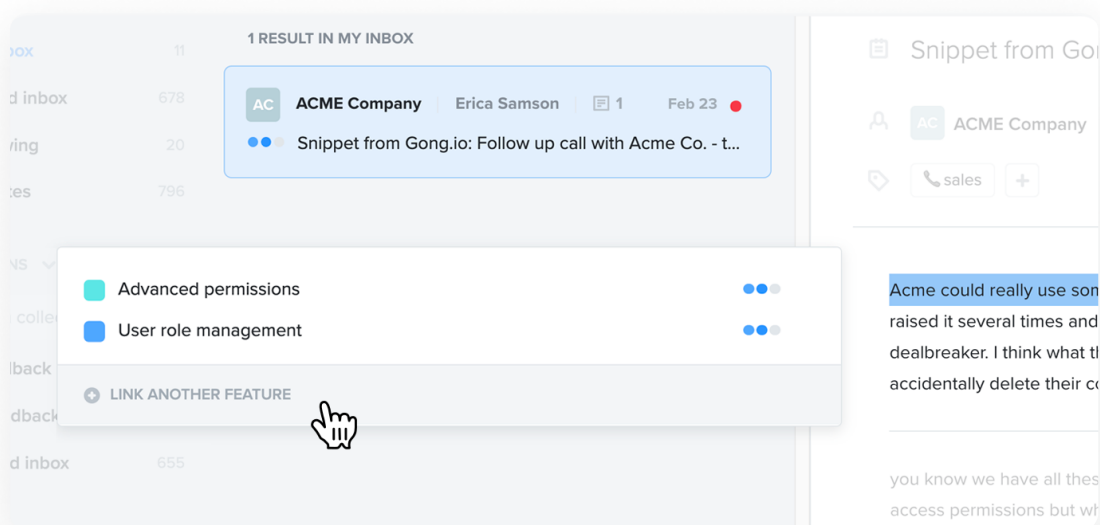
Productboard allows you to link relevant insights directly to feature ideas.
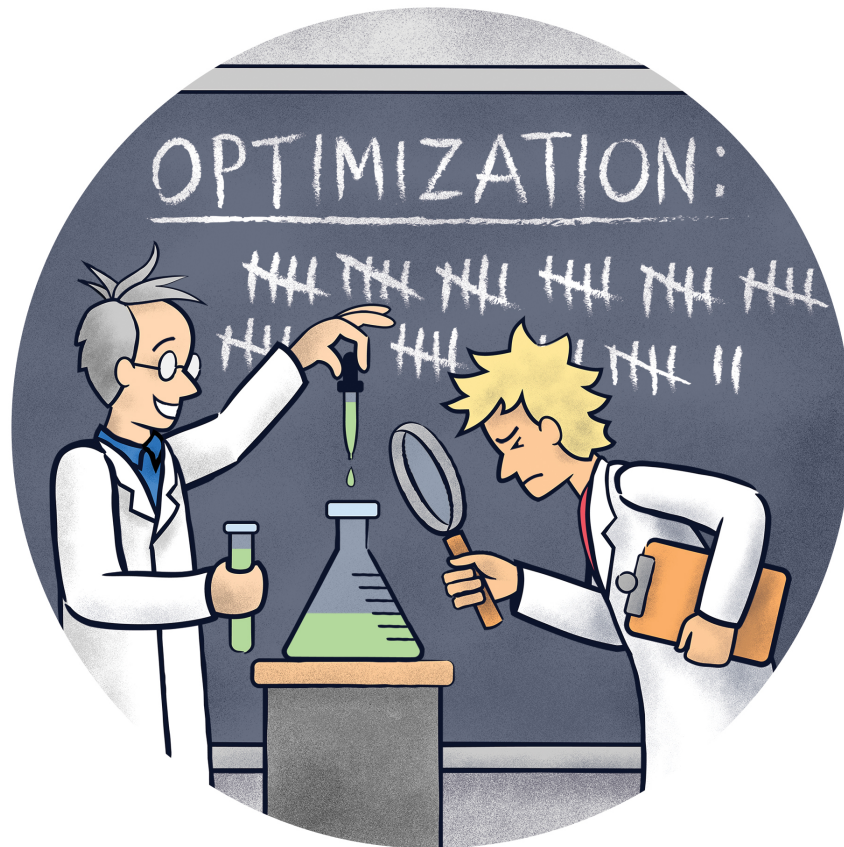
Dysfunction #4: The Science Lab — optimization to the exclusion of all else

In the science lab, product teams tend to focus all of their efforts on highly measurable yet superficial improvements to their product. Collectively, these small-scale optimizations don't do much to innovate or add customer value.

For more and more companies, optimization has become the be-all and end-all rather than a facet of a balanced product development roadmap. The assumption is that making improvements to existing solutions is the one thing that will drive results, but even effective optimizations can't take the place of real innovation.

When you focus too much on making incremental optimizations, you run the risk of missing out on big new opportunities or new types of value that you could deliver to users (or even a new user segment) that no existing metrics are tracking.

Sometimes you need new solutions, not optimizations.

How to overcome this dysfunction

It's important to balance your roadmap between innovation, iteration, and operation. We also suggest you do a top-down allocation exercise to get stakeholders aligned on what percentage of product development capacity should go towards each category. The ratios likely depend on the product lifecycle stage. Early on, it's mostly innovation, then mostly iteration as you seek product/market fit, and then mostly operation as you scale your product.

3 CATEGORIES FOR ROADMAP BALANCING

1. INNOVATION

Bold changes to make leaps and bounds towards the customer journey vision

- New features
- Overhauls to existing features
- Architectural changes to support future end state
- Integrations with partners

2. ITERATION

Incremental changes to the existing product to deliver additional customer & business value

- Conversion funnel optimizations
- A/B testing
- Small fixes that provide incremental lift of a KPI
- One-off feature requests or enhancements

3. OPERATION

The cost of managing a modern SaaS product

- Security/data privacy
- Performance/up time
- Technical debt/ pgrades
- Internal tooling
- Bug fixes

In Productboard, you can define objectives aligned to each of these main categories of investment. These essentially become separate workstreams, which you can visualize separately on your roadmap. And the number of features worked on within each objective (or the total amount of effort associated with all those features) can be evaluated after the fact with Productboard's **allocation reports**.
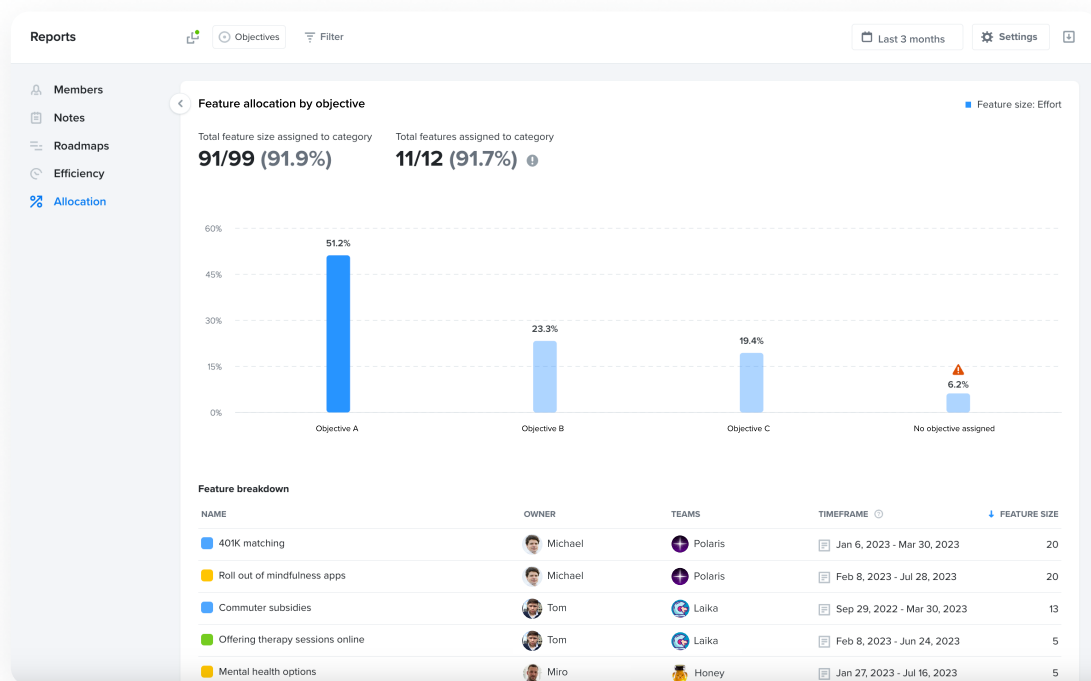
These allocation reports help product operations and product leaders look back over any given time frame and analyze how product teams have really been spending their time, e.g. what percent of effort has been going into innovation vs. incremental enhancements that address customers' pain points vs. operational needs like technical stability and bugs.

Dysfunction #5: The Feature Factory — an assembly line of features

What does a feature factory build? Features.

When is a feature factory done building features? Never.

That's the problem with being a feature factory: there's always the next feature to build. Product teams fall into this trap because they are led to believe by customers or internal stakeholders that if they just had this one next feature, they will close incremental deals or keep customers who might otherwise leave.

Sometimes, it works out that way, but more often than not, the team discovers that yet another feature is also needed. At some point, you need to break the cycle.
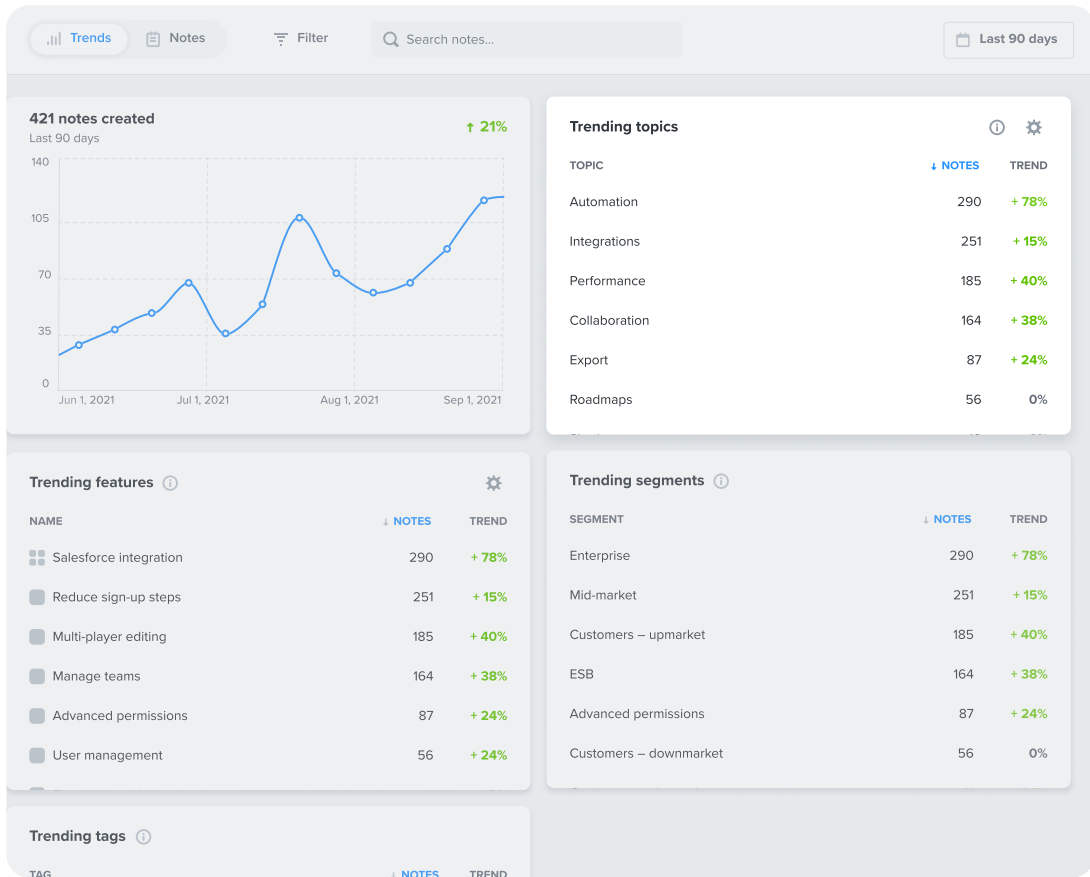
How to overcome this dysfunction

You have to create a reason to pause the factory and break the cycle. Your goal is to shift your team away from making changes just for the sake of staying busy and to consider the impact your work is having (or not).

Establishing a practice of pausing and reflecting on your product development initiatives can help you break free from the "just keep building" mentality. Instead, focus on evaluating your outcomes and determining if you are tackling the right issues and addressing them in a manner that resonates with users.

Creating a process to pause and look back on the impact of your product development efforts can help combat the common sentiment from "just keep building" to showcasing whether you're working on the right problems and solving them in a way that users and the business can appreciate. Also, think about how to create a cadence to share these learnings with your stakeholders so they better understand why the "factory is shut down" and that constant output isn't the only path to product success.

There are a few ways Productboard can help you achieve this:

1. Use StatisMeter surveys, standalone or embedded in your product, to collect feedback on a new feature and route those insights back into Productboard.

2. Use Productboard to send updates to everyone who requested a feature to invite them to take part in product discovery and help craft the optimal solution, or to notify them when it's live, so they can be the first to try it and provide feedback.

3. Use **Smart Topic detection** and your **Insights trends dashboard** to track how feedback trends shift once a new feature is delivered. Has your intervention successfully addressed the need?

| Trends | Notes | Filter | Search notes... | | Last 90 days |

421 notes created
Last 90 days   ↑ **21%**

140

105

70

35

0
        Jun 1, 2021   Jul 1, 2021   Aug 1, 2021   Sep 1, 2021

Trending topics   ⓘ ⚙

TOPIC	↓ NOTES	TREND
Automation	290	+ 78%
Integrations	251	+ 15%
Performance	185	+ 40%
Collaboration	164	+ 38%
Export	87	+ 24%
Roadmaps	56	0%

Trending features ⓘ   ⚙

NAME	↓ NOTES	TREND
Salesforce integration	290	+ 78%
Reduce sign-up steps	251	+ 15%
Multi-player editing	185	+ 40%
Manage teams	164	+ 38%
Advanced permissions	87	+ 24%
User management	56	+ 24%

Trending segments ⓘ

SEGMENT	↓ NOTES	TREND
Enterprise	290	+ 78%
Mid-market	251	+ 15%
Customers – upmarket	185	+ 40%
ESB	164	+ 38%
Advanced permissions	87	+ 24%
Customers – downmarket	56	0%

Trending tags ⓘ

TAG	↓ NOTES	TREND

Use Smart Topic Detection and your Insights trends dashboard to track how feedback trends shift once a new feature is delivered. This helps you keep a pulse on whether your initiatives successfully addressed user needs.
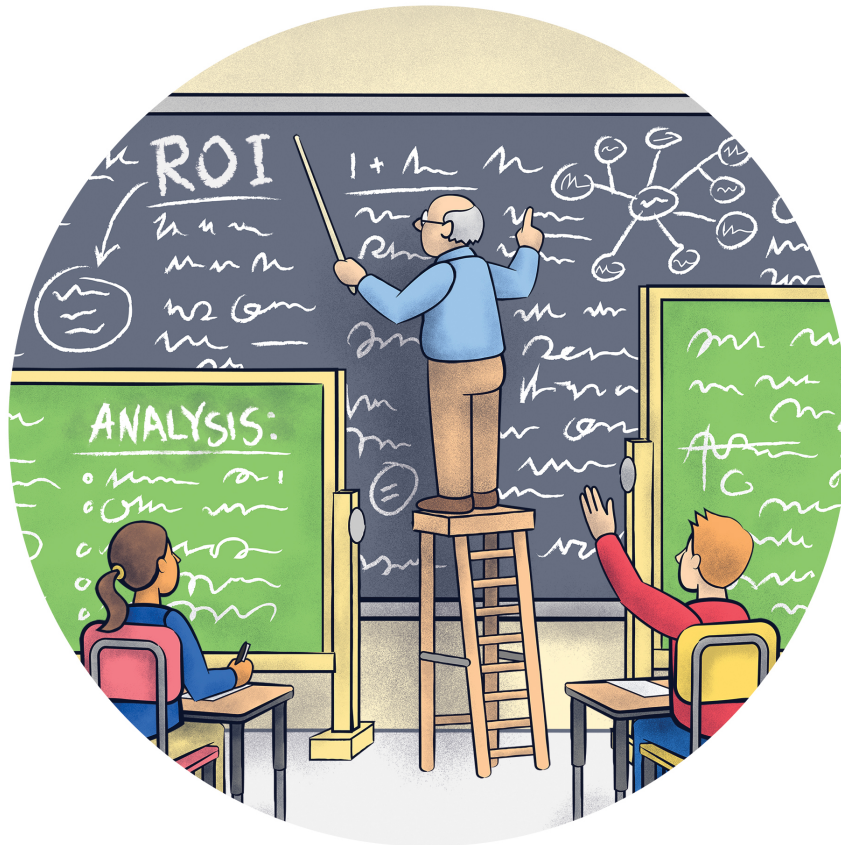
Dysfunction #6: The Business School — overuse of science and data

Business school is where you go to analyze business but not actually *do* business. Similarly, product teams can get so wrapped up in over-analyzing everything that they avoid making tough but essential judgment calls.

Some product managers will meticulously calculate return on investment (ROI) analyses to decide which features to pursue. With this approach, no product decisions are being made at all. Typically, it's simply the lowest-effort improvements that end up above the cutline.

To make strategic decisions, you must consider the customers and the larger business strategy, not just mathematically calculated ROIs.

How to overcome this dysfunction

Keep in mind that while frameworks and formulas can be your friends, they won't help you if you apply them in a way that's completely divorced from your company's business goals. To avoid the trap of building things just because they came out on top of your calculation, make sure you're always guided by your company's strategy.

With Productboard, you can use **objectives** to help you prioritize and plan your roadmap. You have the ability to quickly score features based on how well they support each objective and filter your board to surface the most strategically relevant feature ideas. This ensures you're focusing on the features that are most likely to make an impact on your business, without having to write long business cases that are likely wrong and never read.
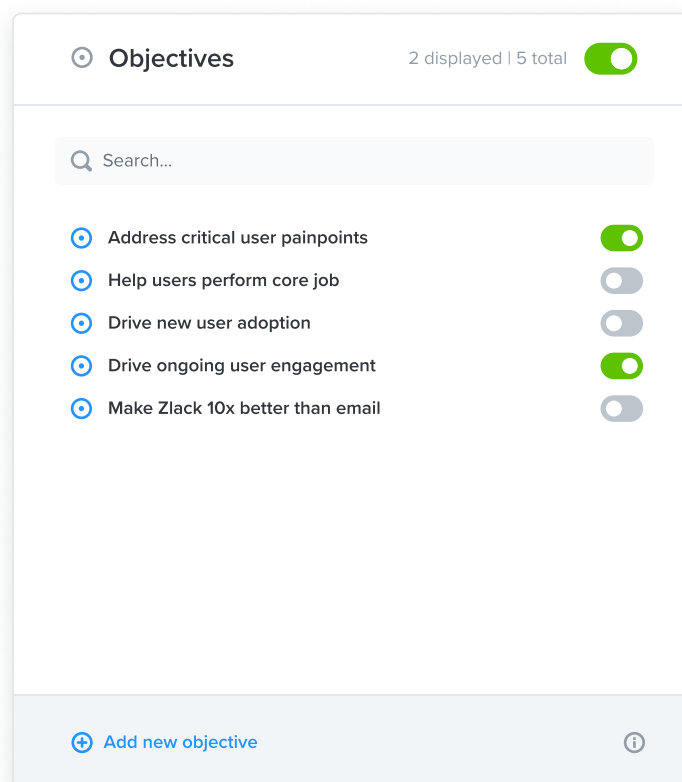
You can also create **allocation reports** to evaluate what your product teams are really spending their time on and whether it aligns with your overall business goals. This will help you to assign resources for growth initiatives, customer retention, and driving down debt. This report lets you track your Return on Investment across every strategic area and align your priorities against people resources.
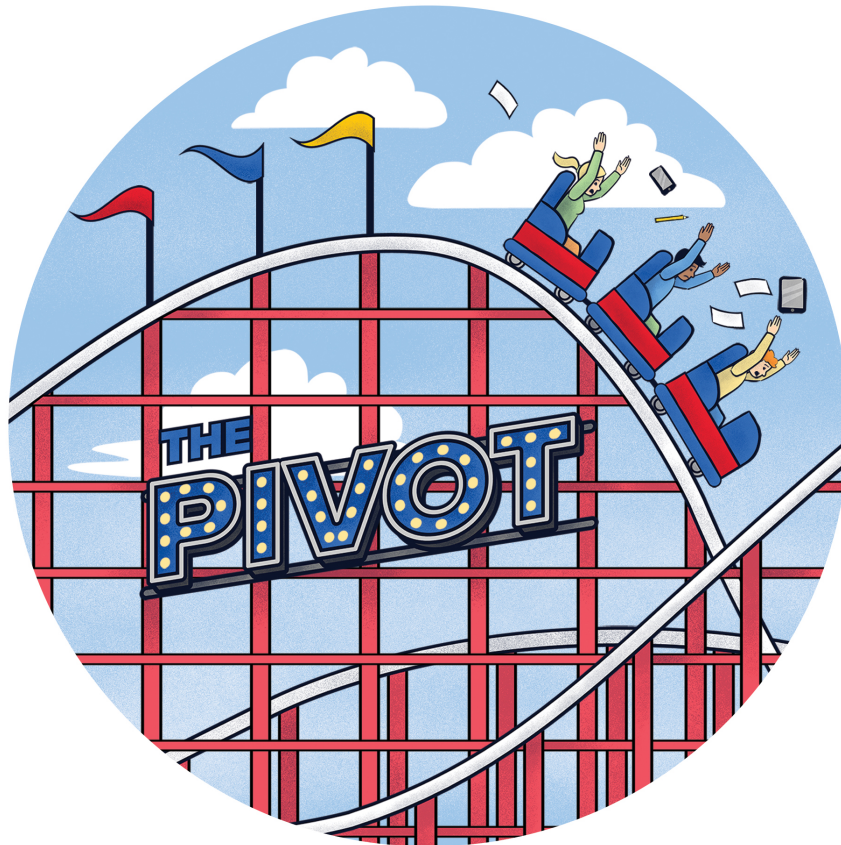
Dysfunction #7: The Roller Coaster — fast-paced twists and turns

A roller coaster is all about fast thrills and wild, whiplashing movements. In product management, investors and executives like to see immediate results, and when those results don't materialize right away, they can be tempted to pivot suddenly, creating roller-coaster whiplash.

This is demoralizing for the team because it often means that much of what they're working on doesn't end up seeing the light of day, and it's also exhausting to be constantly getting up to speed on new domains (user needs, customer segments, business goals, etc.) whenever you context switch into a new initiative.

You need to be patient and provide sufficient opportunities for success. Otherwise, you'll get false negatives, where a feature that is truly a good idea fails because there wasn't time to properly execute it. Daisy-chained together, these false negatives result in a headache-inducing roller coaster ride for product development that ends up in exactly the same place it started.

How to overcome this dysfunction

Combating this dysfunction requires shifting the organization's mindset and discipline (as well as that of leadership and stakeholders). Just like you don't interrupt a team in the middle of a sprint, you shouldn't overhaul priorities in the middle of a work cycle. Depending on the maturity of your organization, those cycles could be six weeks long, quarterly, or every two quarters. Work towards setting your priorities and roadmap and sticking to it. Adjustments will be made to accommodate what you learn along the way, but this is different from adopting an entirely new set of priorities.

Within Productboard, you can define outcome-driven roadmaps that clearly show your objectives and the timelines over which you'll be addressing them. These are shared with all stakeholders and they're a public way of committing to focusing on specific objectives over a given timeframe. It helps reinforce the mindset shift because the roadmap creates social accountability for actually delivering on those objectives. Paired with a process for reviewing and making roadmap updates, it makes it harder for leadership to pivot to building major new features for a big customer next week.
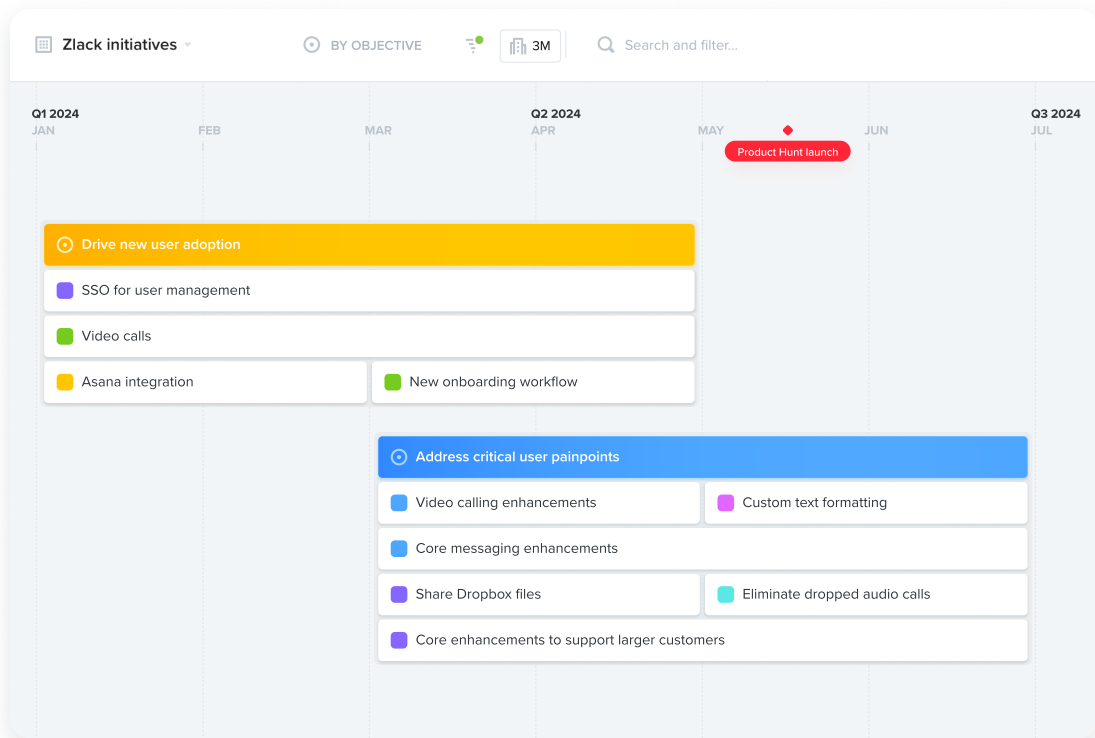
Within Productboard, you can define outcome-driven roadmaps that clearly show your objectives and the timelines over which you'll be addressing them.

If you have customers or other external stakeholders who are invested in your roadmap, Productboard allows you to share a link or embed the roadmap in a website or application where your customers spend their time. This can help you get the **customer buy-in** you need to avoid rapid pivots from internal stakeholders.

[The Portal](#) is another Productboard tool that allows you to share your plans with customers. By sharing your plans externally, you're keeping your customers informed, but also creating accountability and motivation to stick to your plans.
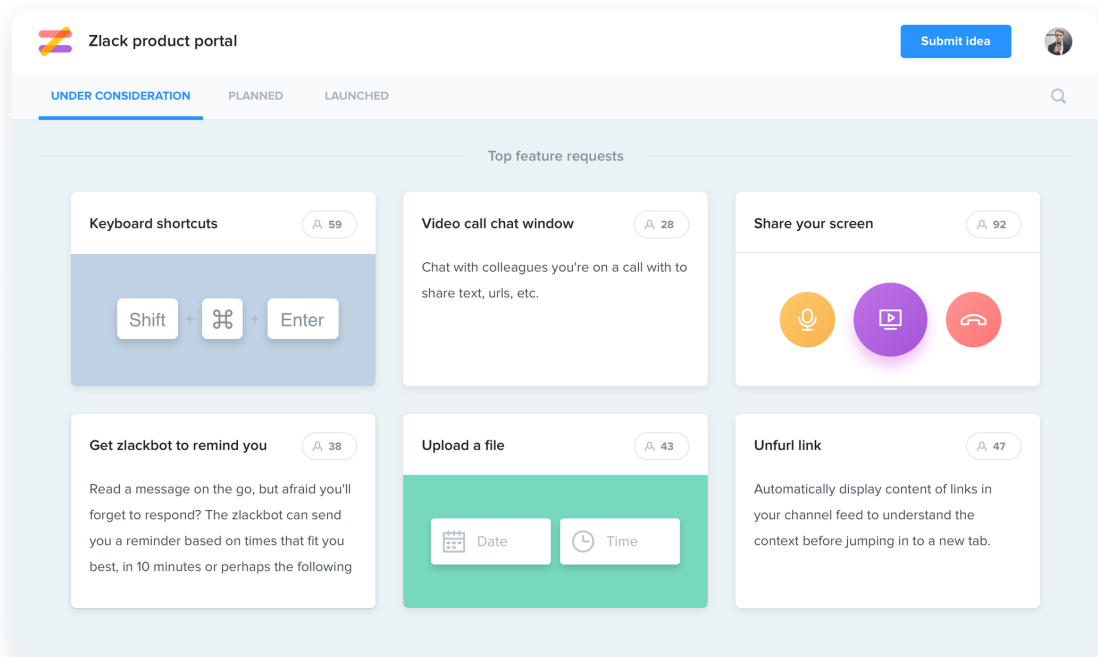
Dysfunction #8: The Bridge to Nowhere — over-engineering for future unknowns

Imagine if a team of engineers designed and constructed a bridge over a river to connect a city to a wilderness area where another city might someday exist. They invest a tremendous amount of time, money, and resources, and then the second city never gets built. What a waste!

That's what happens with many product teams. They get excited about developing the infrastructure to get the product just right and then end up overengineering a product, trying to account for future needs that aren't relevant — and may never be.

While you want to strive for building technical foundations that will last, your focus should be on validating that you're solving the right need in the right way before making substantial investments in the underlying technology.

How to overcome this dysfunction

You can keep your engineers grounded in reality by providing them with plenty of context. Let them know what problems or pain points a particular feature is trying to address as well as any of the work you've done to identify risks and make your hypotheses.

In Productboard, you can provide more context to developers in a feature's details and then easily push it all into Jira/ADO/GitHub/etc. via our two-way **integration**. This makes it seamless to use both systems in parallel, saving product managers time, driving product/engineering alignment, and providing valuable context to engineers.

As Caleb Gawne, Head of Product at Rose Rocket puts it: "With Jira we get the 500-foot view. With Productboard we get the 10,000-foot view. Both are important, and Productboard's Jira integration has been integral for keeping everything in sync."

This context helps developers understand how the current work fits into the big picture, what the unknowns/risks/hypotheses are, and what's coming next. They can also easily navigate back to Productboard for even more context. All this helps them avoid developing with blinders on and over-optimizing without taking big-picture product considerations, business goals, and customer needs into account.

Dysfunction #9: The Negotiating Table — trying to keep everyone happy

Sometimes, product meetings can turn into a negotiating table as the product manager tries to give everyone what they want.

Product managers often believe that success means keeping all of their stakeholders happy — or, at least, minimizing their unhappiness — but when teams and individuals throughout the organization collectively want more than engineering can potentially deliver, this becomes practically impossible.

It's not your job to give everyone what they want. Your job is to give customers what they want (or maybe even just your target customer... and maybe something they didn't even know they wanted). When you prioritize the right things for the customer, you help every team, whether those teams realize it or not.

How to overcome this dysfunction

One simple way to ensure everyone understands why you might need to say no to some ideas/requests vs. others is to have a transparent prioritization framework. Make sure everyone in your organization understands how and why you make the decisions you do.

With Productboard, you can easily share select views of your prioritization data and roadmaps with various groups of stakeholders. **Productboard's drivers and prioritization scores** can help you show the value vs. effort tradeoff that led to your decision on whether to include something in the roadmap or not. This way, viewers of the roadmap can drill into the scoring to understand where their items stand against other ideas they're probably unaware of.

Creating this level of transparency opens up the "black box" of product management and helps stakeholders appreciate the standardized data-driven processes your team is using to make difficult prioritization decisions and tradeoffs. Even if a stakeholder isn't getting what they want, they understand why and what is being worked on in its place.

The end result is less mistrust around the organization — with fewer colleagues questioning what's on the product roadmap. And when more internal stakeholders are bought into the product direction, this ends up getting communicated externally as well, to prospects, customers, and partners.

| | DRIVERS | | | RELEASES | |
	Value	Effort	Value/Effort Score	Release 1	Release 2
Innovation	▬ ▬ ▬ ▬ ▬	**43**	**112**	◯	◯
New employee onboarding	▬ ▬ ▬ ▬ ▬	**27**	**69**	◯	◯
Links to relevant benefit sites	■■■■■	2	50	✔	◯
Direct deposit	■■■■	5	16	◯	✔
Timecard tracking for contractors	■■■	20	3	◯	✔
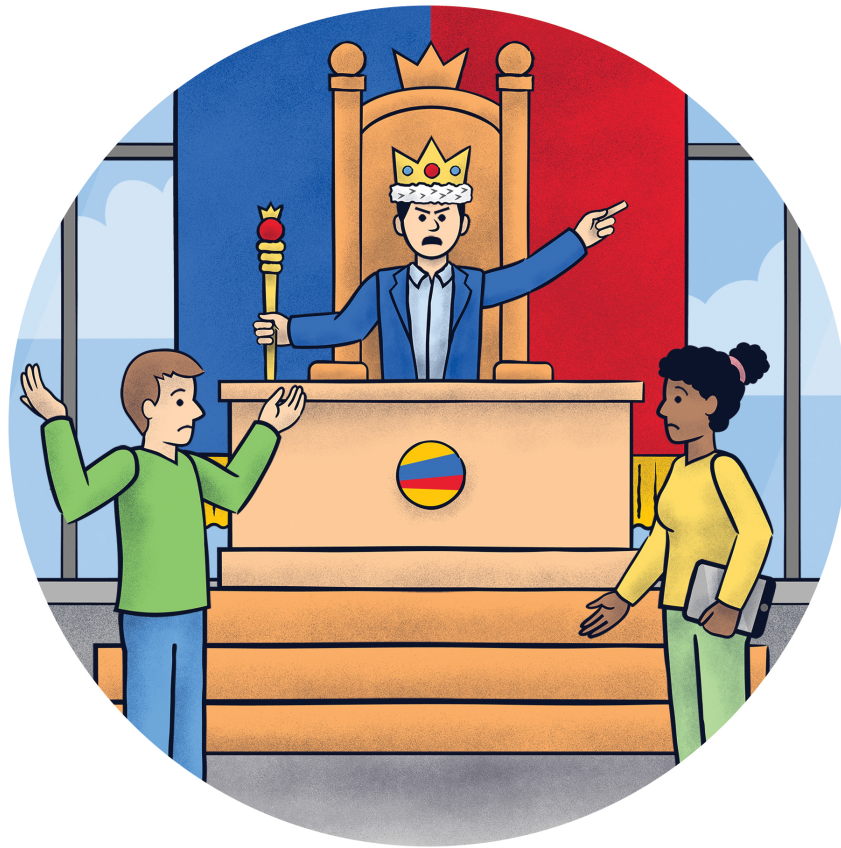
Dysfunction #10: The Throne Room — whipsaw decision-making from the person in charge

Sometimes, the founder or CEO just can't let go, and they morph from CEO to king or queen in a throne room. They make and override decisions on anything and everything, sometimes without even offering a rationale.

In these situations, the CEO typically fails to drive alignment around the product direction, so no one really understands what they're doing or why.

It's an impossible situation for a product team that prevents the scaling of the company beyond a single decision-maker. For the most effective product management, the product team needs the ability to call their own shots, operating as what Marty Cagan calls an **"empowered product team."**

How to overcome this dysfunction

This dysfunction is challenging because you must become your monarch's partner — after all, they are a leader in your organization. One thing that can help is to show them the detrimental impact of the "whiplash" caused by their whims. Maybe you can point out how a feature was left to wither because the time to iterate was taken away to work on something new. Or maybe you can show the impact on morale or retention due to all the context switching. If nothing else, maybe you can quantify how often they're blowing up the plans and creating angst amongst the team.

Another thing you can do is to establish a more clear process for how ideas are evaluated, even theirs. Outline a clear plan of easy discovery activities and execute them together to show that you've considered their ideas. Gather evidence for your point of view by diligently collecting data, arming yourself with customer feedback, and being systematic about product processes. Start defining what success looks like and outline specific metrics that an idea should achieve.

Do these things and you'll shift the culture (and executive behaviors) away from whipsaw decision-making.

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- **Executive / Team Coaching:** Weekly or bi-weekly 1:1 calls to help you build confidence in your product vision / strategy, prioritization, team and operations decisions. We also coach product team leads and PMs.

- **Strategic Advising / Workshops:** Facilitated discussions to align product leaders, teams and stakeholders on your product or portfolio's customer journey vision, a strategic plan to realize the vision, and the roadmap.

- **Consulting:** Filling a part-time role at the product exec, team lead or Sr PM level, producing the appropriate deliverables and making relevant decisions. We can also help refine your product operations.

- **Hiring:** Helping you decide on the level, experience and responsibilities for your next hire. We can help plan and run the entire recruiting process, from screening to offer acceptance to onboarding.

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