

The Impact Of The Blur Between Product & Project Management

by Phil Phillips, PhD
 Contributing Editor
 phillips@chemarkconsulting.net

Project management is designed to make better use of existing resources by getting work to flow horizontally as well as vertically. You might ask how this could work since there are line managers responsible for P&L functioning in these same channels. It works when all persons understand their respective rolls. This approach does not destroy the vertical, routine flow of work, but simply requires that the line organizations talk to one another horizontally so work will be accomplished effortlessly through the organization. The vertical flow of work is still the responsibility of the line managers. The horizontal flow of work is the responsibility of the project managers, and their primary effort is to communicate and coordinate activities horizontally between the line organizations.

IN EVERY ORGANIZATION, there are natural gaps that occur between both vertical and horizontal functions. These gaps can and will create business operational “islands.” One of the key roles of successful Project Management is to figuratively & functionally, “link” these “islands.” Fundamentally, Project Management success is dependent on the completion of an action within the constraints of time, cost, and performance. However, the definition of the projects’ success should

be expanded to include an additional four elements:

- With acceptance by the customer/user
- With minimum or mutually agreed upon scope changes
- Without disturbing the main work flow of the organization
- Without changing the corporate culture

Some resources would contend that there are no real differences between Project and Product Management. CHEMARK would certainly disagree based on the one extremely important exception the Project Manager must focus on the end date of his or her project. In other words there’s a beginning and an end to a project for the Project Manager.

Comparatively, a Product Manager usually views his or her task as a never-ending one and really not willing to admit that the product line will ever be brought to an end. The Product Manager will always attempt to keep the product line alive by creating product line innovation spin-offs as well as attempting to establish demand in adjacent markets.

It is important to understand that once the product has been developed the Product Manager takes control through the entire product life cycle . . . from the total roll-out market introduction; pricing; organizational functionality, etc.

Additionally, a very competent Project Manager, once the product has been fully developed, could become the Product Manager going forward.

Finally, the Project Manager and the Product Manager do, in fact, share in the element of control. Although they are both measured and held responsible for how well (relatively speaking) they control all elements essential to their success, they both have little, if any direct control.

They must control these important elements through direct influence and top-management support.

For example, Product and Project Management functions do not directly control the following elements important to their success:

Money; Manpower; Equipment; Facilities; Materials; Information; Technology.

These resources are controlled by the line managers, functional managers or resource managers. The two (Project & Product) managers must, therefore, negotiate with line managers for all resources. The mortar between the bricks holding up a success “Activity Wall” and critical substance for Both Project & Product Managers are:

- A solid routine effective relationship with the line managers who directly assign resources to projects.
- A capability of the functional employees to report vertically to line managers at the same time that they report horizontally to one or more project managers.

The Project Managers manage projects that are finite while the Product Managers usually are infinite most all other aspects are similar in function. **CW**

