

## “What is a product owner and why do I want one?”

August 2015

### Scope of this Report

*“The Product Owner is the one and only person responsible for managing the Product Backlog and ensuring the value of the work the team performs. This person maintains the Product Backlog and ensures that it is visible to everyone.”*

- Ken Schwaber, [“Scrum Guide”](#)

Scrum defines three basic roles<sup>1</sup> within a Scrum team: developers (including testers), a scrum master/coach and product owner. Each of these roles is critical for delivering value effectively and efficiently. The product owner role is deceptively simple. The product owner is the voice of the customer; a conduit to bring business knowledge into the team. They define what needs to be delivered to support the business (or at least finds out), dynamically provides answers and feedback to the team and prioritize the backlog. From a business perspective, the product owner is the face of the project. This essay will highlight the role of the product owner and why something that seems so easy is generally the hardest role on an Agile team.

The job description of a product owner is fairly straightforward. Their job is to act as the voice of the customer, prioritize the backlog, answer or get answers to the team’s questions and accept/reject the work that the team generates. However the devil is in the details. Understanding the nuances of applying the role is important to successfully function as part of an Agile team.

### The Role: Leader or Drill Sergeant?

A [leader](#) directs and coordinates activities based on their vision of the future. In Agile projects the product owner provides their vision to the team what they aren’t is drill sergeants. Leaders also need to ensure that a team’s goals stay undiluted by extraneous priorities. A drill sergeant is colloquially viewed as a micromanager who trains team members by drilling them on exactly how each task is to be accomplished. The role of product owners evolved out of the roles of project manager, business subject matter expert (SME) and project sponsor from the waterfall environment. In the waterfall model of projects, each of these roles provided different levels of direction, management and leadership. The project manager is the administrator. The SME provides information on what is done today and what they will need in the future. The sponsor’s role includes providing resources, framing the scope of the project, providing direction as the project moves forward and to demand that the project delivers. The sponsor and the project manager are generally the outsiders that exhort the team into action . . . they act as drill sergeants. While classic project management techniques often include a role similar to a drill

sergeant, Scrum and other Agile frameworks actively eschew this role. The Agile principle that states that “the business and developers must work together daily” suggests shedding the approach of an outsider exhorting the team, and implementing the concept of the product owner as leader within the team.

In an Agile project the product owner’s roles include:

- Owning and prioritizing the product backlog,
- Providing product vision<sup>2</sup>,
- Involving customers, users, and other stakeholders, and
- Collaborating with others on the team.

The qualities of a product owner are very different from the attributes of the screaming stereotypical drill sergeant. The most critical behavior is often collaboration with others in the business and with the development team: the act of working together to produce or create an outcome. The behavior of collaboration requires the product owner to abandon the role of drill sergeant and focus on being a leader.

The product owner leads by shaping the backlog and collaborating with their fellow team members. The product owner will be more successful if they embrace the principle of the business and developers working together in collaboration, making them more of a leader than a drill sergeant.

If not a drill sergeant then perhaps the product owner is a tour guide. If you have ever visited a major tourist site you have seen tour guides shepherding groups of camera-toting tourists. It is easy to see the tour guide role as that of a leader. A typical tour guide plans the logistics of the tour, herds the tour group ensuring everyone is moving in the same direction and implements the vision of the tour planner to deliver value. The goal of our tour guide is to make sure the team begins and ends together, that no one gets lost and the goal of the tour is accomplished. The role provides administrative and tactical leadership to the tour group. But, the tour guide is not playing the role of the product owner. The whole team acts as its own tour guide in Agile based on the principles of self-management and self-organization. In Agile projects the product owner provides visionary leadership. Tactical leadership and administration, the tour guide role, is generally diffused across the entire team.

The arrangement of roles is facilitated by the application of two Agile Principles<sup>3</sup>. The first principle directs the business and IT personnel to work together on a daily basis. The second principle in play here is that of self-organizing teams. For example, one mechanism that spreads the role of tour guide across the team is the backlog prioritized by the product owner. The backlog represents the vision in bite-sized chunks that the team can then plan and execute. Another example of tactical leadership that the team drives is the standup meeting, in which the whole team acts as cat herders. So, on an Agile project, who is the tour guide that herds the team toward the product owners vision? The answer is that role is spread across the team and that Agile techniques facilitate making sure that we start and end in the correct place.

As we have noted, Scrum calls for three macro roles on every Agile team. The concept of a stable team is important in Agile (and should be in EVERY framework and method) in order to build collaborative capability and trust. Members of the team must be part of a team on a consistent basis to maximize

value delivered from the team. Product owners are no different when it comes to team membership and cohesion.

## **Product Owners Are Part of the Team: Embed Them**

The twelve principles of the Agile Manifesto provide the basis for interpreting and implementing any Agile technique. One of the hardest principles for many organizations to adopt is:

***Business people and developers must work together daily throughout the project.***

Many implementation approaches have been designed to minimize the organizational inconvenience of this principal, such as using proxies for the business or abandoning the principle altogether. The goal is to involve the business users (also known as the product owner in Scrum) so they can act as voice of the product. Fully embedding business personnel into the project team is often considered the most radical approach. However, is embedding really an absolute, radical solution or just an extreme statement used to generate a conversation? Embedding is a powerful tool, that changes the balance of power inside of an Agile team and brings business personnel inside the boundaries of IT as active participants rather than just sponsors or reviewers. The change required to embed product owners means changes in both IT and in the business department the product owner typically works in. The benefits need to outweigh the costs.

Embedding removes the product owner from their normal job and makes them part of a project team. This has an organizational cost, which includes the cost of replacement even if replacement just means that other colleagues have to pick up the slack. A second and more personal cost occurs on long-term projects. Embedded business personnel need a return path back to the business, or a path into the more technical world, or they risk career failure. Other costs may well include opportunity costs for work or projects that the product owner might have been involved with if they were not on a project team. For example, in an organization DCG reviewed in the recently, a lead sales person participated on a critical product development project as a product owner. During the period he was involved, sales from his territory were “off” by more than 50%. The cost of his participation was lost revenue.

The costs of embedding can be high, but the benefits are generally equally large. The benefits of embedding the product owner are generally a reduction in development time as the team waits for answers, a greater focus on delivering important functions and features earlier, a reduction in rework based on faster feedback and often a better connection to the business. The benefits on embedding can be summarized as reducing the cost of development, faster time-to-market, improved quality and customer satisfaction.

Should every project have embedded business personnel? No, not every project requires embedded business personnel, however, most important projects should. Striking the balance between cost and value is part of the art of implementation. While this technique should be the default in most organization, programs and projects, DCG would not suggest that it be applied without an evaluation of the cost and benefits.

Getting the balance wrong or failing to implement the product owner role has real consequences.

## Why Agile Projects Fail: Lack of Product Owners

Failure to correctly address the product owners role creates a myriad of problems for Agile projects, each of which can and often have led to project failure. The product owners role can be difficult to implement. The potential problems<sup>4</sup> include: not adequately integrating business representatives into the team, reinforcing the perceived divide between IT and the business, and substituting proxies for business involvement. Each Agile team needs a product owner, or they risk delivering the wrong functionality.

Not integrating business knowledge and decision-making capacity (i.e. the product owner) into the project will lower productivity, velocity and the quality of any project. Just think of the best projects in which you ever participated. Generally, one of the reasons was that a sponsor, lead subject matter expert or super-user, was always around providing input and making decisions. In effect, they were acting as a product owner. Project teams make many decisions, large and small, on a day-to-day basis. The choice that the team has is either 1) to make the decision using the knowledge at hand and risk being wrong, or 2) to wait until they can gather more information. The pressure to deliver now means that most teams will absorb the risk and the rework. Having a product owner close at hand makes development quicker and increases quality.

Not implementing the product owner role reinforces the divide between IT and the business, thus reducing the efficiency of communication. There are many excuses for why organizations implementing Agile don't involve the business in projects, but the one that DCG sees the most often is that the project team doesn't ask. Excuses for not asking we have heard include: "the business won't participate because they are too busy," or "they are not interested" or "they don't want to have anything to do with us". Remember that the goal of any project (or at least any project that should be done) is to deliver tangible value based on a need stated by the business. Therefore business personnel have a concrete reason for participation; they should make sure their investment pays off. The first step in the process to involve the business as a product owners is to ask the potential product owners and their managers to participate, making sure they understand the role and why involvement is so important.

The use of proxy product owners is a copout, and in most cases represents a firm signal that Agile should not be used. Proxy product owners are rarely the right answer, because they can't commit and make decisions for the business slowing the development process to a crawl. One DCG client implemented a hard and fast rule that if a project did not have a product owner, then the project was put on hold until it could be started using a standard project management framework. Without the infusion of business involvement in the day-to-day operation of the project, the organization decided that a classic deliverable-based framework was more appropriate.

The product owner role is critical to linking Agile development teams to the business. Product owners bring business acumen to the development team. That reduces rework and increases the overall acceptance of the product. Choosing not to implement the concept of product owners or to use proxies is rarely the right answer. Bite the bullet and talk to the business users about how they can integrate into the process. **Appeal to the fact that it is their money being spent and their involvement would maximize value.** If the business can't commit to participating as product owners, consider not using Agile mechanisms (like Scrum) and instead begin the lean to Agile transition with techniques like Kanban. Kanban is a flow based method that does not require any process changes (at least initially) or role changes.

## **The Product Owner Is A Role Unto Itself: Don't Share It!**

The role of product owner is critical for ensuring that the rest of the business and the IT team work together effectively. It also requires significant effort on a daily basis. The product owner provides vision, mentors the team, answers questions, makes decisions about the product, communicates with the broader organization, negotiates resource contentions, coordinates business interaction and serves as a liaison to leaders. In short, the role is difficult and complex. So much so that it has been suggested on more than one occasion that it is the most challenging role in Scrum. The product owner should not play any other role on an Agile team<sup>5</sup>. There are many potential pitfalls in Scrum, however potentially the most destructive and easiest to avoid is the overworked product owner. Overworked product owners are less effective.

What happens when someone is overworked? Sooner or later they will neglect something and cut corners. Some work gets jettisoned as they try to bring their life back to equilibrium. Overworking the product owner may result in non-attentiveness to the team, neglect of grooming the product backlog, and unavailability or missed meetings. It is possible that the product owner will neglect their day job, however, basic psychology suggests that people tend to focus first on that portion of their job that is most important to their long-term career. Unless product owners are focused specifically on a project they will tend to neglect the product owner role (pleasure/pain response<sup>6</sup>).

The product owner role is challenging; to perform it in a manner that is effective requires effort and focus. Organizations need to ensure that product owners have enough of their time allocated to the product owner role. Work generally needs to be taken off their plate. The rest of the team needs to support the product owner so that obstacles are minimized. Avoid Overworked-Product-Owner Syndrome and make sure the person that is playing the product owner role has the time needed to focus on the project rather than view the project activities as work they can avoid.

Product owners are an integral part of most Agile teams. They bring their business acumen to the team and act as the voice of the customer. Teams without a product owner who is close at hand will either make decisions based on their knowledge of the situation or wait until they can talk to the product owner or other stakeholders. Time is money both in terms of waiting for a decision and delay in getting feedback. Product owners provide vision and leadership to an Agile team. Vision and leadership are not improved by distance or scarcity, so keep your product owner close at hand.

### **Conclusion**

Product owners are an integral part of most Agile teams. They bring their business acumen to the team and act as the voice of the customer. Teams without a product owner who is close at hand will either make decisions based on their knowledge of the situation or wait until they can talk to the product owner or other stakeholders. Time is money both in terms of waiting for a decision and delay in getting feedback. Product owners provide vision and leadership to an Agile team. Vision and leadership are not improved by distance or scarcity, so keep your product owner close at hand.

## Sources

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<sup>1</sup> <http://www.scrumguides.org/scrum-guide.html#team>, August 20, 2015

<sup>2</sup> Mike Cohn, <https://www.mountaingoatsoftware.com/agile/scrum/product-owner>, August 20, 2015

<sup>3</sup> <http://agilemanifesto.org/principles.html>

<sup>4</sup> <https://www.scrumalliance.org/community/articles/2010/april/common-product-owner-traps>, August 20, 2015

<sup>5</sup> <https://www.scrumalliance.org/community/articles/2010/april/common-product-owner-traps>, August 20, 2015

<sup>6</sup> [http://www.intropsych.com/ch09\\_motivation/pleasure\\_and\\_pain.html](http://www.intropsych.com/ch09_motivation/pleasure_and_pain.html)