Plan 05: Formulate your best product plan

If you've completed Plan best practices 1 – 4, you're savvy about the needs of your market and the capabilities of your competitors. Understanding and solving for the needs of your market and customers, you've defined and validated potential solutions. Engineering has estimated costs for the most promising ones. Now you're ready to formulate your best product plan.

Your best product plan balances the needs of your organization, customers, and market to deliver the highest return on investment given your budget and available resources.

Many factors influence product planning. The best product plan from the perspective of the Sales team may not be the best from the perspective of Customer Support or Engineering. Typically, you try to factor in feedback from all stakeholders to create a balanced plan, but that's notoriously hard to do. It's challenging to test "what if" scenarios and adjust product-plan parameters to figure out what's best. Despite these difficulties, considering and comparing different scenarios in formulating your product plans is important in getting stakeholders to understand and support them.

Your best product plan is the one that has the highest value given *all* of the parameters you must take into account. It is a plan that all stakeholders can agree on, even when their desired features don't make the cut.

Checklist

☑ Choose feature candidates.

☑ Identify must-haves and dependencies.

☑ Select and weight business drivers.

☑ Compare plan scenarios that fit the budget.

☑ Compare plan scenarios to optimized plans.

☑ Choose your best product plan.

1. Choose feature candidates.

Start with feature candidates that are:

- **Rated**: Feature candidates have values set for your business drivers.

- **Validated**: Feature candidates are validated with your target market, customers, and/or internal teams through interviews, preference or other surveys, or prototype testing.

- **Costed**: Feature candidates have a numeric cost estimate in the same units as your total budget for the release.

2. Identify must-haves and dependencies.

Mark all features that are required due to customer commitments, compliance, or executive mandate. Those are, in essence, "pinned" to the release plan; there's no need to discuss them.

Group features with dependencies for the release. If feature C requires feature B, and feature B requires feature A, then you can't have C without A and B. You can, however, have feature A without B and C (assuming there are no co-dependencies) and then complete B and C later.

3. Compare plan scenarios that fit the budget.

Plan scenarios are combinations of features that *could* be in the release, subject to budget constraints, must-haves, and feature dependencies. Because you've rated, validated, and costed your feature candidates, you can compare scenarios based on their total value or impact against specific business drivers.

Use weighted feature ratings (total values of business drivers multiplied by business driver weights) to compare feature values.

You can also use the results of market preference surveys to assess feature value. Use preference surveys to your market, your customers, and/or internal teams to compare scenarios based on their potentially different priorities and identify the strongest features to include.

If you've run preference surveys, you can then analyze your survey results to prioritize feature candidates and optimize scenarios. Then, compare release scenarios based on the validated preferences of different constituencies.

See how different choices impact release value:

- What does an increase in budget (or time) buy you and is it worth it?
- What is the impact of choosing one feature over another?
- The CEO's pet feature doesn't add a lot of value—so why might you include it anyway?

4. Optimize plan scenarios.

Release plan scenarios should include your must-have features, account for feature dependencies, and fit the budget. You can optimize them based on your business drivers. For example, which plan scenario will drive the most revenue? Which set of features delivers the highest level of customer delight? You can optimize based on a particular business driver (or set of drivers) or on a preference survey you've run. Comparing optimized scenarios helps all stakeholders understand the trade-offs and decisions that go into the final product plan.

5. Choose your best product plan.

You've compared product plan scenarios and, ideally, compared different optimized plans based on research data, your business drivers, and other factors. Now it's time to choose—you can do so knowing that you've done your homework. If an executive asks why feature X is in and feature Y is out, you can point to the market preference survey that shows greater demand for X as well as the lower score of Y against your key business drivers.

Document the decisions behind the plan you choose, including why must-have features are must haves: Customer commitment? Compliance? Executive mandate?

Your product plan is now ready for approval.

Next Best Practice: 06 - Get approval and communicate the plan

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