5 Phases of Requirements, 3 Ways They Improve Overall Company Performance

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5 Phases of Requirements - 3 Ways They Improve Overall Company Performance

If you perceive requirements to be those long-winded documents that only a designer or engineer could love, you're right if you approach requirements as one big blob of features and technical specs.

A phased approach to requirements however, goes far beyond product development, building value from top to bottom that collectively improves the overall performance of any product company.

Consider the following phases of requirements and their relationship to each other.

- Market - macro level market trends that drive the strategy of your target customers, e.g. rising oil prices.

- Organization - the strategic objectives of your target customers that drive your strategic direction e.g. reduce weight of every aircraft to decrease fuel consumption by X%.

- Business - the operational and departmental objectives of your target customers that collectively support the strategy, plus the product capabilities required to meet these objectives, e.g., modify baggage guidelines to deter customers from over packing with a $25 fee for every checked bag-kiosks and online check-in systems will be required to process credit/debit card payments for checked baggage.

- User - the specific user tasks that when performed, meet the business/operational objectives, the what-if scenarios that may occur in the process, and the product requirements necessary to support both e.g., customer checks in online and pays for 2 bags - what if a customer pays for 2 and shows up with 3?

- Product - functional and technical descriptions of "how" the product works to support user tasks. As users complete tasks (with your products), the operational goals are met which in turn helps the organization meet its strategic objectives that were driven by the market forces.

The phased approach to requirements builds more value with each layer of granularity, yet most product companies never take advantage of this value to improve their overall performance.

3 Ways Phased Requirements Improve Performance

Not only will your products hit their targets with laser-like precision, revenue will grow faster, customers will be more successful and products will get to market faster. Here's how it happens.

- More Revenue - Positioning presentations, website content, analyst-press-investor relations, sales tools and product demo scripts just to name a few, are derived from the content in phases 1-4. This content represents why your products have value to the market accompanied by product capabilities that substantiate those value claims. A strong but simple value story improves the proficiency of your sales and marketing teams.

- More Successful Customers - Internal and customer training materials, user guides, implementation plans, release notes, knowledge base articles and more are derived from phases 3-5. This content represents how your products work functionally and technically relative to its users and serves as the vehicle for knowledge transfer from the product team to the service and support teams. Knowledgeable service and support teams result in more successful customers. Translation: more customer references lead to more sales.

- Faster Time to Market - The phased approach to requirements simplifies and accelerates the knowledge transfer from the product team to sales, marketing, services and support which allows the product team to focus more on the next product delivery instead of serving as everyone's 24/7 hotline.

If your requirements aren't improving the overall performance of your company, sign up for Product Management University and learn how to create requirements that drive more revenue, more customer success and more products to market sooner.