

PRODUCTPLAN REPORT

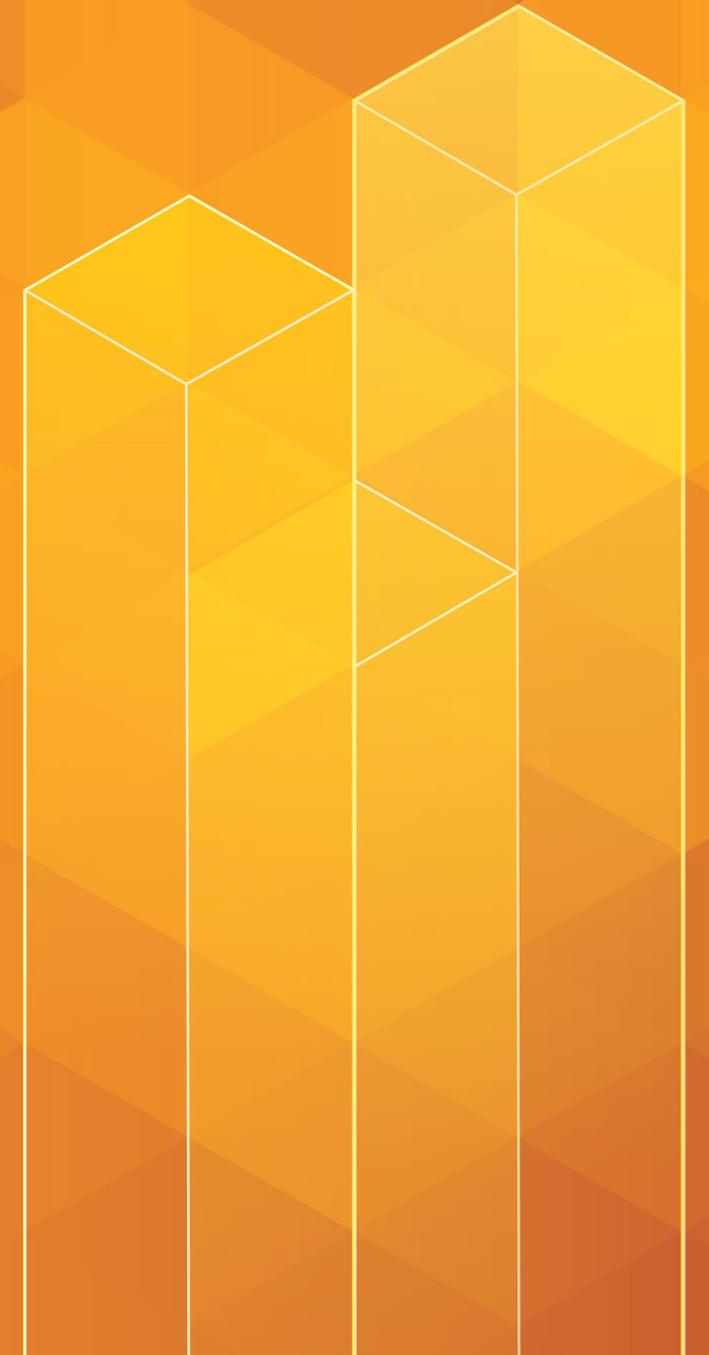
PRODUCT MANAGERS IN 2020

Insights from product managers at the
world's leading companies



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Introduction

ProductPlan is back with our fifth annual product management report. Our 2020 report is based on the answers we received from over 2,500 product managers around the world.

Many of those who participated in this report candidly opened up about what elements of their role are working well and which could be improved .

The most remarkable trend we found in their answers stemmed around the imperative value of a product manager's communication skills in all elements of the role. We also learned about their day-to-day, product metrics, and hopes for the new year.

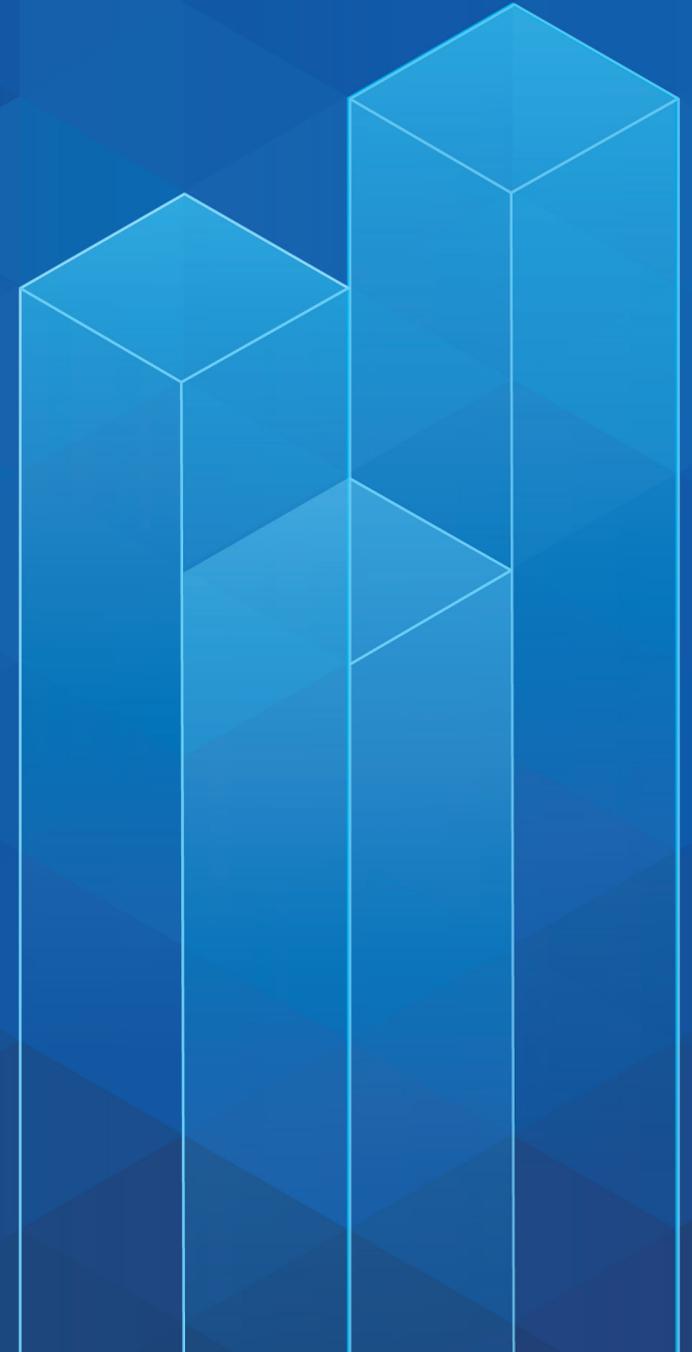
Those insights and more were distilled down into this report. Our intent is to give product teams new ways to benchmark themselves by shedding more light on the product management space.

Jim Semick

Co-Founder

www.productplan.com

1 | Report **Highlights**



1 | Report Highlights

At the core of product management, product managers shared that communication is the product management skill that is absolutely essential to their role every day. Regardless of the industry and company size, **communication skills (50%)** substantially obtained more votes than the next top three skills: **objective prioritization skills (19%)**, **people management skills (14%)**, and **organization skills (10%)**.



Largely, 40% of product managers are only feeling average with their current product strategy communication methods.



Product managers primarily communicate their product strategy with a roadmapping software tool at 28%, followed by presentation software at 24%.



Those that communicated the roadmap with a roadmapping software tool or a drawing software are the happiest with their current strategy.

2

Getting to Know
Our Product Managers

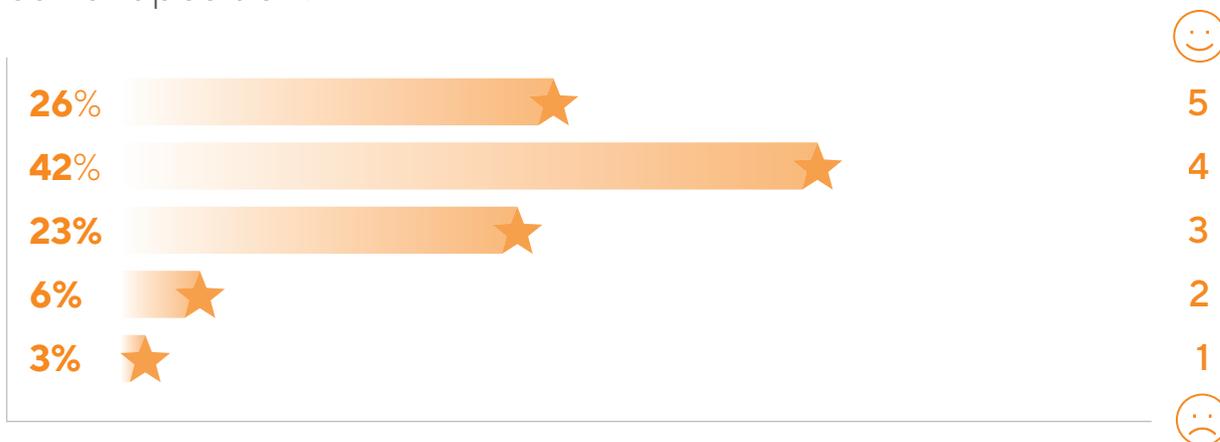
2 | Getting to Know Our Product Managers

The role of a product manager is a vital and pivotal position within a company. A product manager is the product's strategist, evangelist, and is central to its success. However, there is still much-varied information out there discussing product manager responsibilities, skills, and challenges.

For ProductPlan's fifth annual report, Product Managers in 2020: insights from **product managers at the world's leading companies**, we went to the source and asked 2,500 product managers how they feel about product management.

Happiness in Current Role

With broad, sometimes ambiguous responsibilities and expectations, the product manager role isn't for the faint of heart. Still, we're happy to report that for most, this role is one product managers feel happy about—**averaging 3.8 in happiness** in their current position.



Likelihood to Stay in Current Role

Another indicator of how much they're enjoying the role is the fact that **92% of our surveyees** want to continue working in product management in their next role.



The Most Important Skills are Communication Skills

To be happy in this role, you need to enjoy the skills you employ every day. We were curious to learn what product managers view is the most essential skill for their work.

They cast their votes, and overwhelmingly, **communication skills were the most important (50%)**. Additionally, we cross-referenced by industry and even so, communication skills still reigned supreme.

Product managers have spoken. To be successful in product management, you need communication skills to speak in multiple languages— executive, development, strategic, and tactical.

“

Good communication involves more listening than talking. Listen to what your team and customers are saying.

”

Product Manager in software,
with 2-5 years of experience



What's the most important skill
you need to have at
your job on a
day-to-day basis?

The Various Skills Needed in Different Industries

As mentioned, we explored how different industries might need different skills from their product managers. If you're curious about the most important skill in your industry, below is a breakdown.

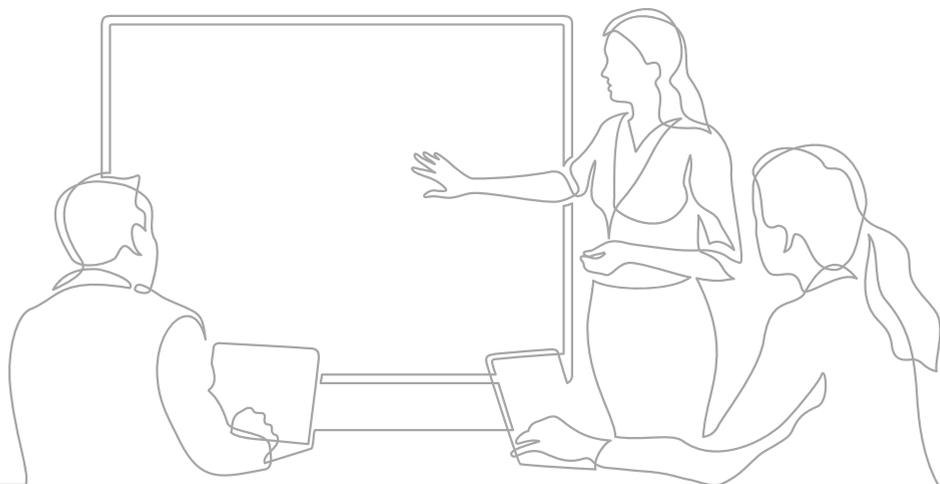
What industry do you work in?	Communication skills	Objective prioritization skills	People management skills	Organizational skills	Technical skills	Design skills	Other
Financial Services	51%	18%	12%	10%	4%	2%	2%
Healthcare	45%	20%	18%	10%	3%	3%	1%
Manufacturing	47%	21%	13%	8%	7%	3%	1%
Media & Entertainment	43%	19%	17%	12%	4%	3%	1%
Nonprofit	54%	10%	18%	8%	8%	2%	2%
Other	50%	21%	12%	10%	4%	1%	3%
Software	52%	18%	13%	9%	4%	3%	1%

Strategic Activities

Product managers are responsible for setting the long-term vision and strategy for their company's products. It also falls on them to communicate this strategy to all of the relevant participants and stakeholders. That's why communication skills are present in each of the product manager's most time-consuming strategic activities.

In order, here are the strategic activities product managers spend most of their time on:

1. **Product development (priorities, sprint planning)**
2. **Managing the product roadmap**
3. **Getting consensus and buy-in on product direction**



“

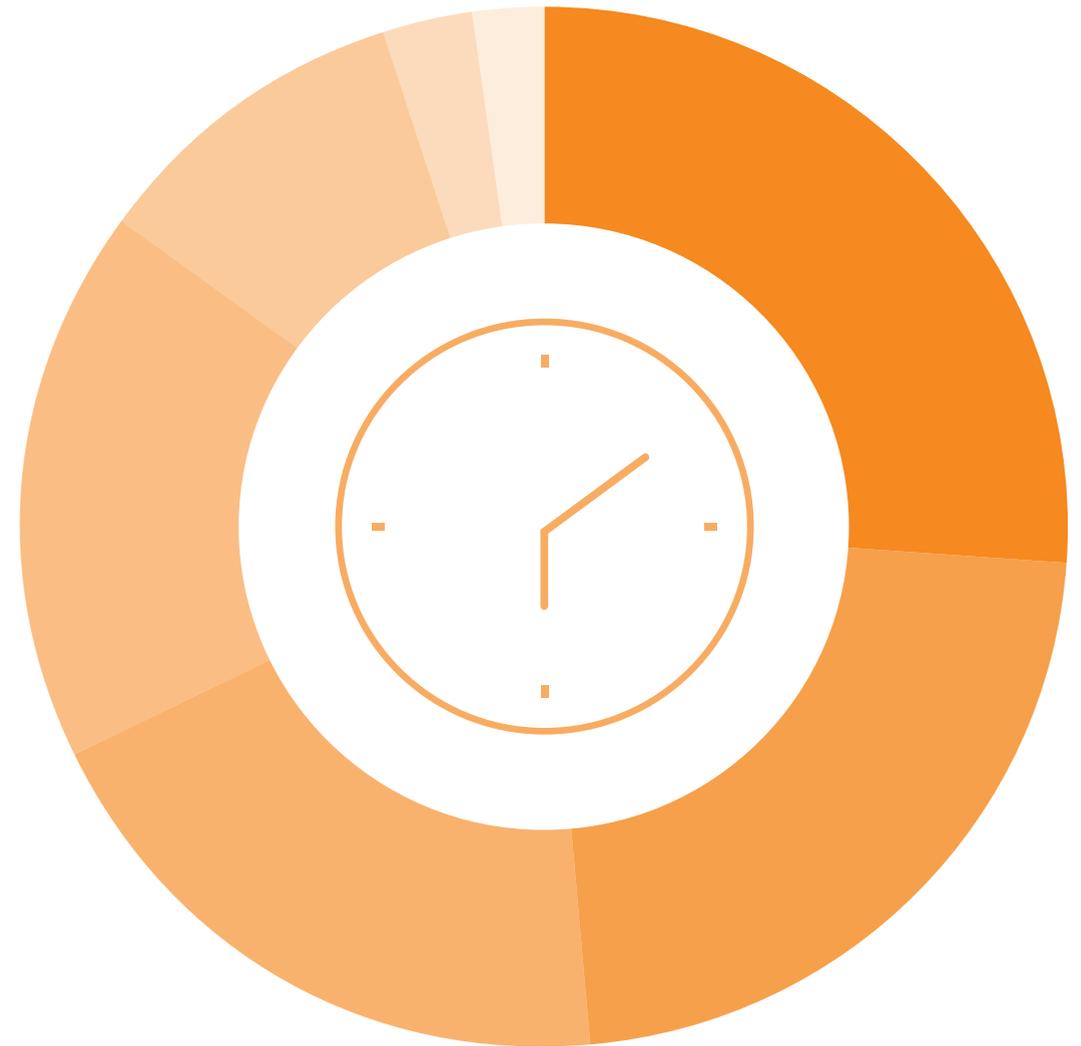
**Think
strategically
and act
incrementally.**

”

Product Manager in software, with
more than 10 years of experience

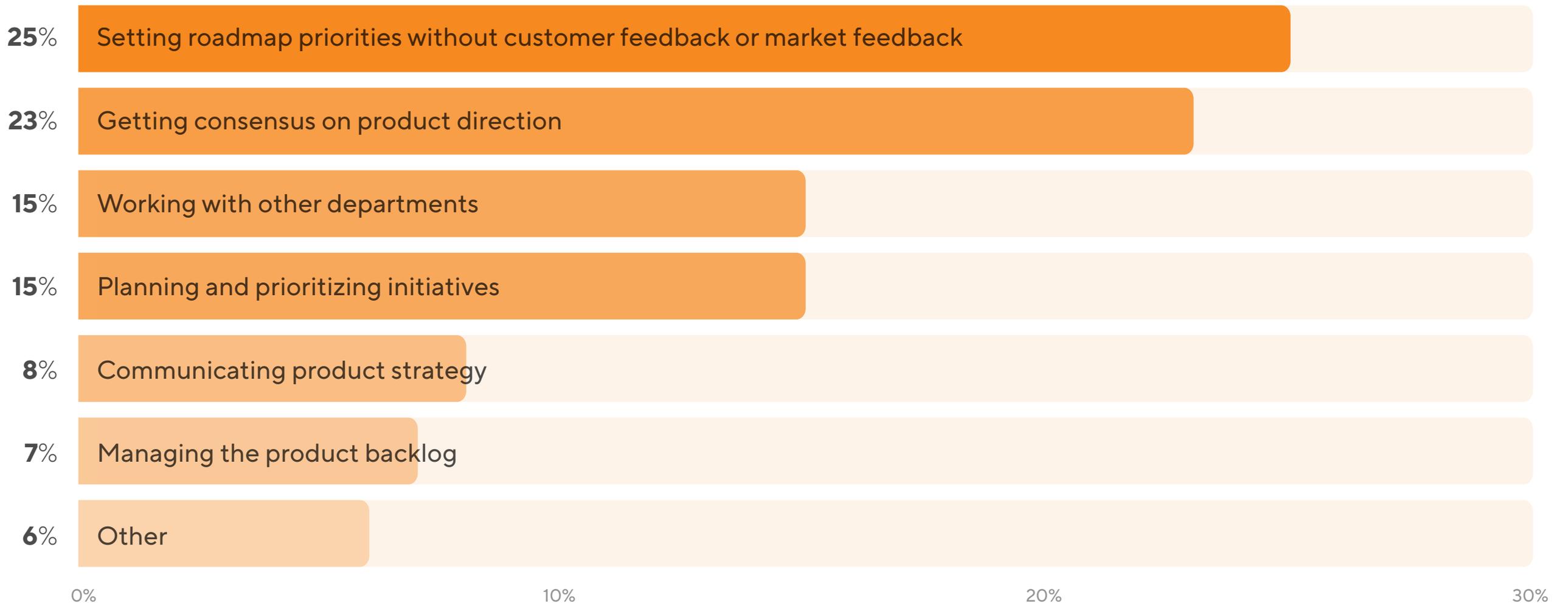
What are the top strategic activities you spend the majority of your time on?

- Product development (priorities, sprint planning)
- Managing the product roadmap
- Getting consensus and buy-in on product direction
- Customer feedback, market validation, etc.
- Understanding market size, segments, and target market
- Setting and maintaining pricing
- Other



Product Management Challenges

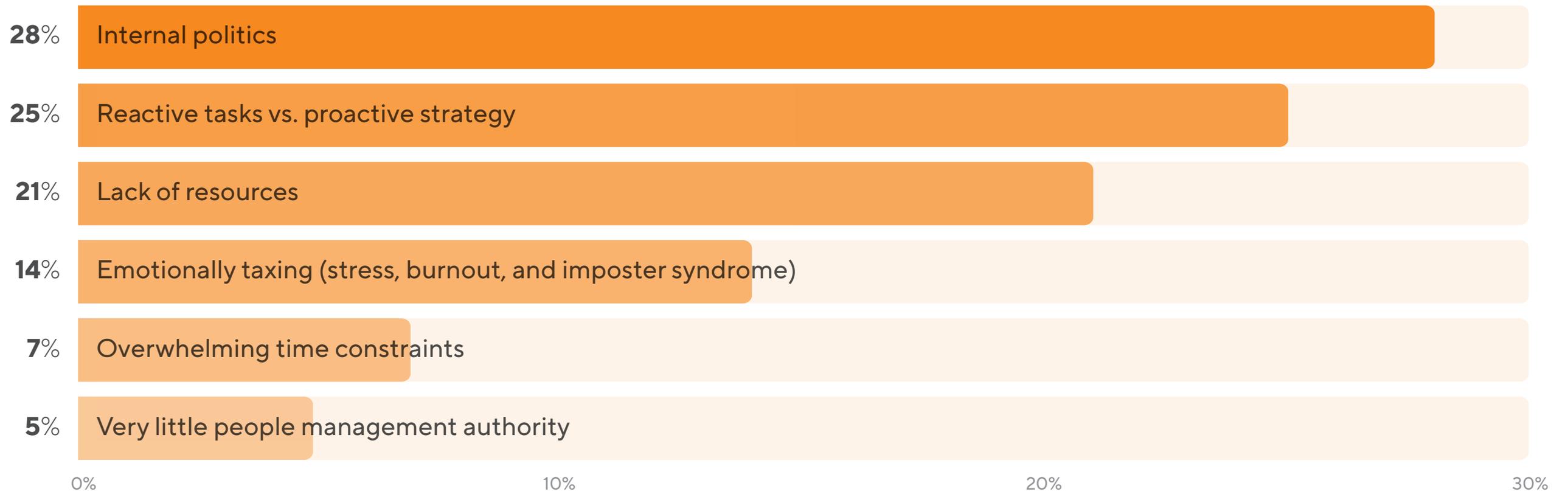
But the role is not without its challenges. The most significant product management challenge is **setting their roadmap priorities without having customer feedback (25%)**. Followed closely by the challenge of getting consensus on product direction at 23% and working with other departments at 15%.



What Do Product Managers Dislike About Their Job?

Although challenging, these initiatives aren't what product managers like the least about their job. When we asked what product managers didn't like about their role, **internal politics was the number one response with 28% of votes**—followed by having reactive tasks vs. proactive strategy at 25%.

We also found that enterprise product managers (works at an organization with more than 1,000 employees), in particular, struggle with internal politics and that small to medium-sized businesses (SMB) product managers (less than 1000 employees) struggle primarily with **having a reactive tasks vs. proactive strategy**.



How Happy are Product Managers

We thought we'd take these data points a step further. We merged those numbers to see if there was one element of what product managers like least about their job. So much so, that it dramatically affected how happy they are in their role.

We learned that product managers that dislike how little people management they have are also the least happy at work.

On the other end of the spectrum, it turns out even if you don't like dealing with overwhelming time constraints, you're still happy in your role.

We also explored if the product managers' experience level affected how happy they were. It turns out that product managers with more than ten years of experience find the challenges we previously discussed to be fulfilling. **Product managers with more than ten years of experience are happiest in their role** compared to inexperienced and mid-level experienced.

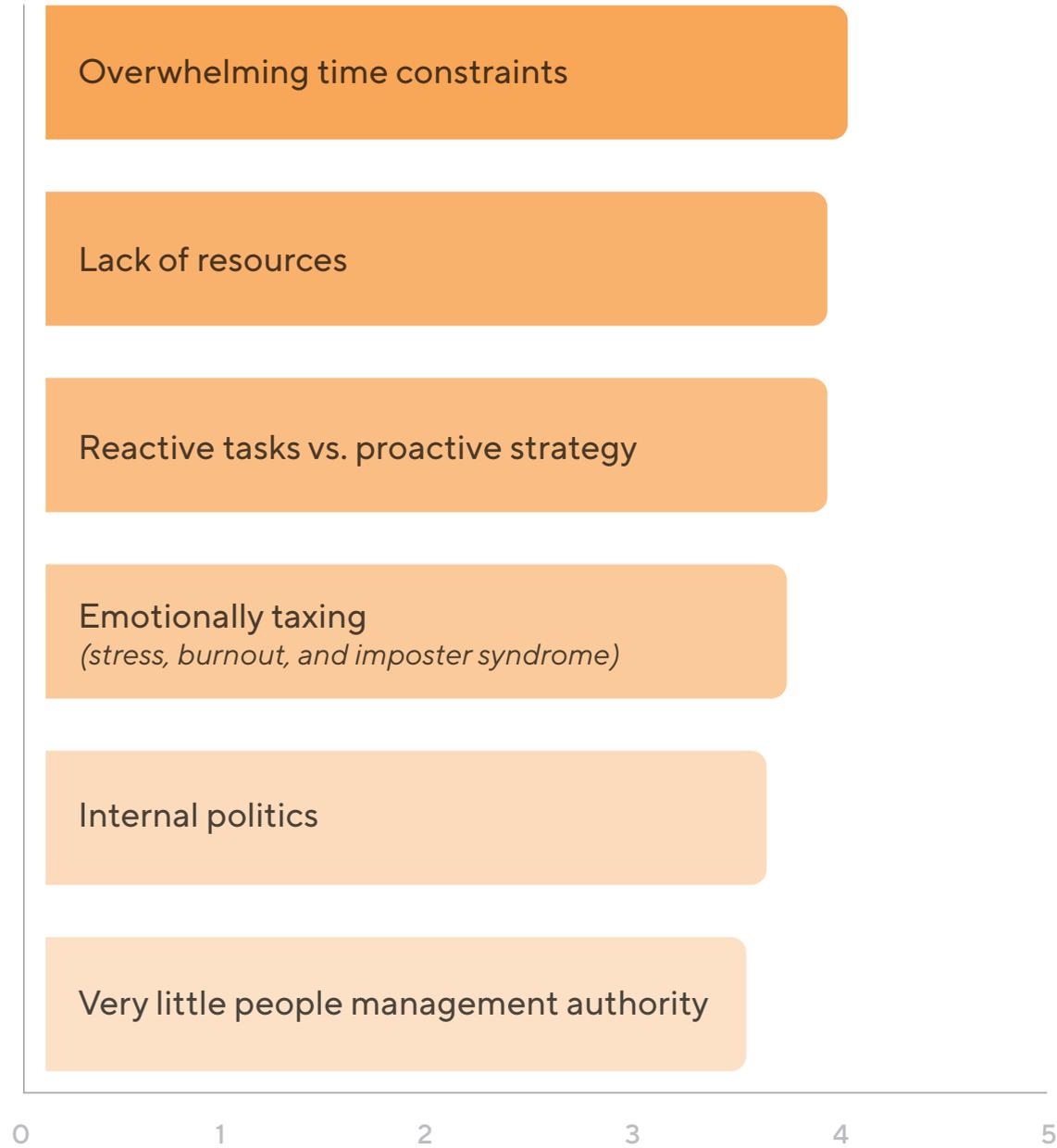
“

**In your role
you will never make
everyone happy;
communication
is the key to
mitigate this.**

”

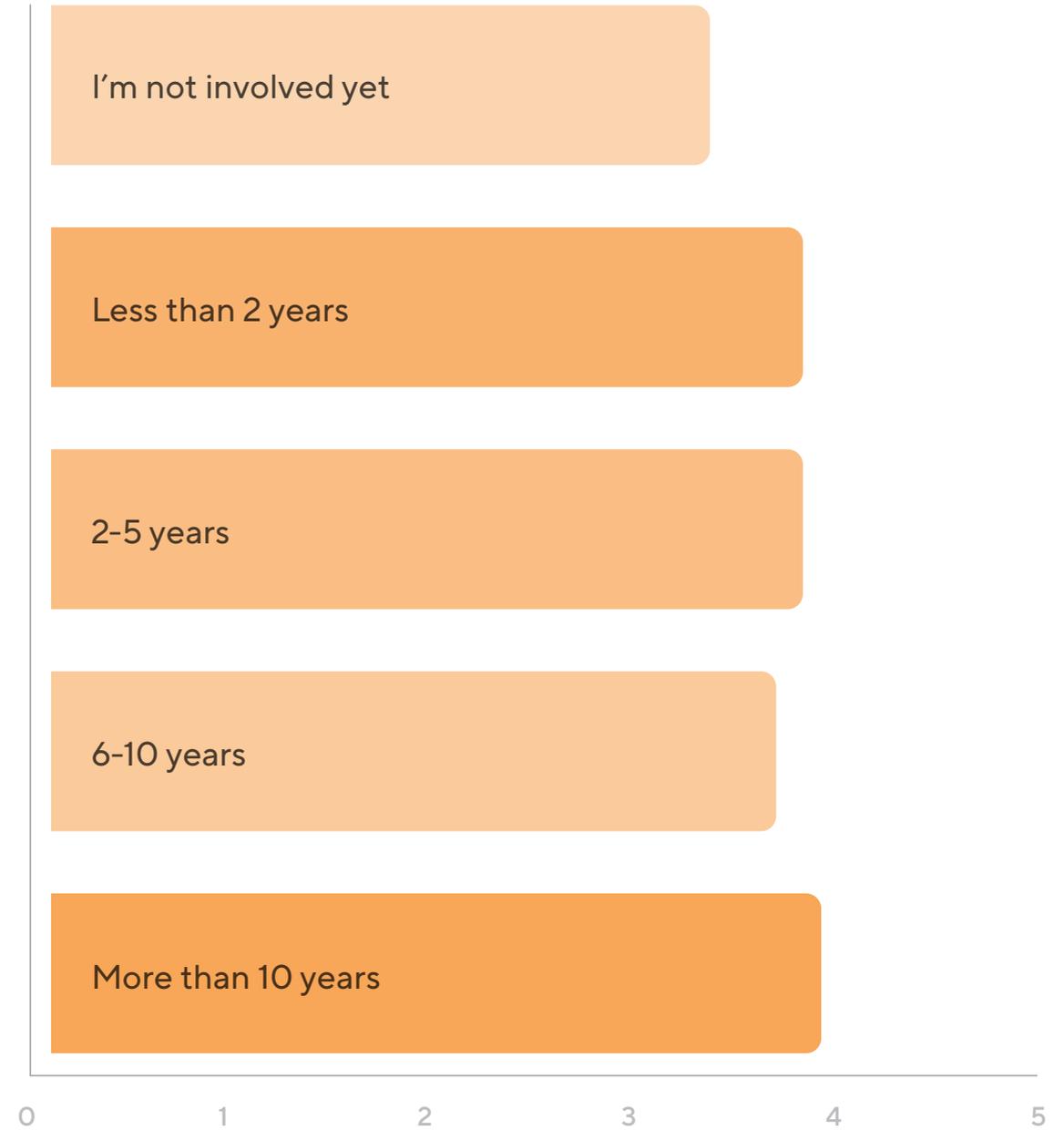
Product Manager in software,
with 2-5 years of experience

What do you like least about your job?



Happiness in the role

Experience in the role



Happiness in the role

3

A Day in the Life
of a Product Manager

3 | A Day in the Life of a Product Manager

We've learned that communication skills are essential in the day-to-day work of product managers. But what else can we learn about in the day in the life of a product manager? Challenges, metrics, planning, for example, can vary greatly depending on where you work.

The following is a look at the data of product managers that work at large organizations (above 1k employees) and those that work at SMB companies (less than 1k employees).



“

It's important to connect your product management tools with enterprise and engineering tools to get real-time, non-intrusive information on the product to help support you to make better decisions.

”

Product Manager in software,
with 2-5 years of experience

Day in the Life of an SMB Product Manager



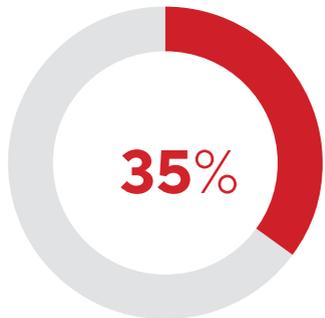
Happiness in current role: **3.85**



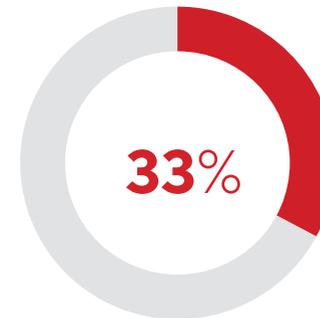
Personally like least about your job:
Reactive tasks vs. proactive strategy



Biggest product management challenge:
Setting roadmap priorities without customer feedback or market feedback



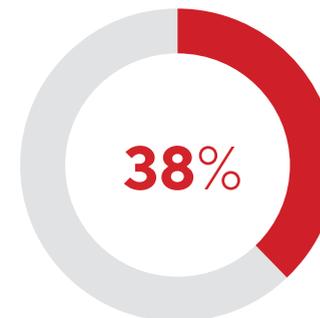
How often do you re-prioritize backlog:
Weekly



Primary success metrics:
Business-oriented metrics



How far out do you plan your roadmap:
About a year

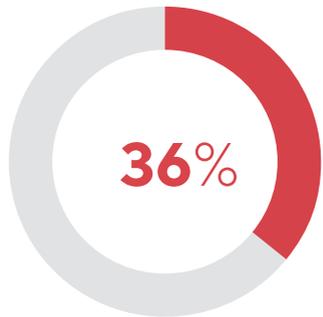


The executive you report to:
CEO

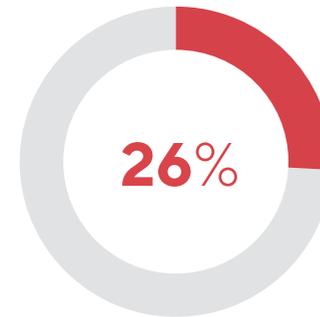
Day in the Life of an **Enterprise Product Manager**



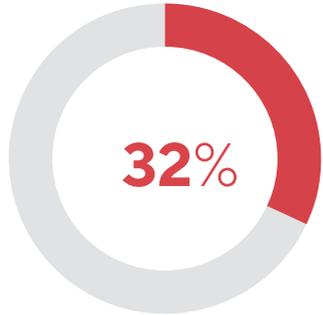
Happiness in current role: **3.79**



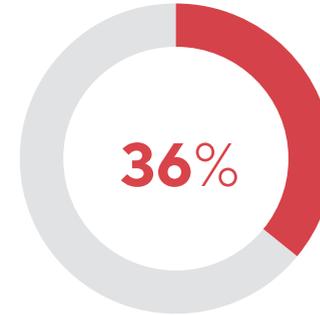
Personally like least about your job:
Internal politics



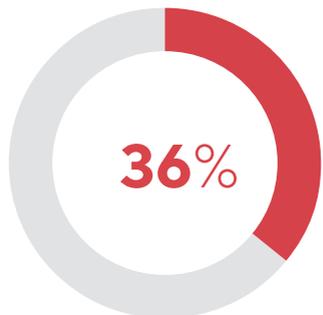
Biggest product management challenge:
Getting consensus on product direction



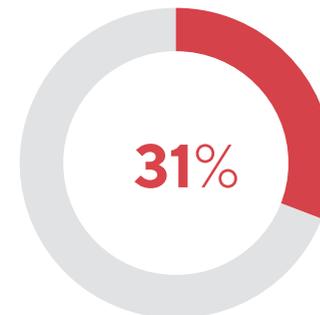
How often do you re-prioritize backlog:
Weekly



Primary success metrics:
Business-oriented metrics



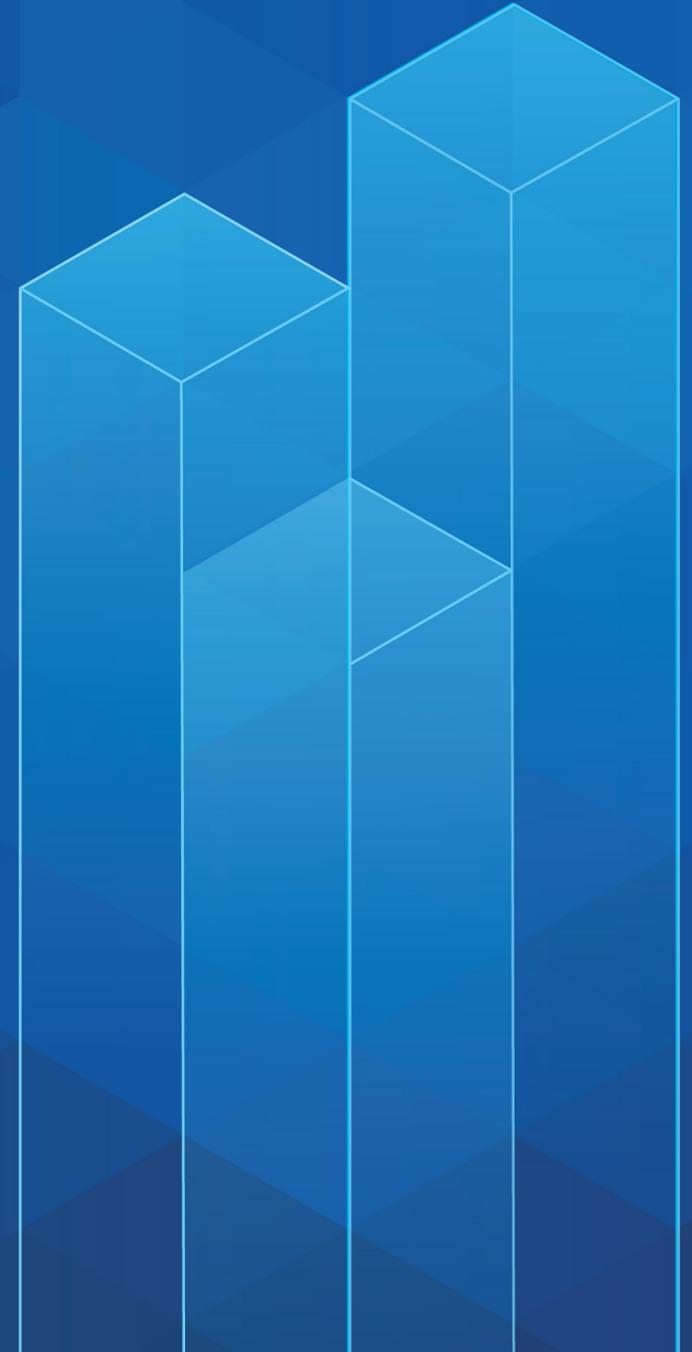
How far out do you plan your roadmap:
About a year



The executive you report to:
CPO

4

Product Management **Strategy**



4 | Product Management Strategy

A product management strategy is a high-level plan that describes what a business hopes to accomplish with its product, and how it plans to do so. This strategy should visually communicate (with a roadmap) how the product will benefit the personas and what the company's goals and metrics are for the product throughout its lifecycle.



“
Product management seems to be moving further from project management and closer to wider strategy.
”

Product Manager in software,
with 2-5 years of experience

Product Metrics

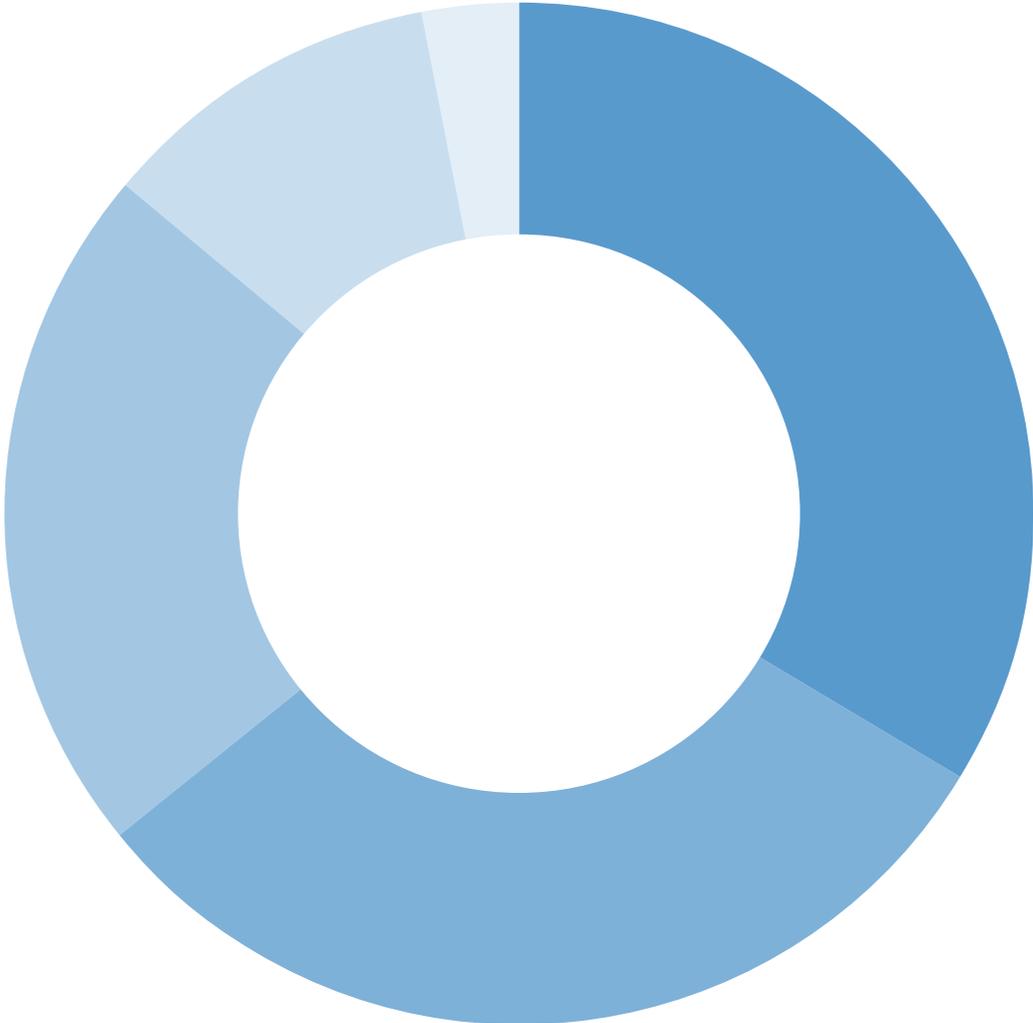
Product metrics matter for any product strategy for a couple of essential reasons. First, metrics help monitor and analyze data, which leads to more intelligent decision making throughout the product development process. Metrics also provide objective support to product managers as they leverage their communication skills when sharing their product strategy to their executive staff.

Primary Success Metrics

Product managers' primary product success metrics are **business-oriented metrics (customer acquisition cost, avg. revenue per user) at 34%**.

Product metrics followed (31%) and then customer-oriented metrics (22%).

- 34%** Business-oriented metrics (customer acquisition cost, average revenue per user, etc.)
- 31%** Product metrics (product usage, product adoption, etc.)
- 22%** Customer-oriented metrics (retention rate, net promoter score, etc.)
- 11%** I don't know
- 3%** Other

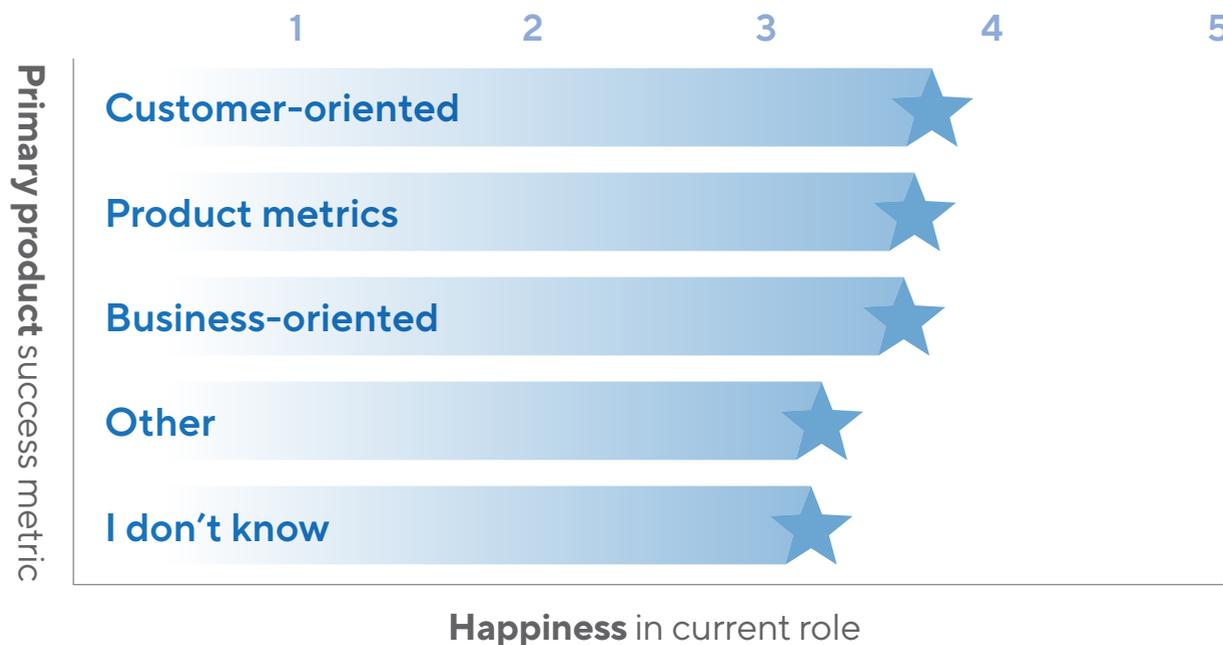


Metrics Affect a Product Manager's Happiness

Also, we found that well-defined success metrics are essential to how happy product managers are. Product managers that don't know their product metrics are the most likely to be unhappy in their role.

When product managers know what they're working towards measuring and improving, it makes a profound difference in the way they see themselves and their job.

Interestingly, the happiest product managers are those that use customer-oriented metrics.



I see young product managers switch to product management roles because they think it means they will get to execute on their creative ideas and be the decision-maker. They will be forever unhappy in this career if they don't shift perception.



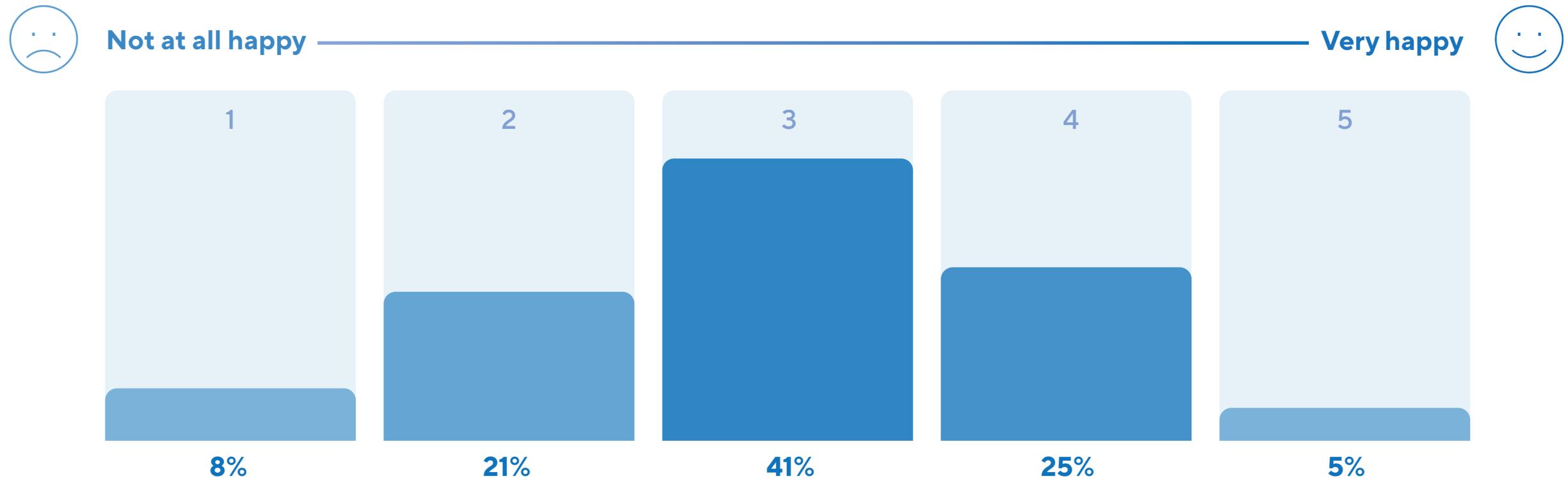
Product Manager in software,
with 6-10 years of experience

Prioritizing and Planning Your Product

Once product managers have their metrics in place, they need to determine what initiatives to prioritize before they can communicate their product strategy. Many product managers employ prioritization frameworks to help them decide what to move from the backlog and onto their roadmap.

At the moment, **41% of product managers** stated they're feeling average about how they are planning and prioritizing initiatives.

How happy are you with your process for planning and prioritizing your initiatives?



The Most Popular Prioritization Frameworks

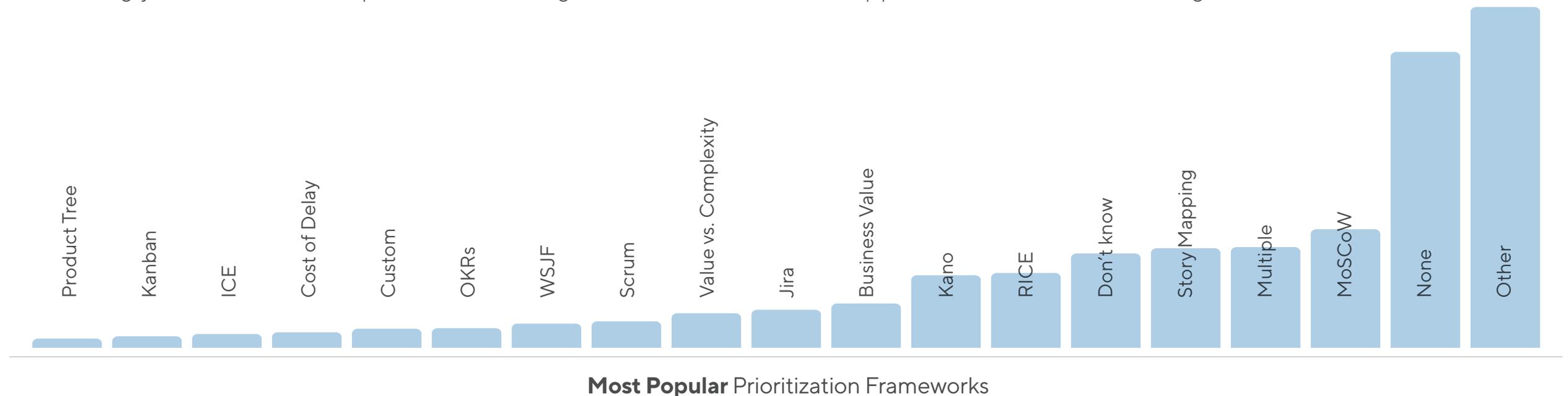
We also looked at how happy product managers were with their process compared against the type of prioritization frameworks they use.

It's worth noting that, by far, **most product managers “don't know” or “don't have” a process for planning and prioritizing** initiatives. Therefore, there is a direct connection to a product manager's unhappiness with their current strategy.

The MoSCoW prioritization method was voted the most popular prioritization method by those that do use a framework. However, those product managers were also less likely to be satisfied by their planning and prioritizing process. The next most popular frameworks were story mapping, then RICE, and then Kano.

Understandably, the **product managers that don't use any prioritization framework were rated the least happy with their prioritization process.**

Interestingly, the Product Tree performed the highest when tied back to happiness with 3.8 as the average.

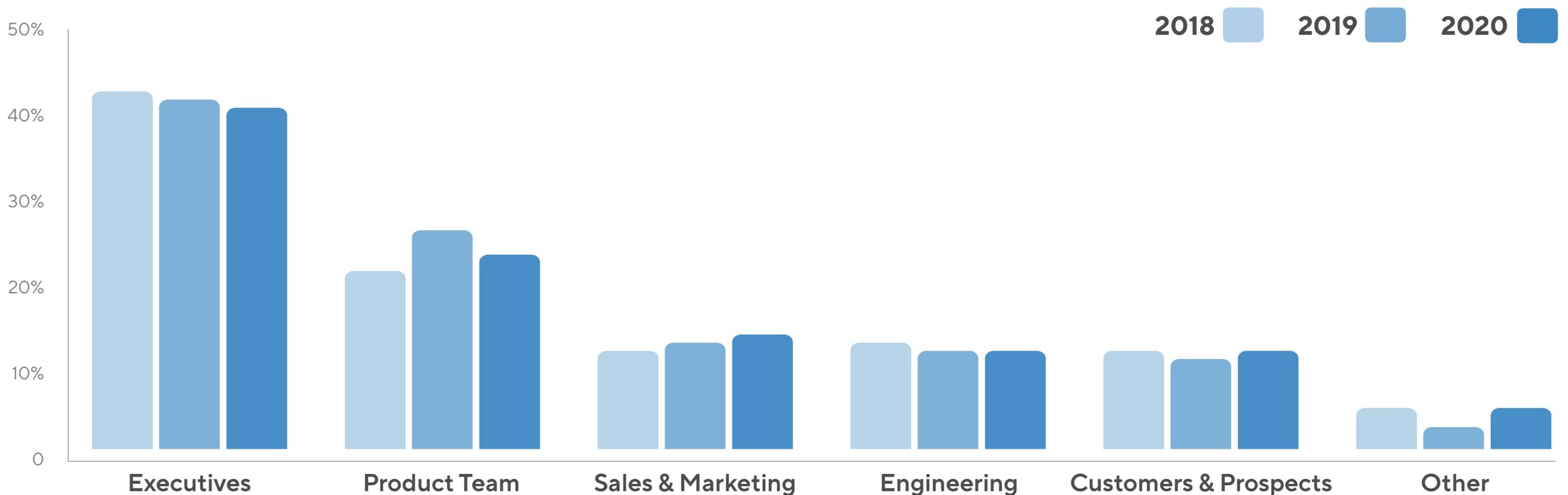


Primary Roadmap Audience

Once they've prioritized product initiatives, product managers then use product roadmaps to communicate their product strategy. They primarily share their roadmaps with their **executives (40%)**. A visual roadmap creates excitement around the product plan and helps executives confidently understand what's in store for the product.

However, a roadmap's audience can and should vary. After executives, the primary audience for roadmaps are the **product team (22%)**, and **sales and marketing team (13%)**.

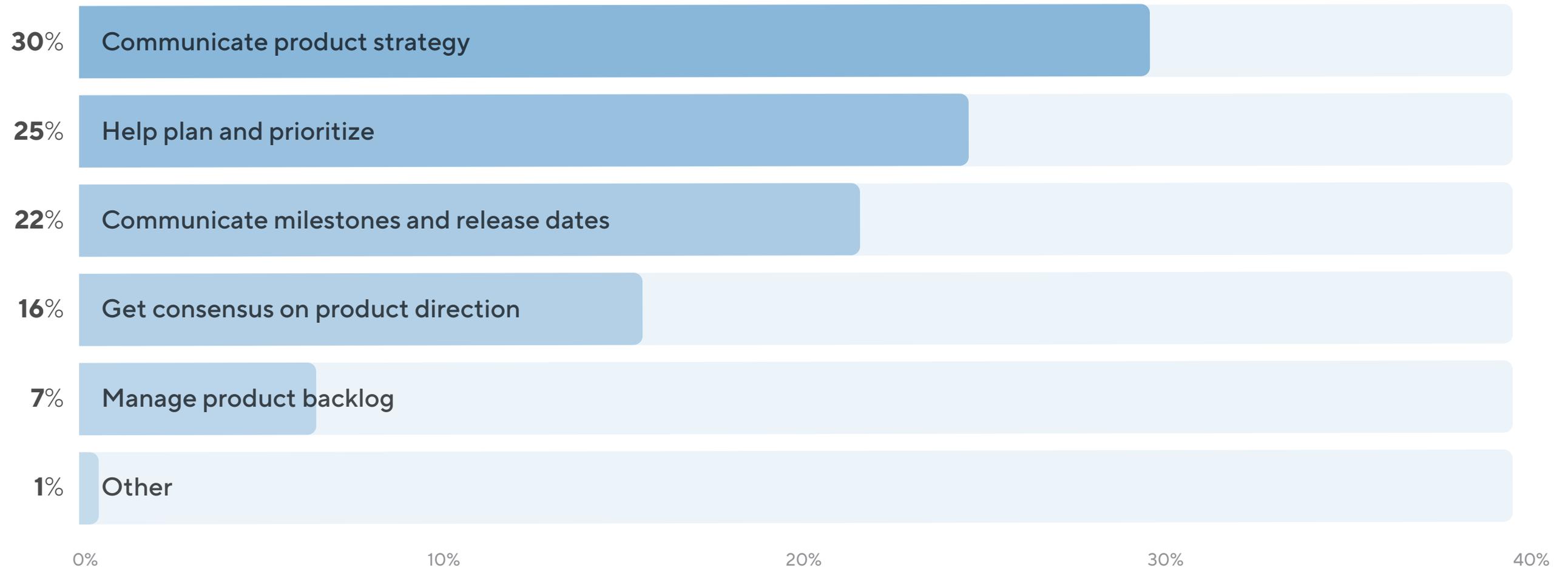
This is on trend with what we've seen in the last few years.



The Primary Objective of Roadmaps

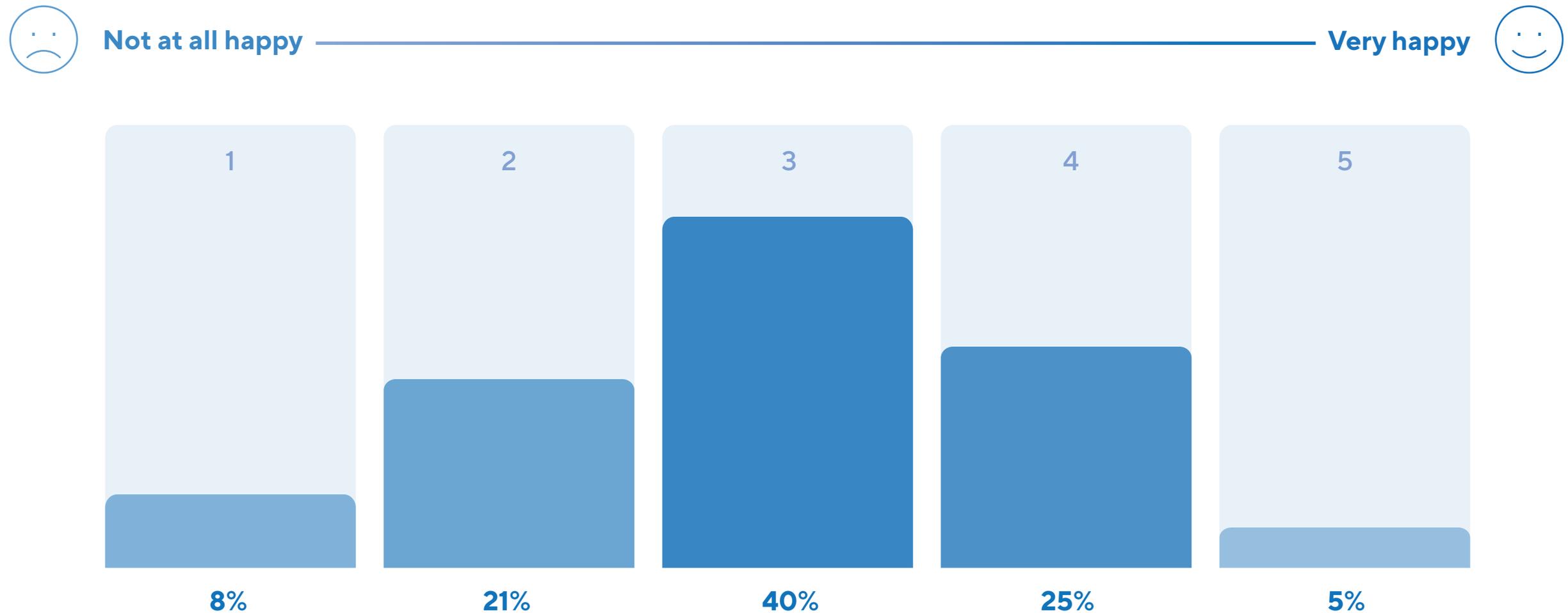
Roadmaps are one of the most powerful tools that product managers have to communicate product strategy effectively. As such, let's explore the role roadmaps play in product management a little further.

Our survey shows that **the primary objective of roadmaps is to communicate product strategy (30%).**



Communicating Product Strategy

We learned that communication skills were voted the most important skill by product managers. However, **40% of product managers** are only feeling average with their process for communicating product strategy.



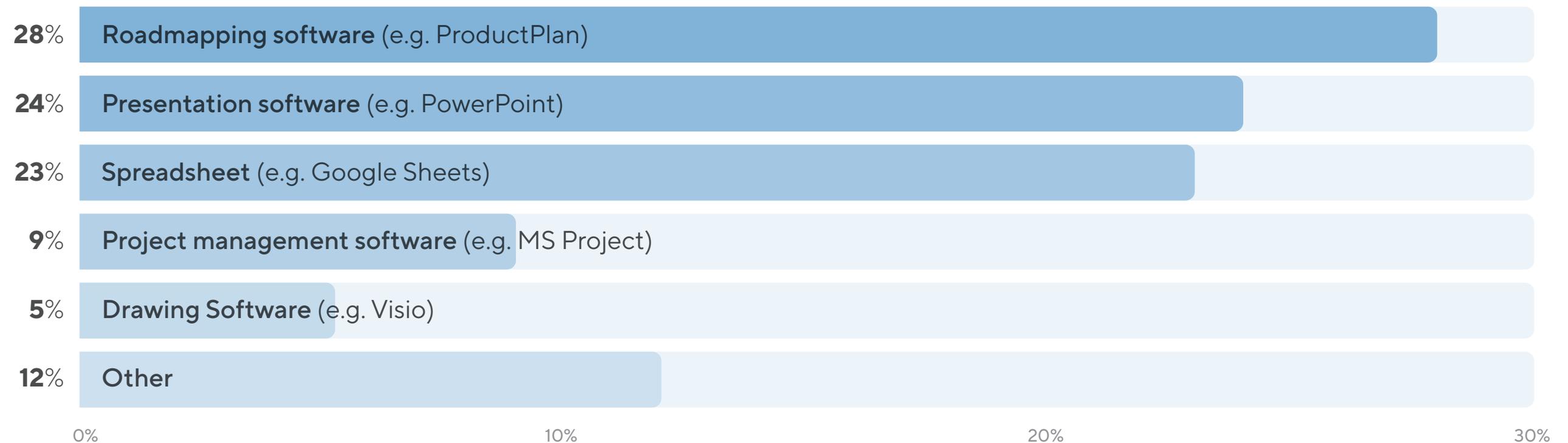
The Right Tool for the Job

There are quite a few ways that product managers display their roadmap, but roadmapping software is the **most popular tool (28%)**.

The roadmapping tool that best supports communicating product strategy

But we didn't just want to learn how product managers are displaying their roadmap. We were also curious how happy they are communicating product strategy with their chosen roadmapping tool.

What we found is that product managers are happiest with their current product strategy communication when they use product roadmap software or when they use drawing software. Product managers are the unhappiest when their process relies on a spreadsheet.



The Connection Between Experience-Levels and Roadmap Tools

Earlier in the report, we explored the connection between the years of experience a product manager has and their happiness at work. We also found a link between a product manager's experience-level and the type of roadmap tool they use.

More experienced product managers use a roadmapping or presentation software. Seasoned product managers are also less likely to use drawing software. Product managers with the least amount of experience use spreadsheets and project management tools.

Experience-Level	Roadmapping Software	Presentation Software	Project Management Software	Drawing Software	Spreadsheets	Other
I'm not involved yet	25%	18%	17%	10%	24%	5%
> 2 years	27%	20%	12%	5%	25%	11%
2-5 years	27%	22%	7%	5%	25%	13%
6-10 years	29%	27%	8%	4%	21%	11%
10+ years	28%	33%	6%	2%	19%	11%

Timing the Roadmap

If a roadmap is central to a product manager's strategy, then their timing and involvement in the roadmap itself is something we wanted to understand. For instance, what part of building a roadmap do most product managers spend their time on? Also, we found out how frequently product managers should update their roadmap and how far out the roadmap should be planned.



“

I believe the hardest issues are managing dual track (discovery/delivery) and product roadmapping by outcomes.

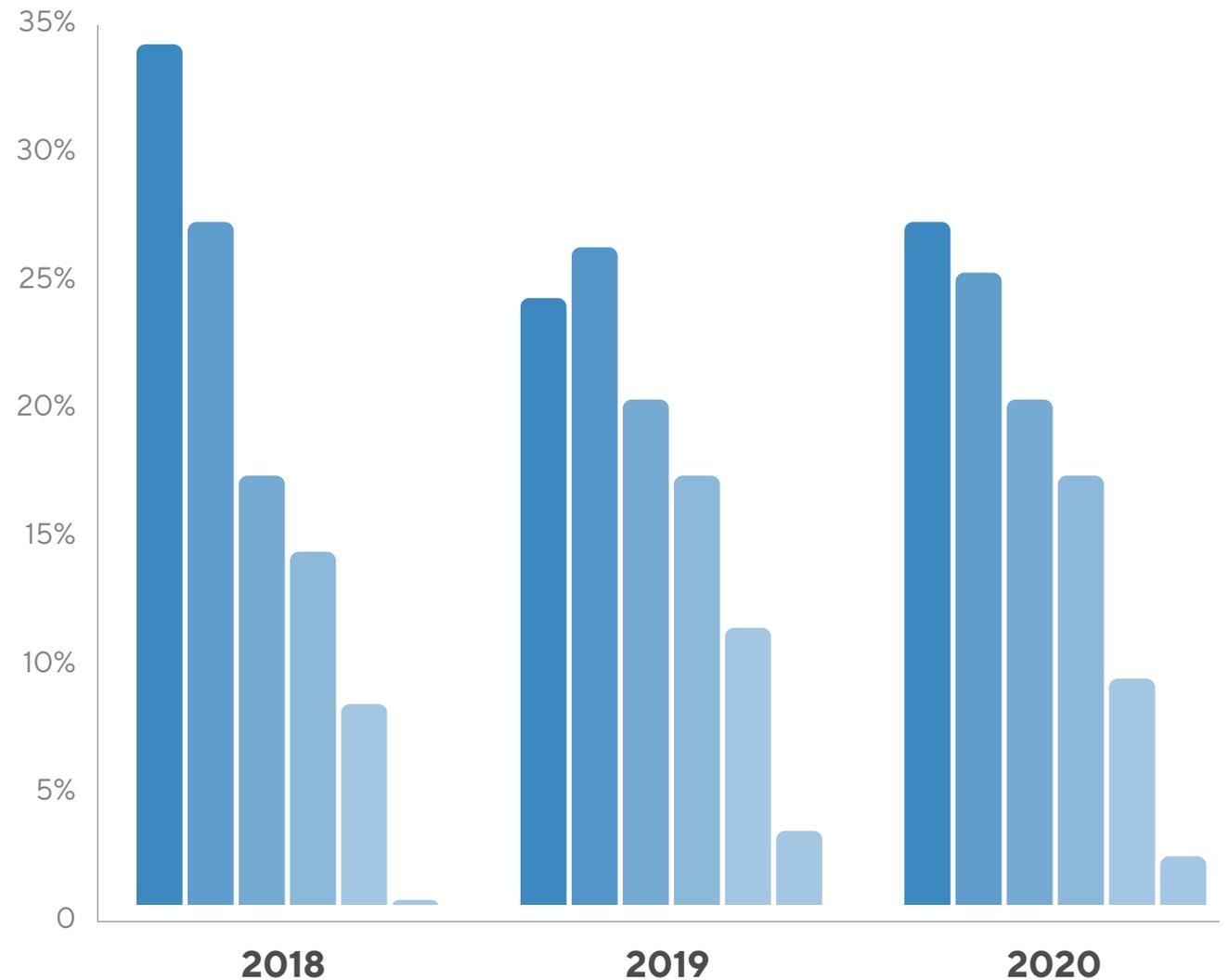
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Product Manager in Financial Services,
with 2-5 years of experience

Building a Roadmap

Product managers want to present the most accurate roadmap possible. When it comes to building the roadmap they spend the most time determining **which initiatives make it on the roadmap (27%)**—closely followed by **scoping and ordering initiatives (25%)**.

- Determining which initiatives make it on the roadmap**
- Scoping and ordering initiatives**
- Gathering and inputting information from other tools**
(project management tool, user feedback tool, etc.)
- Building different versions for different audiences**
- Editing the visual components of a roadmap**
- Other**



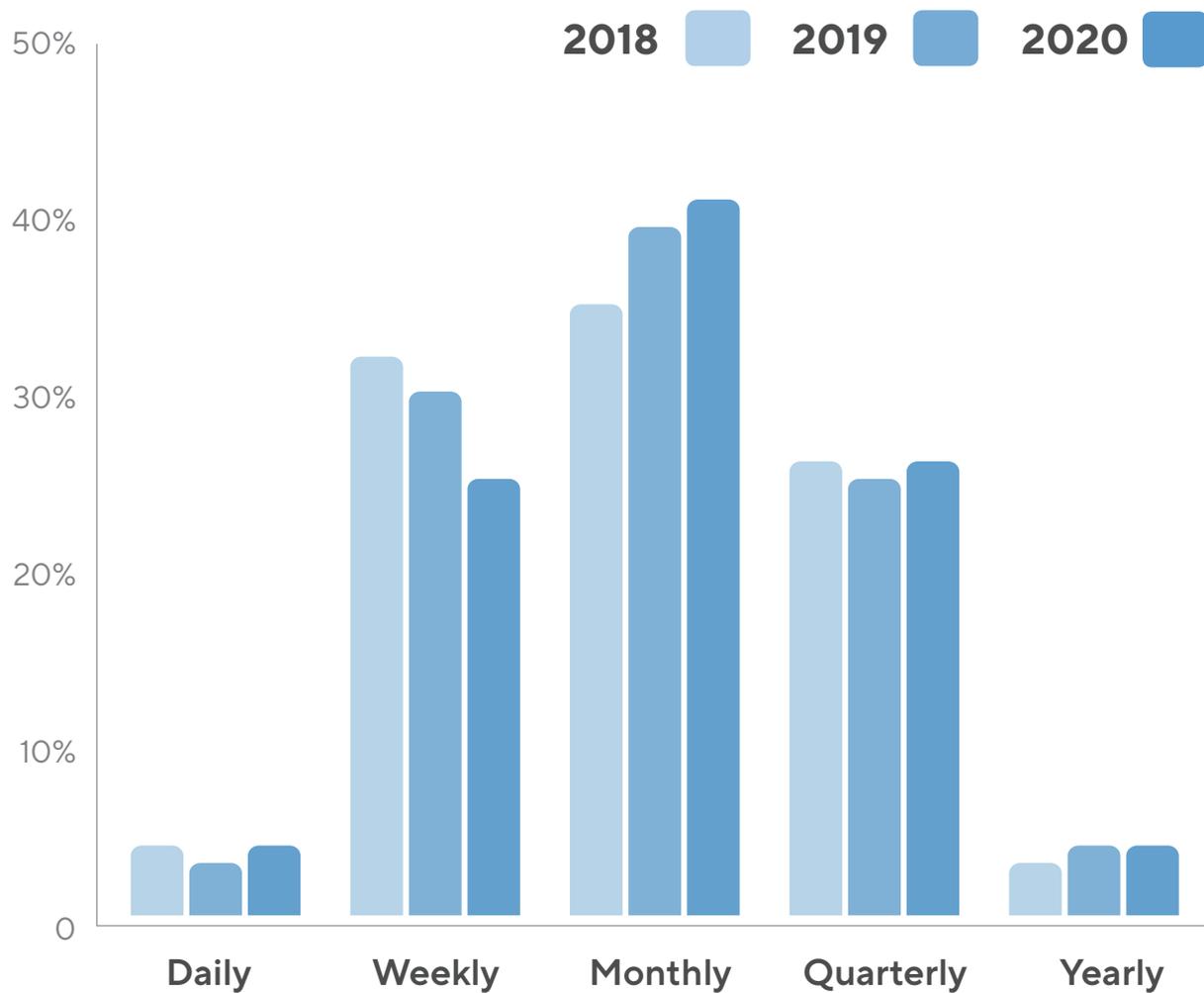
Planning Your Roadmap

How far out do you plan your roadmap?

Company Size	< Month	2-3 months	4-6 months	About a year	1-3 years	3+ years
1-5 Employees	16%	28%	26%	19%	9%	3%
6-25 Employees	10%	32%	25%	26%	6%	1%
26-50 Employees	7%	29%	27%	28%	7%	1%
51-100 Employees	7%	29%	27%	28%	9%	1%
101-500 Employees	4%	25%	26%	33%	11%	2%
501-1000 Employees	2%	16%	27%	40%	14%	1%
1000+ Employees	4%	15%	27%	34%	17%	4%

Updating Your Roadmap

Across the board, monthly updates to the roadmap are the norm between small and enterprise-sized companies. We've also seen this to be true in the last few years.



Frequency of Roadmap Updates

We've found that the frequency of which product managers update their roadmaps varies by the size of the company.

In general, the larger the organization, the less frequently product managers update their roadmap. Smaller companies tend to update their roadmap weekly or monthly.

Company Size	Daily	Weekly	Monthly	Quarterly	Yearly
1-5 Employees	4%	33%	43%	14%	5%
6-25 Employees	6%	26%	40%	24%	3%
26-50 Employees	4%	28%	41%	24%	4%
51-100 Employees	5%	26%	38%	28%	3%
101-500 Employees	3%	24%	44%	25%	5%
501-1000 Employees	1%	26%	44%	25%	4%
1000+ Employees	3%	24%	39%	30%	4%

5

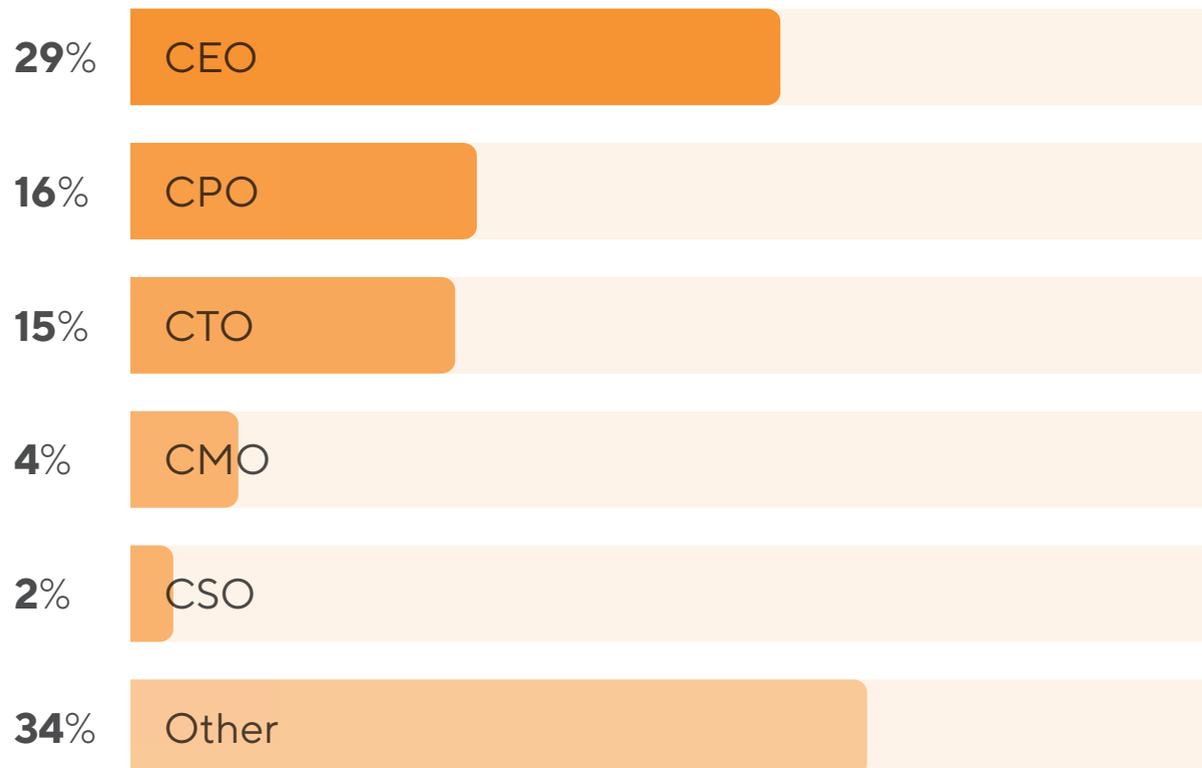
Looking Ahead: Product Management in 2020

5 | Looking Ahead: Product Management in 2020

Product management is hiring, growing, and changing, and we have high hopes for where it will go in 2020.

Hiring Trends in 2020

Product managers primarily report up into the **CEO (29%)**, followed by reporting into the **Head of Product (16%)**.



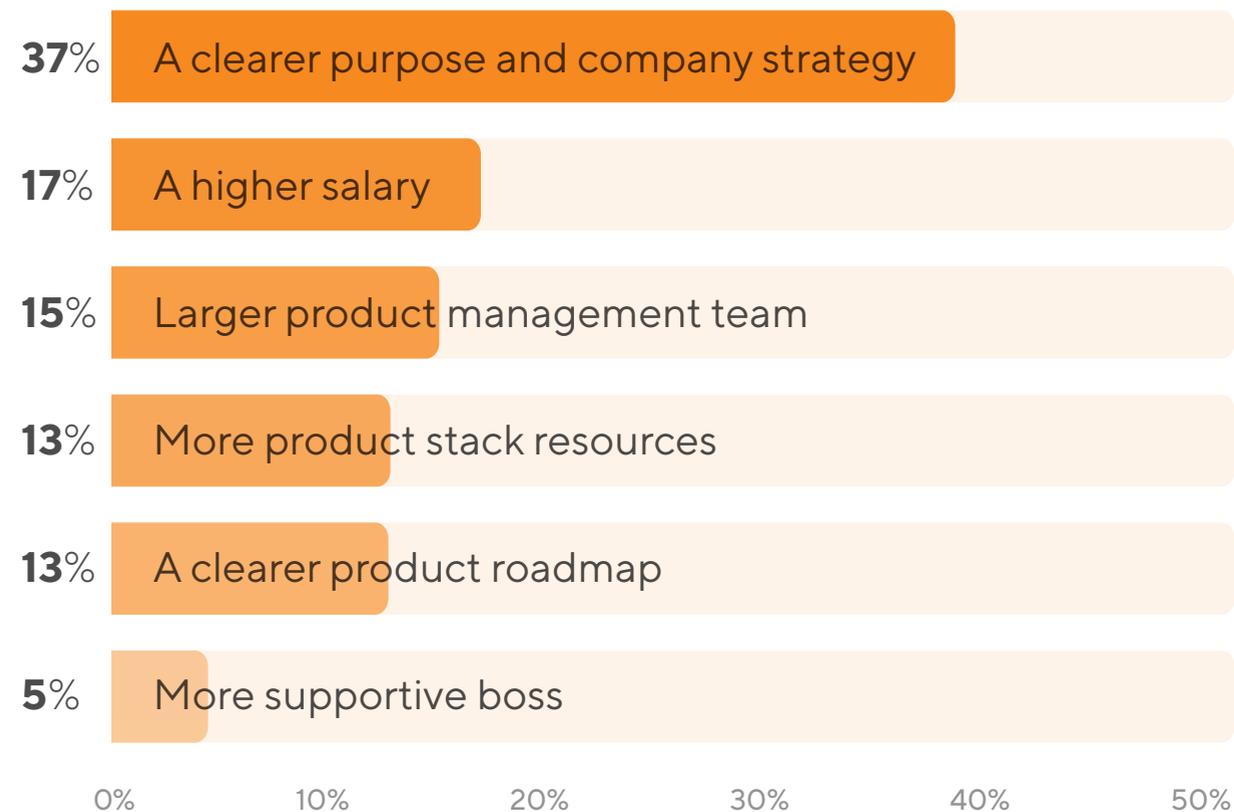
Although the definition varies from team to team, in 2020, the most popular roles that product teams are hiring for are **Product Manager (48%)** and **Product Owner (30%)**.



What do You Wish You Could Change in 2020?

In 2020, what product managers want to change most in their role is to have **a clearer purpose and company strategy (37%)**. That's double the next highest wish, which is to have a **higher salary (17%)**.

The most valued and desired change product managers want to see comes down to strategy.



Executive endorsement and backing are critical. Make sure that the company has a clear purpose and direction for the product management function.



Product Manager in Commercial Real Estate,
with over 10 years of experience

6

Conclusion

6 | Conclusion

Over the course of the last four years, our annual product management report has highlighted processes and best practices for planning and roadmapping. We've shared our suggestions for improving satisfaction with these processes.

For our fifth annual report, we took it a step further and explored the well-being, strategy, skills, challenges, and best practices of product managers. We examined the critical role that communication skills hold in a product strategy. We found the direct correlation between the product managers that have found the right process and tools that empower them to be the happiest product managers in the space.

We hope to encourage more discourse on the subject and explore more ways to improve product management processes.

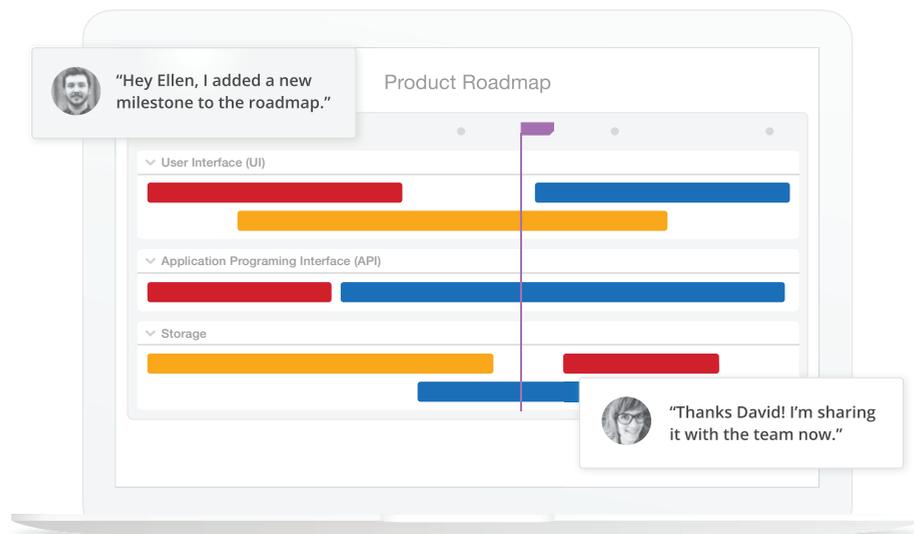
Jim Semick

Co-Founder

www.productplan.com

About ProductPlan

ProductPlan makes it easy for teams of all sizes to build beautiful roadmaps. Thousands of product managers worldwide—including teams from Nike, Microsoft and Spotify—trust ProductPlan to help them visualize and share their strategies across their entire organization. With our intuitive features, product managers spend less time building roadmaps and more time shipping products.



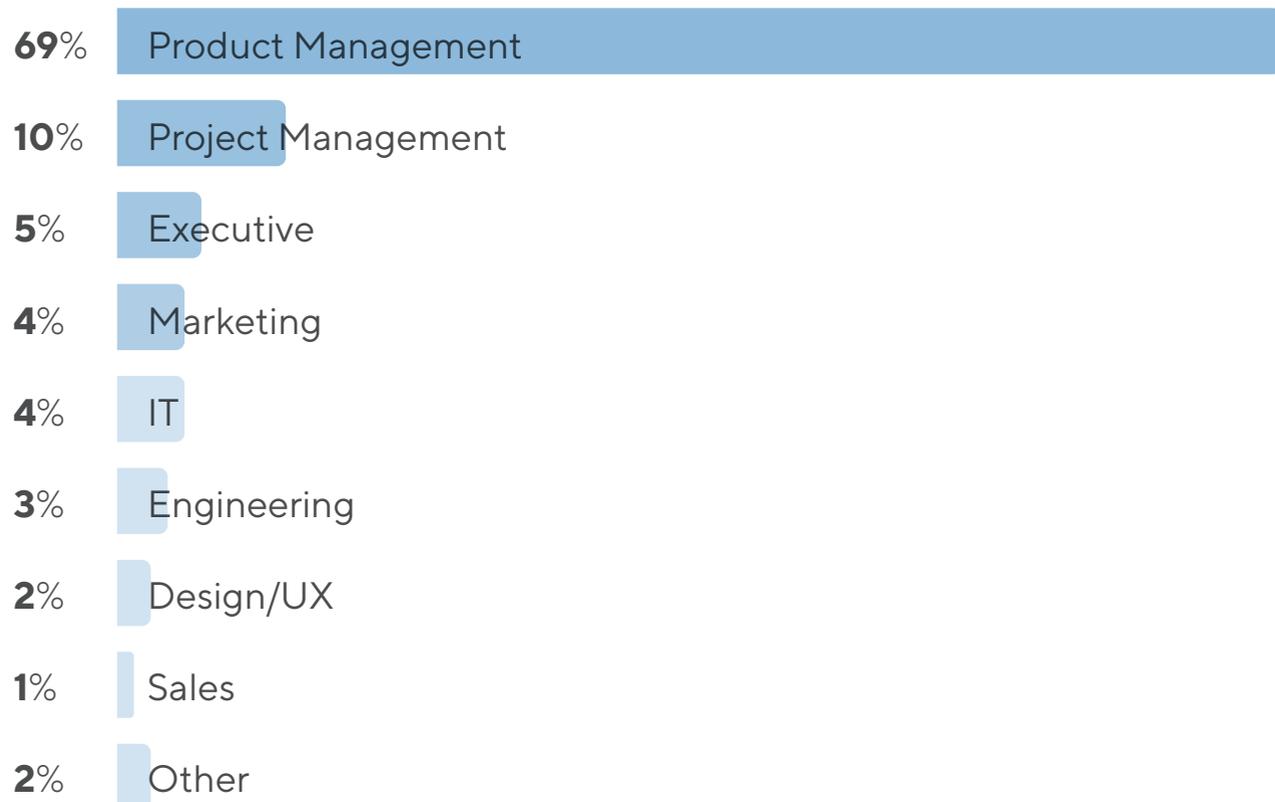
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**Quickly plan
and share your
strategy to get
alignment across
your entire
organization.**

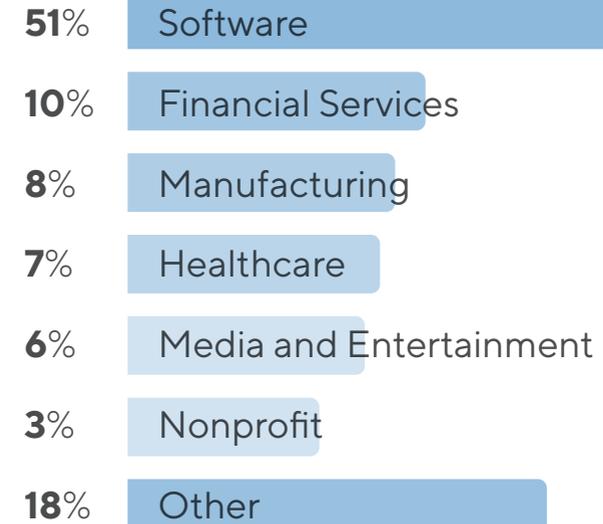
Report Methodology

ProductPlan's 2020 survey ran throughout October 2019 with over 2,500 participants. Here's a breakdown of the responders in this survey. It was sent out to ProductPlan users and shared across social media and other product management communities.

What is your job function?



What industry do you work in?



What size company do you work for?

