product

focus

2021
Product Management Industry Survey

How can we help you?

Product Leaders

Product People

Do you lead a product management department, function or team?

Do you do product management activities?

Yes → **Sign-up for our free resources** ← Yes

Have you recently had product management training?

No → **Attend our flagship public course** ← **No**

Have you recently had product management training?

Yes ↓

Yes ↓

Have you had any training in how to lead a product management team?

No → **Attend our Leading Product Management training** ← **Yes**

Do you aim to lead product management in the near future?

Yes ↓

Is product management as good as it should be in your company?

No → **Run private training for your team**

→ **Commission a Product Management Review**

Yes ↓

Do you need to sell the value of product management to the senior team?

Yes → **Executive Briefing**

product focus

★ Trustpilot
★★★★★
Excellent

Introduction

Product Focus is a global leader in product management training and consultancy for technology-based products.

Each year we ask product people about their role, issues, salaries, and day-to-day activities. This includes Product Managers, Product Owners, and Product Marketing Managers as these roles often overlap.
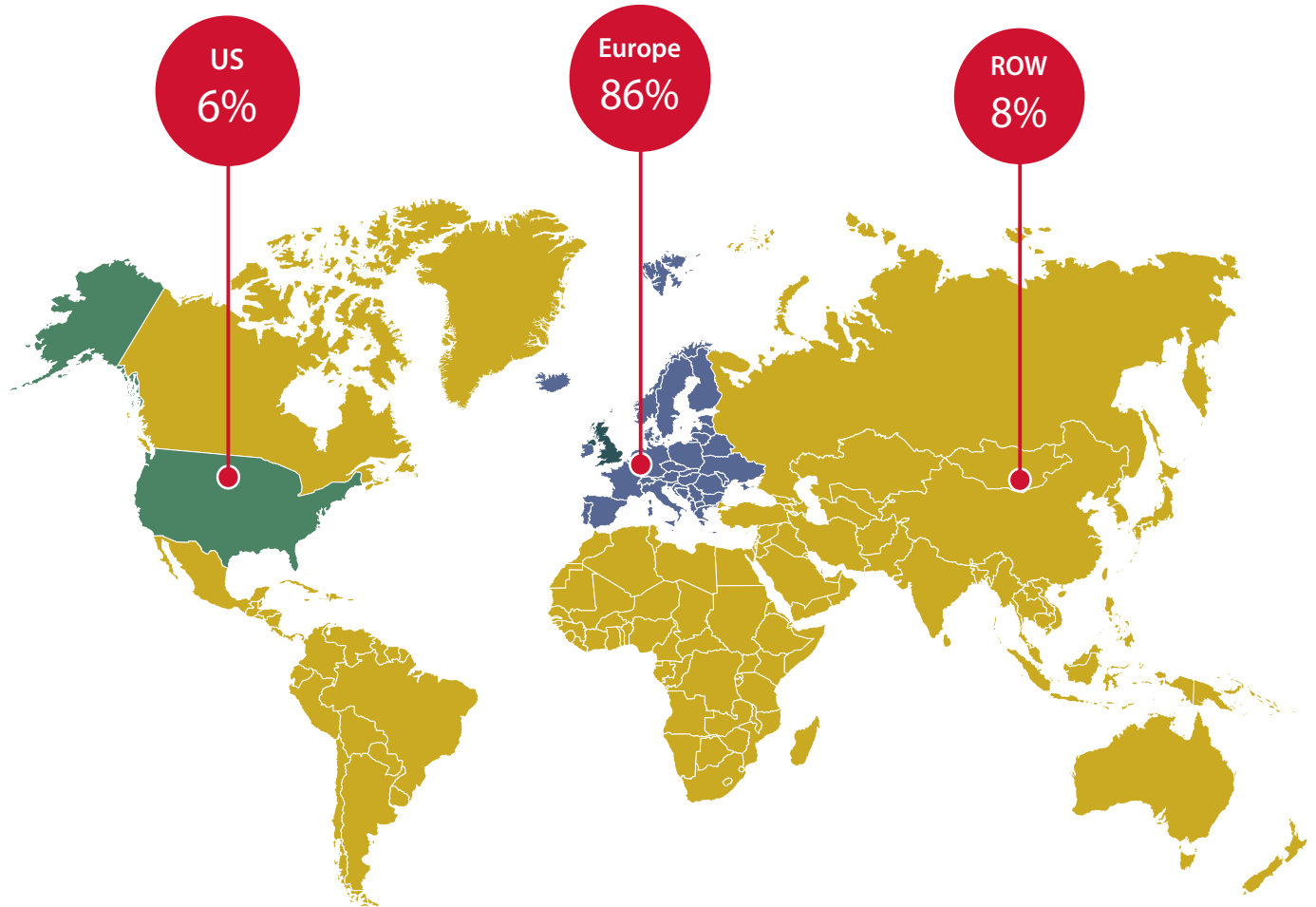
1,083 people took part in this year's survey – 47 countries and 641 companies are represented.
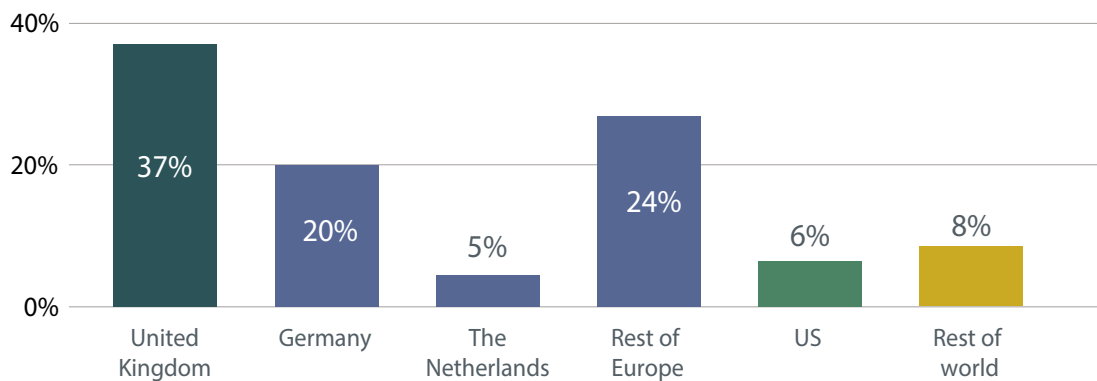
All the responses for this report were gathered in January 2021.

The survey results represent the industry norm – not best practice. You can find out about best practice by signing up for our free resources or attending one of our training courses.

Insights from across the world

Thank you to the 1,083 people who took part in this year's survey. Most were from the UK and Europe (86%), but we had significant numbers from the US and elsewhere.
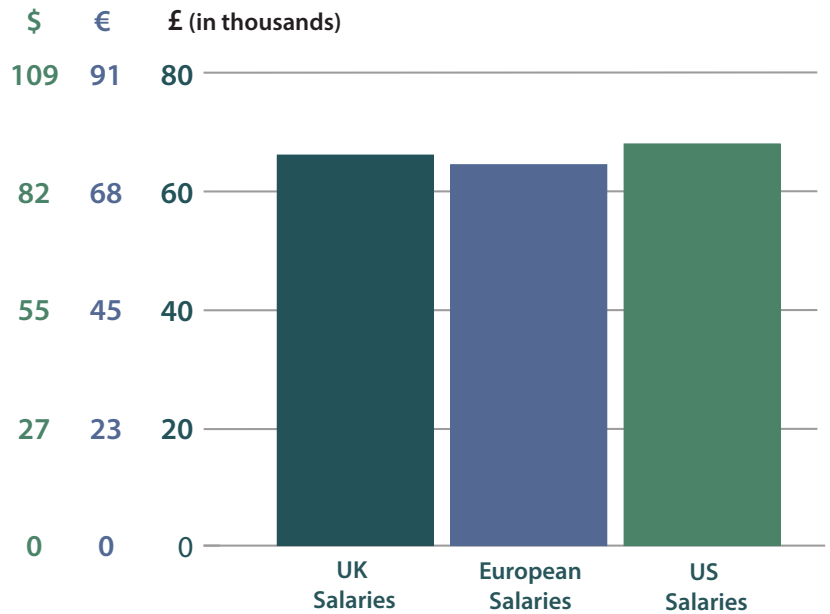
US 6%

Europe 86%

ROW 8%

47 countries and 641 companies are represented

United Kingdom	Germany	The Netherlands	Rest of Europe	US	Rest of world
37%	20%	5%	24%	6%	8%

Salary

£66k
€73k
$93k

The average base salary paid to Product Managers and Senior Product Managers is much the same as last year. Product management pays slightly better in the US.
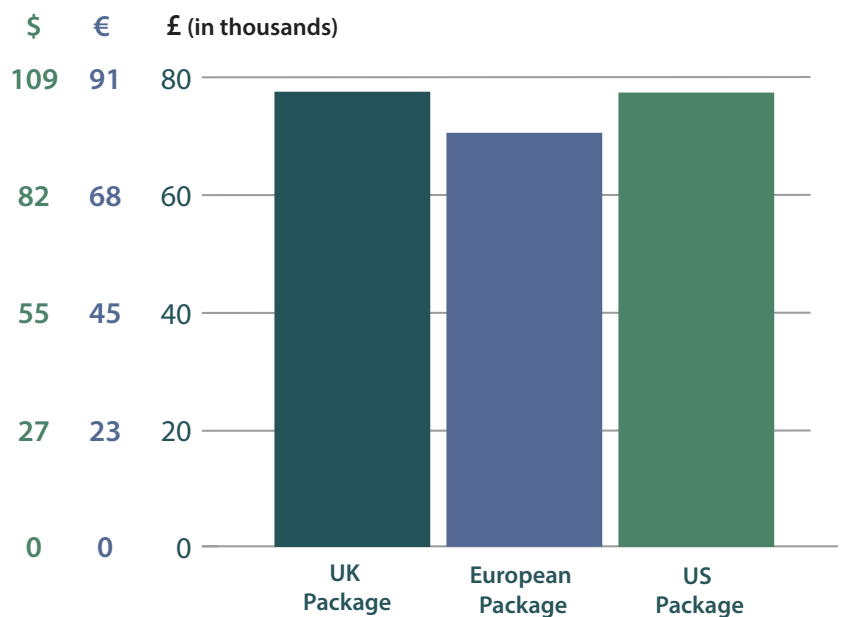
$ € £ (in thousands)

	$	€	£
	109	91	80
	82	68	60
	55	45	40
	27	23	20
	0	0	0

UK Salaries   European Salaries   US Salaries

Full package value

£78k
€80k
$106k

The average package value for Product Managers and Senior Product Managers.

44% of all respondents receive a bonus, 11% get some shares, 11% a company car and 64% get pension contributions or health insurance.
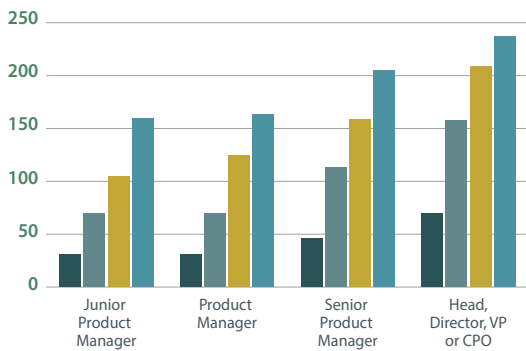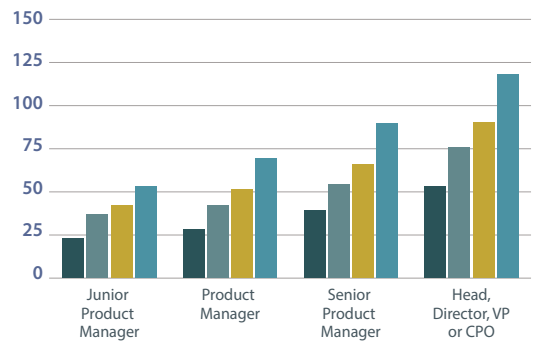
$ € £ (in thousands)

	$	€	£
	109	91	80
	82	68	60
	55	45	40
	27	23	20
	0	0	0

UK Package   European Package   US Package

Salaries across the world

£ (in thousands)

Legend:
- Highest quartile
- 3rd quartile
- 2nd quartile
- Lowest quartile
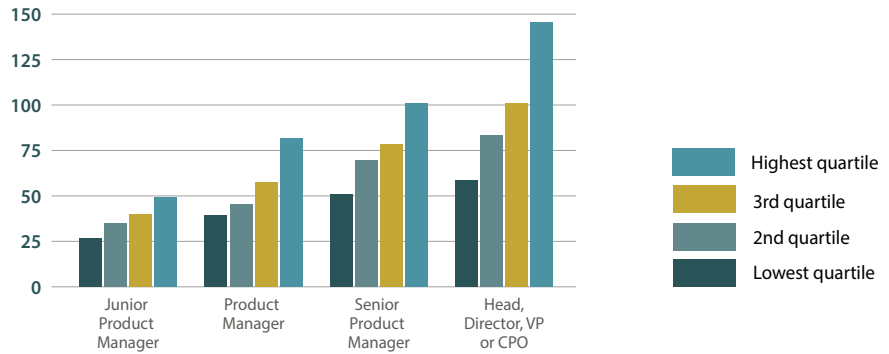
$ (in thousands)

€ (in thousands)
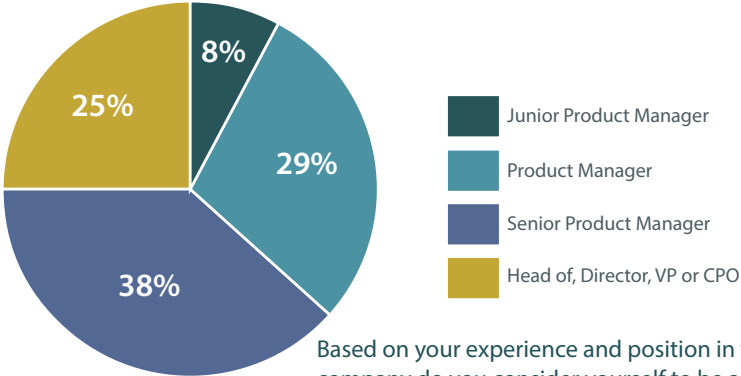
Current role

3

The average number of years respondents have been in their **current** role

People build a career in product management. 66% of respondents have more than 4 years total experience in product management and 13% have more than 10 years.
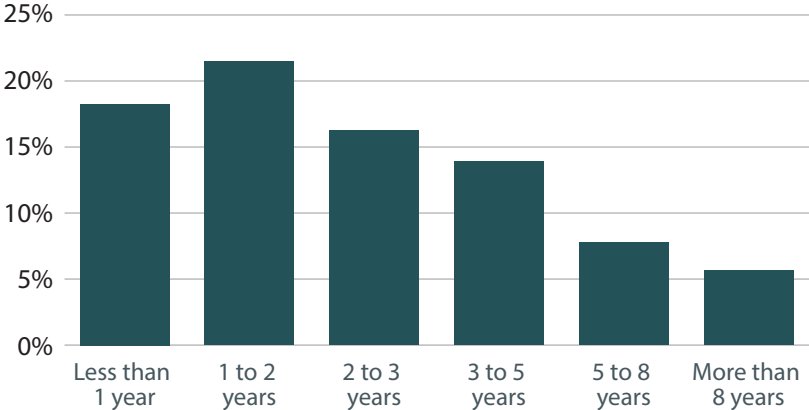
How long have you been in your current role?

Seniority Levels

25%

of respondents who classed themselves as Head of, Director, VP or CPO

25% of respondents to our survey are running product management in their organizations. These people may have a greater interest in the results, so perhaps more of them responded.

- Junior Product Manager
- Product Manager
- Senior Product Manager
- Head of, Director, VP or CPO

Based on your experience and position in your company do you consider yourself to be a ...

Types of product

65%

of product people manage software based products

50% of product people have the challenge of managing products made up of a mix of software, hardware and/or service elements.

Hardware/physical products (46%)

Software (65%)

Services (55%)

17%

6.8%

6.5%

21.4%   20.6%   15.7%   12%
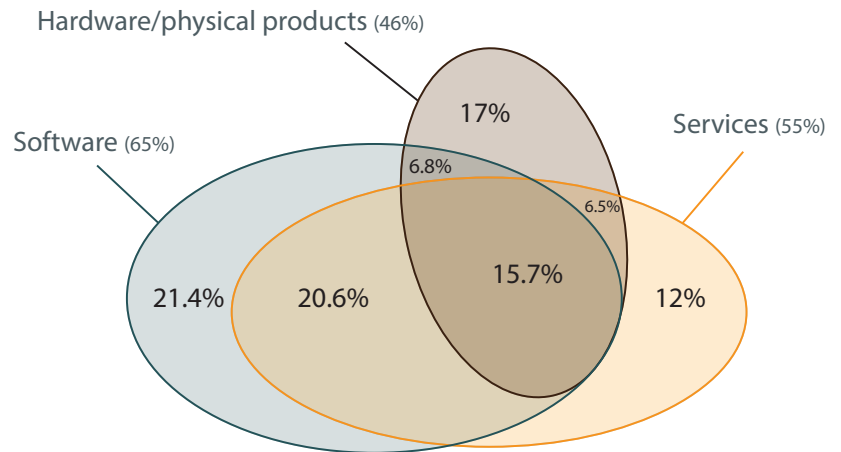
Are your products software, hardware/physical products or services (provided by people)?

Types of customer

82%

of survey respondents look after products sold to businesses

Many product managers must understand diverse markets with products aimed at businesses, consumers, government, or internally focused.
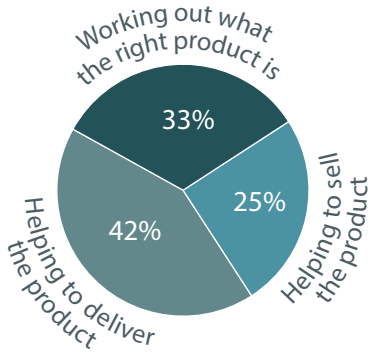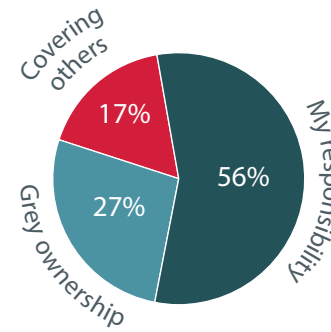
Internal customers (21%)

Business (82%)

Consumer (33%)

3%

2%

10%   6%   8%

54%   17%
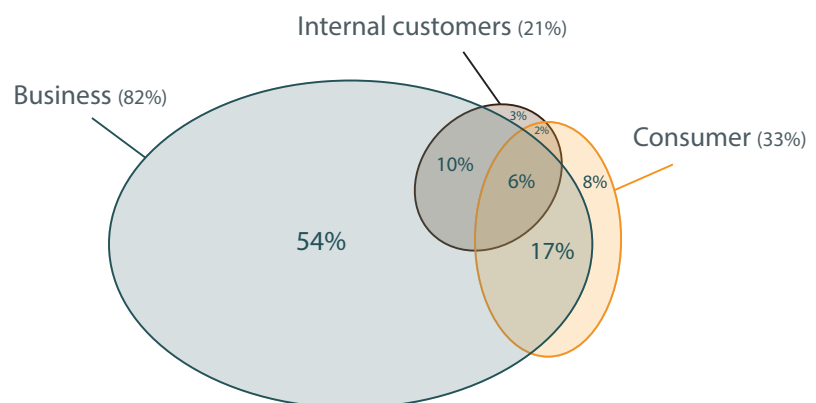
24% of respondents have Government related products

Time

52%

The amount of time spent on unplanned 'fire-fighting' activities

Planned vs unplanned

Firefighting 52%
Planned activities 48%

Product activities

Working out what the right product is 33%
Helping to sell the product 25%
Helping to deliver the product 42%

Activity ownership

Covering others 17%
Grey ownership 27%
My responsibility 56%
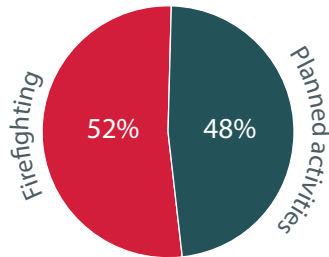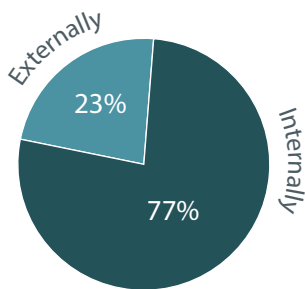
Working Internally/Externally

Externally 23%
Internally 77%

Project delivery

Cancelled/on hold 14%
Late delivery 37%
On-time delivery 49%
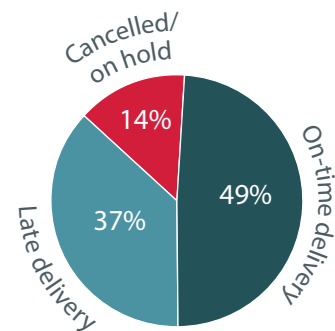
Development approach

90%

The number of respondents reporting their company use Agile development

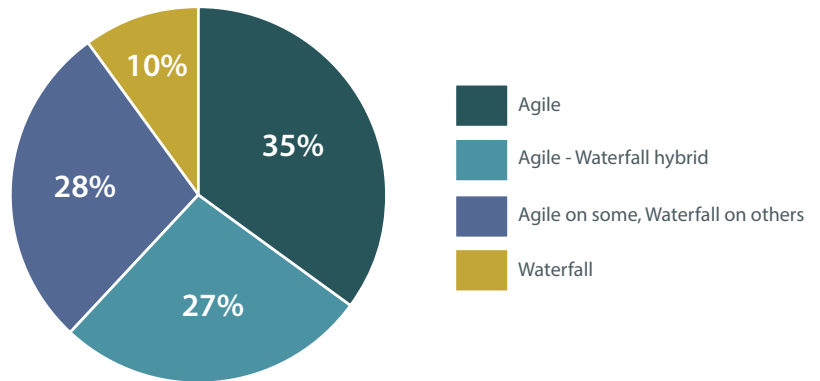**58%** of companies use a mix of approaches e.g. Scrum + Kanban or Scrum + Waterfall.

Pie chart:
- Agile: 35%
- Agile - Waterfall hybrid: 27%
- Agile on some, Waterfall on others: 28%
- Waterfall: 10%

Product Manager vs Product Owner

35%

work in companies with both Product Managers and Product Owners
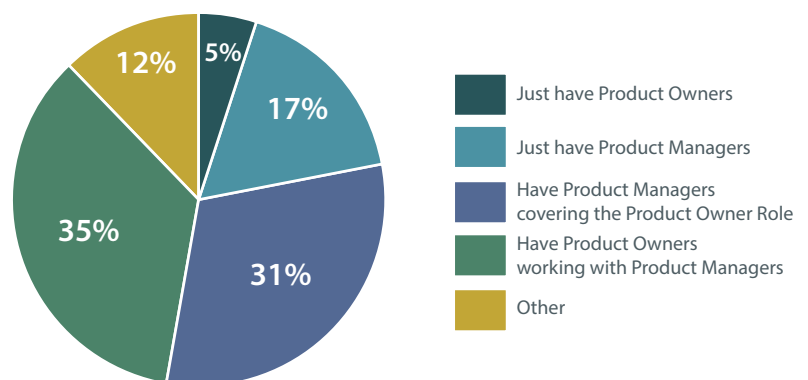
31% of companies have Product Managers covering the Product Owner role.

Pie chart:
- Just have Product Owners: 5%
- Just have Product Managers: 17%
- Have Product Managers covering the Product Owner Role: 31%
- Have Product Owners working with Product Managers: 35%
- Other: 12%

Your background

44%

of respondents regard their background as somewhat or very technical

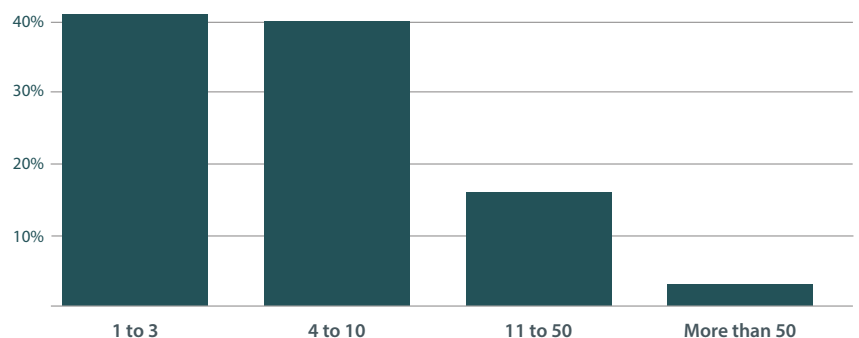|	
■	Very technical
■	Somewhat technical
■	Balanced
■	Somewhat commercial
■	Very commercial
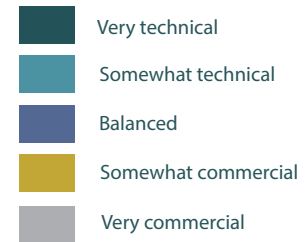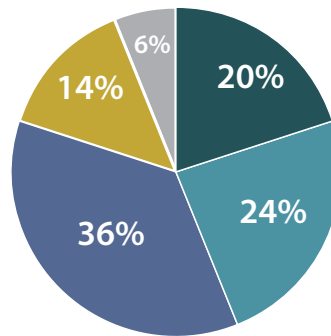
How would you describe your background?

Unsurprisingly many come to product management from a technical background.

How big is your team?

47%

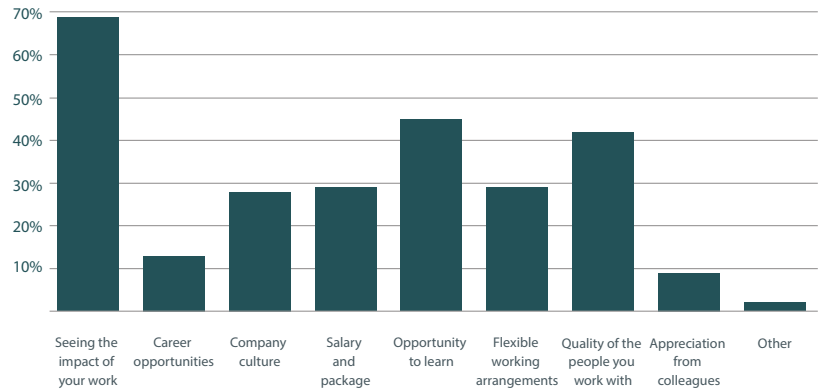of respondents are responsible for managing a team.

If you manage a team, how many people do you manage?

When Heads, Directors and VPs were asked, 67% have 10 or fewer people in their team with only 6% having more than 50.

What is valued?

69%
of respondents say it's seeing the impact of their work that matters most to them

What do you value most in your work (pick your top three)?

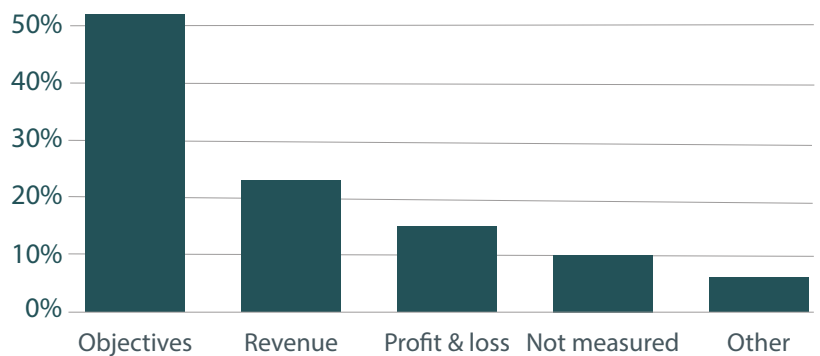The graph shows the percentage of people who chose each option.

Only 13% of respondents valued career opportunities.

Personal performance

52%
The most frequently used personal performance measurement is Management by Objectives

Personal performance metric

Revenue (23%) and profit & loss (15%) metrics are used for many respondents. Customer satisfaction is the most common metric in the 'other' category.

Your big issues

We've analyzed hundreds of written comments to identify the most common issues raised by respondents.

These are...

- **Not enough time, not enough resources, too much firefighting**

- **Product Managers get involved in too much and are distracted from strategic activities**

- **There is confusion about the different product roles e.g. Product Manager vs Product Owner**

- **Senior leaders do not have product management experience and/or do not understand or value it**

- **Product management is seen as a delivery role – project managers rather than business leaders**

- **Strategic leadership is weak or missing and priorities change too often**

- **Product management roles, tools and processes are inconsistent across the business**

Clarifying and explaining what product management does is obviously a key challenge for many.

Our Product Activities Framework can help with this. It identifies all the product related activities that need to take place in any company with products. Use it to sort out which product roles own each activity, to evangelize what product management does and think about where you need to make improvements. You can download our infographic with a detailed description of each activity by signing up at our website.

Strategic Product Activities
- working out what the right product is for the business

Insight	Analysis	Direction
Market research	Segmentation	Product & portfolio strategy
Customer research	Propositions	Vision & evangelizing
Competitive research	Positioning	Roadmaps
Product performance	Business cases	Pricing

Inbound Activities
- helping the business to deliver the product

- Discovery & design
- Requirements
- Project & partner management
- Operational readiness & trials

Outbound Activities
- helping the business to sell the product

- Launch
- Product promotion
- Sales & marketing content
- Sales support

Product Activities Framework

Your big issues

"The company overall mindset is still focused on project delivery."

"Lack of regular access to customers who are guarded fiercely by Sales and when there is no travel with Covid."

"Complete lack of leadership and mentorship. We have no processes - it's chaos."

"Let's get back to strategy... agile has monopolized our focus and attention on execution."

"The usual - when something is no one's problem, it usually becomes our problem."

"Product management is hard and often frustrating but can be very rewarding!"

"The role is so varied, it's easy to get dragged in all directions and so important to stay focused."

"Seen as a delivery function, not a thought leadership function"

"Sales are too dominant. Quick wins are concrete, strategy can be debated."

"SAFe is quite new here (at the initiative of the Development Department). It is used as a straightjacket to freeze the details of the roadmap six months in advance and to obfuscate [make complicated and confusing] the dialog between product management and development."
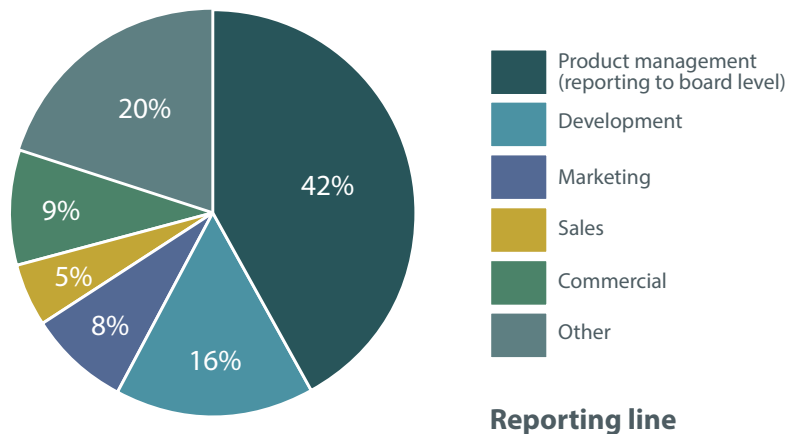
"Agile approach causes confusion in senior management who want to embrace an iterative flexible model but then can't deal with a process where outcomes are uncertain."

Reporting

42%

of Product Management departments report directly to the board

We believe the high proportion of Product Management teams reporting directly to the board reflects the value of an independent, unbiased function. We see this continuing to rise year on year.

Reporting line

- Product management (reporting to board level) — 42%
- Development — 16%
- Marketing — 8%
- Sales — 5%
- Commercial — 9%
- Other — 20%

A leadership role?

68%

of respondents believe that product management is a leadership role in their company
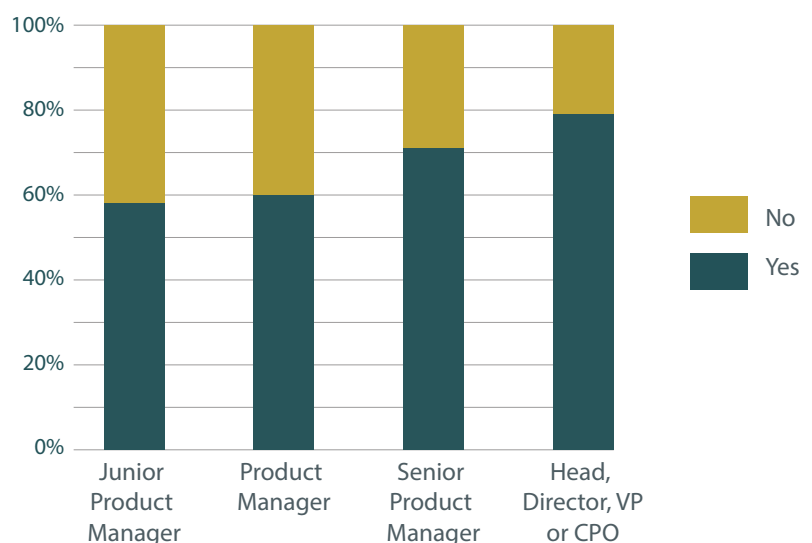
Only 58% of Junior Product Managers consider that product management is a leadership role in their company, compared to 79% of Heads, Directors, VPs or CPOs.

- No
- Yes

Junior Product Manager
Product Manager
Senior Product Manager
Head, Director, VP or CPO

Stop fire-fighting

... and deliver world class product management

Public training courses

- Product Management and Product Marketing for technology-based products
- Build the skills, tools and confidence to excel in your role
- Attend a live online certified course with industry peers or in locations across the world

Private training for your team

- Improve team performance with customized on-site private training
- Get the whole team using consistent best practice approaches
- Use our online toolbox to access resources and tools when you need them

Product Management Review

- Get set-up for success with a review of product management in your business
- A structured review of your product management with practical recommendations on how to scale, optimize or mature
- Learn how to build a world class product team and department

Leadership

- Learn how to manage a product management function, department or team
- For anyone leading (or aiming to lead) product management
- Executive briefings to explain the value of product management to your senior team