

Product Management Skills **BENCHMARK REPORT**

A Global Benchmark Study
Conducted by 280 Group

Over 1,650 Product Managers were surveyed in creating
the Global Product Management Skills Benchmark.

INTRODUCTION

1,682
Responses



*PM
Professionals*

51%
International



*Global
Results*

20+
Industries



*Broad
Perspectives*

400+
Executives



*Leaders and
Individuals*

1-20+
Years



*Range of
Experience*

In late 2018, 280 Group conducted its most ambitious and comprehensive survey to date to learn more about the skill levels of Product Managers across the globe.

This survey set out to better understand the skill levels of Product Managers across 15 dimensions (called skill sets) and how they correlate to experience, job title, training, product process, industry, region, and other factors.

After qualifying the responses, the survey contains information from over 1,650 Product Management professionals. Participants are represented across the globe, with 49% working in the US, 21% in Europe, and 16% in Asia, with strong representation from Canada, Africa, and Oceania, as well. These professionals work across 20+ industries, with the largest concentrations in software, manufacturing, healthcare and pharmaceuticals, telecommunications and IT services, and finance and financial services.

This survey also represents a wide range of experience levels, from just starting out in the profession to having over 21 years of experience. The average number of years as a Product Manager is just under seven years but most participants have three to five years of experience.

If you've taken the skills assessment, this information will be helpful in taking a closer look at how your skills compare to those across the dimensions of analysis.

If you haven't taken the skills assessment, you can take it [here](#). Taking it will help assess how you measure up and what steps you can take to further advance in your Product Management career.

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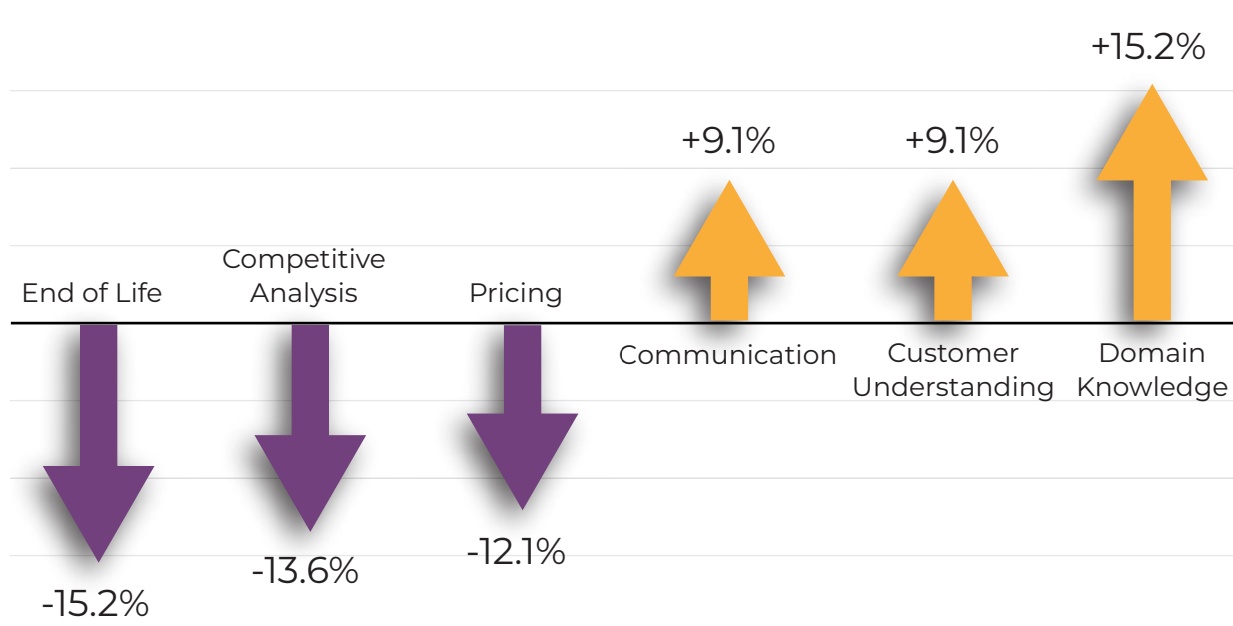
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KEY FINDINGS

On average, Product Managers excel most in understanding their markets and customers and in general Communication skills. On the other hand, they have the most room for growth to be able to conduct Competitive Analysis, set product Pricing, and plan for the End of Life (retirement) of their products.



The study also identified individual skills that were particularly weak or strong. A surprisingly weak skill is financial analysis, a critical business skill needed both to understand how to prioritize what matters in building a profitable product and to bring a fact-based, quantitative approach to product decision-making.

TRAINING MATTERS

Over 50%



PM LEADERS
HAVE TRAINING

Product Managers who have received formal training in their discipline have a stronger skill set by 11% on average and by as much as 17% in multiple skill sets, particularly those skills identified as being weak for respondents without training.

Any Product Manager who wants to excel in his or her career can use training as fuel for the journey. When comparing skill levels of Directors and Vice Presidents versus Product Managers, skill levels rise by an average of 30% and 50% respectively. Training is key in reaching these higher skill levels.

PROCESS MATTERS EVEN MORE

Product Managers who work for organizations that have an established Product Management Process, like the Optimal Product Process™, are nearly 20% stronger in their skills than Product Managers who work for organizations with no formal process established. The range of improvement is from 12% to over 31%, depending on the specific skill set.

IMPLEMENT TRAINING AND PROCESS FOR THE BIGGEST GAINS

Product Managers who have received formal training and work in an organization that has a formal Product Management Process possess skills that are, on average, 26% higher than the Product Managers who haven't had training and don't work in an organization with a formal process. The training and process combination provides significant gains in the weakest skill areas of End of Life (+43.5%), Pricing (+29.4%), and Competitive Analysis (+27.5%).

Over 25%



IMPROVEMENT
WITH TRAINING
AND PROCESS

SUPPORTING CAREER GROWTH

Product Managers need specific skills to advance their careers. In the early years, the benchmark showed that these skills require the most attention:

- Writing Requirements
- Developing Business Skills
- Marketing & Launch
- Understanding their team's PM Processes
- Developing End of Life plans

In their mid-career years, the gaps between this level of experience and 10+ years of experience are narrower for the skills above but wider in three other areas. These new skills are needed to further advance a Product Manager's career:

- Competitive Analysis
- Pricing
- Forecasting

Companies that want to help their Product Managers grow more effectively through the first 10 years of their career should provide support in these critical skill areas. This support can best be provided with focused training and workshops that address the specific skill needs for their company.

PRODUCT MANAGERS ARE CONTINUOUS LEARNERS

Contrary to the belief that skills level-off over time, the Benchmark shows that over the full range of experience, Product Managers never slowed down in learning and continuing to improve their skills. Even those Product Managers with over 20 years of experience continue to advance and refine their skills. Product Managers as a profession are truly continuous learners.

STRONG INTEREST IN THE CAREER

The demographic data shows a wide range of participation across various Product Management titles. There are also over 600 participants in the survey who are not yet Product Managers, representing over 25% of all respondents. Their results were not included in the Benchmark, but their participation shows a strong interest in the Product Management profession.

Over 25% of all respondents are interested in pursuing a Product Management career.



TAKING ACTION

There are several actions individuals and Product Management leaders can take to build up their skills and teams based on the results of the Skills Benchmark.

INDIVIDUAL GROWTH

Here are four tips for individuals interested in becoming a Product Manager or improving skills to advance their career:

1

Prioritize Improving Weaker Skills

This report can provide you with general recommendations but can't address your specific needs as well as a personal report will. If you haven't already, take the skills assessment survey to find out how you match up to the Benchmark. The insights in this report guide which skills to focus on improving, depending on experience. Based on your priorities, use the recommendations in the Resources section to gain the improvements you're looking for.

ASSESS YOUR OWN SKILLS

2

Leverage Your Strengths

For skill sets where you are ahead of the curve, consider helping others improve. By helping others, you'll find you learn even more in the process. Consider mentoring other PMs one-on-one, publishing your insights and experiences through blog posts and articles, and speaking at conferences or webinars to share your knowledge and experience. Use [these Resources](#) to help you enable and support others.

3

Find Mentors

Seek advice and guidance from your Director or Vice President to focus your attention on improving the right skills to propel your career forward.

4

Pursue Certification

Preparing for and taking the AIPMM [Certified Product Manager](#) exam will improve your skill set and increase long-term retention of those skills.

TEAM BUILDING

Here are five tips for Product Management leaders who want to improve their teams:

1

Improve Product Management Processes

Establishing or improving a set of Product Management Processes will help your team grow its skill set and become more effective in consistently developing the right products needed in the market. Learn more about the [Optimal Product Process™](#) with this comprehensive overview.

2

Assess Your Team's Specific Needs by Conducting a Skills Assessment

Your Product Management team can use 280 Group's Individual Skills Assessment to not only measure their skill levels but also determine targets set by your Product Management leaders and managers. The results of the assessment can then be compared to the Benchmark data for your specific industry to best calibrate areas of strength and opportunities for improvement.

3

Transform Your PM Team with a 280 Group Optimization Program

The Optimization Program assesses specific strengths and weaknesses of your team in terms of skills, processes, and tools. From there, it recommends the right combination of training, consulting, and process improvement to optimize your team.

4

Develop a Training Program

Developing a training program will assist your team in acquiring and growing a more robust Product Management skill set. The Optimal Product Management (OPM) 3-day intensive course will help your team grow the skills needed to succeed and can be customized to meet your team's specific needs.

5

Make Certification a Goal for Every Product Manager

Not only does an AIPMM certification carry significant weight, preparing to take the certification exam is a proven method to improve and better retain the new skills, tools, and techniques.

TRANSFORM YOUR TEAM



SURVEY METHODOLOGY

The Global Product Management Skills survey was conducted over a period of six weeks starting in October 2018 and includes responses from Product Managers across the globe. In total, over 1,682 Product Managers completed the survey to produce the Product Management Skills Benchmark.

Product Managers have a wide breadth of responsibilities and, therefore, need to possess a wide variety of skills. The survey asked 74 questions to evaluate the level of proficiency a Product Manager has in 15 different skill sets. This instrument has been used for nearly three years to evaluate the skills of Product Management teams at 280 Group enterprise clients.

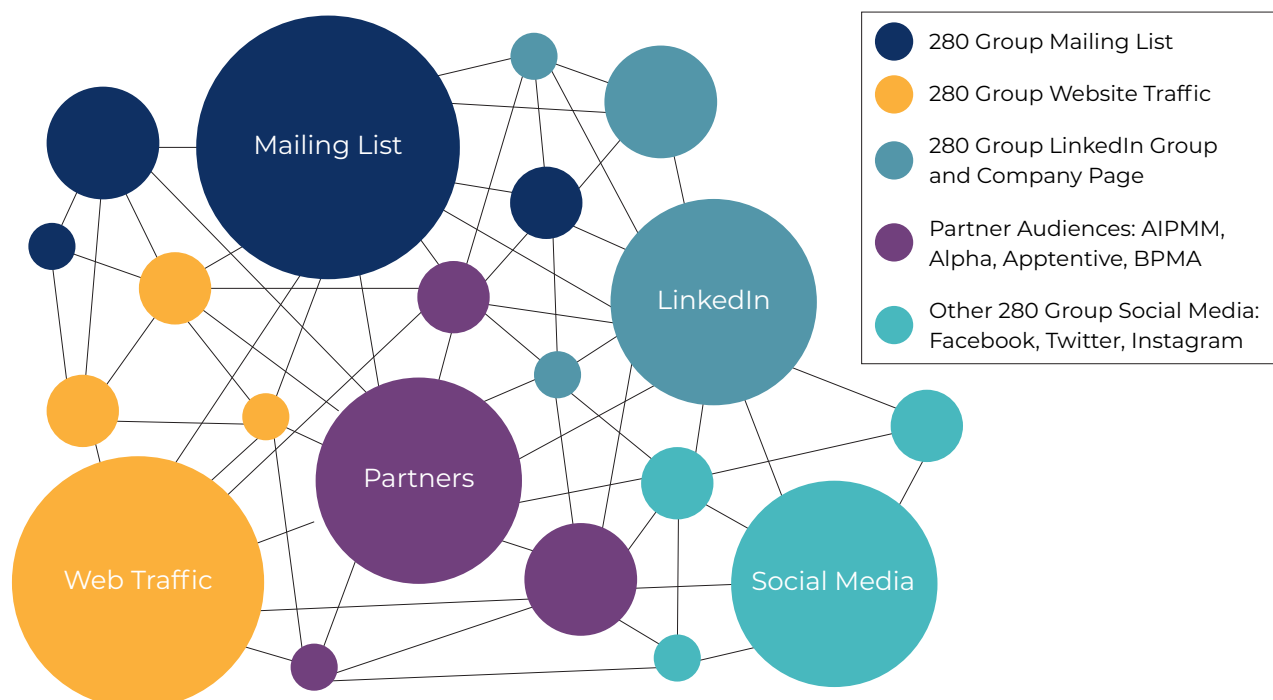
1,682
RESPONSES



RESPONDENT SOURCES

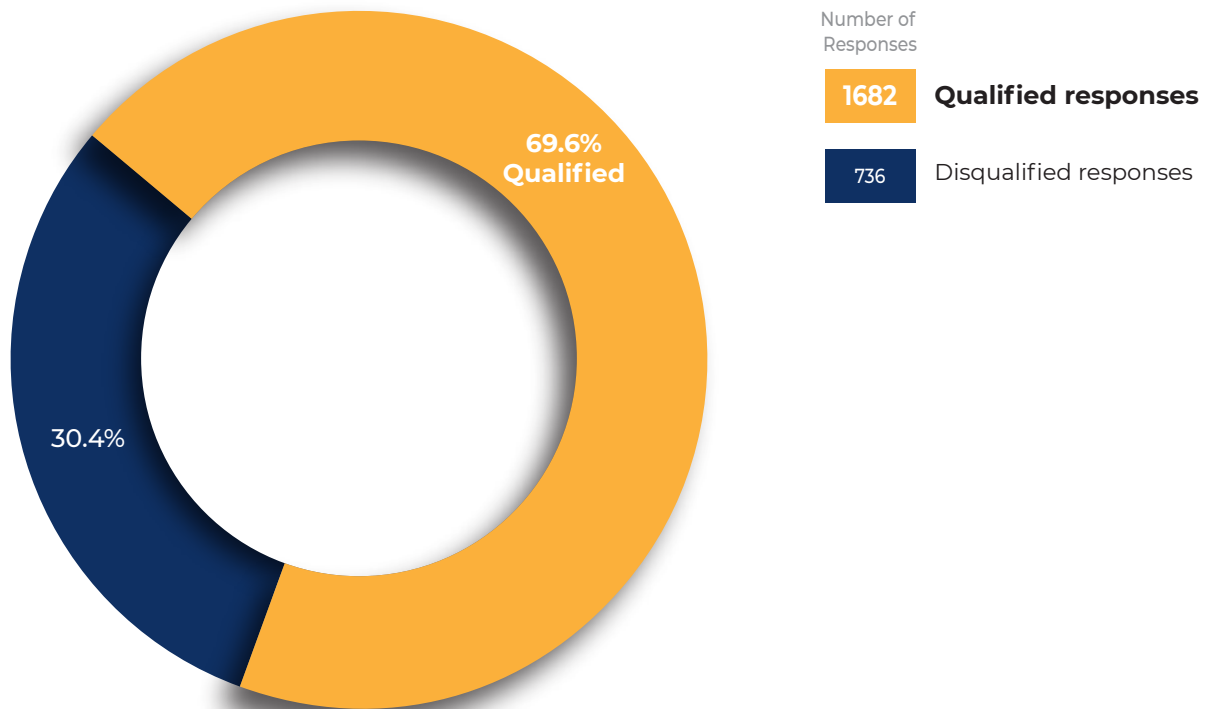
280 Group reached out to Product Managers through a variety of methods to reach the broadest possible audience. The chart below shows the major sources of the survey's respondents.

DATA POOL



QUALITY CRITERIA

The survey yielded a total of 2,418 responses but after removing participants that do not match the quality criteria, the total came to 1,682 respondents in the field of Product Management. Disqualified responses include participants not matching a Product Management job title and surveys that were completed in a time frame or manner that did not prove validity.



RATING SCALE

For each question, the respondent was asked to evaluate themselves on a scale of 1 to 10, asking them to be as honest as possible, considering that even with 10+ years of experience, PMs should answer 10 infrequently. These suggested skill levels were given:

Rate your agreement with each statement on a 1-10 scale where:

1 = I don't know what this is

3 = I am just starting to apply this skill

5 = I am using this skill but have more to learn

7 = I am confident in my abilities to use this skill

10 = I could teach others how to use this skill effectively

SELF-RANKING – BIASES AND MITIGATIONS

Self-ranking can be biased but several techniques were used to mitigate this as much as possible. Product Managers were encouraged to assess themselves candidly so they could benefit the most in understanding their own strengths and weaknesses and the rating scale above was used to help them calibrate their scores. These techniques appeared effective, as Product Managers did score themselves using the full 1-10 scale, providing a good average of scores ranging from 5.03 to 7.97.

DISTRIBUTION OF AVERAGE SCORES



Not all skills are created equal.

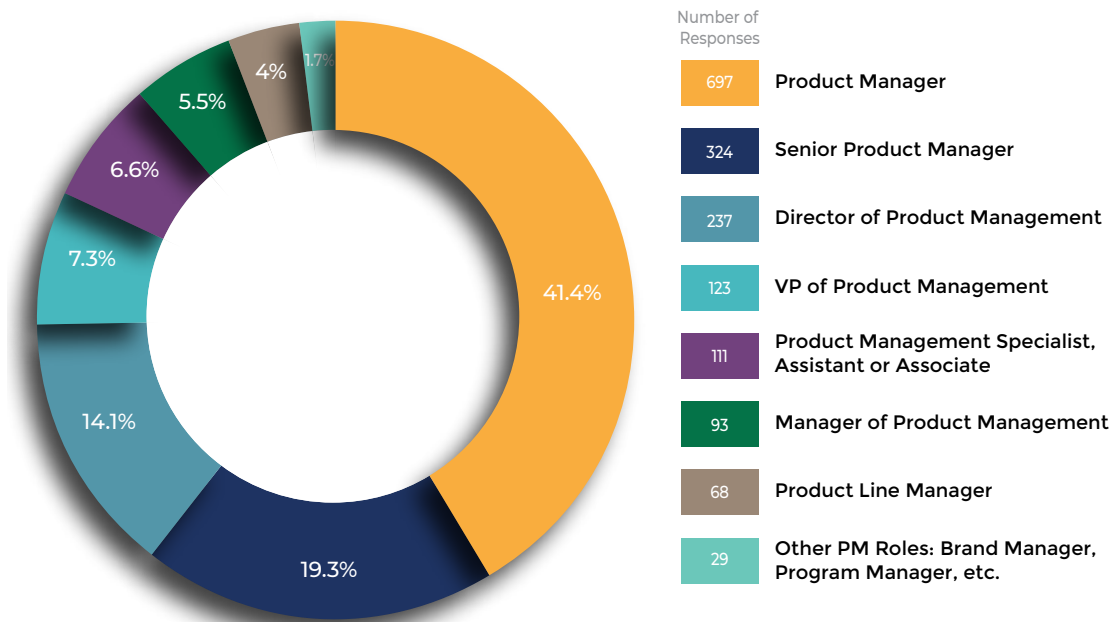
As shown in the graph, the degree in variation by skill is wider than expected.



RESPONDENT DEMOGRAPHICS

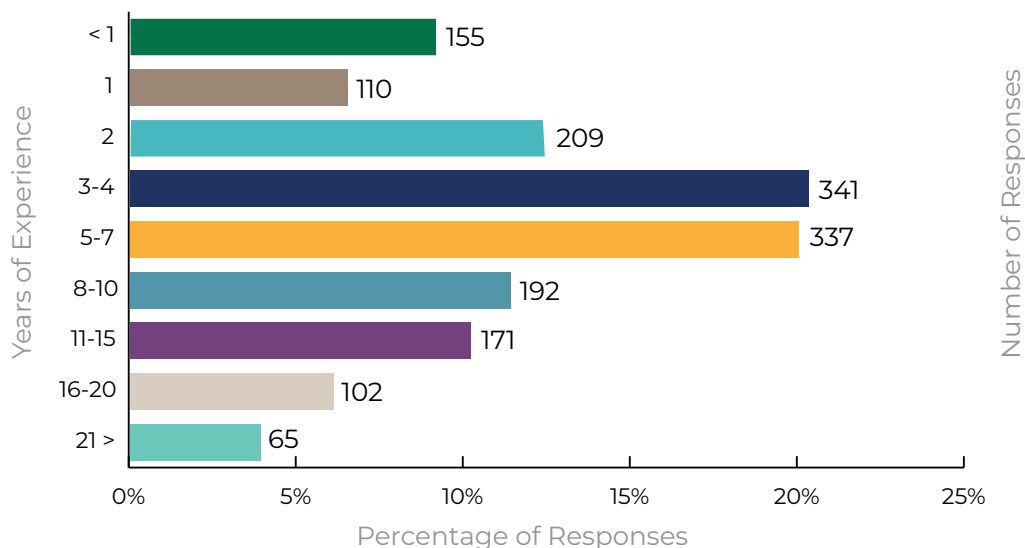
JOB TITLES

Most responses are from individual Product Managers (41.4%) but a large percentage of Product Management leaders including Directors, VPs, and Managers (26.9%) also responded.



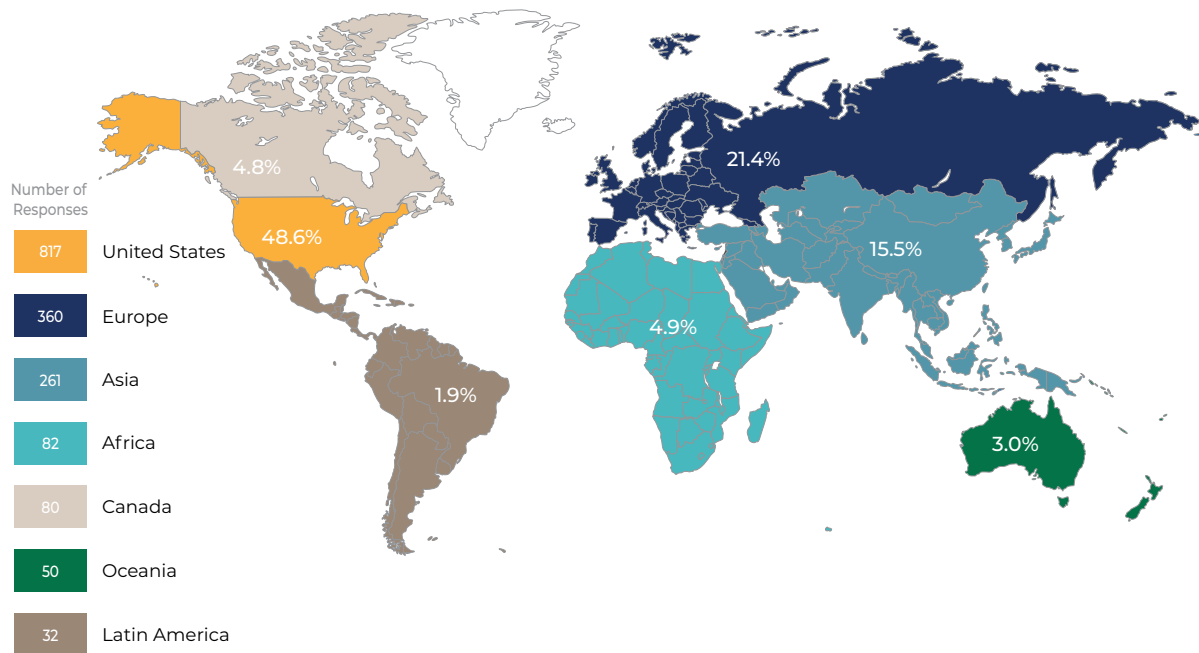
EXPERIENCE LEVEL

Years of experience among the survey respondents followed a bell curve distribution, with the largest number of respondents having 3-7 years of experience (40.3%).



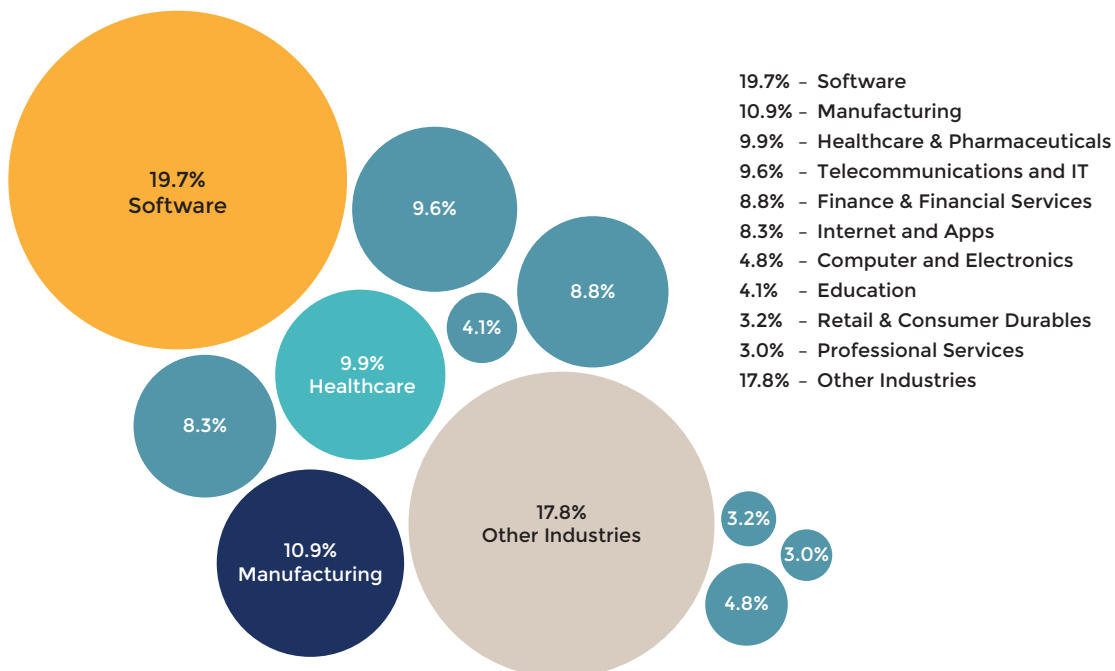
REGIONS

Almost half of responses are from the United States (48.6%) but Europe (21.4%) and Asia (15.52%) are also represented well.



INDUSTRIES

There are responses from a wide range of industries. The top 10 account for 83% of the total. Software has the largest representation with 19.7% of the total. A full list of industries represented in the Benchmark can be found in [Appendix B](#).

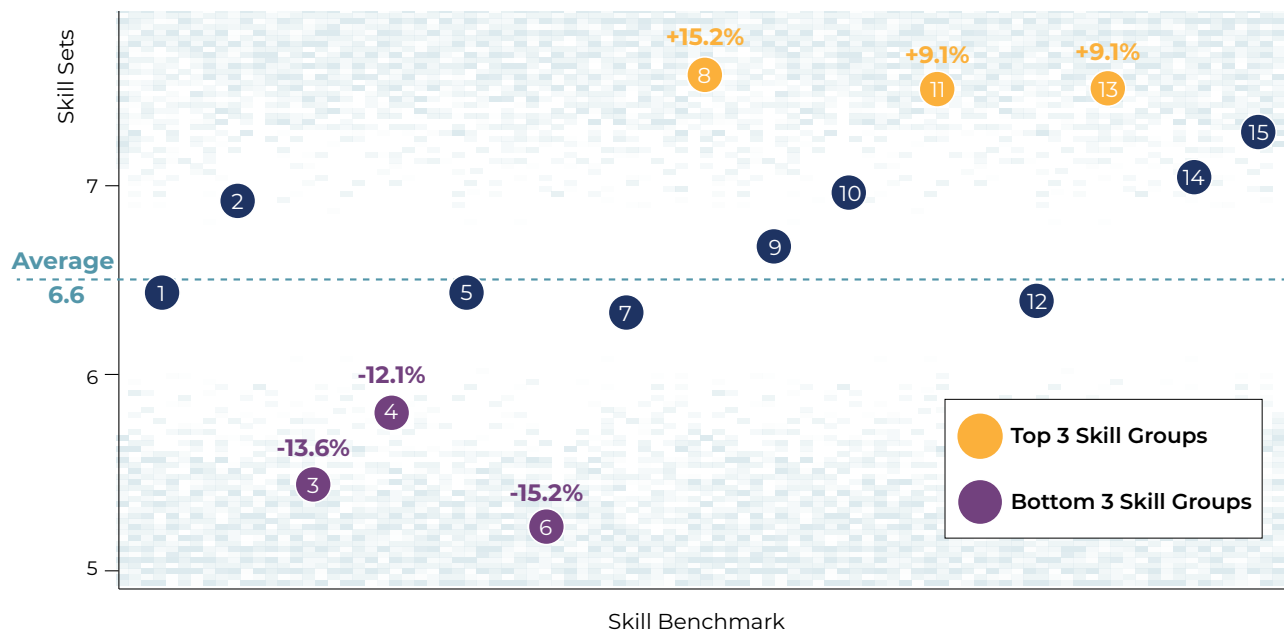


KEY PM SKILLS

Product Managers have a wide breadth of responsibilities which require a wide variety of skills. The survey asks 74 questions to evaluate the level of proficiency a Product Manager has in 15 different skill sets. This instrument has been used by 280 Group for years to help evaluate the skills of Product Management teams. These skill sets cover both hard and soft skills, including research capabilities, Strategy, analytical skills, Communication, and Leadership. More information about these 15 skill sets can be found in [Appendix A](#).

When looking at all respondents together, the degree in variations by skill set are wider than expected. Here's the average score for each skill set:

BENCHMARK SKILL SETS



1. Strategy:	6.5	6. End Of Life:	5.6	11. Customer Understanding:	7.2
2. Market Research:	6.8	7. Business Skills:	6.5	12. PM Process:	6.5
3. Competitive Analysis:	5.7	8. Domain Knowledge:	7.6	13. Communication:	7.2
4. Pricing:	5.8	9. Marketing & Launch:	6.3	14. Management:	6.9
5. Forecasting:	6	10. Requirements:	6.9	15. Leadership:	7.1

The average skill level across all 15 dimensions is 6.6. The three highest skill sets are Domain Knowledge, Customer Understanding, and Communication. The three lowest skill sets are End of Life, Competitive Analysis, and Pricing.

STRONGEST SKILL SETS

+15.2%

Domain Knowledge

Domain Knowledge, understanding the industry and relating your product value to it effectively, is the highest scoring skill set. Product Managers typically come from either a technical, marketing, sales, or support function that has given them deep exposure to the market situation and its important trends.

+9.1%

Customer Understanding and Awareness

Customer Understanding and Awareness is one of the most crucial skills at the core of what every Product Manager should be doing. It is encouraging that Product Managers believe they are strong at identifying their customer's key needs and pain points. Doing so allows them to provide the key benefits customers need from their products. Being the voice of the customer inside the organization by properly identifying unmet needs and translating those to new product and business goals is of utmost importance.

+9.1%

Communication

Communication is a key part of being a great Product Manager. Communication not only helps Product Managers communicate externally with customers but also internally with engineering, marketing, sales and other stakeholders to achieve product success.

WEAKEST SKILL SETS

-15.2%

End of Life

On the other end of the spectrum, understanding how to bring a product to its End of Life, is the skill set that Product Managers identify as their weakest. It is difficult to retire products, as you run the risk of disappointing customers and damaging brand reputation. Yet being able to migrate a customer from one product to the next is essential for maintaining long-term customer loyalty, providing users with ever-better solutions, and your company with sustained and growing revenue. Every Product Manager will eventually face this situation, so it is imperative that they learn more about this important phase of the product lifecycle.

-13.6%

Competitive Analysis

The second weakest skill set identified by the Benchmark is Competitive Analysis. Not having a strong understanding of this skill set could spell disaster for your product. Product Managers must be able to assess their product's competitive situation by answering questions like:

- Which competitors are likely to threaten your product or business?
- What benefits does your product offer that are superior (or inferior) to that of your competitors?
- How do your competitors offer their products to your customers?
- How can you be clearer about differentiating advantages in your marketing?

Only with this understanding can Product Managers build the right product and market it effectively.

-12.1%

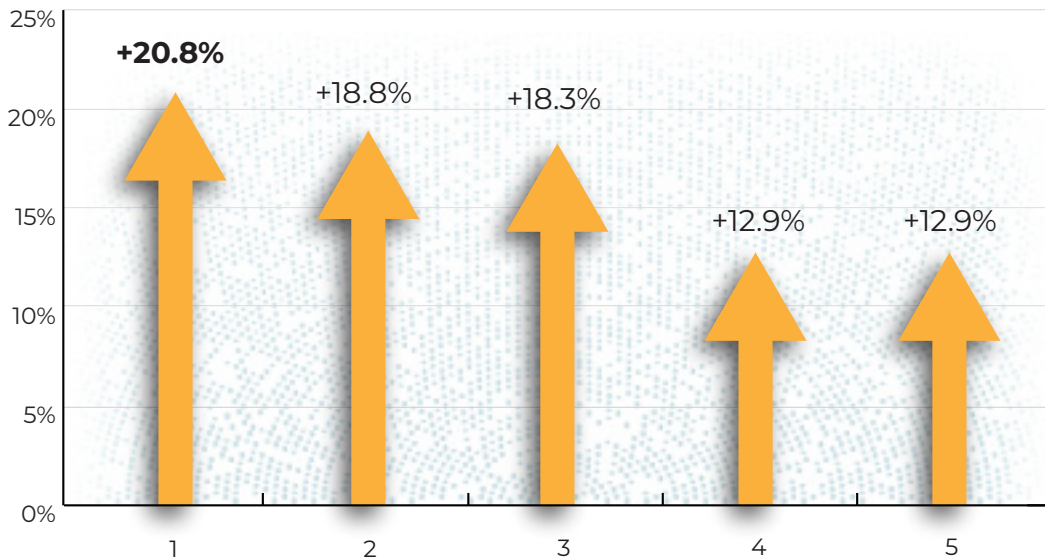
Pricing

Pricing is a third area that Product Managers frequently struggle with. Many believe it's driven by intuition rather than facts and data. While a sense of "gut feel" is used when working on pricing, that is a small part of what drives real, effective pricing. Pricing needs to be based on product strategy (e.g. should the product be priced to gain rapid market adoption or be priced at a premium to maximize profit opportunity in an emerging market) and the value that customers receive for the product. Basing pricing on a simple margin target can lead to poor sales for over-priced products or leaving money on the table when the price is too low.

When a Product Manager is considering which skill set to improve upon, they must know how to prioritize their efforts. If they are faced with managing many mature products, which are not performing well, then being able to retire products will be most important. On the other hand, in a fiercely competitive market, this Product Manager would do well to improve Competitive Analysis and Pricing skills first. Learn more in the Resources section at the end of this report.

STRONGEST SPECIFIC SKILLS

The Benchmark established five specific skills where Product Managers feel most capable.



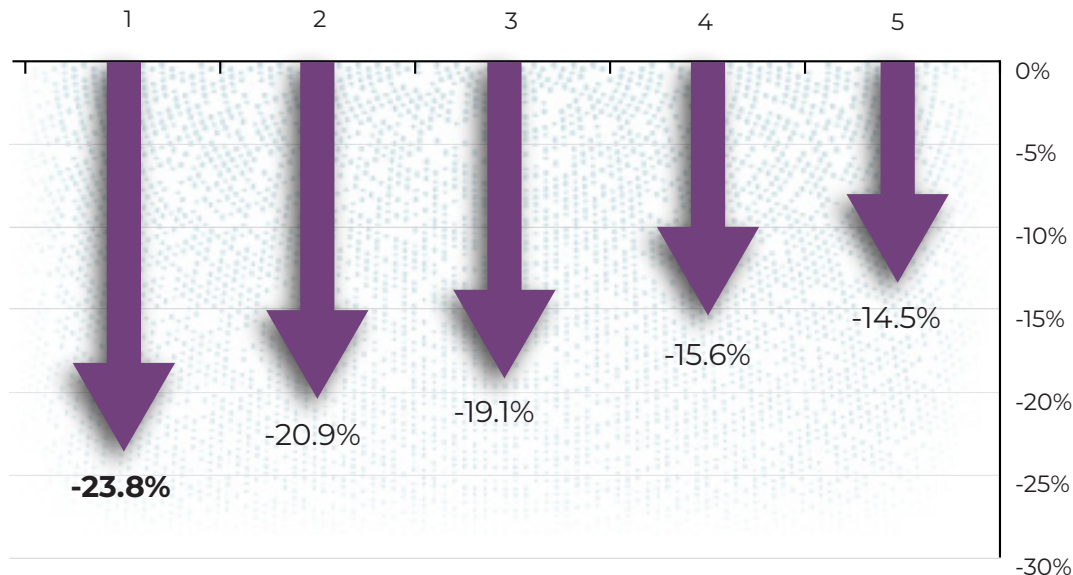
Strongest 5 Specific Skills		Gap	% Above Average
1	I understand all the benefits, capabilities and features of my product.	+1.37	20.8%
2	I feel comfortable putting myself in my customer's shoes and understanding their problems from their point of view.	+1.24	18.8%
3	I enjoy solving the business issues related to my product.	+1.21	18.3%
4	I fully understand which aspects of my product directly contribute to revenues and/or company objectives.	+0.85	12.9%
5	I always practice active-listening in work conversations.	+0.85	12.9%

Product Managers are making a connection between understanding their customers' needs and ensuring their products deliver the right benefits to meet those needs. Instead of focusing on features and technical architectures, Product Managers are at their best when they understand customer pain points and problems. With this knowledge, they can more accurately identify the benefits their products need to provide. They solve the business problems of their product, achieving corporate financial goals while maximizing the value delivered to customers.

Active listening is ranked in the top five skills which indicates that Product Managers are more well-rounded in their skill set. They see the need and improve their ability to

communicate effectively by truly listening. Active listening is a skill every Product Manager needs to identify customer's unmet needs and work with their teams to more effectively drive a product vision forward.

WEAKEST SPECIFIC SKILLS



Weakest 5 Specific Skills		Gap	% Below Average
1	I predict a competitor's response to my next product's release, and work with sales and marketing to counteract such responses.	-1.57	-23.8%
2	I am able to write an effective, well-thought out end of life plan.	-1.38	-20.9%
3	I am confident in setting the correct price for my product.	-1.26	-19.1%
4	The end of life (EOL) process I use minimizes the chance of losing a customer.	-1.03	-15.6%
5	I can create a profit and loss statement, and do Return on Investment (ROI) and payback analysis (Financials).	-0.96	-14.5%

Not surprisingly, most of the bottom five specific skills identified by Product Managers were in the lowest skill sets identified as well.

Solving business problems requires some level of financial skills. With that in mind, the fact that respondents highlighted financial skills as a weak point contradicts one of the top five skills of enjoying solving business problems. Product Managers are not expected to be spreadsheet experts, nor should they be. They should, however, be able to work with the experts from their Finance team to build the right models that measure the performance of their product. Product

Managers should know the key financial metrics that are important at their company and which characteristics of their product or service relate to those key metrics.

Even more importantly, Product Managers need to be able to relate the key metrics to the values that customers care most about. Without this crucial knowledge, a Product Manager can be driven by these numbers, rather than be driving the right efforts that lead to these numbers. With this understanding, Product Managers can best demand the right product characteristics that will deliver customer value in balance with meeting these key financial metrics.

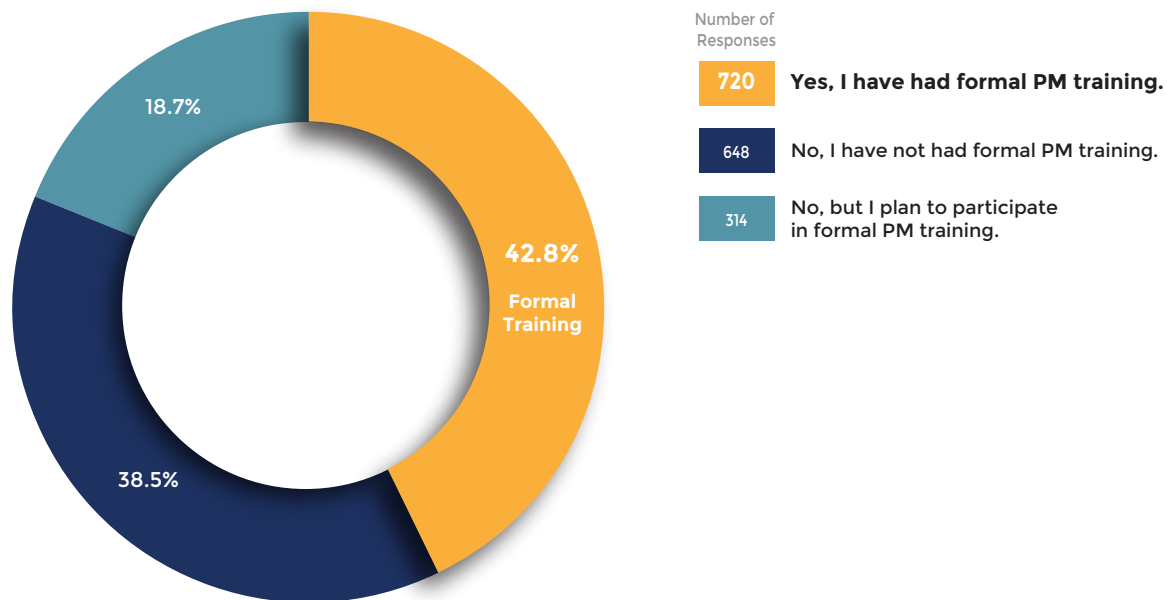
Having a strong relationship with a finance expert leads to a collaboration where the Product Manager knows what levers to pull in their product while the finance expert helps guide the measurement and gives feedback on how to meet the right financial goals.



TRAINING AND PROCESS

FORMAL TRAINING

The largest proportion of respondents have received formal Product Management training (42.8%). Yet, this still represents less than half of the Product Managers in the survey. It is encouraging that another 18.2% plan on taking training in the future but there is still a long way to go to raise the level of formal training in this field. That said, training around Product Management has come a long way in the past 20 years, from a time when it was barely available.



Product Managers who have received formal training in their discipline are stronger by 11% on average across all skill sets than PMs without formal training and by as much as 15% in multiple skill sets, such as End of Life, Product Management Process, and Business Skills. For the End of Life and Competitive Analysis skill sets, two of the three skill sets that respondents identified as being their weakest, these improvements were 17% and 11% respectively, so the data shows that training can have a strong positive impact to improve the weakest skill sets for Product Managers.

LEADERS AND TRAINING

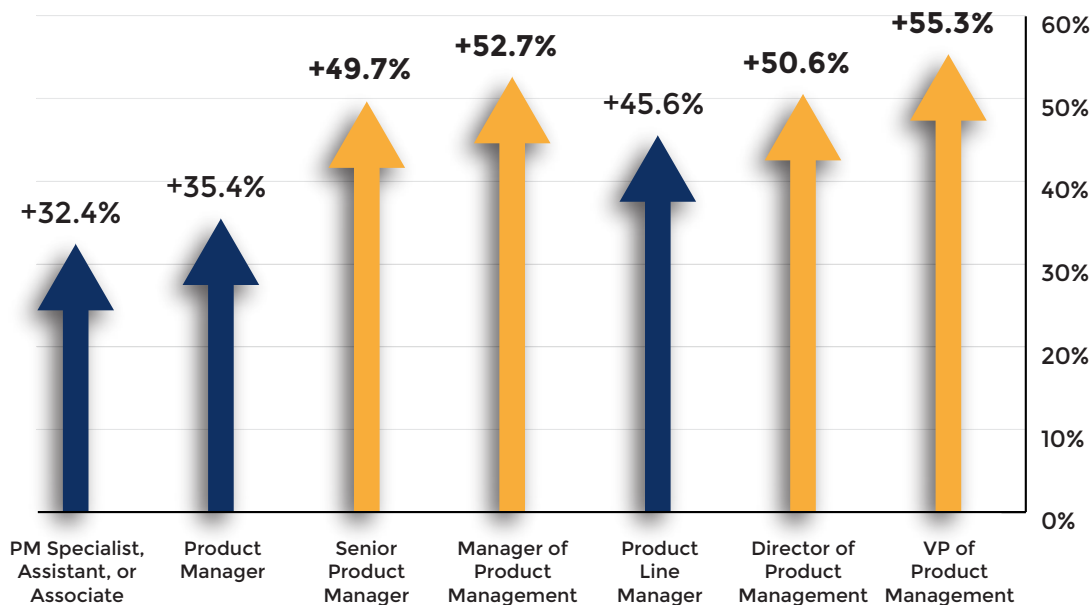
As Product Managers advance in their career, more and more of them take advantage of formal training to gain more knowledge and skills.

Over 50% of those who lead Product Management teams have received formal training, with at least 15% higher levels of training compared to individual-contributor Product Managers. As Product Managers want to advance into management roles, formal training will be a key tool to help make this move possible.

Over 50%



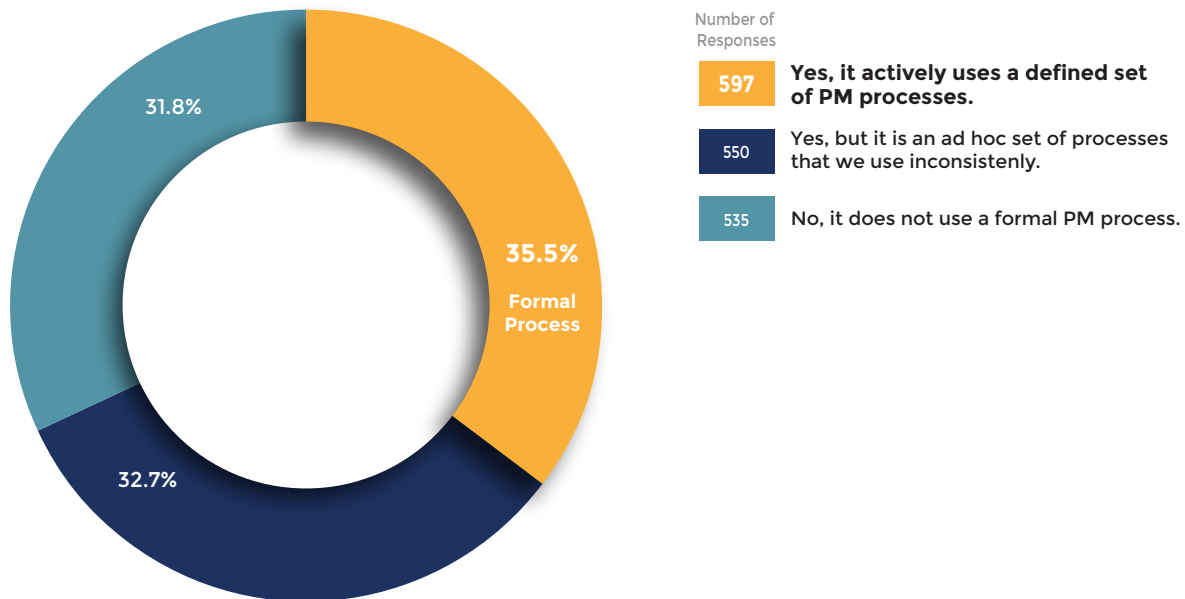
PM LEADERS
HAVE TRAINING



If you want to move up the ranks in Product Management, then training is essential to attain leadership roles.

PRODUCT PROCESS

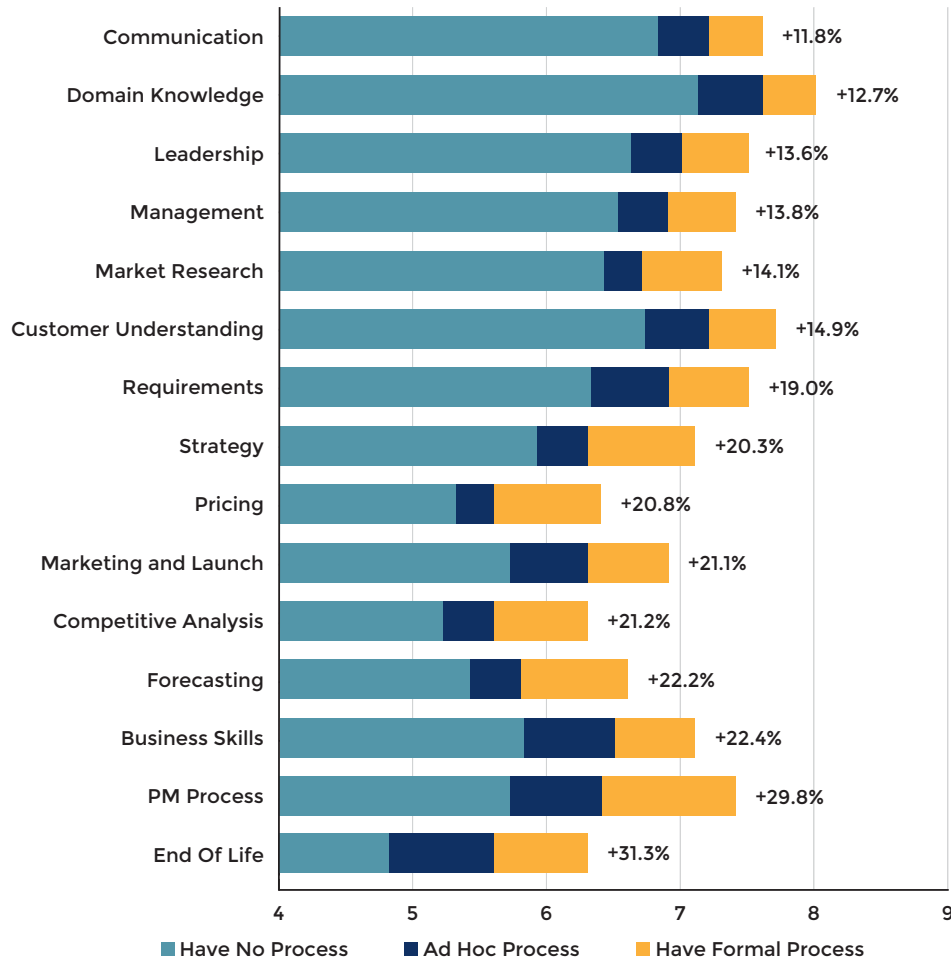
The use of a Product Management Process was very close to an even split into three categories of no process, informal process, and formal process being used within organizations.



The Benchmark revealed a strong relationship between the degree of formal product process and a Product Manager's confidence in their skills in the context of that process. This shows how much an improved Product Management Process can lead to teams with stronger skills.

PROCESS AND SKILL LEVELS

When comparing skill set levels across different degrees of product process, the smallest differences were found in the soft skill sets of Communication, Leadership, Management, and Domain Knowledge.



This makes sense, since these are areas where following a stronger process is not likely to improve the skill. Domain Knowledge typically rises with experience, and the other skill sets benefit more from both experience and specific kinds of training aimed at soft skills improvement.

The next skill sets to improve with more formal process are Customer and Market Research techniques, each with over 14% improvement. These are very strong gains but are also areas where more formal training in specific skills are often required.

After these skill sets, the improvements become even more dramatic, with the ability to build strong Requirements gaining nearly 20%, the ability to build effective product strategy and business acumen both gain over 20%, as do the abilities to build strong forecasts, effective pricing, and competitive analyses.

More interesting insights:

The three skill sets that Product Managers found most challenging, End of Life, Competitive Analysis, and Pricing, are all areas that building an effective Product Management Process helped improve the most. Having a strong Product Management Process provided the largest gain in the area of product retirement. A strong Product Management Process that is a regular part of developing products forces Product Managers to think through their product strategy even into the retirement of the product. Management leaders who want to help their Product Managers grow in some of the more challenging areas of the profession can work on making their Product Management Processes repeatable and holistic.

This report mentioned earlier the need for stronger forecasting skills to help enable the strong interest in solving business problems that Product Managers express in the survey. The good news is that improving the Product Management formal process can bring over 22% improvement to both skill sets—helping Product Managers grow in an area they enjoy and providing them with a stronger skill to tackle interesting business problems.

A product's success hinges on having a solid product strategy that is based on understanding a customer's needs and aligning a solution for that need with achieving company goals. The Benchmark shows that having a formal Product Management Process can increase effectiveness in formulating product strategy by over 20%.

The single biggest thing an organization can do to dramatically increase the skill sets of its Product Management teams is establish and follow a consistent, best-practices-based, formal Product Management Process.

TRANSFORM YOUR TEAM WITH TRAINING AND PROCESS

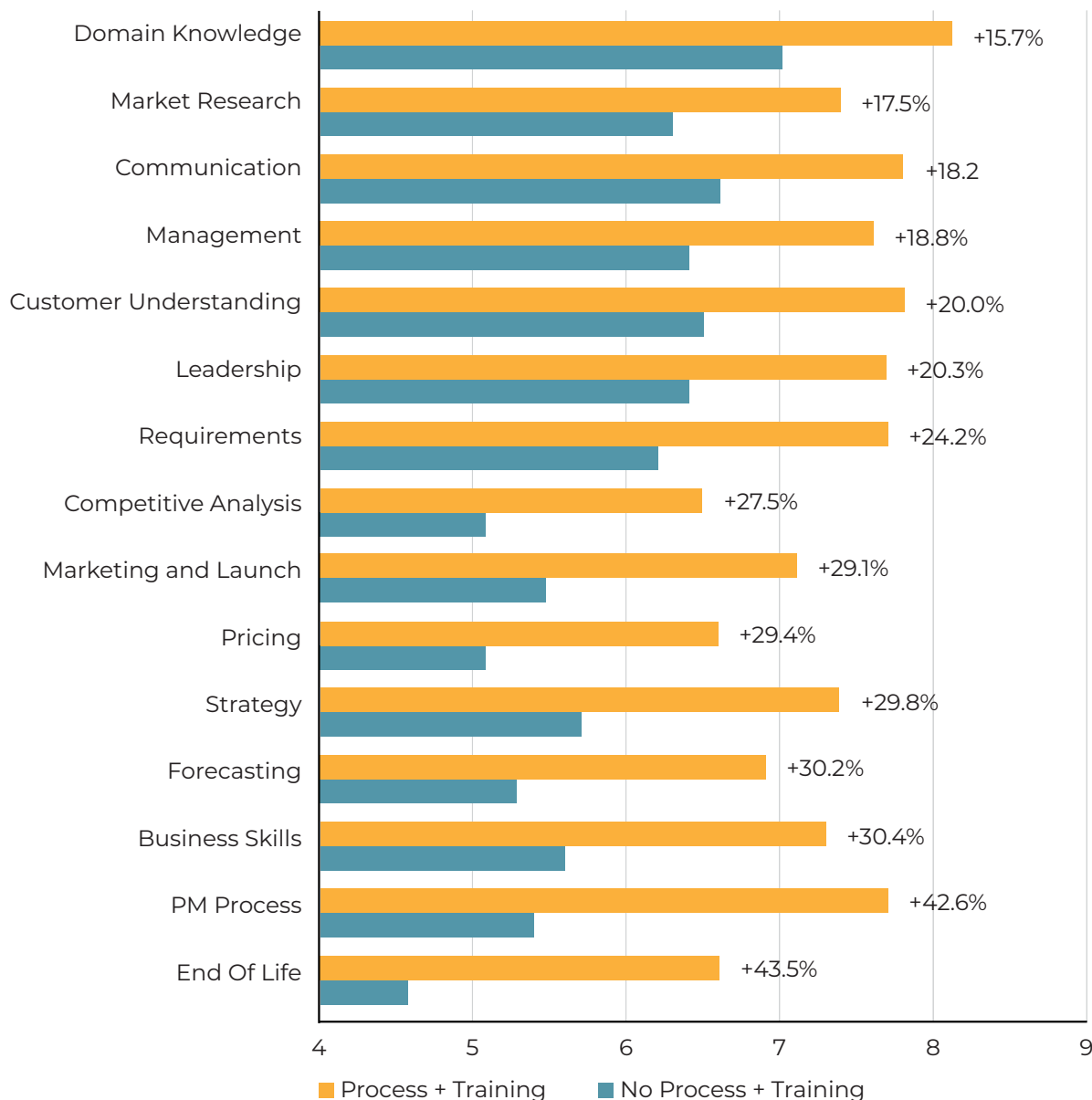
When an organization combines both training and Product Management Process improvement together, the results are even more powerful, enabling 30% or more improvement in nearly half of the 15 skill sets measured.

Improvements are even stronger in the same areas where a formal Product Management Process alone gives strength but the increased boost to Strategy work is more pronounced and the gain in the Marketing and Launch skill set is worth noticing as well.

16-44%



IMPROVEMENT
WITH TRAINING
AND PROCESS



Improving your team's ability to launch and market a product by nearly 30% can make a significant difference in how well the product does in the marketplace. With these stronger skills, a Product Manager will be able to better establish the right target market segment to pursue, position their product in that segment, gain more attention during a product launch, and develop the right marketing mix to maximize sales success. For Product Managers who are responsible for their own Product Marketing, this is particularly important, but even when they have a Product Marketing team to work with, they can partner more effectively to yield substantial market success.

280 Group offers a Product Management Assessment and Optimization Program that transforms organizations. The program identifies the most needed areas of improvement and provides a targeted combination of training and Product Management Process improvements, allowing your organization to achieve results covered in this study.



CAREER GROWTH SKILLS

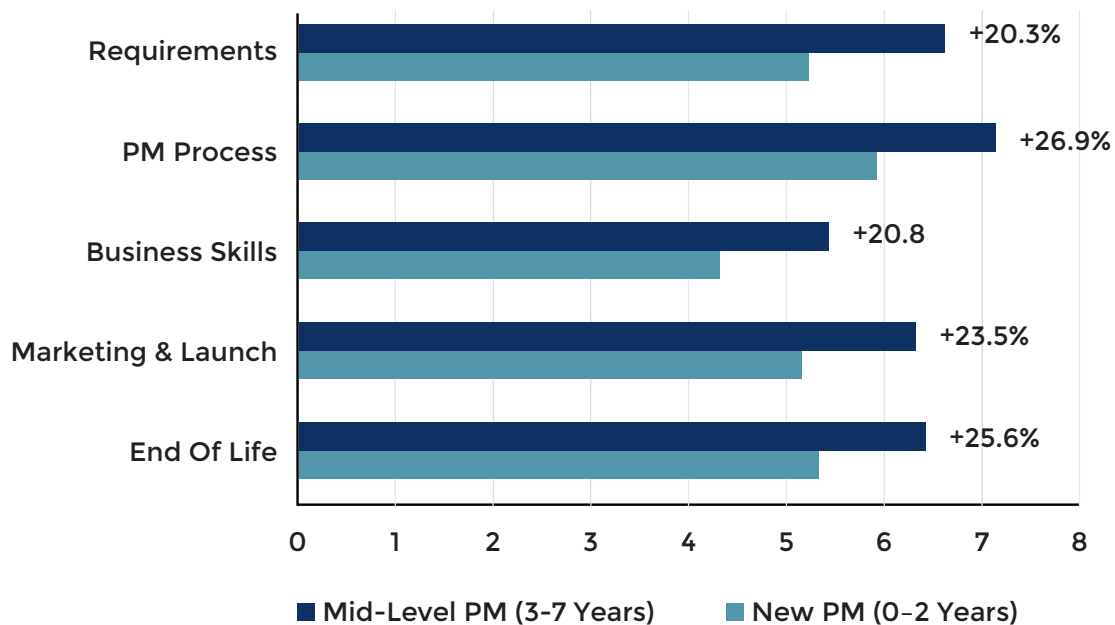
Regarding career growth, the data was analyzed from two perspectives:

- Skills over the progression of years of experience; early years and middle years
- Skills over the progression of titles in a Product Manager's career; early career and executive career

This analysis revealed that the path to becoming a more experienced Product Manager in the first 10 years of career development requires different skills versus the skills needed to rise to a Director, or VP of Product Management role.

EARLY YEARS

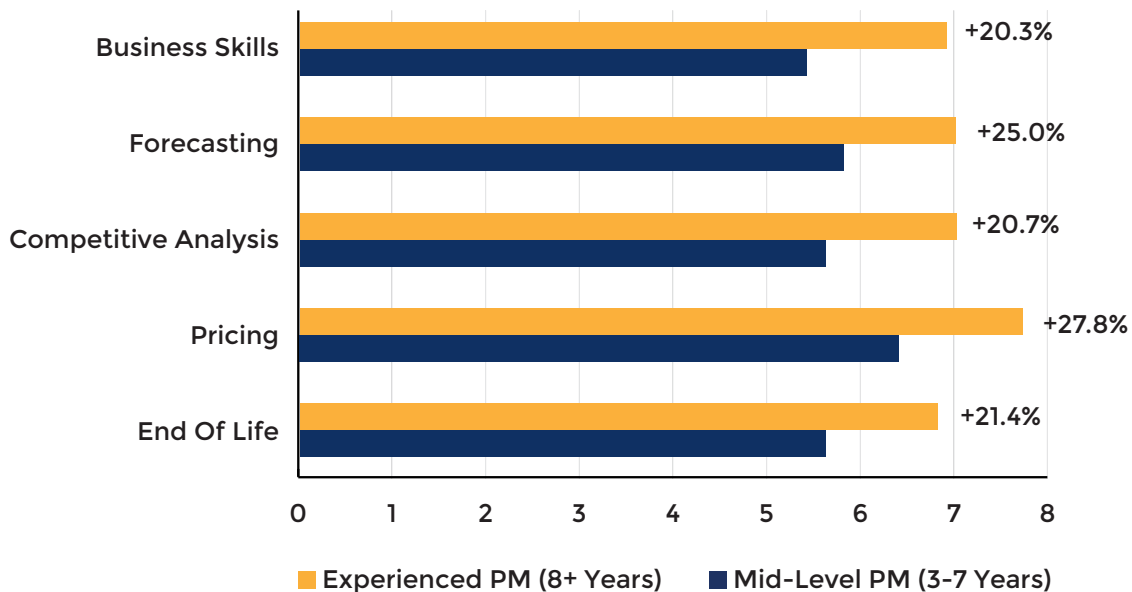
As a Product Manager moves from the beginning of their career (the first two years) to the mid-level years (3-7 years of experience), there are five skill sets that showed the biggest change.



Early Product Managers advance most in the typical foundation skills as expected: their ability to write clear Requirements, their grasp of the fundamentals of the Product Management Process, and their understanding of the Business Skills needed in their role. They are weakest in their ability to Market and Launch products and conduct End of Life product work, but make reasonable gains in these skill sets.

MIDDLE YEARS

As Product Managers advance in their careers, the Benchmark data shows a shift in the skills where the most growth is being made when comparing mid-level Product Managers to Product Managers with eight or more years of experience.



With a better understanding of Requirements, the Product Management Process, and Marketing and Launch skills, mid-level Product Managers still need to grow their Business Skills, the ability to effectively retire a product, Pricing, Forecasting, and Competitive Analysis. This falls in line with the natural progression of their career. More strategic skills are needed to better formulate a complete product strategy, beyond just the basic features and benefits of their product.

The importance of these skills has already been discussed, since many are identified as overall weak skills. Yet, it bears repeating that to advance in your career, these are critical skills to improve upon.

This analysis provides a roadmap for both Product Managers and their leaders, showing which skill sets to focus providing training and support for in both the early years and mid-career years of a Product Managers growth.

CRITICAL SKILLS TO LEARN

Early Years:

- Requirements
- Product Management Process
- Business Skills
- Marketing & Launch

Middle Years:

- Competitive Analysis
- Pricing
- Forecasting

MOVING UP TO LEADERSHIP

When comparing the key skill sets with the largest gaps between Product Managers and either Directors of Product Management or Vice Presidents of Product Management, the exact same five skill sets showed the largest gaps in both comparisons.

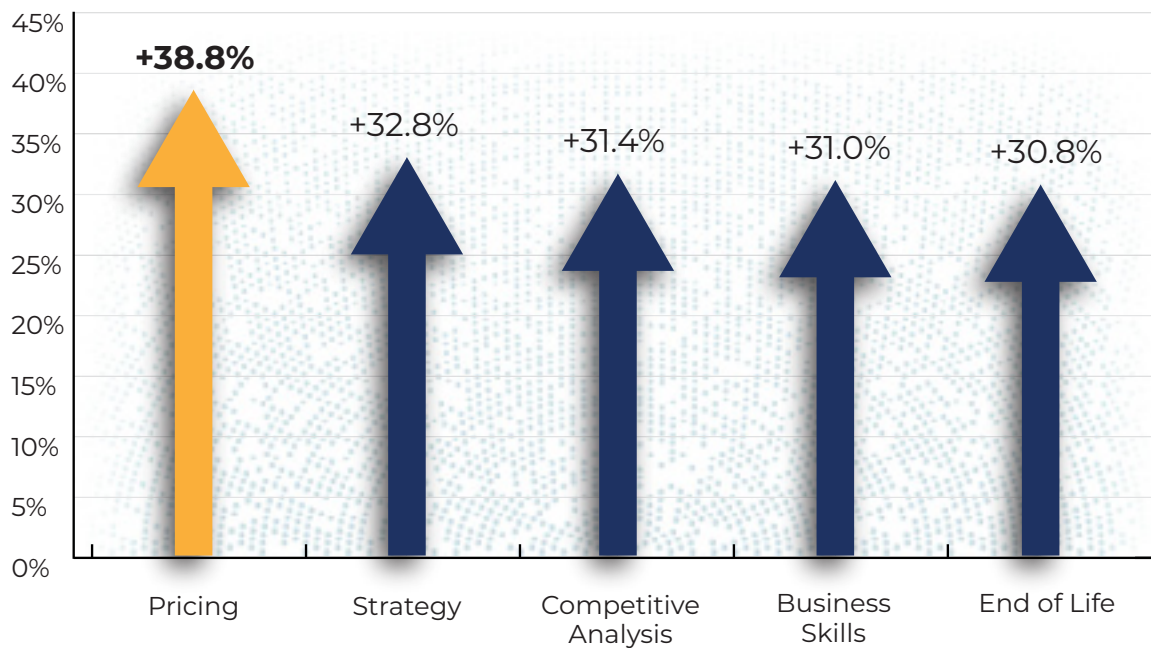
As with the analysis by years of experience, there is a significant difference in the level of the Business Skills and End of Life skill sets. The skill sets of Competitive Analysis and Pricing are also areas where Directors have significantly more skill than Product Managers, again matching the progression from earlier, though shown a little later on the years of experience scale. The one difference here is the gap between Product Managers and Directors of Product Management when it comes to Strategy skills. This makes sense since Directors are expected to work at a more strategic level.

30% More Skilled



DIRECTORS
OVER PMS

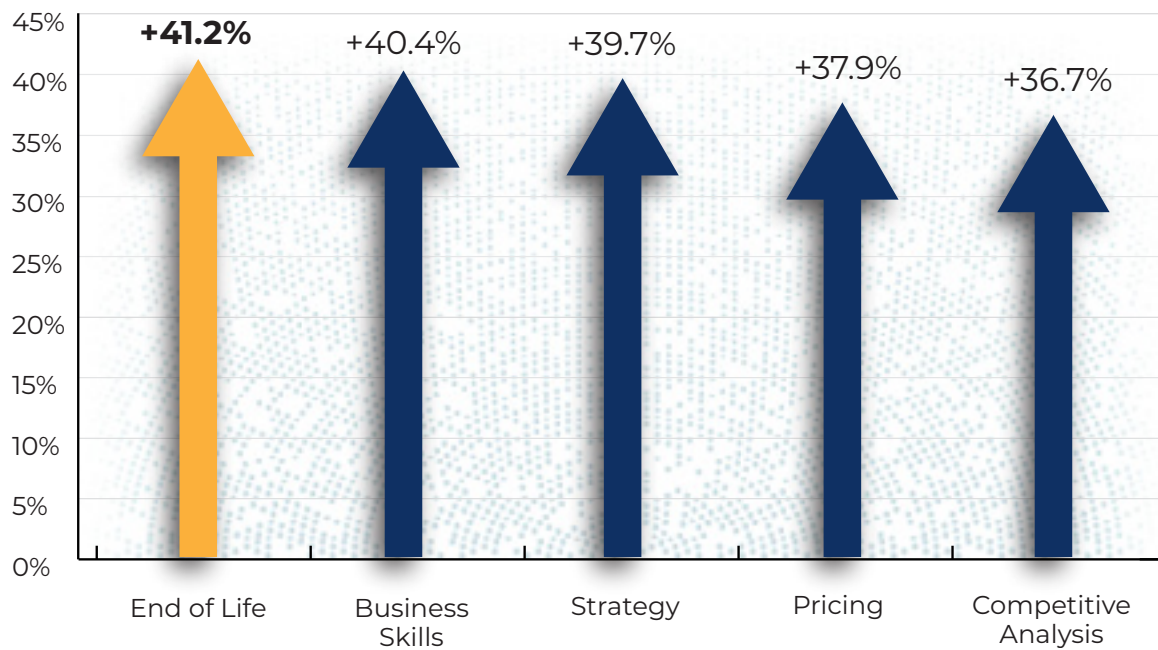
DIRECTOR TOP SKILL SETS



The more important thing to notice here, versus the comparison of skill gaps over years of experience is the magnitude of difference in these skill sets. No gap is less than 30%, meaning that Directors are expected to be significantly stronger—both to guide overall product strategy and to serve as coaches—to their teams of Product Managers.

Comparing the widest gaps in the skill sets of Product Manager to Vice President of Product Management reveals the same five skill sets, though in slightly different order of significance.

VP TOP SKILL SETS



Here, the gaps are wider, starting at nearly 37% and rising to over 41%. Yet, these same five skill sets are revealed as being crucial to developing into the highest levels of Product Management leadership.

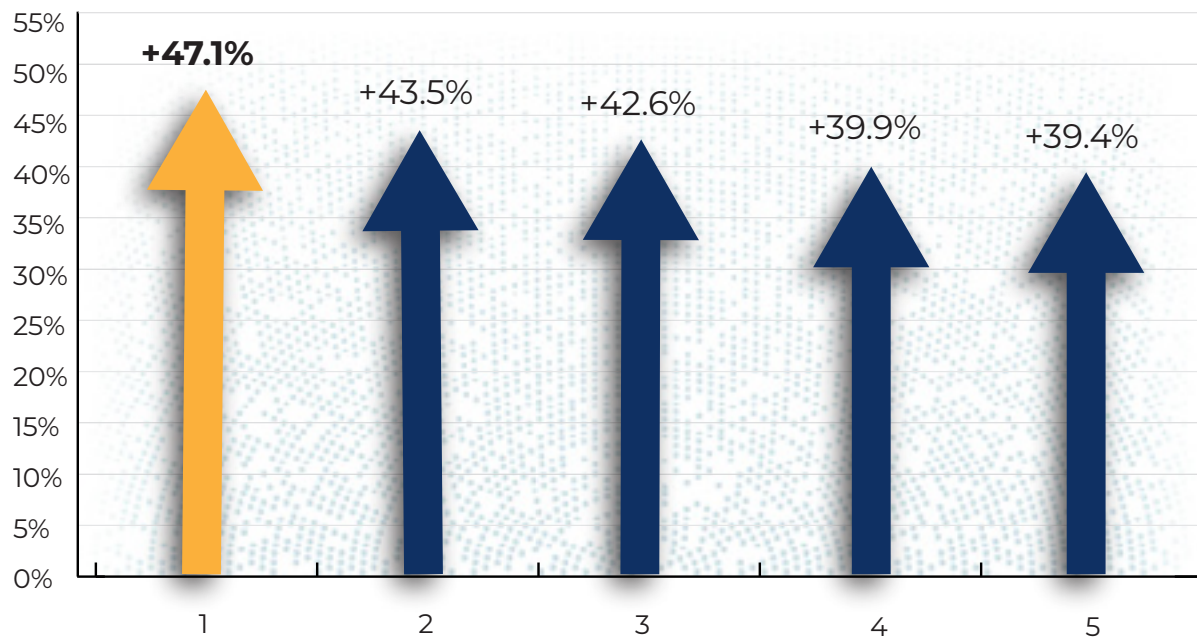
Individual Product Managers who want to rise to leadership roles should concentrate on improving their skills in these five skill sets:

- Strategy
- Business Skills
- Competitive Analysis
- Pricing
- End of Life

LEADERSHIP INDIVIDUAL SKILLS

Analyzing the five individual skills with the widest gaps between the Product Management level and the Director or VP of Product Management levels revealed a broader set of skills where development is needed with some overlap in skill sets and individual skills.

DIRECTOR TOP INDIVIDUAL SKILLS



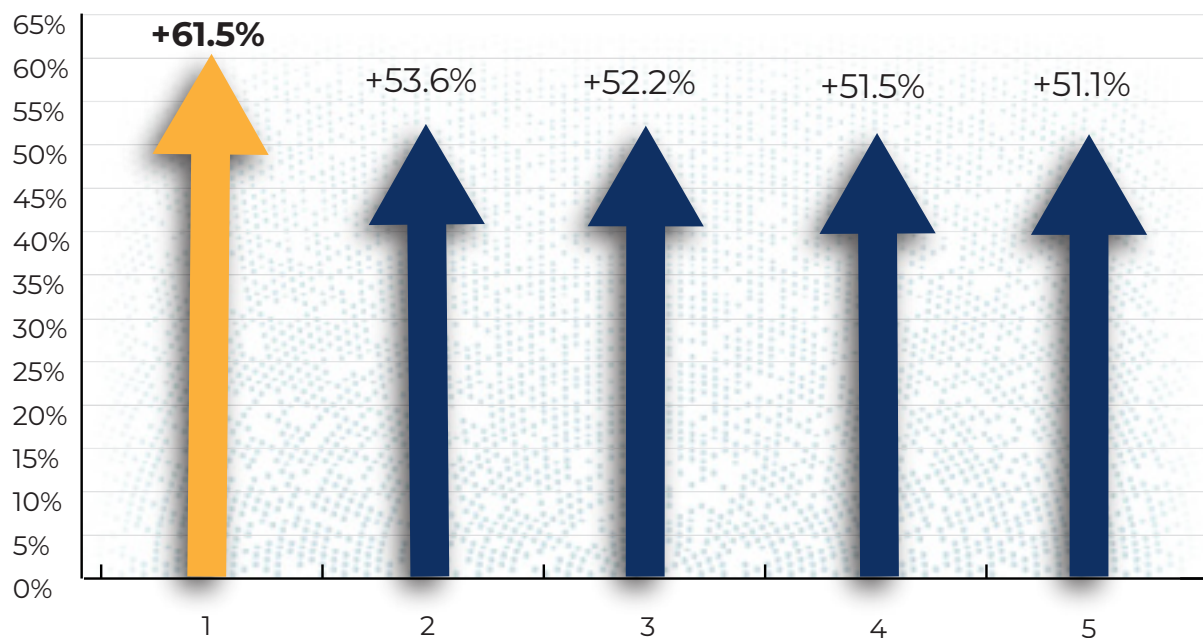
Individual Skill		Skill Set
1	I can create a profit and loss statement and do Return on Investment (ROI) and payback analysis.	Business Skills
2	I am able to write an effective, well-thought out end of life plan.	End of Life
3	I understand and know how to use key strategic tools like SWOT, Porter's five forces, and the Chasm model, and determine strategy based on the stage of the product's lifecycle.	Strategy
4	The end of life process I use minimizes the chance of losing a customer.	End of Life
5	I know how to write an effective Beta or early customer use plan to gather adequate data to make a decision about the launch-readiness of my product.	Marketing & Launch

In looking at the widest gaps in specific skills, there is again significant alignment between these skills and the skill sets. Four of the five individual skills with the widest gaps are in the skill sets of Business Skills, End of Life, and Strategy. The remaining individual skill at the Director Level is related to conducting effective customer testing

of products, a skill that bridges both customer engagement and Marketing. This shows that Directors are particularly skilled at paying attention to the need for customer feedback before launching a product successfully.

The magnitude of the difference in these skill strengths is also significant—none of the five individual skills listed have less than a 30% difference in skill level, and the greatest has nearly a 50% difference. This means that for the individual skills with the largest gaps, there is a significant level of additional expertise that is expected for a Director-level Product Manager.

VP TOP INDIVIDUAL SKILLS



Individual Skill		Skill Set
1	I can create a profit and loss statement, and do Return on Investment (ROI) and payback analysis.	Business Skills
2	I understand and know how to use key strategic tools like SWOT, Porter's five forces, and the Chasm model, and determine strategy based on the stage of the product's lifecycle.	Strategy
3	I predict a competitor's response to my next product's release, and work with sales and marketing to counteract such responses.	Competitive Analysis
4	I'm able to write an effective, business case that supports the making of sound investment decisions.	Business Skills
5	I know how to conduct market segmentation and develop positioning strategies that guide my market strategy and marketing activities.	Marketing & Launch

In looking at the largest gaps for individual skills, there is strong alignment between these single skills and the skill sets. Two of the individual skills are in the skill set of Competitive Analysis and two are in the skill set of Business Skills. The last was a specific Marketing skill with Strategic impact: being able to conduct market segmentation effectively and establish a positioning strategy to guide overall marketing strategy and activities.

The magnitude of difference is again significant: the individual skills are greater than 50%, further reinforcing the need for significant strength in these areas to be a Product Manager Vice President.

To rise to the level of Director or Vice President of Product Management requires strong individual skills in Marketing and Launching products in addition to the five key areas mentioned previously.



RESOURCES

IMPROVE SPECIFIC SKILL SET GAPS

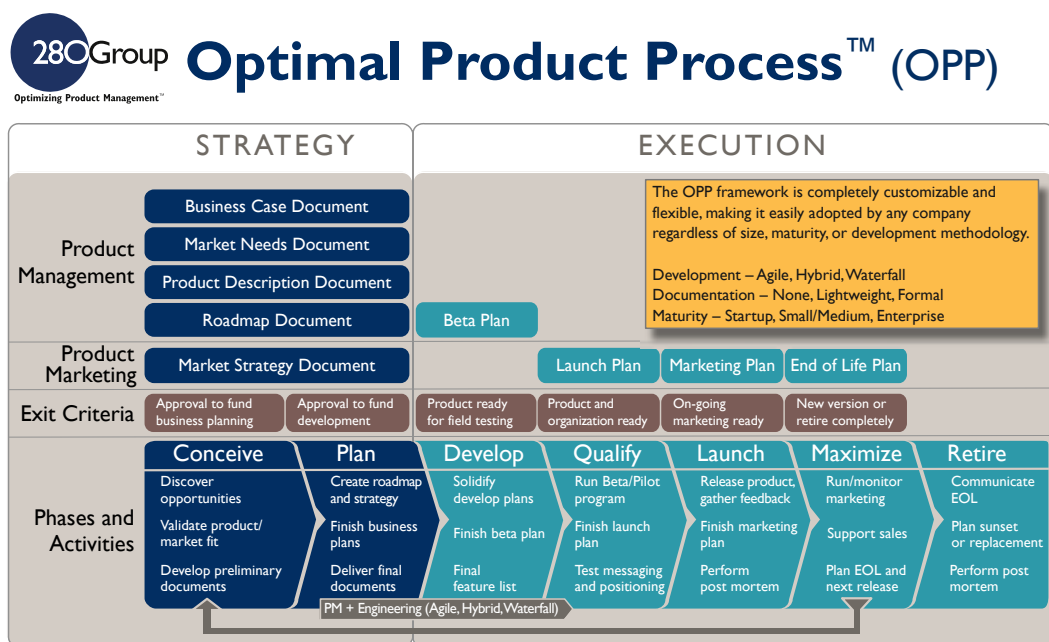
End of Life: It's a less glamorous part of the job but planning for a successful product End of Life is critical for the success of future products, maintaining customer loyalty and preserving your company's brand. Learn the critical questions to ask when it's time to cut the cord or prepare a migration strategy [here](#).

Competitive Analysis: Competitive Analysis is a required skill for keeping ahead of the pack both in your product benefits and your marketing messages. Learn the basic concepts and how to target your competitors with our short primer [here](#).

Pricing: Pricing is a very tough topic to master. Focus on the company, product strategy, and underlying value with these pricing strategies [here](#).

IMPROVE YOUR PRODUCT MANAGEMENT TEAM WITH THE OPTIMAL PRODUCT PROCESS™

As the Benchmark results demonstrate, organizations with a formal product process can yield the largest gains in the skill sets of their Product Management team. Each company does Product Management differently so we have put together a process based on experience and best practices that can be adapted to your company's needs. Start learning about the [Optimal Product Process™](#).



Optimal Product Process Methodology © 280 Group, 2011-2014
Source: Conceive to Retire from AIPMM Product Management Body of Knowledge® (ProdBOK®)

IMPROVE YOUR PRODUCT MANAGEMENT SKILLS

If you haven't already, start by assessing your own Product Management skills, so you can compare yourself to the Benchmark.

ASSESS YOUR OWN SKILLS

Optimal Product Management and Product Marketing Training

This three-day training teaches the flexible and comprehensive 280 Group Optimal Product Process. You'll learn about every important task and all the core skills required to manage products effectively. Each phase of the framework and the tasks for both Product Management and Product Marketing are covered in-depth. After you complete the in-person training you will receive full access to the Certified Product Manager – Online Course and Exam so you can review and retain the information that you learned as well as prepare for the certification exam.

Certified Product Manager – Online Course and Exam

This online course covers all of the material from 280 Group's in-person training, Optimal Product Management and Product Marketing. The first section teaches the flexible and comprehensive 280 Group Optimal Product Process™ and the second section teaches you the remaining material necessary to pass the Certified Product Manager exam. The course contains everything you need to get up to speed quickly and master the core Product Management skills and get certified.

Product Management Lifecycle Toolkit

9 Core Templates from the Optimal Product Process

The Product Management Lifecycle Toolkit is a set of corresponding templates that map to the Optimal Product Process seven-phase framework. These templates are included with and covered in our in-person training and online courses.

Product Management for Dummies

Product Management for Dummies, The Definitive Guide to Product Management. By Brian Lawley, Founder of 280 Group and Pamela Schure, 280 Group Director of Products and Services.

The definitive guide to Product Management and a must-read for any and all Product Managers. This book gives you the tools to vastly increase your skill level and become a great Product Manager.

TRANSFORM YOUR PRODUCT MANAGEMENT TEAM

Product Management Assessment and Optimization

Product Management can be one of the most important strategic functions in a company. Great Product Management leads to more successful and more profitable products, happier customers, and long-term winning strategies to conquer markets. It also ensures that your company doesn't waste money developing, marketing, and selling products that don't meet customer needs.

Private Custom Training

280 Group's custom training will transform your Product Management team by focusing on the specific issues your organization faces. Custom training gives you a competitive edge by teaching your staff the skills and concepts they need while addressing your current process, roles, terminology, products, and most critical internal challenges.

Consulting and Contractors

A Product Management consultant or contractor can help your company bring world-class, customer-focused products to market faster. Product Management consultants can work on short or long-term projects. Product Management contractors can act as an interim employee, taking the place of staff that are on vacation, sabbatical, or maternity leave and fill in if you don't have full-time headcount to hire a permanent employee.

WANT TO TRANSFORM YOUR PRODUCT MANAGEMENT TEAM?

[CONTACT US](#)

ABOUT 280 GROUP

280 Group is the world's leading Product Management training and consulting firm. We help companies and individuals do GREAT Product Management and Product Marketing using our Optimal Product Process™. We have been in business for 20 years and serve clients around the world. Our headquarters is located in Silicon Valley, CA and we are named after the famous Highway 280, a corridor that houses the world's most innovative companies and links San Francisco and the South Bay Area. Our products and services include consulting, contractors, training, certifications, recruiting, templates, coaching, books and a Product Management optimization program.



APPENDIX A

15 PRODUCT MANAGEMENT SKILL DIMENSIONS

SKILL	EXPLANATION
Strategy	Understands company strategic direction, how to use key strategy tools, how to apply strategic thinking to products, and can construct market strategies for products.
Market Research	Spends significant time with clients/customers, is skilled at formulating & directing appropriate research and at analysis of sales, research and market data, and effectively conveys insights.
Competitive Analysis	Continuously updates knowledge of competitors and competitive factors, works closely with sales and marketing on competitive assessment, and ably predicts competitor moves.
Pricing	Drives pricing decisions based upon strategic opportunities/goals of the product and market context.
Forecasting	Demonstrates clear thinking regarding forecast drivers, forecast business impacts, and drives to accurate forecasts.
End of Life	Understands the issues surrounding end-of-life decisions and can construct an effective end-of-life plan that minimizes negative client/customer impact.
Business Skills	Understands financial analysis and can develop P&L, ROI, and payback analysis, and can create effective business cases that support sound investment decisions.
Domain Knowledge	Understands and continuously refreshes understanding of key industry trends and changes, makes use of experts, and effectively communicates product capabilities that address the industry context.
Marketing and Launch	Develops core positioning and messaging, and guides the development of marketing, selling and other materials based upon appropriate segmentation, can prepare effective Beta, Pilot, and launch plans and gathers and makes use of response data, and effectively coordinates with others throughout execution to achieve business objectives.
Requirements	Effectively defines market needs and maps these to product features within documentation, communicates and coordinates with development team to establish understanding, consistently articulating a clear product vision in the language of the client/customer.
Customer Understanding and Knowledge	Has a clear understanding of client/customer problems, their environment and other relevant context/needs, and their perceptions of competitors.

(continued)



APPENDIX A

15 PRODUCT MANAGEMENT SKILL DIMENSIONS

SKILL	EXPLANATION
Product Management Process	Understands and utilizes the Product Management process and gate decision criteria, effectively creates needed artifacts, understands the responsibilities of all stakeholders throughout the process, and keeps them appropriately informed and engaged.
Communication	Communicates succinctly and effectively with all parties, negotiates and influences to achieve desired outcomes, and is an effective presenter.
Management	Develops action plans and ably manages stakeholder expectations and change processes, guides others in completion of tasks, and effectively prioritizes around decisions to support key success factors.
Leadership	Is recognized as the leader of product initiatives, keeps the product team aligned on product vision and goals, can predict results of actions, actively seeks new opportunities for growth and/or to achieve other business priorities, and secures adequate attention and resources to accomplish objectives.



APPENDIX B

FULL LIST OF INDUSTRIES

Industries	Responses	
Software	19.7%	331
Manufacturing	10.9%	184
Healthcare & Pharmaceuticals	9.9%	166
Telecommunications and IT	9.6%	161
Finance & Financial Services	8.8%	148
Internet and Apps	8.3%	139
Computer and Electronics	4.8%	80
Education	4.1%	69
Retail & Consumer Durables	3.2%	53
Professional Services	3.0%	51
Advertising & Marketing	2.3%	38
Insurance	1.7%	28
Utilities, Energy, and Extraction	1.6%	26
Construction, Machinery, and Homes	1.5%	25
Automotive	1.4%	23
Transportation & Delivery	1.3%	22
Business Support & Logistics	1.2%	20
Government	1.1%	18
Entertainment & Leisure	1.0%	17
Airlines & Aerospace (including Defense)	1.0%	16
Nonprofit	0.9%	15
Agriculture	0.8%	14
I am currently not employed	0.8%	14
Food & Beverages	0.7%	12
Real Estate	0.7%	12
	Total Responses	1682