



Benchmarking your Product Management Performance



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Introduction

Is your product management function optimised? Are you maximising the value you deliver to your business? Great questions for a PM team to answer, but how?

There are many components that contribute to a world class product management team. Great Product Managers are a significant part, but not the complete answer – a great PM with no process, tools or support will still fail to thrive.

To review and then optimise the performance of a Product Management function, we focus on four key areas:

- **People**
People are the foundation of a product management team. Without the right team in place it's impossible to excel. We must review the team through capability (Do they have the potential to be a great PM?), skills (Do they have the right PM experience?) and scale (Is there enough of them?)
- **Processes**
Product management requires a robust process to drive products and service through market. We must review the full process, reporting, RACI, etc, viewing the process in terms of fit to your business (Risk vs reward vs scale vs speed vs certainty vs evidence vs innovation)
- **Tools.**
A robust toolset supports process. Without standardisation, product managers use such a wide variety of tools that it becomes increasingly difficult for a management team to make reasoned decisions – they cannot do an 'apples to apples' comparison. We must review the complete process suite for robustness, ease of use, visibility and adherence.
- **Environment**
A great PM team, with the right processes, tools and templates can still fail to thrive because of the environment - stakeholders, supporting processes and management not aligning with product. We must review stakeholder teams (e.g. dev, sales, marketing), leadership engagement and adjacent processes to assess alignment.

In this paper we'll explore a model for assessing the maturity and capability of your team through each of these four key areas.

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People

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To review the people in the PM we use three lenses:

A. Do they have capability?

We review product managers on their capability. It could be argued that this is the most important aspect – it's relatively easy to build the skills into a team with the right capability set. We look at seven capabilities that underpin effective product manager:

- Disciplined
- Inquisitive
- Dynamic
- Driven
- Communicative
- Compelling
- Coherent

The end goal is a pm/team radar diagram so we can visually represent the capability

B. Do they have the skills?

We review product managers against a skillset. This is our standard version, but we can add and subtract skills depending on the roles defined within the business.

- Deeply understands their market
- Uses evidence rather than opinion
- Balances tactical and strategic workload
- Understands the full product lifecycle
- Translates customer problems into requirements
- Optimises their offer for their market
- Owns and drive product strategy
- Builds a product vision
- Contributes to business strategy

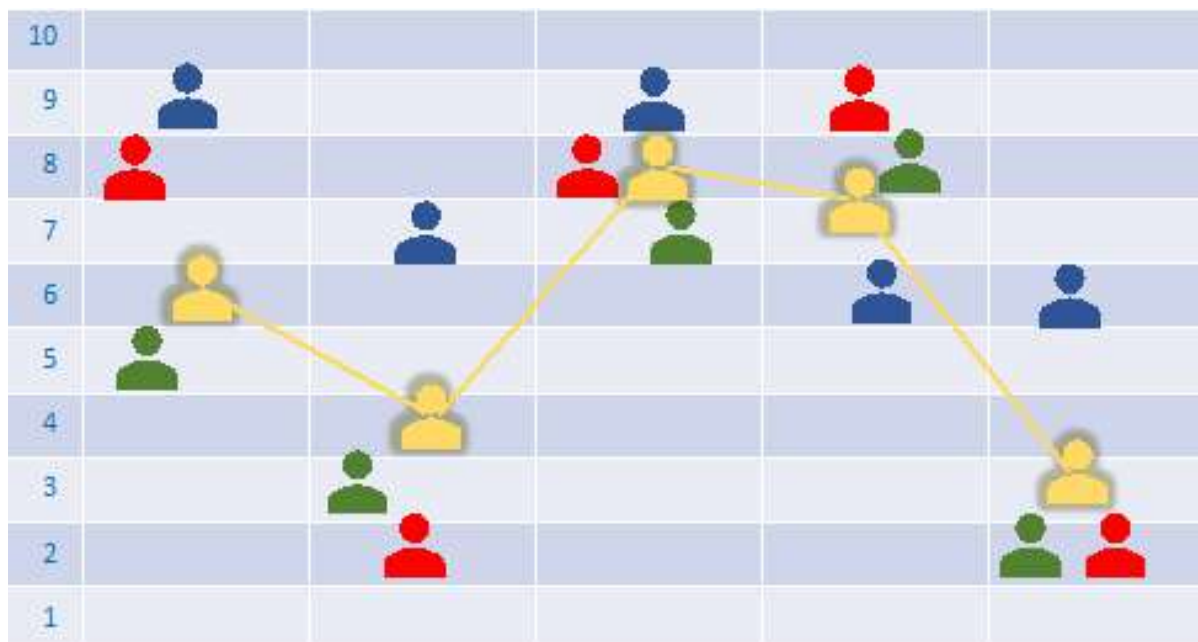
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- Builds compelling business cases
- Defines product pricing
- Prioritises features and epics
- Builds a credible roadmap
- Manages stakeholders
- Innovates
- Defines and tracks success metrics

We use skills cards to assess each skill – essentially sets of questions that let us ascertain the level of the product manager (score 1-10). From this we can build individual and team ‘skills curves’ i.e. a graph that shows how the individual/team perform against it skill. This is useful in giving a graphical view on the gap that need to be closed to optimise PM skill.

C. Do they have scale?

We take a view on team size – is it right sized for the business? We use industry benchmarks that compare PM scale vs revenue, sales team, dev team, org size.



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Processes

Product management requires a robust process to drive products and service through market. We must review the full process, reporting, RACI, etc, viewing the process in terms of fit to your business

To review the processes in the Product Management we focus on three questions:

A. Is there documented process?

The start-point is assuring the process is documented. This means that there is a well-articulated document available and accessible to all stakeholders that steps through the process in detail. This should fully describe who does what, when and how through the process (the RACI model) and key reporting functions. It is made more user-friendly if examples of the process in action are included, and more relevant if it is updated annually.

B. Does the process fit?

Having a process is a great start, but does it fit with the business and the range of products? Think of fit around these seven characteristics:

1. Risk
2. Reward
3. Scale
4. Speed
5. Certainty
6. Evidence
7. Innovation

C. Is it utilised?

A well-documented process that fits the business profile is of no value if it's not utilised. So, we look for evidence – is process use and adherence in evidence over a selection of products?

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Tools

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To review the tools in the Product Management we focus on three questions:

A. Is there a centralised toolset?

Are the tools held in a centralised, accessible location?

B. Is the toolset complete?

Does the toolset contain support for the full Product Management process, including:

1. Market sizing and assessment
2. Vision setting
3. Persona development
4. Requirements building
5. User Journeys
6. Win/loss analysis
7. Road mapping
8. Product Launch
9. Messaging
10. Price point analysis
11. Competitor analysis
12. Business case building
13. Retirement



C. Are the tools being utilised?

Are there examples across the product range of the tools in action?

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Finally, we review the environment the Product Management team operate in:

A. Visibility

Is the PM process visible across different functions and in the leadership team? DO they know what it is, why we use it, their role in it?

B. Support and adherence

Is the PM process supported? Do projects by-pass it? Is the value clear across the business?

C. Alignment

Does the PM process link to other processes in development, marketing, support and sales with clear hand-offs?



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Get involved

We appreciate your feedback and thoughts. Join or start a discussion on market mapping. Share your examples, ask for feedback, let us know how it made a difference to your business.

More support

Want some more advice? Contact us on Expert@tarigo.co.uk and we'll be happy to help.