



Product Leaders Alliance



PRODUCT MANAGEMENT PAPER

Product Management Skills Matrix

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Product Management Skills Matrix

Welcome to the Product Management Skills Matrix. A useful & easy-to-use tool designed for Product Managers who would like to assess their current levels of knowledge, expertise and skills.

Once completed it can then be used to identify personal development plans and build a successful and rewarding career.

Using this tool, you can:

- Rate your personal competencies against those found in high performing product teams
- Identify your aspirations in terms of your competency targets and the associated gap analysis
- Put together a plan of action to develop yourself in order to meet your aspirations.



INTRODUCING THE SKILLS MATRIX

The matrix is based on 20 years work with many Product Management teams in large scale global enterprises as well as medium and smaller teams in technology, finance, scientific and other sectors.

Over this extended period, our consultants have built up considerable

experience, building and improving the product management function. As a result, they have built a deep understanding of the knowledge and skills associated with high performing individuals and have implemented development plans to improve the competencies required.

Product Management Skills Matrix

KNOWLEDGE			PRODUCT MANAGEMENT EXPERIENCE & SKILLS		
	NOW	DESIRED		NOW	DESIRED
Target Market			Methodology and Process		
Market Needs			Market and Evidence Based		
Product Knowledge			Driven by Self Opinion		
Technical Knowledge			Ability to operate at Senior Level		
Competitive Knowledge			Organisational Skills		
COMMERCIAL ACUMEN			OTHER KEY SKILLS		
	NOW	DESIRED		NOW	DESIRED
Managing Products as a Business			Collaborative Working		
Building Business Cases			Negotiation		
Pricing Skills			Prioritisation		
Product Marketing Skills			Communication		
Analytical Skills			Leadership		

THE MATRIX QUADRANTS – GROUPING KNOWLEDGE, EXPERIENCE AND SKILLS

The matrix is sub divided into 4 areas or quadrants, each representing a group of skills which together form a balance of capabilities found in effective Product Managers.

Knowledge

This quadrant represents an assessment of the knowledge areas that are relevant to high performance in a product management role.

Typically, it would be centered on very strong knowledge of a products capabilities. However, significant familiarity with target market trends and requirements are also critically important, as is a deep understanding of competitive capabilities and in some cases, experience in underlying technologies.

Other capabilities could be added to this quadrant depending on different or specialist markets and product portfolios.

Commercial Acumen

Managing a product or product portfolio as a business is often poorly represented in the skill and experience levels of a product manager.

Analysing and managing a product at a commercial level is a critical element of successful product management.

The associated skills of business case development, pricing and numerical analysis are also important to assess and develop.

Product Management Experience & Skills

This quadrant focuses of the depth of experiences and appropriate styles of product management as a function.

It should assess the levels of understanding and ability to follow any product management methodology being used in the organisation.

Importantly is can also assess the requirement for a product manager to represent the trends, requirements and needs in the market and not be opinion driven.

It should also assess the organisational skills required and the ability to operate at all levels

Other Skills

More general skills used across generic business and personal interactions are often the difference between a good and a great product manager.

They include the ability to communicate and negotiate, skills in prioritisation and collaborative working as well as the ability to influence and lead virtual or cross department teams.

INDIVIDUAL DISCIPLINES WITHIN EACH QUADRANT

Within each quadrant, “standard” disciplines can be assessed and worked on. They represent the typical knowledge, experience levels and skills that in general we have seen in the makeup of excellent product managers.

KNOWLEDGE



Target Market

- A thorough understanding of the market is the foundation for a great product manager.
- Knowing how to assess and interpret numeric dynamics such as market size, growth and segmentation are important.
- Acquiring and maintaining knowledge around the general trends in today's fast-moving world is equally vital and skills to identify mega trends that may turn a market on its head, are increasingly required.

Market Needs

- How the target markets interact with the product portfolio and a comprehensive insight on the high-level needs, pain points and challenges that the product addresses, is the framework on which any product is designed, developed and built.
- The knowledge built around this market driven approach represents best practice in terms of validated input across the entire product life cycle and should be identified as a fundamental requirement in a product manager's knowledge set.

Product Knowledge

- Usually, the strongest suit in a product managers knowledge base and often scored at a high level in the quadrant.
- One aspect that often requires improvement is an understanding of which individual product capabilities, functions or features are important and to which market segment or individual personas they apply to.

Technical Knowledge

- If a product depends on complex and fast-moving technologies there may be a requirement to assess levels of knowledge based on these criteria.
- Alternatively, this knowledge requirement may sit within other areas of a business eg R&D, Engineering or Manufacturing with the product manager focussed on knowledge around markets and the application of the product.

Competitive Knowledge

- This discipline is all around using techniques to analyse, not only competitive products but also the competitive companies and their associated commercial, business and go-to-market strategies.
- Knowledge can be built up using tried and tested processes, analytical methodologies, and knowledge management.



PRODUCT MANAGEMENT

EXPERIENCE & SKILLS



Methodology & Process

- Managing the full product life cycle without a well embedded and understood process is much more likely to result in products that do not meet market requirements.
- The implementation and continuous refinement of a methodology involves many areas of a business but is owned and managed by the Product Management function and will always improve as individual Product Managers learn the framework, build experience using it and involve colleagues across the organisation.

Driven by Self-Opinion

- In many ways the opposite of the previous point. Many products can stagnate or be developed in directions that are not optimum if they, often with deep knowledge of their product, base their decisions more on self-opinion on use and requirements rather than based on market factors.
- This measurement is often high in long term product managers but should be reduced by improving the Market Orientated score above.

Market and Evidence Based

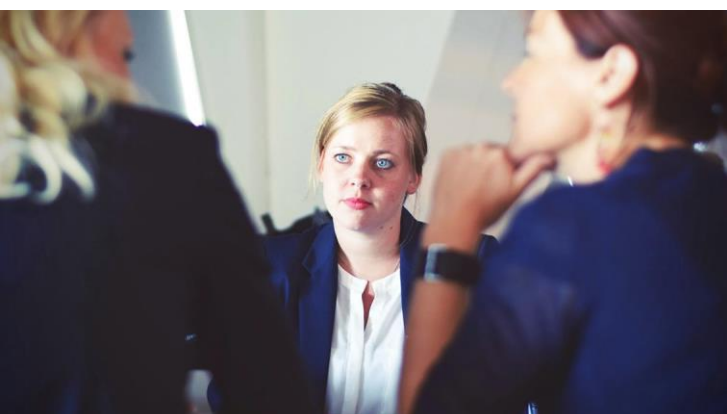
- The best performing Product Managers run the life cycle of their portfolio through a constant analysis of all market orientated trends, dynamics, and requirements. This includes researching and analysing customer and prospect needs, competitive progress, underlying trends, disruptive technologies & economic and commercial changes.
- In order to underpin their decisions, they provide evidence-based data sourced from the market and appropriate stakeholders.

Operate at a Senior Level

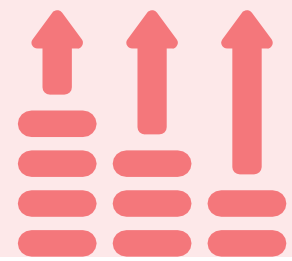
- An effective Product Manager is able to operate at a senior level, both internally and externally. By doing so, they will receive strategic input from the market as well as communicating with senior managers within their organisation to get input and buy-in for their product strategies and roadmaps.
- A combination of improved communication skills and use of tools such as a Market Map can often be deployed to improve capabilities in this area.

Organisational Skills

- Leading and managing cross departmental teams without line management authority is central to the role of Product Management.
- At the core of success, is the ability to use high quality organisational and project management skills to delegate, set objectives and measure progress



COMMERCIAL ACUMEN



Managing Products as a Business

- The ability to build and manage a product line using commercial metrics to inform decisions and analyse results is vital for the product management function to add real value to a business.
- Skills and experience need to be developed around financial (and other metrics) analysis, associated with all aspects of a product. The ideal scenario would lead to a P&L analysis of any product line.

Pricing Skills

- Where organisations operate a comprehensive Product Management and Product Marketing function measured around business goals then pricing is a central responsibility.
- Knowledge of market forces, competitive pricing strategies and considering / applying alternative pricing theories are skills that need to be developed as part of a product managers skill set.

Building Business Cases

- A comprehensive and clear Business Case is the central element at the start of any new product life cycle or for any major improvement to a product once in the market.
- Building the capabilities to research, structure, write and deliver a Business Case are key for many Product Managers.
- Many skills in the matrix support this process. Consolidating their outputs and using a process and tools to build and sign off the business case are important in career development.

Product Marketing Skills

- For many Product Managers the role encompasses go-to-market strategies, launch planning, product positioning and messaging.
- As they are often less well-developed capabilities, improving techniques and overall experience across this discipline will enhance a well-rounded profile for a product manager operating at any level.

Analytical Skills

- Numerical analysis is the life blood for product managers. as they research market dynamics, product performance, competitive trends and are fundamental in the prioritisation of new or improved product features.
- Generic skills can be taught and acquired and then applied and refined in day-to-day work, evidenced by better decisions through quantitative analysis and improved reporting on a product's status.



OTHER KEY SKILLS



Collaborative Working

- Effective Product Management is the perfect illustration of true collaborative working. Usually without any line management responsibility, a product manager must work across departments, disciplines & different levels of seniority both internally and externally to ensure product success.
- Skills and techniques can be acquired to equip a product manager for this aspect of the role and then applied and evaluated in selected scenarios or across all working relationships. 360-degree feedback is an important tool to evaluate progress.

Negotiation Skills

- In any organisation there are appropriate stakeholders for any product line, from sales & service to engineering and marketing.
- An engaged organisation has individuals with their own experience of product acceptance and suitability and where they feel the product should go.
- Acquiring the skills and techniques to negotiate positively for mutual agreement on strategies, roadmap plans and key features are particularly useful for product managers.

Prioritisation Capabilities

- Deciding on future product strategies, roadmaps or features is all about prioritisation. Developing these skills are best done on the job through the use of various processes and tools that are usually part of a product management methodology.
- Meeting objectives through the appropriate use of these tools is often the best way to improve.

Communication Skills

- Effective two-way communications skills are central to the effectiveness of product management. This should encompass, listening and questioning skills, written communications, and presentation skills.
- A combination of generic training for such skills and then applying them in the role has proven to be the optimum way for product managers to improve in this vital discipline.

Leadership Skills

- Leadership is a skill that the best product managers will always exhibit. Managing the product life cycle requires cross departmental teams and disciplines to collaborate under a common vision and product strategy and many organisations look for product management to lead the process.
- Training on leadership skills that can be used by product managers in their current role but also as preparation for more senior roles can be invaluable for career progression.



CUSTOMISE THE MATRIX TO MEET YOUR NEEDS

The disciplines discussed above are not exhaustive and certain sectors or product areas may require some specialist knowledge or skills to be included. Examples may include regulatory or legal knowledge or even accreditation.

Continuous Professional Development could also be necessary if you have product lines in sectors such as medicine or the professions. They should be added to the quadrants accordingly.

How to rate yourself

For each of the relevant disciplines it is now as straightforward as rating or marking yourself out of 10 both for the present time and an aspiration of the mark you would like to receive at some point in the future.

Consider using 5 broad definitions to help in this:

1-2

Little or no Knowledge and Experience – Very out of depth.

3-4

Limited Knowledge and Experience – Often seek support and advice.

5-6

Adequate Knowledge and Experience - Able to get the job done

7-8

Fully Competent – Have the knowledge or skills and use with confidence.

9-10

Best Practitioner – Considered a real expert on the subject and can mentor others.



A great way to validate your score is to use 360-degree feedback from colleagues around the business whose views you value.

Then set yourself achievable objectives to improve your capabilities. Donot try to do everything at once, choose 1 or 2 initial disciplines to work on and set realistic goals for what you want to achieve.

If you can incorporate them in any review process already in place at your organisation, then use of the matrix can be part of your formal career development.

Use the matrix in a consistent and regular manner to improve your capabilities as a product manager and watch you career blossom!

