THE FUTURE OF PRODUCT MANAGEMENT

REPORT

Discover What the Future of Product Management Holds

PRODUCT SCHOOL

POWERED BY Heap

A note from Carlos González de Villaumbrosia, Product School CEO

People are always asking themselves 'I wonder what the future holds.' At the start of 2020, there's no better time to ask this question about the Product world, and what role Product Management will have within it.

Each year science fiction becomes reality as we innovate our way towards a better world. At Product School, we know that our community is shaping the future of Product Management with us. We wanted to know more about what the future looks like, which led us to this report.

We ran a survey with our global and diverse Product community of over 500,000, to ask the big questions about our industry and its future. I hope you find the answers we found insightful and that they help you prepare for the upcoming years.

We are shaping the future of Product Management together, thank you for joining us on this ride.

Carlos González de Villaumbrosia
CEO at Product School

The Largest Product Management Report

Our global Product community is as vast as it is diverse, and that is well represented in this report. Respondents are Product Managers from 263 cities in 85 countries helped us to examine the future of Product Management, including everyone from aspiring PMs looking for their first role to industry leaders at Fortune 500 companies.

The purpose of this report is to prepare for the future that we have been shaping together. The key to success in the future will be for Product Managers to stay hungry for knowledge, educate themselves wherever possible, and stay ahead of the curve.

The Future of Product Management Report comes in 3 parts; Product People, Product Today, and Looking Ahead.

SPECIAL THANKS TO HEAP FOR HELPING US TO BUILD THIS REPORT

Heap

The Who and the Where

With 32.1% of respondents female and 66.1% male, the industry is not exempt from a gender gap. According to the World Economic Forum female employment in tech ranges from 15–37%, depending on the sector.

From the WEF's Gender Gap Report, society in 2020 is 257 years away from closing the gender gap in the workplace, compared to 202 years away in 2019.

Some of the suggestions made by the report include securing equal maternity and paternity leave, placing emphasis on income equality rather than wage equality, and not labelling the gap as a 'women's issue.'

Businesses and economies are stronger when equality grows. Being aware of inequality and making it everyone's responsibility is one of the first steps towards tackling it.
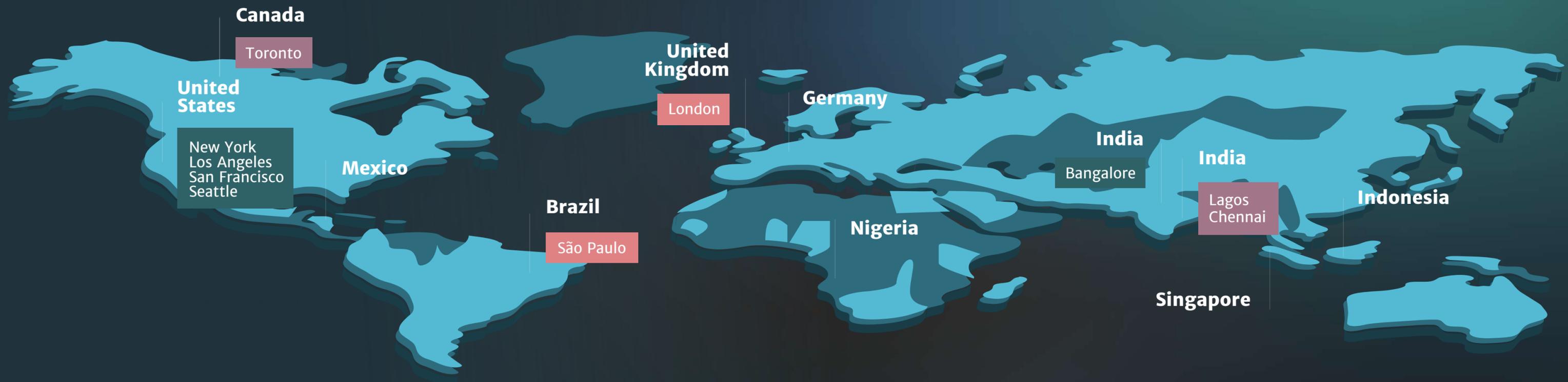
To which gender identity do you most identity?

1.3%

32.1%

66.1%
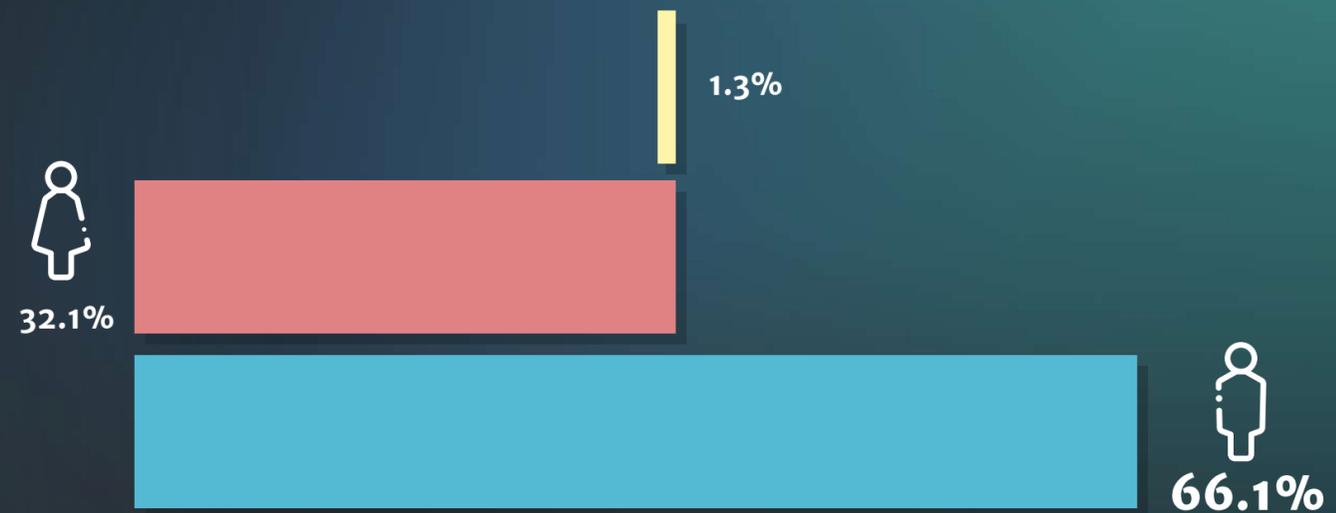
● Prefer not to answer   ● Female   ● Male

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Where Do Product Managers Come From?

Our global Product community is as vast as it is diverse, and that is well represented in this report. Respondents are Product Managers from 263 cities in 85 countries helped us to examine the future of Product Management, including everyone from aspiring PMs looking for their first role to industry leaders at Fortune 500 companies.

Canada
Toronto

United States
New York
Los Angeles
San Francisco
Seattle

Mexico

Brazil
São Paulo

United Kingdom
London

Germany

Nigeria

India
Bangalore

India
Lagos
Chennai

Indonesia

Singapore

Money Talk

An analysis of 40,713 salaries reveals that the average salary for Product Managers worldwide is $110,916 USD. While salaries should always be weighed up against the cost of living in a particular area, Product Management is generally considered to be a well-paid career path. Especially when compared with other attractive careers.

Average Global Product Manager Salary

$110,916 /yr
Avg. Salary

$10,394	$37,500	$4,913
BONUS	COMMISSION	PROFIT SHARING

Product Manager Salaries in United States

$108,992 /yr
Average Base Pay

71 k $
Low

109 k $
Medium

Product Manager Salaries in United Kingdom

£49,253 /yr
Average Base Pay

Product Manager Salaries in Canada

CA$87k /yr
Average Base Pay

CA$87k
Medium

CA$65k
Low

Product Manager Salaries in Brazil

190 kR$ /yr
Average Base Pay

111 kR$
Low

190 kR$
Medium

Product Manager Salaries in India

1,625 k₹ /yr
Average Base Pay
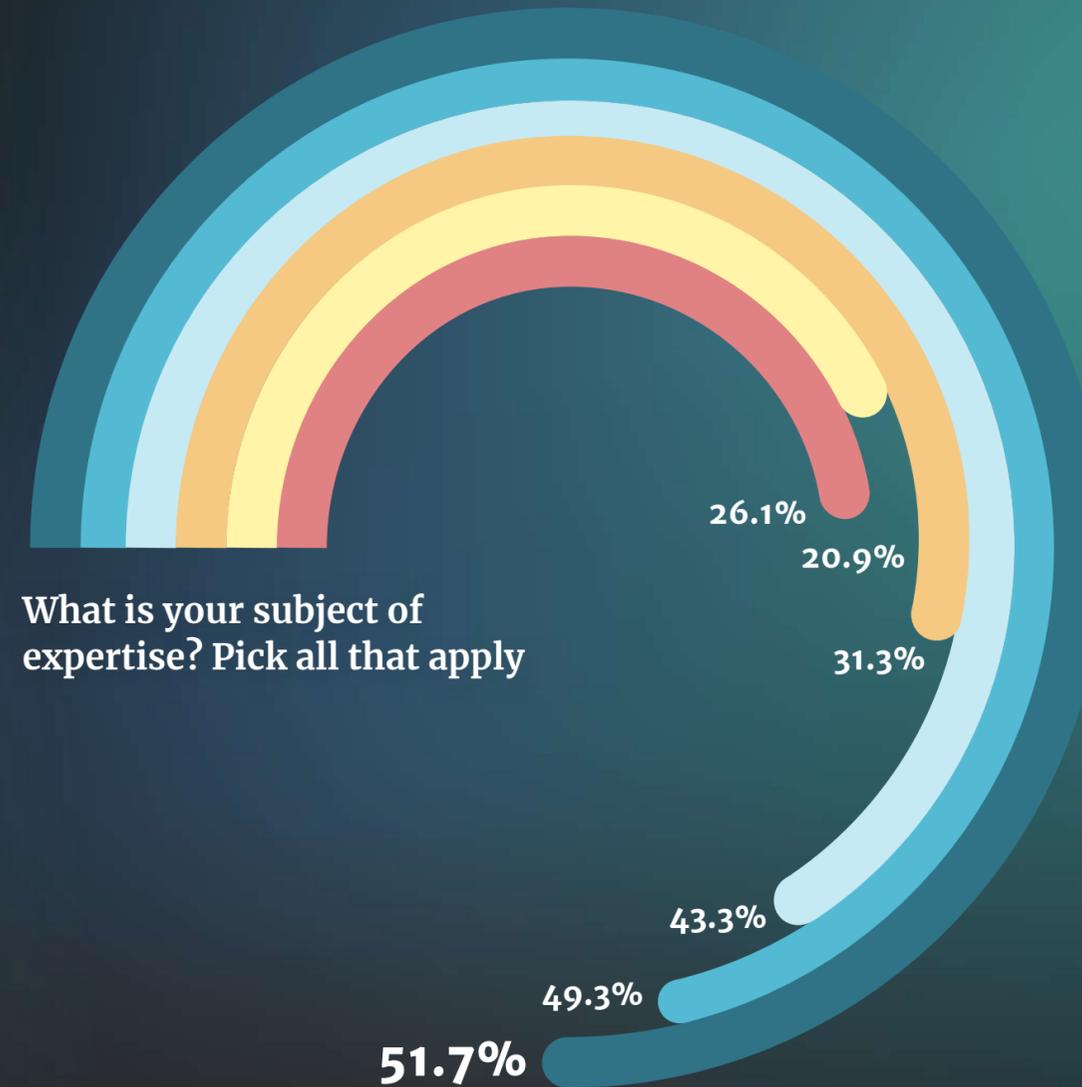
714 k₹
Low

1,625 k₹
Medium

Jack of All Trades

Product Managers are often described as being 'Jack of All Trades, Masters of None.' PMs have to have a broad understanding of many subjects. UX/UI design came out on top. One of the trends we expect to see in the future is PMs taking more interest in the design aspect of their product, and fostering closer relationships with the Design team. According to Abigail Hart Gray, Director of UX at Google, when businesses involve Design from the start, they enjoy greater successes.*

Despite all the noise from the last decade, only 30% of Product Managers have coding expertise This answers the question "do I need to have a technical background to be a PM?" with a resounding no. A predominant amount of PMs are experienced in Data (49.3%) and Marketing (43.3%) which shows that PMs really are a skilled bunch.

We found that the majority of PMs have more than one skill, with 30.41% having 3 or more. The scope of the job is broad, and to be truly great it's vital to adapt and be open to learning new things.

To stay competitive in 2020, PMs must educate themselves in these areas and more. "Technology and organisational change have reduced the lifespan of certain job skills, requiring
the workforce to constantly learn and retrain."**

*source: #ProductCon LA 2019
** source: Deloitte

What is your subject of expertise? Pick all that apply

26.1%
20.9%
31.3%
43.3%
49.3%
51.7%

● UI/UX Design   ● Marketing   ● Sales

● Data   ● Coding   ● Other

One of the Best Jobs

7 out of 10 Product Managers are satisfied with their careers, regardless of whether they've been in Product for 1 year or 10. Product Management is ranked as #4 on the list of best jobs for 2020*, based on earning potential, overall job satisfaction rating, and number of job openings. Considering the huge variety of jobs (not just in tech, but across all industries) it's fair to say that anyone going into PM has the potential for a very bright future! Having a job in the top 1% of all careers gives PMs a fantastic head start.

So how can businesses improve satisfaction for PMs in 2020 and beyond? It could start with employees being given the tools they need to upskill and grow.

* source: Deloitte

On a scale from 1–10, how satisfied are you with your product career? Identify 1 being the least and 10 being the most

Value	Percentage
0	0.4%
1	0.5%
2	1.1%
3	2.4%
4	3.2%
5	9.1%
6	13.4%
7	25.4%
8	25.3%
9	10%
10	9.3%
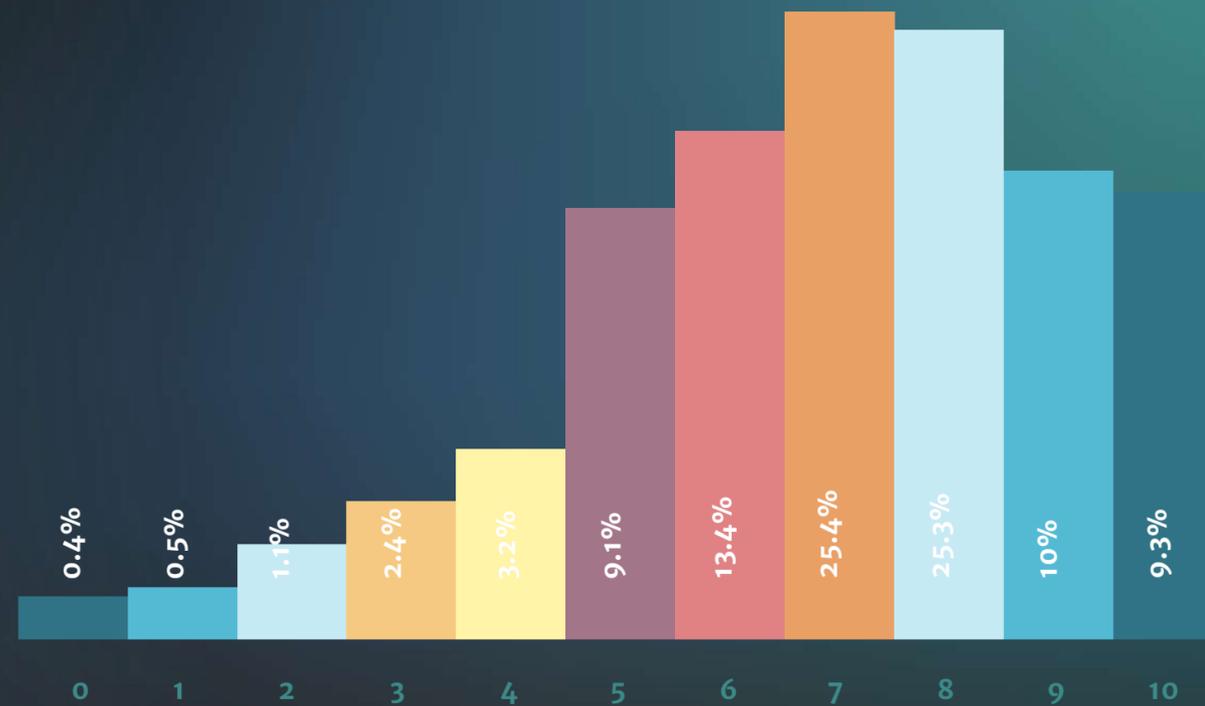
Product Management position from 2015 to 2020

- 2015 #8
- 2016 #8
- 2017 #32
- 2018 #9
- 2019 #5
- 2020 #4

Source: Glassdoor

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Perks of Product Management

One of the major stereotypes surrounding Product Managers is that they all work for cool Silicon Valley startups with Google-level perks like free massages and gym memberships. We wanted to know how true that was.

The most common perk was Flexibility programs around location or hours, with 67.5%. Many companies started to offer remote positions thanks to collaborative tech, and hectic modern life means that more people think of flexibility as a basic requirement.

Almost half of PMs reported having wellness initiatives, which correlate with increasing awareness surrounding the health deficits of an office job.*

35.7% of PMs reported having an education stipend. In reality, this number may be much higher! Many companies have discretionary funds allocated for employee training. Most of the PMs who reported having educational funding at their company had 1-4 years in a PM role, making training more available to those with less PM experience.

source: Business Insider

What company perks do you have?

35.7%

41.1%

43.8%

68.4%   67.5%

48.2%
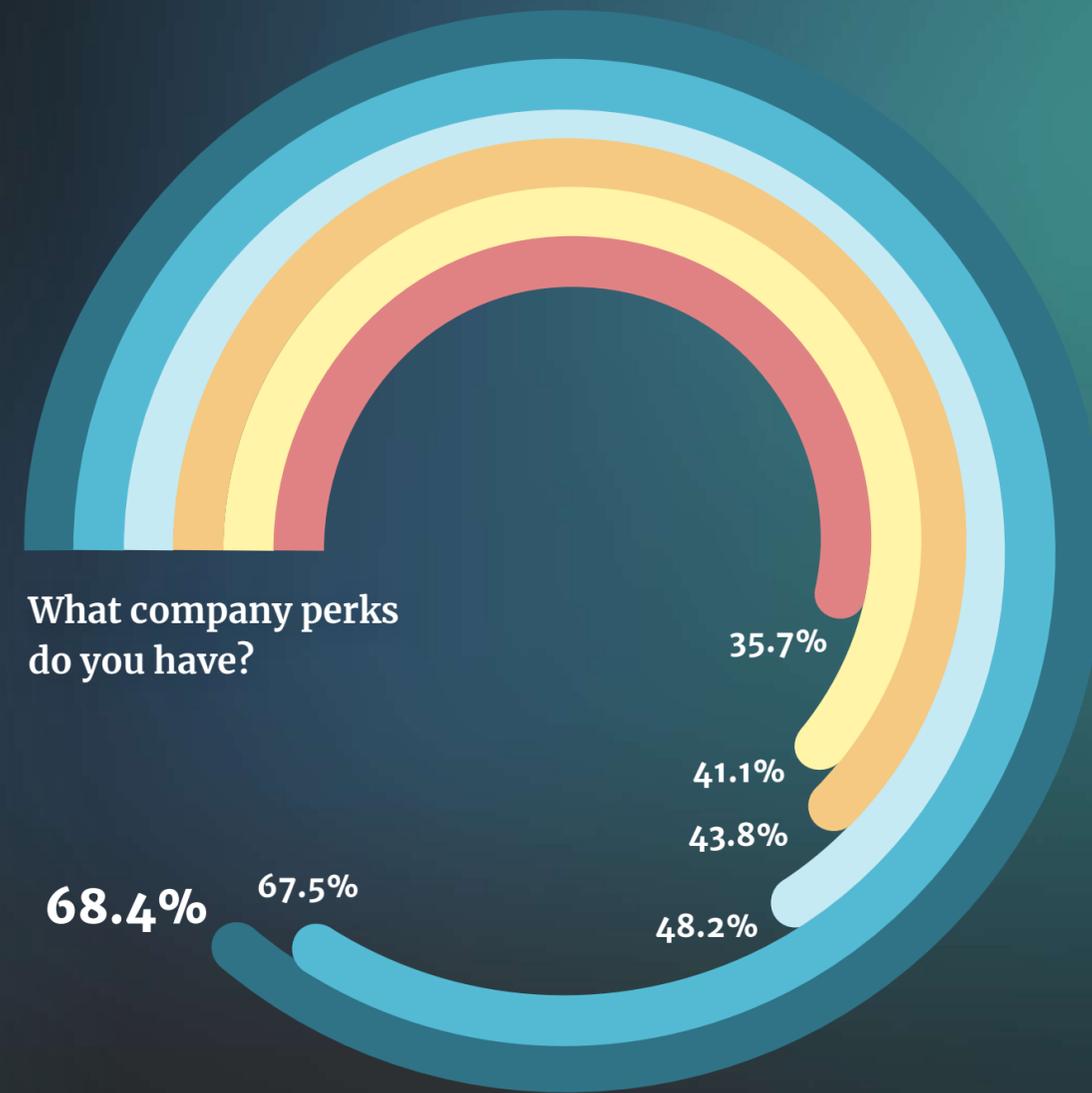
● Paid time off
● Wellness initiatives
● Retirement plans
● Flexibility programs around location or hours
● Paid parental leave
● Education stipend

Is the Future Remote?

...perhaps not for Product Management. 70% of Product Managers reported preferring to work in the office, despite the growing trend in companies offering remote positions.

There's one word to explain why PMs in particular may prefer office life: meetings.

While professionals across all levels and industries attend meetings, a PM's day is often dominated by meetings which are much easier to hold in person. Product Managers also have to manage stakeholders, which is always best done via face-to-face interactions. The same goes for user interviews, which are sometimes run in-person in order to understand the customer better.

Being a Product Manager is also a people-oriented role. A PM has to make connections with their teams in order to lead them, which is difficult to do from their own home. While in business the trend seems to be in favor of remote work, Product Management goes against the status quo, and seems to be more suited to face-to-face contact.

Where do you prefer to work?

70.2%

At the office

29.8%
Remotely
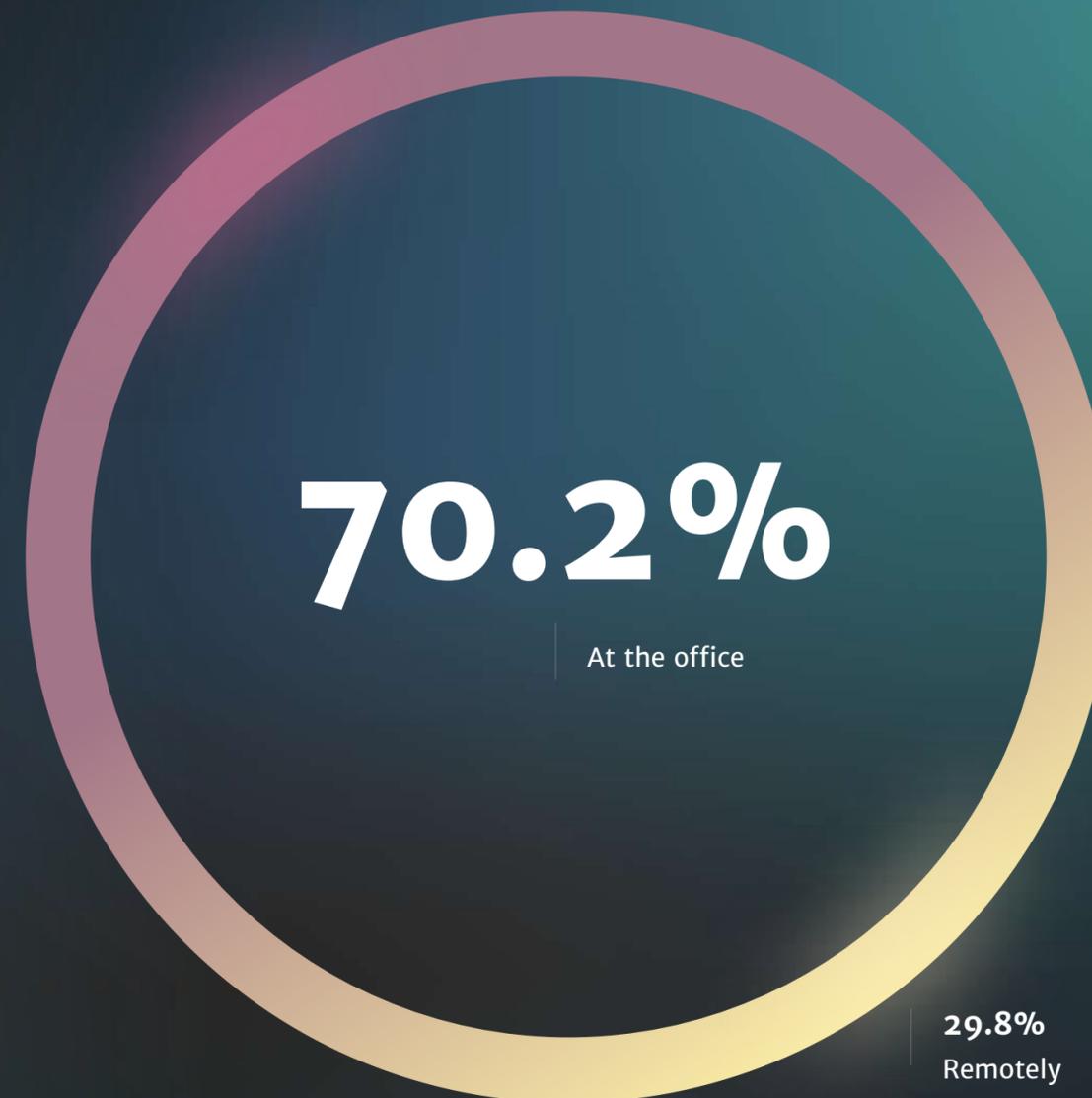
Big Name or Young Upstart?

There's a big difference between working for a small startup and a huge corporation. 55% of PMs prefer to work at SMEs, which can provide more flexibility and a willingness to try new things.

The 45% that prefer to work at bigger companies may appreciate having more resources at their disposal and better compensation, while potentially having to handle more bureaucracy and siloed thinking.

The fairly even split between the two shows that neither type of company is perfect, and that it all comes down to personal preference.

22.6% 23.2%

21.8%

32.3%
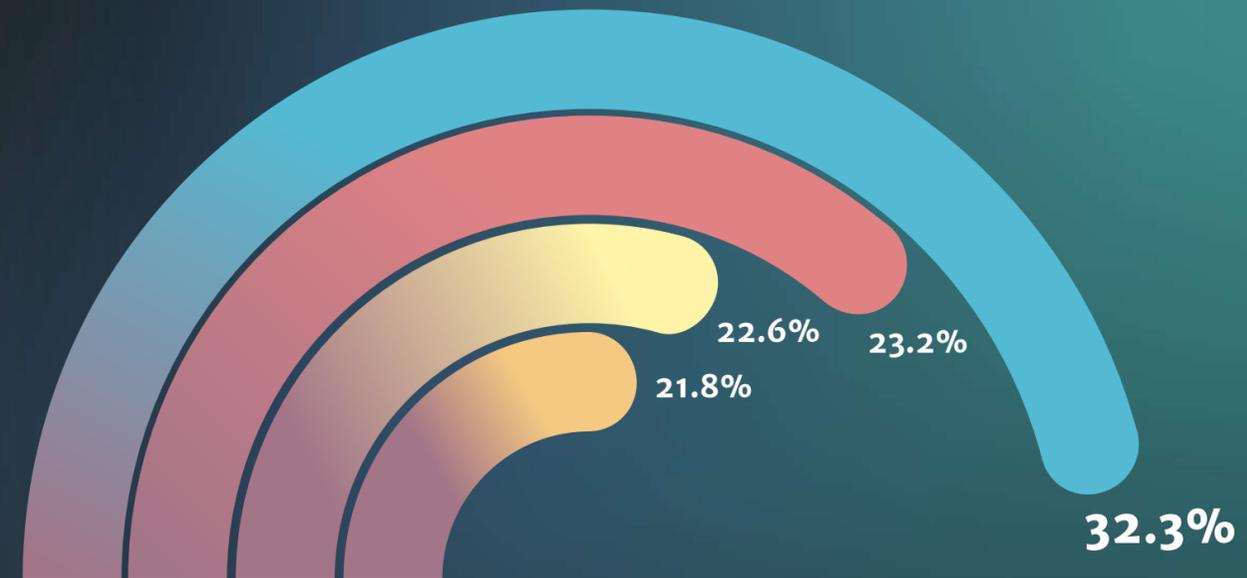
**What size company do you prefer to work for?**

- ● 51-200 employees
- ● 1-50 employees
- ● 1,001+ employees
- ● 201-1,000 employees

Product Managers Are Hungry

While Product Management can be a very lucrative career (Product Management is one of the best paid fields in the UK* and in the US**), PMs evidently value growth opportunities over compensation such as salary and retirement plans. Many PMs are ambitious, and want to achieve as much as possible, both for their products and within their careers.

Company culture and Impact also ranked very highly, which should come as no surprise.
Product Managers primarily exist to solve problems, and naturally, their drive is to solve the pain points of their customers. Therefore, it makes sense that the impact of their work and what the company stands for should be so important to them.

*source: *CNBC and **Business Insider*

"What are the 3 things PMs value the most at work?"

24%
21.7%
10.8%
1.9%
52.2%
53.4%
63.1%
72.9%
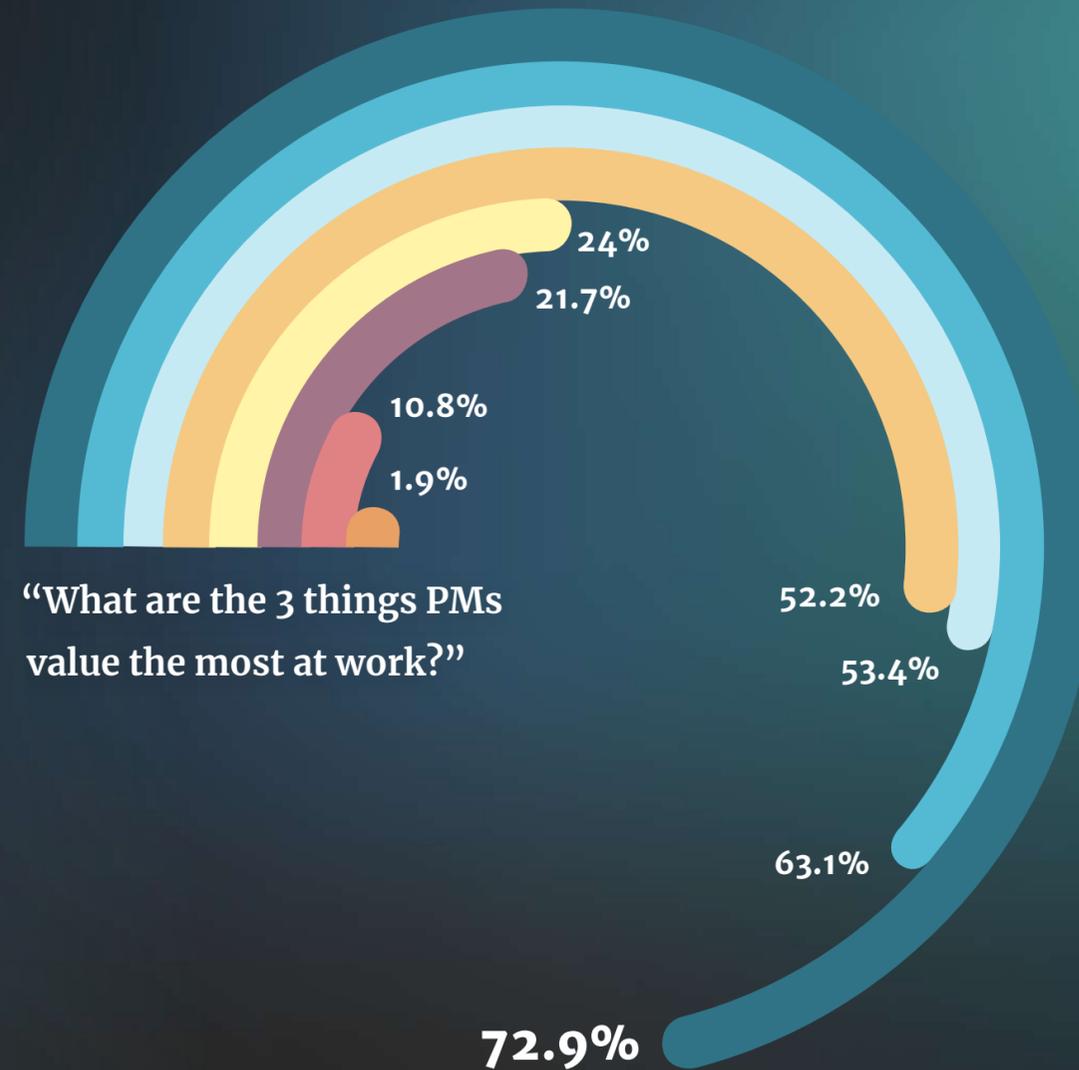
- Growth opportunities
- Company culture
- Impact of your work
- Salary
- Team caliber
- Flexible hours
- Flexible location
- Retirement plan

Skills for 2020 and Beyond

Often seen as sitting on complete opposite ends of the spectrum, PMs seem to value hard skills (AI and Data) and soft skills (leadership, communication, etc) in equal measure. In the future, PMs will need to find the balance in the skill set, and be sure to have a healthy mix of tech ability and human-centric skills. PMs need to know what their data scientist is trying to tell them, whilst also being able to empathize with them.

AI comes out on top as the most important skill, which LinkedIn also found in their report 'The Most In-Demand Hard and Soft Skills of 2020.'* The conversations surrounding AI have only picked up more and more traction, as it's a technology which can be found in products across all industries. Soon we could see it become a highly-sought after requirement of Product Management.
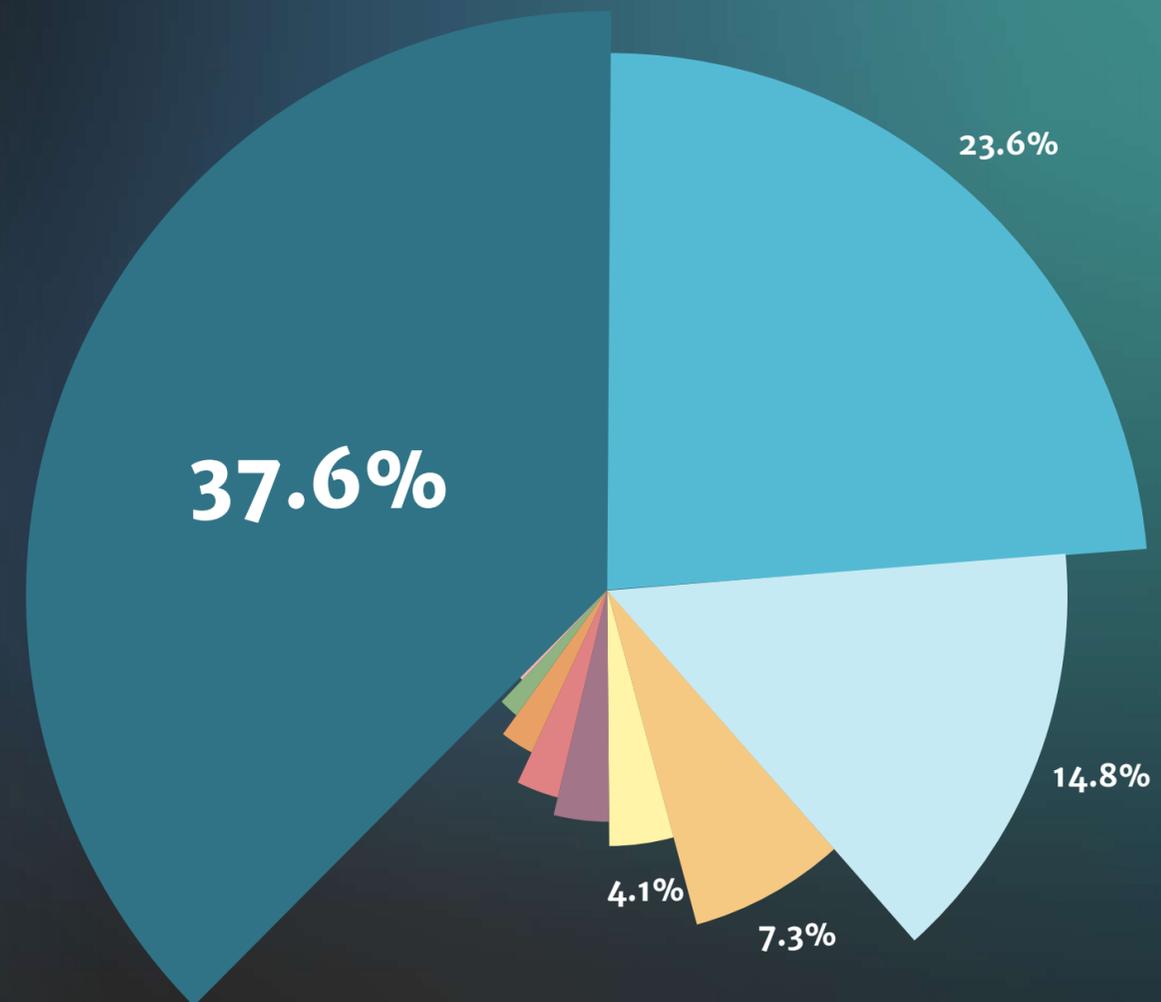
Top 3 Hard Skills

1. Artificial Intelligence
2. Data
3. UX Design

Top 3 Soft Skills

1. Leadership
2. Communication
3. Creativity

What do you think is the most important skill that you need to learn for the next decade?

37.6%

23.6%

14.8%

7.3%

4.1%

- Artificial Intelligence
- Soft skills
- Data
- UI/UX Design
- Blockchain 4.1%
- Coding 3.9%
- Marketing 3.2%
- Cybersecurity 3.1%
- VR/AR 2%
- Other 0.4%

source: LinkedIn

Are Product Managers Destined to Be Leaders?

Apparently so! With 63% wanting a leadership role within the next 5 years, and 25.7% wanting to start their own business, an incredible majority want more ownership of their projects.

67% of PMs surveyed are happy with their career trajectory (wanting to either stay in their current role or be promoted at their current company) which is higher than the US national average of 51%. A clear win for Product Management.

One way Product Managers can take more ownership is to have a more hands-on approach. Rather than leaving tasks to the engineers or designers, find ways to collaborate with them.

Businesses can give their Product Managers more ownership by taking a hands-off approach, allowing for their Product Managers to make more autonomous decisions.

4.5%

2.1%

1.4%

1.3%

1.4%

1.9%

25.7%

63%
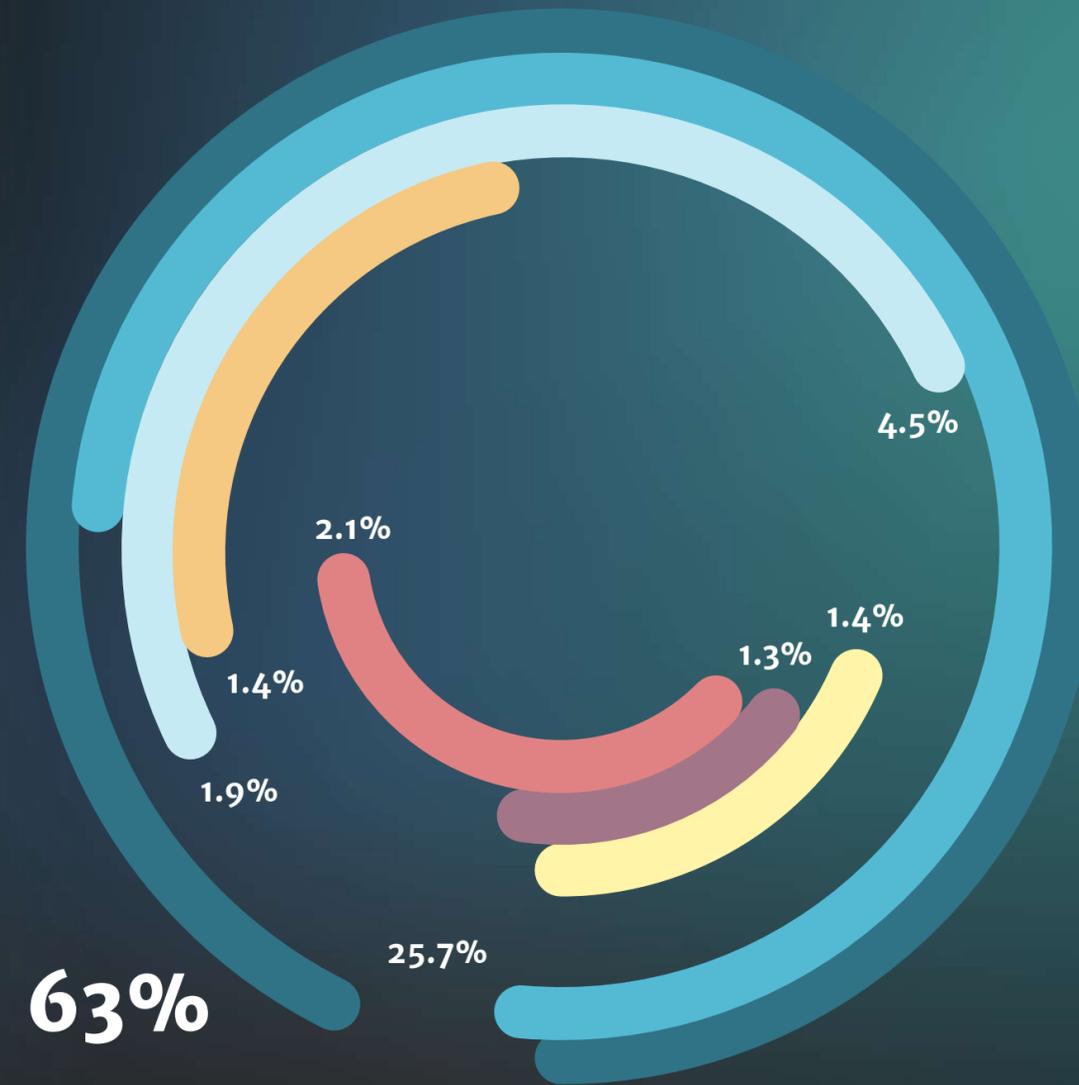
What would you like your career to look like in 5 years?

- Be promoted to a product leadership role
- Start my own business
- Be retired
- Other
- Start my own business
- Switch careers to a non-product role
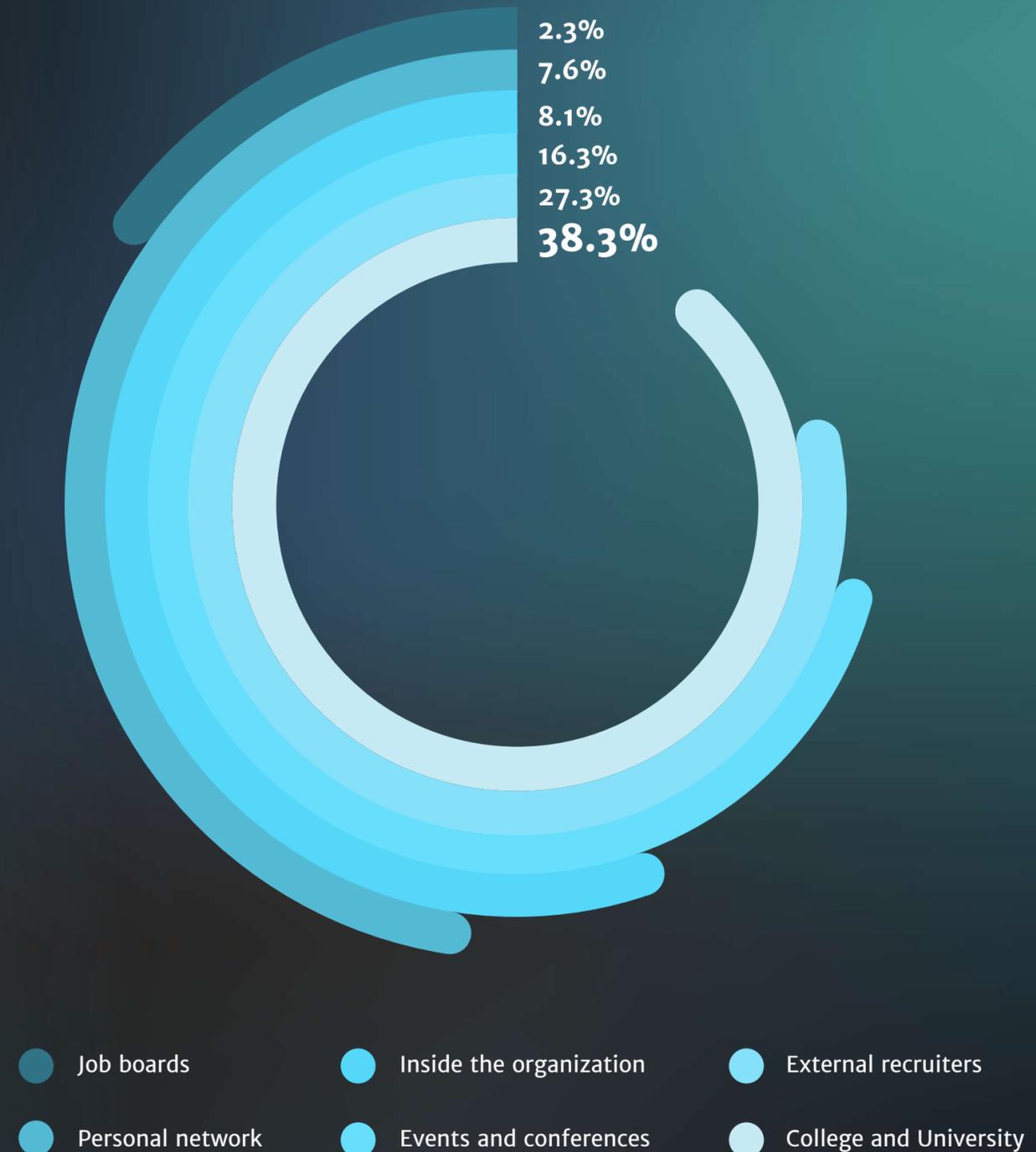- Go back to school

How Product Managers Get Hired

38.3% of PMs source their talent through job portals such as LinkedIn and AngelList, which are very popular with job-seekers and known for being user-friendly. Having been around for 26 years by now, online job boards are a go-to for many people searching for their next step.

Another way PMs hire is through their personal network, which makes networking a very valuable activity for job hunters. You never know which doors could open for you.

Product Management is global, and there will certainly be events near you. In the U.S. and Europe, you also have #ProductCon, the quarterly Product conference.

Where do you source your product talent?

2.3%
7.6%
8.1%
16.3%
27.3%
38.3%

- Job boards
- Inside the organization
- External recruiters
- Personal network
- Events and conferences
- College and University

B2C wins!

We're sorry B2B Product Managers – B2C wins as the most popular type of product to build! The results were a landslide victory for B2C with 63% of PMs surveyed preferring to find solutions for people rather than businesses.

Top B2C Products

1. NETFLIX
2. bumble
3. twitch
4. UBER

What type of products do you prefer to build?

B2C

63%

B2B
37%

Product Managers Are in Demand

Demand for PMs has been steadily rising over the past few years. We found that 56.4% of PMs surveyed are hiring 1–5 PMs in 2020, with 17.1% hiring from 6 to even more than 10 PMs. In the US 12,173 positions were advertised on Glassdoor alone.

How many product managers is your organization planning to hire in the next 12 months?

56.4%

8.7%

8.4%

26.5%

1–5

11+

N/A

6–10
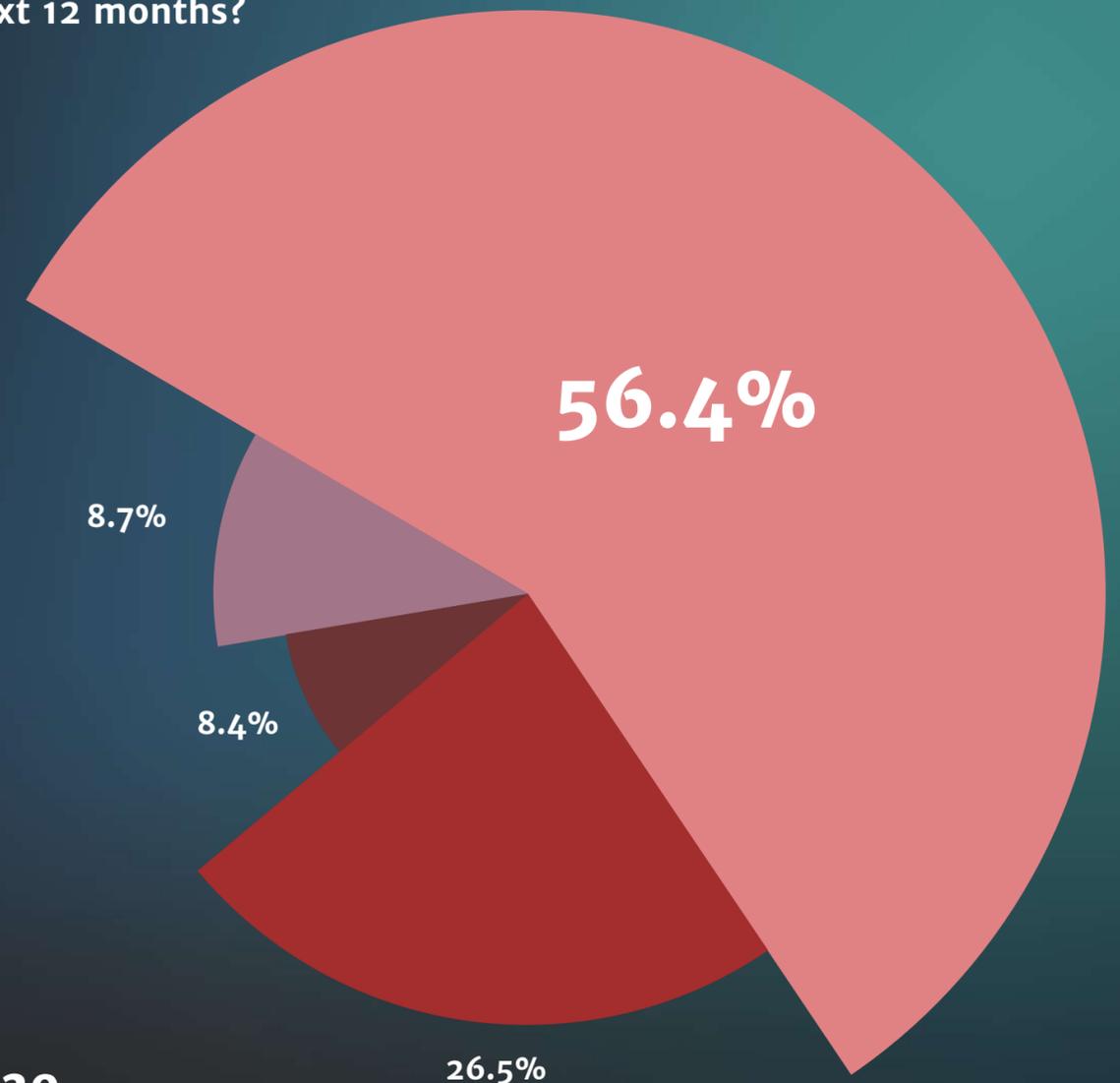
Job openings on Glassdoor (for America) over the years:

2020
12,173

2019
11,884

2018
7,531

2015
10,294

2016
6,607

2017
5,536

Source: Glassdoor

Will Product Management Be Relevant in 10 Years?

85.5% of PMs believe they will still be relevant in 10 years time. The need for products certainly isn't going to disappear, so it's only logical that Product Management would still be an in-demand career. Online interest in Product Management has doubled in the US in the past 5 years*, and is quickly overtaking other traditionally attractive career paths.

Along with the rise of the PM position, we can see the rise of new tools built to improve it. Thanks to products like Atlassian Jira and Microsoft Team Foundation Server, the lives of PMs became more streamlined, tools like Heap, ProductBoard, and Asana continue to innovate and keep PMs ahead of the curve.

*source: LinkedIn

85.5%
Yes

No
14.5%
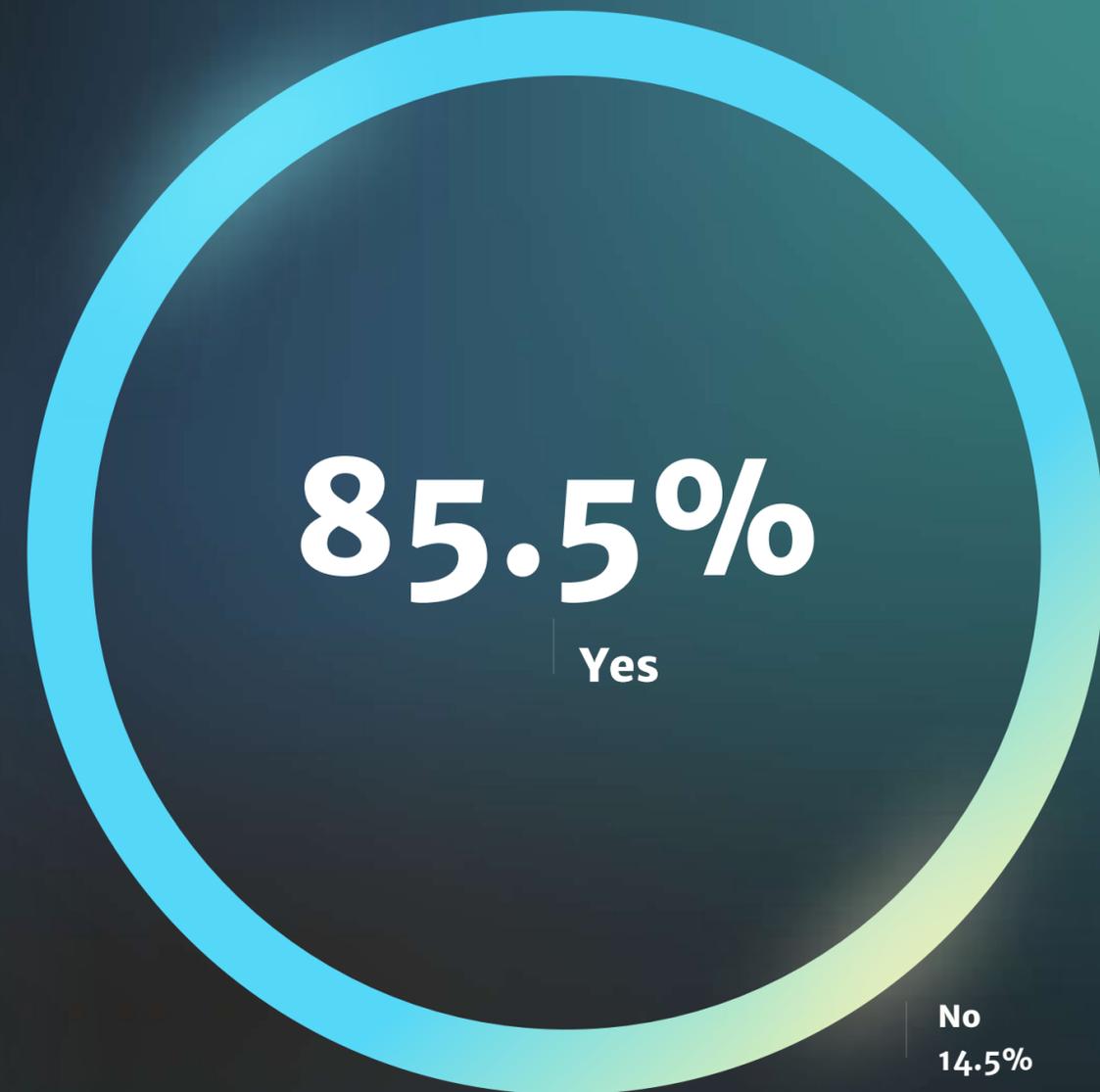
Human-Machine Collaboration

An overwhelming 95.5% of PMs surveyed believe in the positive future impact of human-machine collaboration on the Product Management industry. In society at large there may be a fair amount of concern over certain aspects of technology, but for PMs, machines will continue to help drive innovation.

More human-machine collaboration presents opportunities for more products to be built, leading to more demand for PMs and a chance to work on something they are passionate about. Another positive side is that technology will continue to provide solutions and tools for PM pain points.

Do you believe the future of human-machine collaboration will have a positive impact on the product management industry?

95.5%
Yes

No
**4.5%**
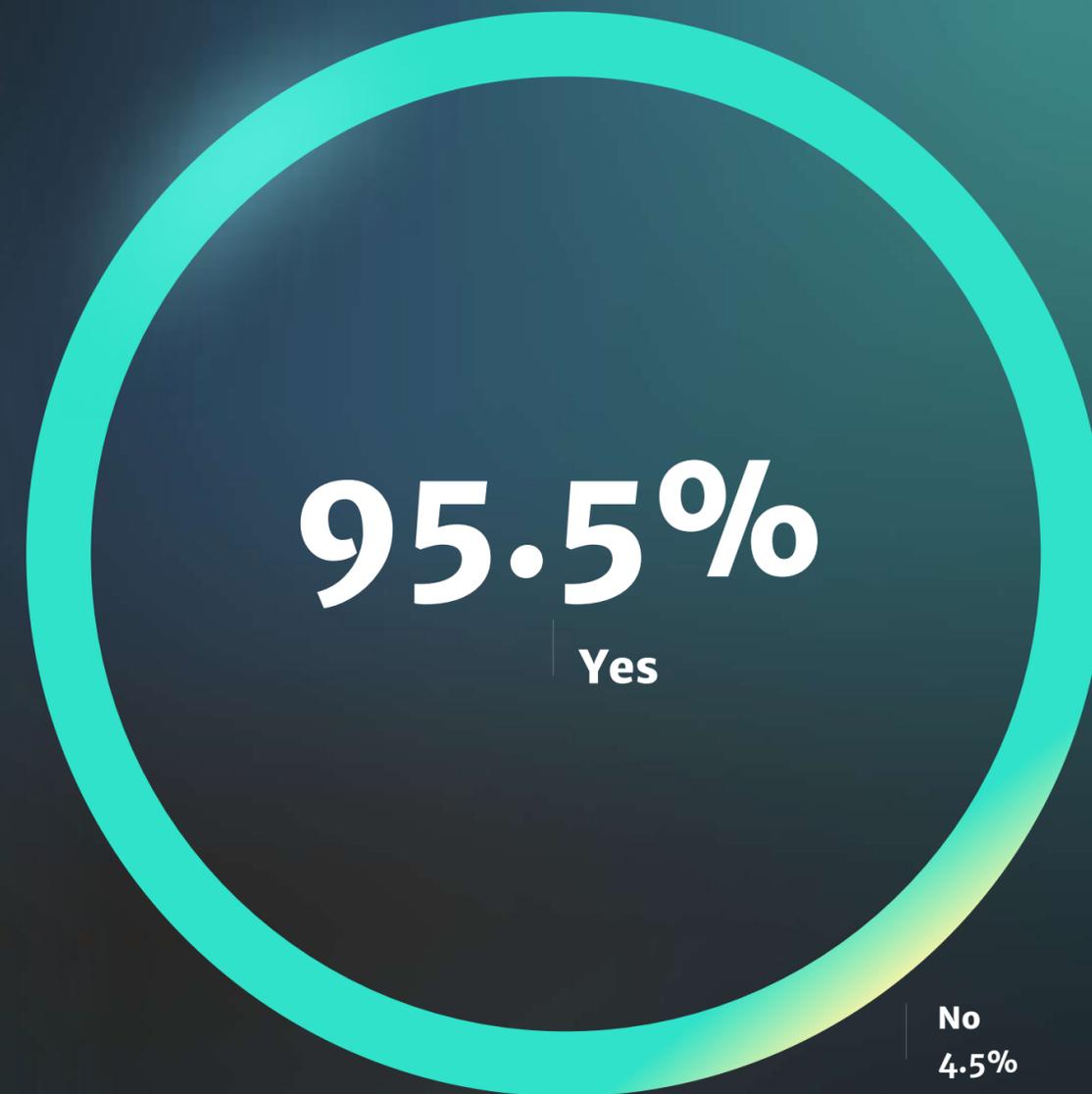
Will Remote Be All the Rage?

LinkedIn influencers would have us believe that the future of work happens remotely from a beach in Bali. Is this really the case?

We've already seen that 70% of Product Managers surveyed prefer to work from the office rather than remotely, due to several job-specific factors. But 69.4% believe that there will be a significant amount of remote work in the future, with 12.4% envisioning a remote-only future.

This could be thanks to the new generation entering the workforce. A Deloitte survey* showed that over half of millennials said that they felt more productive working remotely, and they would prefer more flexible opportunities.

It's clear that although most Product Managers prefer to work in the office, moving forward companies will have to take flexibility and work-life balance into account. Particularly for Product Managers, who have already expressed that these are important factors.

On a scale from 1-10, how common will remote jobs be?

0 0.2%
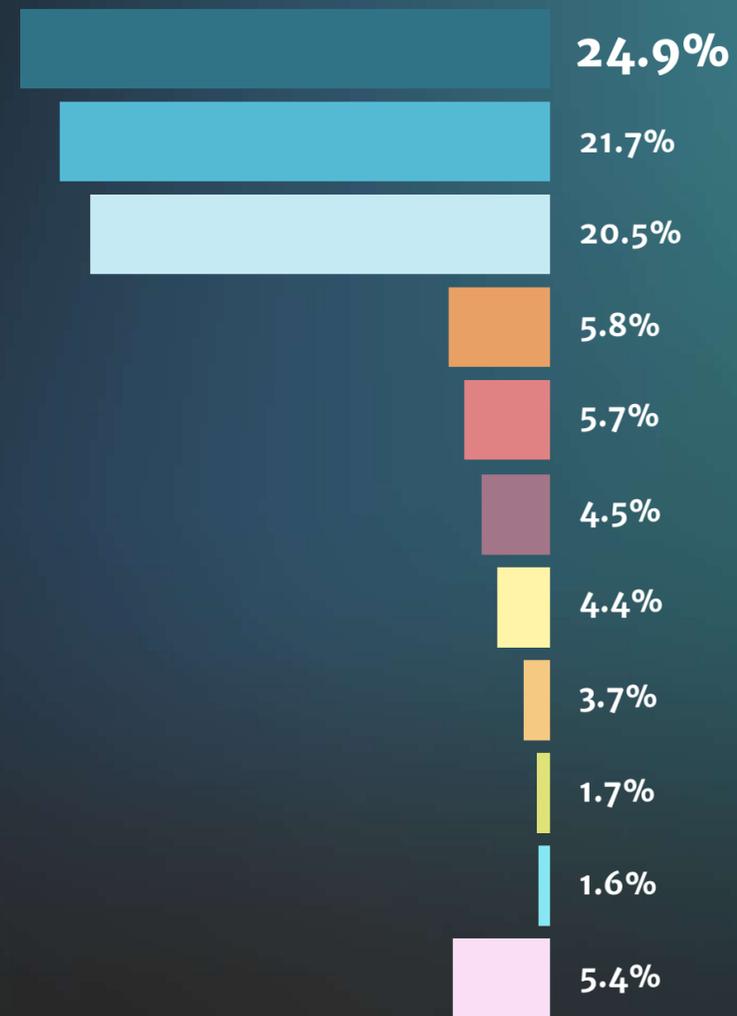**1** 0.2%
2 1.3%
3 3.1%
4 3.2%
5 11.8%
6 10.7%
7 20%
8 24.6%
9 12.4%
10 12.4%
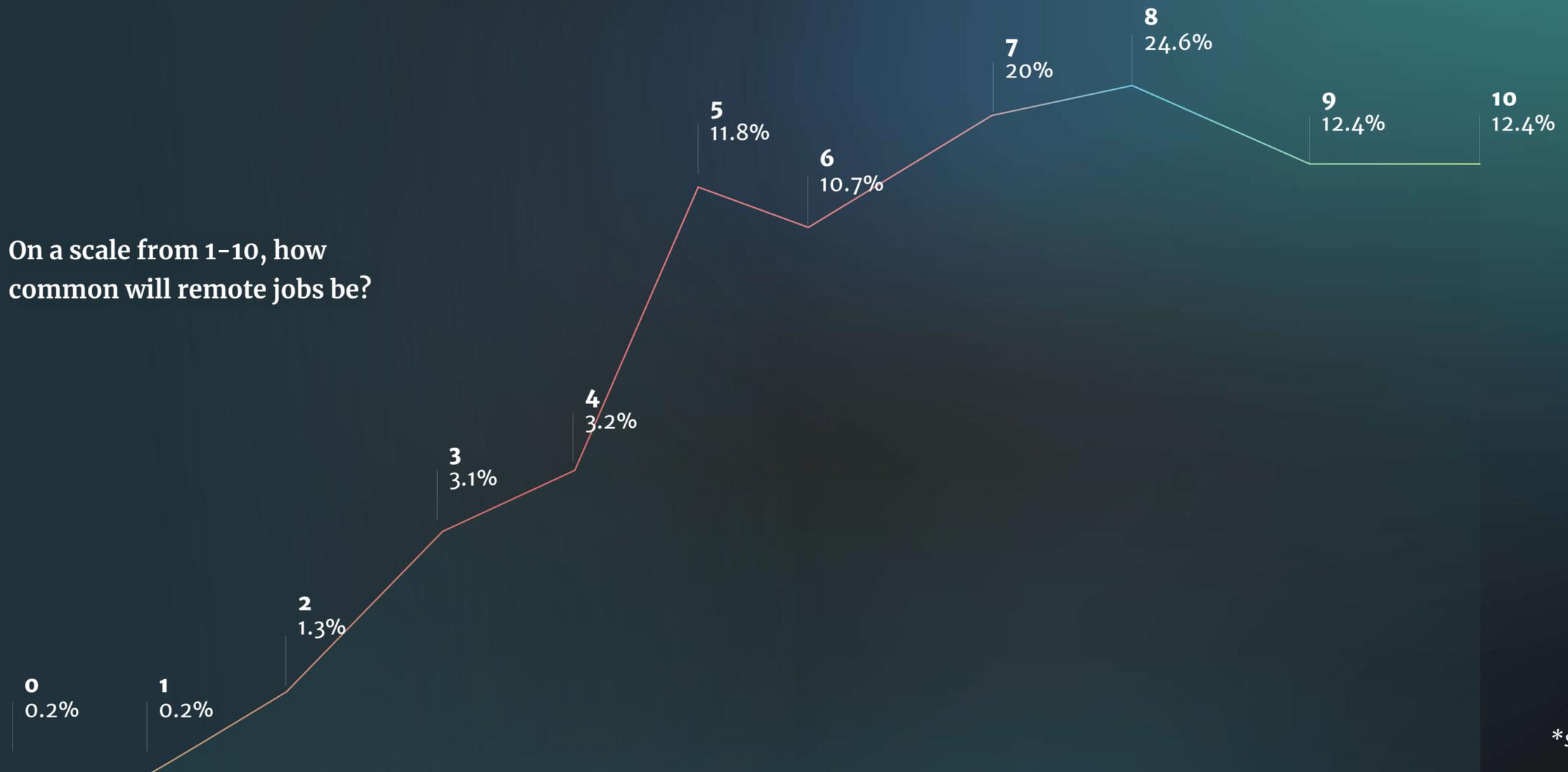
*source: Deloitte

Climate Change: The Ultimate Product Management Problem

What global problem would you like to contribute to solving as a product professional?

Climate change	24.9%
Health	21.7%
Poverty	20.5%
Water	5.8%
Hunger	5.7%
Racism	4.5%
Overpopulation	4.4%
Agriculture	3.7%
Wars	1.7%
Contamination	1.6%
Other	5.4%

● Climate change ● Poverty ● Hunger ● Overpopulation ● Wars ● Other

● Health ● Water ● Racism ● Agriculture ● Contamination

With recent events fresh on everyone's mind, it comes as no surprise that 24.9% of respondents claimed it as the main global problem they'd like to contribute towards solving in the new decade. It was also one of the hottest topics at CES 2020* earlier this year, with more innovations geared towards sustainability than ever before.

Health and Poverty were close runners up as problems Product Managers want to solve (21.7% and 20.5%, respectively) which should come as no surprise. In part thanks to wearables HealthTech took off in popularity in the last decade, and poverty has been a consistent problem worldwide for generations.
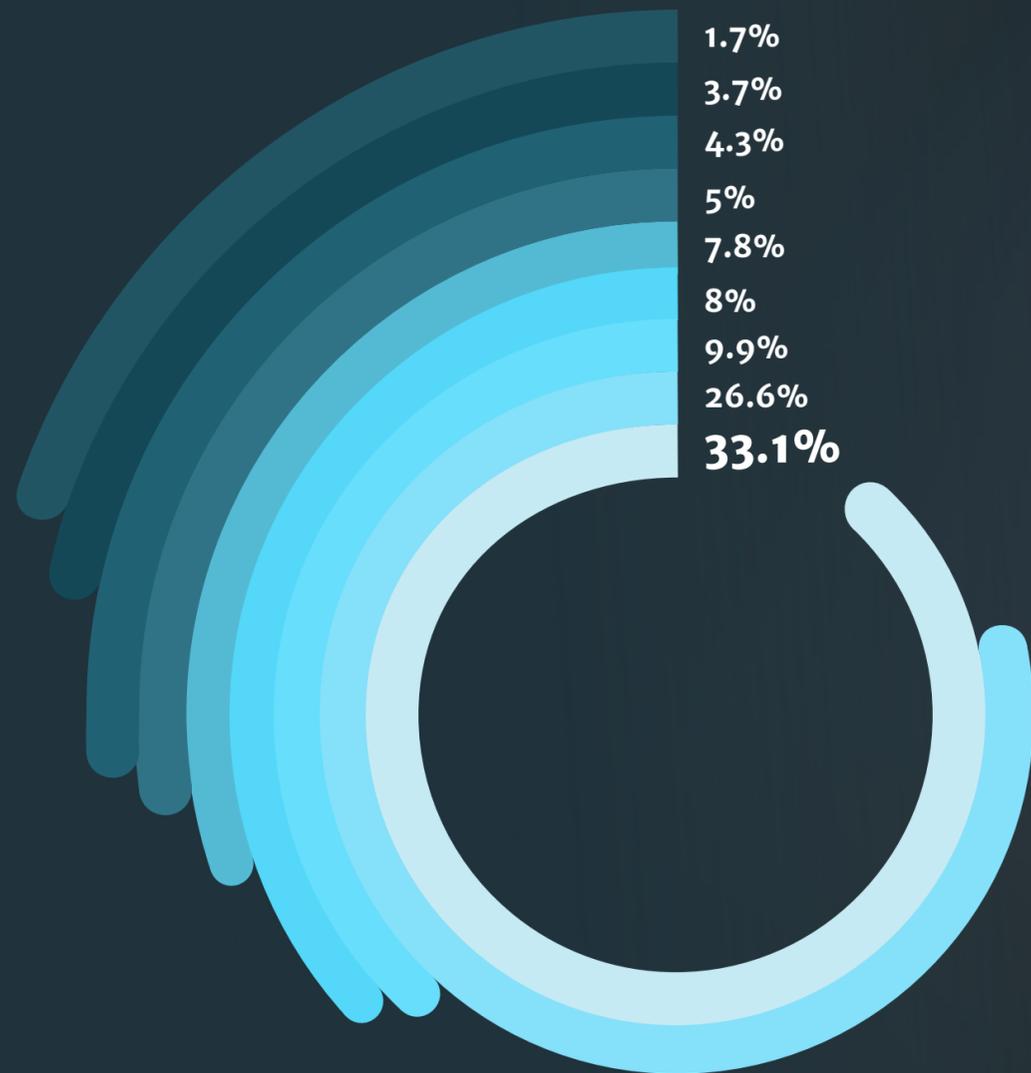
*source: CES

Global Challenges = Innovative Solutions

1.7%
3.7%
4.3%
5%
7.8%
8%
9.9%
26.6%
33.1%

It's all very well talking about problems, but PMs are all about solutions. According to our findings, traffic, health, agriculture, and water are all global problems which will be solved in the next 10 years.

If that's the case, these companies already have a head start:

#1 Traffic	#2 Health	#3 Agriculture	#4 Water
SeeClickFix Tool for reporting non-emergency neighborhood issues	**DeepMind Health** AI research into healthcare solutions	**IBM Watson** AI-driven insights for agriculture	**Hydraloop** Water recycling solutions
Hyperloop SpaceX + Tesla tube solution	**Neuralink** Brain-machine interfaces	**Big Flag Robotics** Autonomous tractors	**AquiSense** UV-C LED systems for purification
Uber Jump Urban electric bike share	**Zebra Medical Vision** AI solutions for radiologists	**Indigo Ag** Plant microbe research and crop storsage	**The Ocean Cleanup** Recycling ocean plastic into products
Cohda (platooning) Autonomous vehicle company	**Cohda (platooning)** Autonomous vehicle company	**Rezatec** Geospatial data analytics	**Maia Analytica** Software tools for wastewater ops

- Traffic
- Agriculture
- Proverty
- Hunger
- Wars
- Health
- Water
- Contamination
- Racism

And the Word of the Year Is...

AI takes the top spot as the hottest buzzword of 2020!...still think you don't need to learn some tech skills?

Global result

1. **Artificial Intelligence**
2. **Machine Learning**
3. **Data**

United States

1. **Artificial Intelligence**
2. **Machine Learning**
3. **Empathy**

UK

1. **Artificial Intelligence**
2. **Outcome**
3. **Time to Market**

Brazil

1. **Empathy**
2. **Artificial Intelligence**
3. **UX Research**

India

1. **Artificial Intelligence**
2. **Empathy**
3. **Design thinking**

Canada

1. **Automation**
2. **Artificial Intelligence**
3. **Time to Market**

Nigeria

1. **Machine Learning**
2. **User Centric**
3. **Test**

Biggest Disruption

AI collects another crown as the biggest disruption in the product sphere. As it has already been a disruptor for many industries, and is still evolving at speed, we can expect it to keep disrupting and innovating across the board.

We could see the focus of AI shift towards innovations in healthtech and elderly care. With Climate Change clearly on people's minds, and Global Good* pegged as the top concern for tech professionals, we're sure to see big things come from AI in the environmental sphere going forward.
Automation, Machine Learning, IoT and Blockchain are also set to shake things up in the future.

*source: Global Good
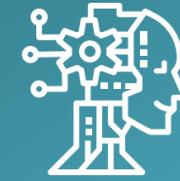
1. Artificial Intelligence

2. Automation

5. Blockchain

3. Machine Learning

4. IoT

Top 15

Companies That Could Fail

Startups rise, and giants fall. Some major players of the 2010s are no longer with us, so we should always be ready to say goodbye to some big names. In the Product game, no one is safe.

We asked our PMs who they thought we might be saying goodbye to in the next 10 years. Could the death knell be ringing for these giants? We'll let you draw your own conclusions.

1. facebook.
2. YAHOO!
3. UBER
4. IBM
5. Microsoft
6. wework
7. ORACLE
8. twitter
9. Snapchat
10. NETFLIX
11. 🍎
12. TESLA
13. SAP
14. hp
15. SAMSUNG

Product Managers on Mars

Despite only 31% of product people believing that humans will be moving to Mars in 2024, everyone keeps talking about it. And no wonder! You can't dangle the idea of aerospace tourism in front of tech nerds and expect them not to daydream.

Love or loathe Elon Musk, he's certainly captured the public's imagination. It's amazing what a convincing roadmap can do!

If the mass human exodus to Mars happens in the 2020s, can we expect to lose 30% of our Product Managers to the red planet?

Do you think humans will start landing on Mars by 2022 as said by Elon Musk?
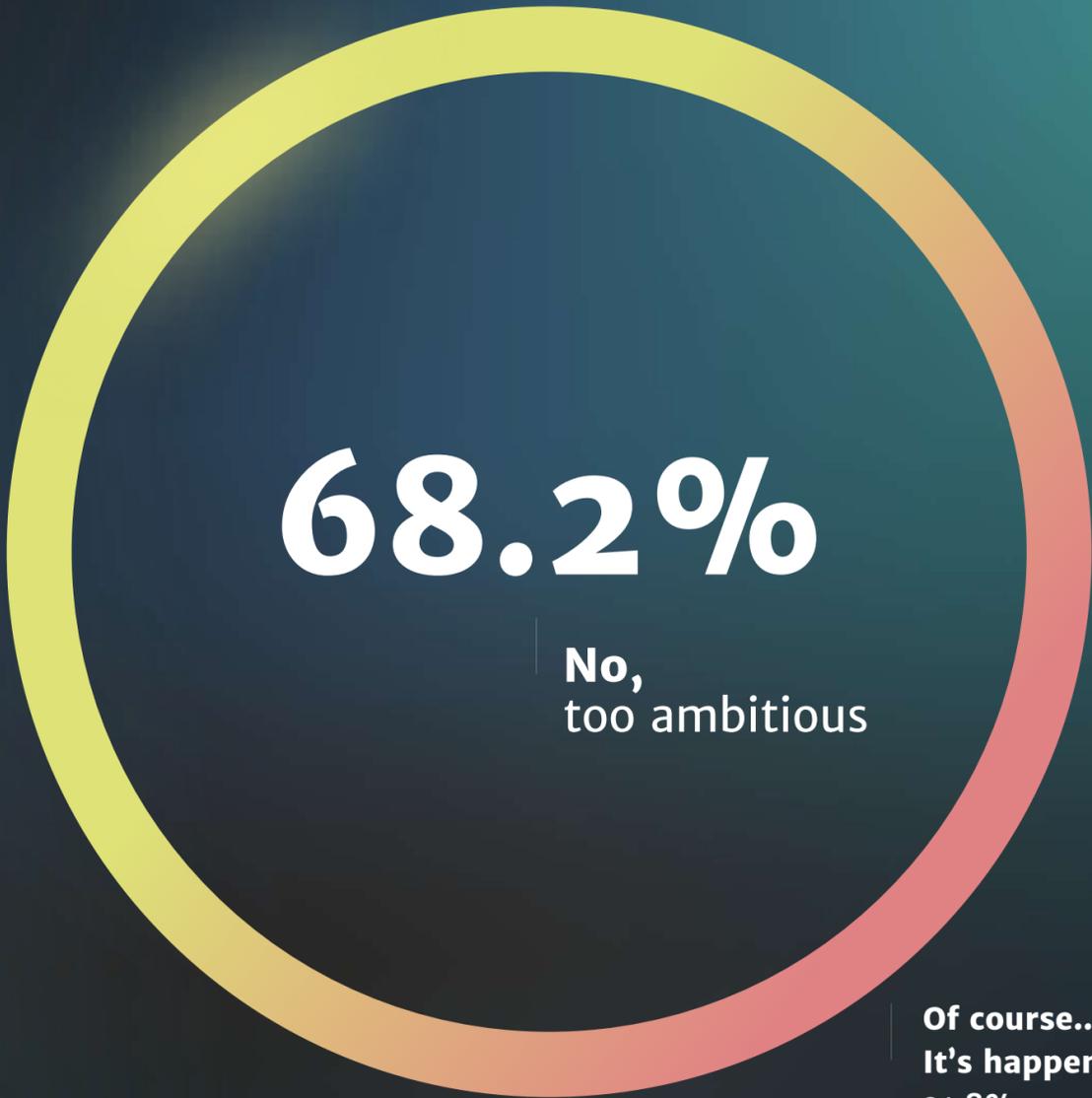
68.2%

No,
too ambitious

Of course…
It's happening
31.8%

Conclusion

The Road Ahead

Being a Product Manager means so many things. It means building great products that solve real problems alongside the bright minds of tech. PMs are the keepers of visions, the ones who listen to customer's problems and just get it. And Product Management isn't confined by the limits of a single industry – but across the entire spectrum of human endeavor. If a problem exists, there's a Product Manager thinking of ways to fix it.

Product Management is a team sport, it's all about collaboration. There are always new people to meet, new things to learn, and new ways to grow as a professional. It's a truly limitless career where people from a variety of professional and educational backgrounds can thrive. There's only one way to properly finish this report:

Product Managers, you are the builders of the future.

Thank you

Special thanks to our global community
for helping us build this report!

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