Product Management
Roles & Salaries Survey
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Survey Process

In November 2001, Pragmatic Marketing invited over 2000 participants to take a "Product Management Roles and Salaries" survey. The survey was conducted during the period November 26 through December 08, 2001. Of those contacted, over 700 responded. The survey consisted of 28 questions about titles, salary, bonus, education, and company profiles (see Appendix).

Our objective was to provide Pragmatic Marketing clients with industry information about compensation as well as the most common responsibilities for product managers and other marketing professionals.

Survey Profiles

- Of the 706 surveys taken, 457 of the respondents work in a Product Management role (reporting the titles of Product Manager, Product Marketing Manager, and Technical Product Manager)
- 61% male, 39% female
- 95% from the US; 22% were from the North East and 20% from the West Coast
- 62% from public companies

Comments for the boss

Last year we asked for comments for the company president. We learned that presidents can do a better job of providing clear vision, strong leadership, and fair compensation. This year we asked for feedback on immediate supervisors. Not surprisingly, respondents requested less micro-management (meaning less supervision and more management) as well as a more strategic approach to the business.

WebSurveyor

To conduct this survey, Pragmatic Marketing selected WebSurveyor, a web-based survey service. Using the WebSurveyor client software, we created a questionnaire (see Appendix), posted the survey to the WebSurveyor web site for hosting, and sent the URL to our customers via email. WebSurveyor stored the results which we later downloaded to the client software for final analysis. The WebSurveyor software collected the responses and presented flexible analysis tools as well as the ability to export to Microsoft Word, Excel, and Access and other tools.

Overall compensation by title

Job Title	Salary (in 000s)	Bonus (in 000s)	Count
Vice President/EVP	$ 134.07	$ 25.03	30
Director	104.31	15.47	93
Marketing Communications	62.56	4.06	16
Product Manager	82.25	6.44	296
Product Marketing Manager	83.22	6.56	125
Program Manager	79.08	6.00	12
Project Manager	74.30	9.10	10
Technical Product Manager	86.19	5.49	36

Impact of gender on compensation

Equity between the sexes seems to have been achieved only in the senior positions; Directors and VPs report about the same compensation regardless of sex.

Job Title	Female		Male	
	Salary (in 000s)	Bonus (in 000s)	Salary (in 000s)	Bonus (in 000s)
Vice President/EVP	$ 134.38	$ 25.13	$ 133.95	$ 25.00
Director	104.38	10.57	104.29	16.99
Marketing Communications	61.00	4.31	69.33	3.00
Marketing Specialist	58.00	2.33	63.33	3.33
Product Manager	77.33	5.07	84.95	7.19
Product Marketing Manager	80.87	6.58	85.00	6.54
Program Manager	76.17	3.50	82.00	8.50
Project Manager	55.60	8.20	93.00	10.00
Technical Product Manager	90.60	6.67	84.50	5.08

Profile of a product manager

The average Product manager is 35 years old; 80% claim to be "somewhat" or "very" technical; 87% have completed college and 33% have a masters; 39% are female, 61% are male.

Organization

The typical product manager reports to a director in the marketing department.

- 48% report to a director,
- 28% to VP
- 50% are in the marketing department
- 22% are in the product management department
- 16% are in Development or Engineering
- only 7% are in a sales department

Comments for the boss

Product managers would like their supervisors to know:

- Learn to be a manager (and stop micromanaging)
- Provide ongoing support for our product plans
- Communicate the company strategy

Impacts on Productivity

Product managers receive 57 emails a day and send only 28.

On average, we're going to 12 internal meetings each week. But 23% are going to 15 meetings or more each week.

Working with requirements

The majority of product managers are monitoring development projects, writing requirements, and researching market needs. Unfortunately 25% are also writing detailed product specifications.

- 73% researching market needs
- 51% preparing business case
- 75% monitoring development projects
- 73% writing requirements
- 29% writing detailed specifications

Working with marcom and sales

Product managers still spend a lot of time providing technical content for marcom and sales.

- 54% approving promotional material
- 43% writing copy for promotional material
- 52% training sales people
- 37% going on sales calls
- 17% performing win/loss analysis

Compensation

Average product management compensation is $85,480 salary with a $6470 bonus.

Females
$80,940 base salary
plus $5640 bonus

Males
$88,360 base salary
plus $6990 bonus

Our bonuses are based on:

- 54% company profit
- 28% product revenue
- 45% quarterly objectives (MBOs)

As a result, more than 40% say the **bonus does not motivate** at all and fewer than 10% say the bonus motivates a lot.

Sadly, only 3.8% receive a bonus for onsite calls made. That is, few product managers get a bonus on the activity that delivers the most strategic value to our product and company.

Product management compensation by region

US region	Salary (in 000s)	Bonus (in 000s)	Count
Mid Atlantic	$ 83.59	$ 8.57	37
Midwest	77.56	5.97	61
North East	87.06	5.59	87
Pacific Northwest	76.08	3.09	26
South	83.78	6.52	59
Southwest	87.87	8.00	47
West Coast	93.11	6.84	85
Overall Average	**$ 85.48**	**$ 6.47**	**402**

Impact of gender on compensation by region

US Region	Female			Male		
	Salary (in 000s)	Bonus (in 000s)	Count	Salary (in 000s)	Bonus (in 000s)	Count
Mid Atlantic	75.50	7.14	14	88.52	9.43	23
Midwest	73.70	6.04	27	80.62	5.91	34
North East	86.79	4.22	33	87.22	6.42	54
Pacific Northwest	70.78	1.83	9	78.88	3.53	17
South	74.24	6.88	25	90.79	6.24	34
Southwest	84.25	7.25	16	89.74	8.39	31
West Coast	89.81	4.97	32	95.09	7.98	53
	80.94	**5.64**	**156**	**88.36**	**6.99**	**246**

Compensation by reporting department

Product management titles reporting into development get paid substantially more.

Department	Salary (in 000s)	Bonus (in 000s)
Development or Engineering	94.45	5.75
Product Management	84.00	6.06
Marketing	81.90	5.33

Compensation based on technical knowledge

High-tech companies still place a higher value on marketing people with technical knowledge.

technical	Salary (in 000s)	Bonus (in 000s)	Count
I am non-technical	$ 79.10	$ 4.62	21
I am somewhat non-technical	80.89	6.77	53
I am somewhat technical	85.36	5.99	238
I am very technical	90.00	7.98	90

Impact of gender and technology on compensation

Only 8% of women report that they are very technical while 32% of men do.

technical	Salary (in 000s)	Bonus (in 000s)	
Female			
I am non-technical	$ 77.46	$ 5.62	8%
I am somewhat non-technical	82.00	6.73	20%
I am somewhat technical	79.77	4.83	64%
I am very technical	91.67	9.33	8%
	$ 80.94	**$ 5.64**	
Male			
I am non-technical	$ 81.75	$ 3.00	3%
I am somewhat non-technical	79.32	6.82	9%
I am somewhat technical	89.41	6.81	56%
I am very technical	89.74	7.77	32%
	$ 88.36	**$ 6.99**	
Overall	**$ 85.48**	**$ 6.47**	

Compensation by Company Revenue

Salaries and bonus both get larger as companies grow their revenue. Number of employees however did not reveal a significant variation in compensation.

Company Revenue (in US$)	Salary (in 000s)	Bonus (in 000s)	Count
less than $1 Million	$ 78.20	$ 3.64	15
$1 Million to $10 Million	78.64	4.06	36
$11 Million to $100 Million	84.97	7.03	113
Overall Average	**85.78**	**6.63**	**372**
$101 Million to $500 Million	87.21	7.35	99
$501 Million to $1 Billion	89.44	6.00	25
over $1 Billion	88.50	6.99	84

Appendix: questions from 2001 Survey

In our seminars people often ask about product management compensation as well as typical roles and responsibilities for product managers. Each year, we publish the results of this survey on our web site. Please take a few minutes to complete this survey. Of course, all information will be kept strictly confidential.

1) Considering your current role, which of the following most closely matches your current job title?
2) Which of the following most closely matches your boss's job title?
3) My department reports eventually to the VP of...
4) Do you prefer strategic or tactical activities?
5) Which of the following activities are part of a typical week?
6) On average, how many emails do you receive every day?
7) On average, how many emails do you send each day?
8) Looking at your calendar for LAST week, how many hours were spent in internal meetings?
9) What is your age?
10) Are you female or male?
11) How many years have you worked full time?
12) Do you consider yourself technical or non-technical?
13) What is the highest level of school you have completed?
14) Please indicate your current annual base salary in U.S. dollars.
15) What dollar amount do you expect for an annual bonus this year?
16) If you expect to receive a bonus, which of the following are factors in your bonus?
17) As a source of motivation, do you think your bonus program is motivating to you?
18) How old is your company?
19) Which of the following best describes your company's role within the technology industry.
20) Describe your channels
21) Is your company's stock currently traded on any public stock market?
22) How many people are employed (at all locations) by your company?
23) What is your company's annual revenue (in US$)?
24) In what international region do you work?
25) If you work in the United States, in what area of the US do you work?
26) To keep current, the one publication or web site that I consistently read is <fill in text>
27) How do you keep informed about Pragmatic Marketing?
28) If I could say one thing to my immediate supervisor without fear of reprisal, it would be <fill in text>