

Product Management & Development 2017

December 2017

ON PRODUCT DEVELOPMENT

The growth of assets in lower-cost index strategies is a principal driver of managers' product development approach, along with other dynamics including the expansion of home office models, and the increasing challenge of capturing advisors' attention.

Over half (55%) of product groups reported plans to develop multi-asset class products as a competitive response to the growth of passive investing.

Study Overview

The FUSE BenchMark Series is a comprehensive research service focused on benchmarking and optimization of resources within different functional areas of an asset management firm. Our BenchMarks are effectively support programs that combine market intelligence with a pre-defined methodology for self-assessment to produce a structured approach to the decision-making process of senior executives. FUSE provides upfront evaluations and ongoing monitoring to help ensure that business needs are met and objectives realized. The baseline research for the *Product Management & Development* study comes from a detailed survey and series of interviews with senior product executives.

Benefits

This study will help Product Leaders, Heads of Product Management and Product Development, Senior Product Managers, and other product executives evaluate their teams and gain best practices and client empowerment by providing the following:

- Staffing and compensation metrics
- Productivity measures
- Advantages and disadvantages to organizational structure
- Time management benchmarks
- Best practices for product review and approval processes
- Product rationalization
- Recommendations and insight on the most important topics impacting product strategy today

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There are nearly 80 exhibits in the study including:

- Development vs. Rationalization Activity, 2000-3Q17
- Average Product Team Time Allocation by Function
- Compensation Metrics
- Plans for New Products in the Next 12 Months by Asset Class, 2015-2017

Answers to These Questions:

What product management activities are most meaningful in terms of impact on business results?

How much time should product pros be spending with sales, asset management, marketing?

What are the pros and cons of various product management structures within the organization?

How well positioned is our firm to manage comprehensive product solutions?

... and many more that are critical to the overall success of your product initiatives.

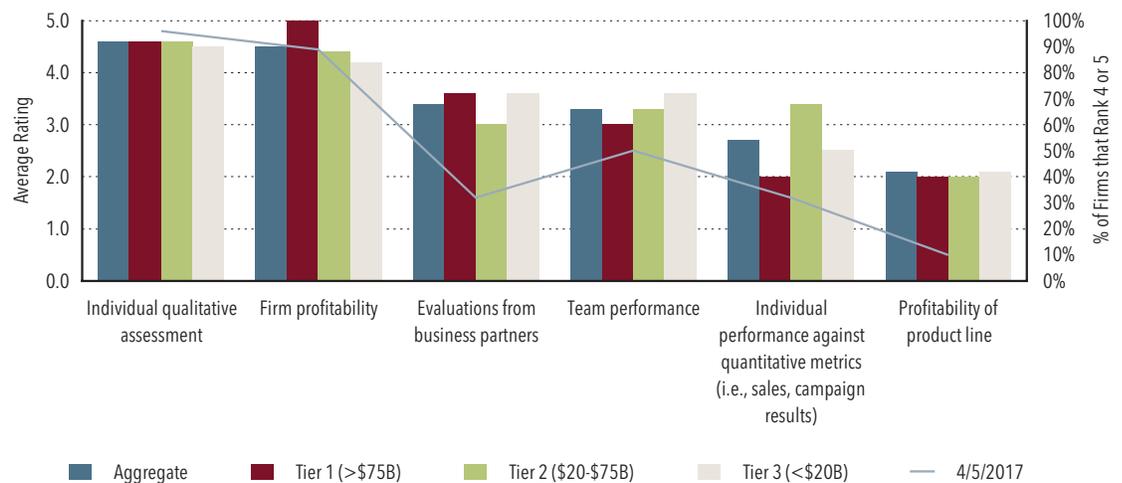
ON STAFFING

FUSE believes firms must keep a closer eye on their institutional-client resource allocations. In fact, dedicated subject-matter experts from the product team may become a valuable liaison to institutional clients—an important opportunity that should not be overlooked.

Study Excerpt on Importance of Criteria When Determining Bonus

Clearly, individual qualitative assessments and overall profitability are standout factors in determining staff bonus values, which are reasonable measures. However, FUSE believes it makes sense to include other criteria, particularly those tied directly to a product staff member. Working toward fine-tuning measures to help discern the value of a particular staff member in relation to a specific sales program or campaign adds another dimension to the true measure of success for each individual.

Exhibit – Importance of Criteria When Determining Bonus by Firm Tier



Source: FUSE Product Survey, 2017



Service & Pricing

FUSE's mission is to deliver actionable, practical recommendations that are customized to each client's business situation. Our BenchMark series studies are far more than a "data dump" of statistics and general trends.

When you purchase a BenchMark series study, FUSE will provide ongoing support and periodic updates to help ensure that our research will have a longer shelf life than similar studies available in the marketplace. Contact us for more information on our service and support model for the study and pricing details.

About FUSE Research Network, LLC

FUSE Research Network was launched with the view that research and consulting support for asset managers has failed to evolve with the changing needs of the client. The future competitive environment will demand that clients make important business decisions within shorter and shorter time frames.

In order to support clients in this setting, FUSE provides a dynamic research platform that covers our clients' current and future decision areas (strategic and tactical). Our goal is to become an invaluable business partner through the delivery of highly informed and forward-looking recommendations that are among the critical inputs our clients need to optimize results.

**FOR MORE
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