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From Founder's Vision to Scalable Success

Building a Robust Product Management Discipline

Inspired by Vi Venture Partner Cyrill Osterwalder's own startup journey, Google engineering lead experience and insights from several startup investments, advisories and coaching.

Introduction

The Founder's Dilemma and the Product Management Pivot

Starting a technology company can be exhilarating – founders pour their vision into a product, iterating rapidly to achieve product-market fit. In the early days, product management naturally lives in the founders' heads, a blend of intuition, customer feedback, and relentless hustle. With a small team, this informal approach works: everyone's aligned and pivots are swift. As the startup grows and needs to scale, this ad-hoc style falters. Misaligned priorities, unclear roadmaps, and strained resources signal a critical need: product management must evolve from a founder's instinct into a disciplined function. Establishing a dedicated product manager (PM) or Chief Product Officer (CPO), working closely with the CEO and CTO, is a pivotal step to scale successfully. This short primer outlines a strategic roadmap (sic!) for startups to formalize product management, ensuring clarity, alignment, and impact as they transition from early-stage to growth.

The Right Time to Transition

From Founder-Led to Formal Product Management

Timing the shift to a dedicated product management discipline is critical and often underestimated. The trigger comes when the startup secures product-market fit and begins scaling – typically beyond 10-15 employees. An internal trigger is the number of employees and increasing complexity, an external trigger is overwhelming market and customer feedback. Complexity grows, customer demands diversify and increase, engineering teams expand, and strategic decisions require structured prioritization.

Key Considerations for Transition

Team Size and Complexity

When founders can no longer personally oversee all product decisions, a dedicated PM ensures focus and best use of founder capacity.

Customer Orientation & Expectations

Scaling startups face pressure to understand their customers and deliver consistent, predictable updates to them, requiring formalized planning.

Cultural Readiness

Introducing a PM role shifts decision-making dynamics. Foster a culture of collaboration and data-driven decision making early enough to avoid resistance from early employees who are used to quick agreements with founders.

Growth Signals

More employees, increased revenue, expanding markets, or new partnerships demand a structured approach to prioritize opportunities and manage the complexity.

Startups should prepare for this shift by documenting existing product processes and aligning the founding team on the need for a PM. This transition isn't just about hiring and delegating – it's about embedding product management as a core discipline and empowering a PM leadership role.

Product management needs to become a customer-centric and data-driven discipline, both strategically and tactically. The PM collaborates with CEO, CTO and developers, understands technical trade-offs at a high level, demonstrates strong user empathy and experience conducting customer interviews, analyzes feedback and translates needs into product requirements. PM includes defining a product vision while also handling day-to-day tasks like writing user stories and managing backlogs.

A pitfall to avoid is looking at PM just as the task-oriented delegation of overwhelming product feedback in terms of feature requests and bug reports that founders don't manage to process themselves anymore. A PM needs to be empowered to define and represent product vision and strategy, product roadmap, product lifecycle management and data-driven product decisions both in internal collaborations with CEO, CTO and other partners and externally with market and customers.

The Product Roadmap

Your North Star for Alignment and Execution

A product roadmap is not a static document but a dynamic tool that aligns teams, shapes mindset, guides strategy, and communicates vision. Often, first-time founders approach the roadmap like the former, which is a mistake. Like a financial budget, it's a living framework for decision-making, resource allocation, and tracking progress. A well-crafted roadmap bridges internal execution (engineering, marketing, sales) with external stakeholders (customers, investors, partners), ensuring everyone understands "what's next" and "why".

The roadmap is the reference framework to tie OKRs and engineering work to company and business strategy. Founders should embrace the roadmap as a collaborative work product and actively use it both internally and externally.

Why a Roadmap Matters

Internal Alignment

Clarifies priorities, shapes workforce mindset, prevents scope creep, and aligns execs and teams on strategic goals.

External Communication

Signals predictability to customers and confidence to investors, showcasing a clear path to value.

Tracking & Adaptability

Highlights deviations (e.g., delayed features or shifting priorities), enabling proactive adjustments (again, actively work with it like with a financial budget).

Onboarding

Helps new hires quickly grasp the product vision and priorities.

Recommended Roadmap Structure

Time Horizon

6-12 months, adjustments when needed, regular review at least quarterly, to balance planning and flexibility.

Abstraction Level

Focus on 3-5 high-level themes (e.g., “Enhance User Experience,” “Expand Market Reach”) with 2-3 specific product initiatives per theme.

Details

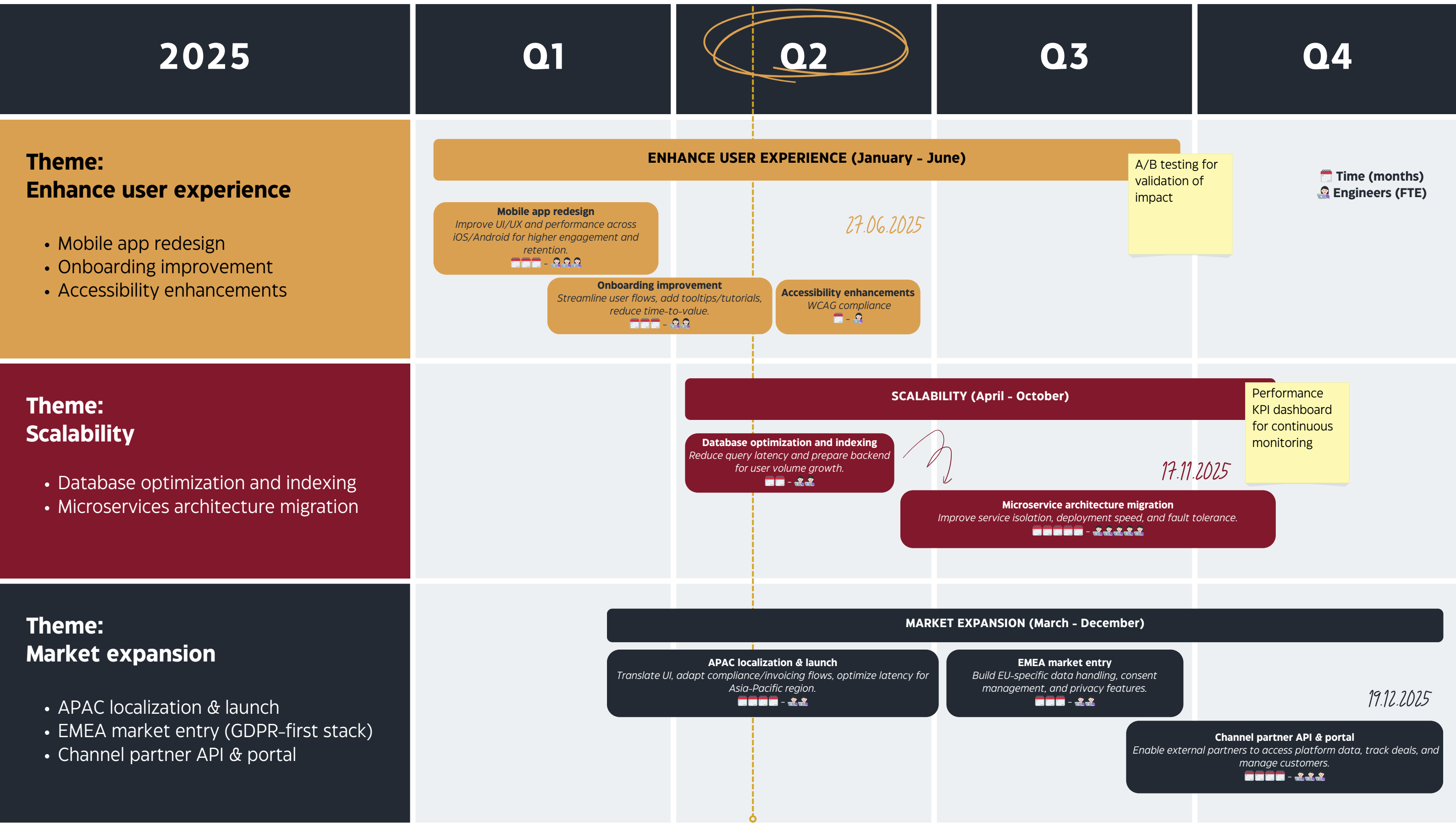
Include rough timelines, key milestones, and resource allocation.

Roadmap Example

PRODUCT ROADMAP

6-12 month planning horizon

A well-crafted product roadmap with high level themes and corresponding initiatives is a powerful strategic tool; It aligns teams, clarifies priorities, and communicates vision through structured, time-bound initiatives For early-stage startups, it serves not just as a planning document but as a catalyst for cross-functional focus and alignment.



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Defining Impact

Why Product Management Matters

Formalizing product management drives measurable customer and business impact, justifying the investment in a dedicated PM or CPO. The goal is to translate strategic vision into outcomes that grow revenue, retain users, and expand markets.

Key Impacts of PM

Customer Acquisition

Identify and target new customer segments, tailoring features to their needs.

Retention and Engagement

Enhance user experience to reduce churn and increase usage.

Revenue Growth

Unlock upsell opportunities or new pricing models through strategic feature development.

Market Expansion

Enable entry into new geographies or verticals with localized or specialized offerings.

For example, a SaaS startup might prioritize a feature that reduces onboarding time, directly impacting customer retention metrics. By tying product initiatives to clear impact criteria, startups validate the PM role and align teams on shared goals.

The impact criteria demonstrate that a PM needs to be very customer-oriented in the first place to be successful. A few key metrics should be introduced to measure impact and make data-driven decisions. These metrics serve OKRs, roadmap tracking and PM impact measurement.

Evolving Roles

Integrating Product Management into the Organization

Introducing a PM or CPO reshapes the startup's structure and culture. The PM becomes the voice of the customer and the steward of the product vision, bridging company strategy (CEO) and technical execution (CTO). This shift requires clear boundaries and collaboration to avoid friction. CEO and CTO founders should embrace this opportunity and make sure they consciously evolve their own roles required by the growth phase of the company.

Key Responsibilities of the PM/CPO

- Drive product vision and strategy based on market needs and customer feedback.
- Develop and execute product roadmap and prioritize initiatives based on market intel.
- Lead product lifecycle management from conception and design to launch and iteration including market research, requirements analysis, feature prioritization and release planning.
- Act as primary bridge between product, engineering, sales, marketing and customer support.
- Collaborate with the CEO on business strategy and market positioning.
- Partner with the CTO to ensure technical feasibility and align engineering efforts.
- Engage closely and regularly with customers to gather insights and validate features (customer-centric product development).
- Utilize data and analytics to drive product decisions, measure performance and guide iterations (data-driven product decisions).
- Communicate progress to stakeholders (execs, employees, investors).

CEO, CTO, and CPO Dynamics

CEO

Sets the overarching vision and ensures product strategy aligns with business goals. Delegates roadmap ownership to the CPO but retains final say on strategic pivots.

CTO

Focuses on technical architecture and delivery. Collaborates with the CPO to balance innovation with feasibility.

CPO

Translates vision into actionable plans, mediates between customer needs and technical constraints, and drives cross-functional alignment.

Cultural Impact

The PM role fosters a product-centric mindset, encouraging data-driven decisions and customer empathy. Regular cross-team syncs and transparent communication mitigate growing pains. The roadmap becomes a critical working tool shared between all teams.

Crucial question:
Who should the PM/CPO report to?

In a technology startup transitioning from early-stage product-market fit to scaling, the reporting structure for a new Product Manager (PM) or Chief Product Officer (CPO) is critical to aligning product strategy with business goals and fostering effective collaboration.

Sometimes if not often, there is a tendency at technology startups to let the PM/CPO report to the CTO, thinking it's a good fit because it's closer to technical work than business priorities of the CEO. Especially less technical CEOs tend to prefer this option. Let's evaluate the options:

Option 1: PM/CPO reporting to CEO

Pros

Strategic Alignment

Reporting to the CEO ensures the PM/CPO focuses on customer needs, market demands, and business objectives, aligning product development with the company's vision and revenue goals.

Cross-Functional Influence

The PM/CPO has equal footing with the CTO, enabling constructive dialogue and reducing the risk of engineering priorities overshadowing product strategy due to conflict of interest.

Decision-Making Autonomy

The PM/CPO can advocate for product decisions without being filtered through technical biases, fostering a customer-centric approach.

Scalability

As the company grows, this structure supports the PM/CPO's role in leading product teams and collaborating with marketing, sales, and other functions.

Cons

CEO Bandwidth

In early-stage startups, the CEO may be stretched thin, limiting their ability to provide close guidance to the PM/CPO.

Potential Disconnect from Engineering

Without a direct reporting line to the CTO, the PM/CPO may face challenges in understanding technical constraints or securing engineering buy-in, risking misalignment.

Team Dynamics

Developers may perceive the PM/CPO as less technically credible, potentially creating friction if not managed carefully.

Option 2: PM/CPO reporting to CTO

Pros

Technical Alignment

Close collaboration with the CTO ensures the PM/CPO understands engineering constraints, feasibility, and technical debt, leading to more realistic product roadmaps.

Streamlined Communication

A direct reporting line to the CTO can foster tighter integration between product and engineering teams, especially in tech-heavy startups.

Engineering Buy-In

Developers may view the PM/CPO as part of the technical team, improving trust and collaboration.

Cons

Limited Strategic Impact

The CTO may prioritize engineering efficiency or technical priorities over market-driven product goals, constraining the PM/CPO's ability to drive customer-centric innovation.

Conflict of Interest

The CTO may defensively protect developer teams, sidelining product feedback or creating a bias toward technical solutions over user needs.

Subordinate Role

The PM/CPO's influence may be diminished, as their priorities could be filtered through the CTO's lens, reducing their voice in executive decisions.

Scalability Challenges

As the company scales, product management needs to interface with non-technical functions (e.g., marketing, sales), which may be harder if the PM/CPO is nested under engineering.

My clear recommendation for a startup in the scaling phase is option 1, PM/CPO reporting to the CEO. This structure prioritizes customer needs, market demands and business priorities which is most critical at growth stage. It also strengthens the product management discipline instead of weakening it subject to conflicts of interest by the CTO. Constructive dialogues at eye level lead to better product outcomes than if the PM can always be overruled by the CTO being the PM's boss.

Customer-Centric Focus

Reporting to the CEO ensures the PM/CPO prioritizes market needs and business goals, which is critical for scaling a product that resonates with customers and drives revenue.

Equal Partnership with CTO

This setup fosters a balanced, constructive dialogue between the PM/CPO and CTO as peers, mitigating conflicts of interest and ensuring neither function dominates.

Scalable Structure

As the company grows, the PM/CPO will need to collaborate with multiple departments (e.g., marketing, sales, customer success). Reporting to the CEO positions them to lead cross-functionally and build a robust product organization.

Mitigating Cons

To address potential disconnects with engineering, the PM/CPO should maintain close collaboration with the CTO through regular syncs, joint roadmap planning, and fostering a culture of mutual respect. The CEO can also mediate to ensure alignment.

By reporting to the CEO, the PM/CPO can drive product strategy with authority, align with the company's vision, and build a product management function that scales effectively while maintaining strong engineering partnerships.

An exception may be too junior PMs who are not business- and market-oriented enough yet to report to the CEO before further growing in their role. In that case, a good question to ask is if such a PM is the right choice in the first place because s/he can't execute on key PM responsibilities (cf. "pitfall to avoid" mentioned earlier). With a senior and objective enough CTO, option 2 might work for a while, for example to explicitly develop a PM with the goal to let her/him report directly to the CEO in the future.

OKRs vs. Roadmap

Aligning Execution with Strategy

Objectives and Key Results (OKRs) complement the roadmap by translating strategic themes into impact-oriented, measurable progress towards goals. They ensure engineering efforts align with company priorities and provide a framework to track progress. Outcome is the focus, not output.

Why OKRs

Focus

Clear objectives prevent teams from chasing low-impact tasks.

Measurability

Key results (e.g., “Increase user retention by 10%”) quantify progress and success.

Alignment

Collaborative OKR-setting workshops unite teams around shared goals.

Crafting Effective OKRs

Objective

For each one, answer “What does success look like?” (e.g., “Deliver a seamless user onboarding experience”). A common mistake is to articulate tasks instead of real objectives. The objective should not predefine how to achieve it.

Key Results

Specific, measurable outcomes (e.g., “Reduce onboarding time by 20%,” “Achieve 90% user completion rate”). KRs demonstrate progress towards the objective.

Process

Host collaborative workshops with execs, PMs, and team leads and developers to draft and refine OKRs, fostering buy-in and collaborative alignment. For larger organizations, multi-level OKRs can make sense, a topic that is not further elaborated on in this primer.

Example OKR

Enhance user engagement in Q2.

Key result 1

Increase daily active users by **15%**

Key result 2

Adoption of new feature **X**

Key result 3

Reduce churn rate by **5%**

Hiring the Right PM/CPO

Profile and Skills

Hiring a PM or CPO is an important hiring decision. The ideal candidate balances technical fluency, customer empathy, and strategic thinking, with enough seniority to engage confidently with founders, execs and customer representatives.

Key Criteria

Experience

3-5 years in product management, ideally in a startup or high-growth tech environment.

Skills

- Strong communication to align diverse stakeholders.
- Analytical mindset for data-driven prioritization.
- Technical knowledge to collaborate with engineering.
- Customer focus to deeply understand them and translate feedback into features.

Seniority

Ability to influence founders and negotiate with senior customer representatives.

Cultural Fit

Entrepreneurial spirit, comfortable with ambiguity, and collaborative.

Hiring Tip

Look for candidates with a track record of launching impactful products and navigating scaling challenges. A trial project or case study during the interview process can reveal their strategic and execution skills.

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Conclusion

Product Management as a Scaling Superpower

As startups move from product-market fit to scaling, formalizing product management is non-negotiable. A dedicated PM or CPO, armed with an active, dynamic roadmap and aligned OKRs, transforms founder-driven chaos into structured growth. By prioritizing customer impact, fostering collaboration, and hiring the right talent, startups can scale confidently, delivering value to users and stakeholders alike. Embrace product management as your north star – it's the key to turning vision into sustainable success.

Who is Cyrill Osterwalder

Cyrill Osterwalder is Operating Partner at Vi Partners, where since 2018 he has brought over 25 years of experience in technology, cybersecurity, cryptography, data protection, software engineering, and entrepreneurship to sourcing deals, leading technical due diligence, and creating portfolio value. Before joining Vi, Cyrill spent eight years at Google as a Security & Privacy Engineering Lead, building and scaling global teams that embedded advanced security and privacy controls into the company's products and infrastructure. Earlier, he founded Visonys (a Vi Partners portfolio company) specializing in secure reverse proxy and web application security solutions, until its acquisition by phion. As an early investor in Bitcoin and blockchain ventures, he also co-founded a private equity holding. Cyrill holds a Master's in Computer Science from ETH Zurich with a focus on information security and cryptography, complemented by a degree in business administration.