

Priority Matrix

Determine the order of processing projects

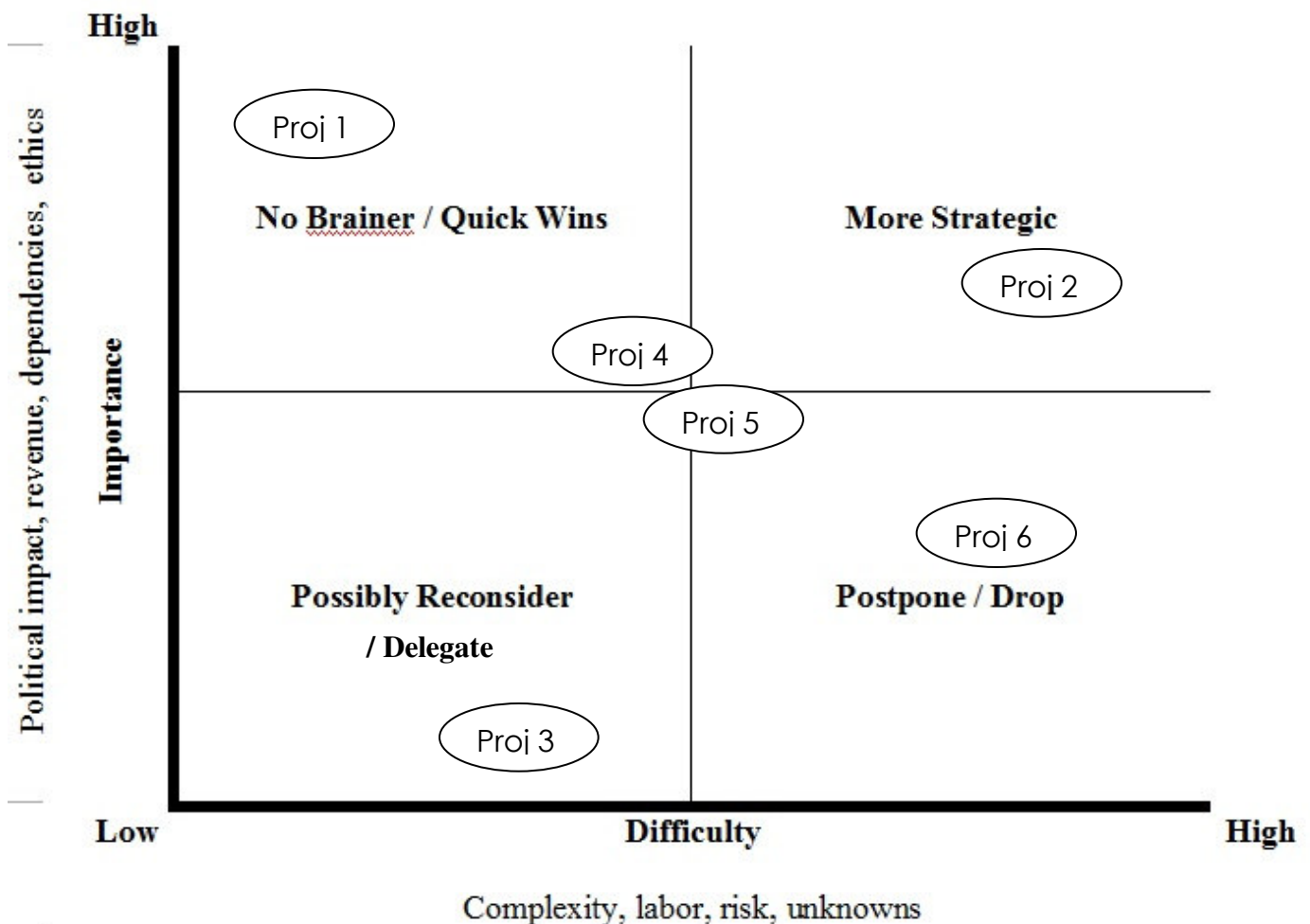
The Priority Matrix, and many other names that it is known as, is so well known it is described throughout broad types of literature. The original source of this information is unknown at the time of this writing.

The sequence of completing tasks can provide high returns on resource investment, or the choice of sequence may consume development time that prevents achieving major project deliverables.

A Priority Matrix prioritizes opportunities so that the greatest gains occur with the least effort and the least resource costs. Making headway quickly can bring support from stakeholders when more difficult tasks slow the project down.

A Priority Matrix is necessary because we all have more tasks than we have time and resources.

Implementation:



Priority Matrix

Project	Impact 0-10 high	Difficulty 0-10 high	List of projects or tasks (plot the intersection on the chart)
1			
2			
3			
4			
5			
6			

Interpretation

Quick Wins (High Impact, Low Effort): These are the most attractive projects, giving good returns for relatively little effort. Focus on these as much as you can. Especially at the beginning of a project, getting a few Quick Wins can build confidence in stakeholders so when difficulties arise they will have little doubt that the project will stay on track.

More Strategic (High Impact, High Effort): While these give good returns, they take a long time to complete – one “Major Project” can crowd out many “Quick Wins”. Make sure that you complete these projects “concisely”, perform the minimum, but to specification, so that resources are not depleted before the project is completed. Disengage efforts as soon as practical. The risks in these projects can significantly delay or cause a project to fail. If the project can be decomposed into sections where the boundaries of the sections can be accurately defined, the overall tasks will likely be more manageable in several smaller projects. Make sure the entirety of the specifications for the final deliverables are known and planned. Frequently multiple Final Reports in different formats are required, even though only one is mentioned in the proposal; make extra effort to find these requirements because the resources are a significant cost.

Possibly Reconsider (Low Impact, Low Effort): Don’t worry too much about doing these – if you’ve got spare time, do them, but drop them if something better comes along. These tasks/projects are quick but without much reward. They might be incorporated into other efforts, deferred, or even dropped without much notice; be sure stakeholders all share the same outlook.

Drop? (Low Impact, High Effort): Avoid these. Not only do they give low returns, they crowd out time which would be better used elsewhere. Imagine not completing multiple high impact projects because of setting priority on one that is unimportant; a formula for unemployment. Even if shareholders are hot to get one of these tasks/projects done in the drop zone, tactfully campaign for them to reconsider. One method is to cite the cost, and identify another effort that has greater realized returns; especially when available resources are in some way limited.

Another alternative is to consider the environment necessary for a project to be in the Drop Zone. Make strategic changes to the project environment and move the project out of the Drop Zone; then re-evaluate all of the other projects to determine if the proposed project environment change will increase risks in the other projects. Conversely, other projects might be moved into the drop zone similarly to save resources.

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Much of the "usefulness" of this technique comes from understanding and avoiding the crowding out effect, emphasis in one project crowds out productivity in other projects due to limited availability of resources.

Anticipate project logistics when interpreting the relative positions between intersections. A known pre-requisite and delivery delay may preclude initial Quick Wins and that will shift priorities. There is only a small difference between a 4.9 impact activity defined as a "Drop?" project, and a 5.1 impact task defined as a "Strategic Project". Consider logistics and use logical deduction to determine a project's fate.

A scale from 0 to 10 for both impact and effort might use "Financial Return" (dollars) as the scale on the impact axis, and "Labor Cost" (dollars) on the effort axis; or any other relationship. However, the relative value of High or 10 represents "Benefit" on the vertical axis, and High or 10 represents "Liability" on the horizontal axis.

The reverse is true as well. If there are too many projects competing for too few resources; consider a strategic change in the project environment to move a low impact and low urgency project into the drop zone, while also reducing risks in the other projects.
