

## Strategic Value Ranking Grid

### Initiatives Ranking Tool

	To consider:		
Scale type	High – 5		Low - 1
<b>Strategic</b> Initiative will have impact on achieving core strategies including:	<ul style="list-style-type: none"> <li>• Direct support of a key strategy for current year</li> <li>• Market penetration of targeted sector</li> <li>• Market share capture/retention</li> <li>• Furthers brand building</li> <li>• Customer acquisition/retention <ul style="list-style-type: none"> <li>◦ Transparent to customer/no inconvenience</li> </ul> </li> <li>• Confirmed customer need is addressed</li> <li>• Necessity for long term growth</li> </ul>	⇔	<ul style="list-style-type: none"> <li>• Indirect/no clear link to current strategy (could be longer term)</li> <li>• Limited research or lack of clarity on sector, product needs, etc.</li> <li>• Does not have a direct correlation to enhancing the brand</li> <li>• Maintains status quo with customers with little to no value add in additional acquisition or retention of high value customers</li> <li>• Customer need is unclear/speculative and/or addresses more general issues (versus known needs)</li> <li>• Short term oriented with little to no value in longer term/nice to have, but not critical</li> </ul>
<b>Revenue</b> Initiative will contribute directly to revenue including:	<ul style="list-style-type: none"> <li>• Known timeframe</li> <li>• Known direct link between initiative and revenue</li> <li>• Delay in initiative will have significant revenue impact</li> </ul>	⇔	<ul style="list-style-type: none"> <li>• Unknown or unclear impact on short and/or long term revenue</li> <li>• Delay in initiative has no immediate or significant revenue impact</li> <li>• Contribution to revenue is longer term &amp; more speculative at current time</li> </ul>
<b>Contribution to profit margin</b>	<b>Initiative will contribute directly to profit margin including:</b> <ul style="list-style-type: none"> <li>• Known timeframe</li> <li>• Known direct link between initiative and revenue</li> <li>• Delay in initiative will have significant profit implications</li> </ul>	⇔	<ul style="list-style-type: none"> <li>• Unknown or unclear impact on short and/or long term margin contribution</li> <li>• Delay in initiative has no immediate or significant contribution to margin impact</li> <li>• Contribution to margin is longer term &amp; more speculative at current time</li> </ul>
<b>End user focus/Market segments</b>	<b>Initiative will contribute directly to further definition &amp; penetration of key market segments &amp; targeted end users</b> <ul style="list-style-type: none"> <li>• Increases efforts on existing initiatives to achieve clear objectives</li> <li>• Defines new segment to be addressed based on short &amp; long term opportunity</li> <li>• Adapts organization, processes &amp; systems to a vertical market focus</li> <li>• Researches/defines efforts to address an emerging, high potential market</li> <li>• Directly addresses high impact customer need</li> </ul>	⇔	<ul style="list-style-type: none"> <li>• Addresses longer term/anticipated customer needs (more research required)</li> <li>• Customer requirements are speculative/unknown with more research required before moving forward</li> <li>• Focuses on new segment with limited data re: short and long term impact</li> <li>• Maintains organization, system or process oriented to serving markets in a manner other than vertically market focused</li> <li>• Takes action in an emerging market with limited data, unclear objectives, constrained resources</li> </ul>

	To consider:		
Scale type	High – 5		Low - 1
<b>Emerging markets deployment</b>	<b>Initiative will directly support investments made or pending</b> <ul style="list-style-type: none"> <li>• Leverages recent investments in target markets to achieve clear objectives</li> <li>• Takes advantage of specific activities underway</li> <li>• Has a focus on attaining higher efficiency in target markets</li> </ul>	⇔	<ul style="list-style-type: none"> <li>• Requires investments in areas outside targeted markets</li> <li>• Requires shifting resources and focus to areas not yet researched or targeted</li> <li>• Lacks resources to fully understand market need</li> <li>• Does not consider efficiency as a measure of success</li> </ul>
<b>Operational efficiency/ ongoing operations</b>	<b>Initiative clearly contributes to achieving operational efficiencies and/or is necessary for ongoing business operations</b> <ul style="list-style-type: none"> <li>• Contributes to enhancing operations effectiveness short &amp; long term</li> <li>• Leverages current IT tools</li> <li>• Necessary for long term growth</li> <li>• Clear owner/sponsor</li> <li>• Confirmed customer/consumer need</li> <li>• Critical to core business operations- Ongoing ops necessity</li> </ul>	⇔	<ul style="list-style-type: none"> <li>• Important, but not necessarily immediately for ongoing operations – operations can be maintained with current effort</li> <li>• Necessary for long term operational excellence, can be delayed if required</li> </ul>
<b>Brand equity</b>	<b>Initiative contributes to expanding brand equity</b> <ul style="list-style-type: none"> <li>• Leverages company wide marketing investment (advertising, etc.)</li> <li>• Promotes bundled sales</li> <li>• Builds on current or pending infrastructure (web, CRM, etc.)</li> <li>• Builds trust internally &amp; externally</li> </ul>	⇔	<ul style="list-style-type: none"> <li>• Disruption/inconvenience to customer</li> <li>• Does not promote higher margin sales</li> <li>• Does not promote bundled sales</li> </ul>
<b>Other considerations</b>	<ul style="list-style-type: none"> <li>• Clarity of objectives including requirements, outputs, costs &amp; revenue impact</li> <li>• Clear ownership &amp; accountability of overall initiative as well as components</li> <li>• Delay in project/initiative has immediate &amp; significant impact</li> </ul>	⇔	<ul style="list-style-type: none"> <li>• Fuzzy project requirements at present, limited research, market data, etc.</li> <li>• Unclear owner or sponsor</li> <li>• Resources not in place/new or additional resources required</li> </ul>

In the following grid, note a 1 to 5 rating for each key initiative or operating activity. **This is to assist your thinking process** in ranking initiatives. **It is not** a mathematical formula that you can calculate by averaging as the weighting is significantly different between the criteria categories. Even with a weighting factor, your judgment is more critical to the process of decision making in this regard as well as future communications concerning the ‘why’ the organization will focus and not focus on various initiatives.

	Rate each category 5 highest to 1 lowest in value								
Initiative	Strategic	Revenue	Margin	End user focus	Emerging markets	Operations efficiency	Brand equity	Other – Explain	Ranking #1 = most critical