

Product tool

Value-effort matrix

A value-effort matrix is an excellent tool to help us prioritize strategic options or product enhancements.

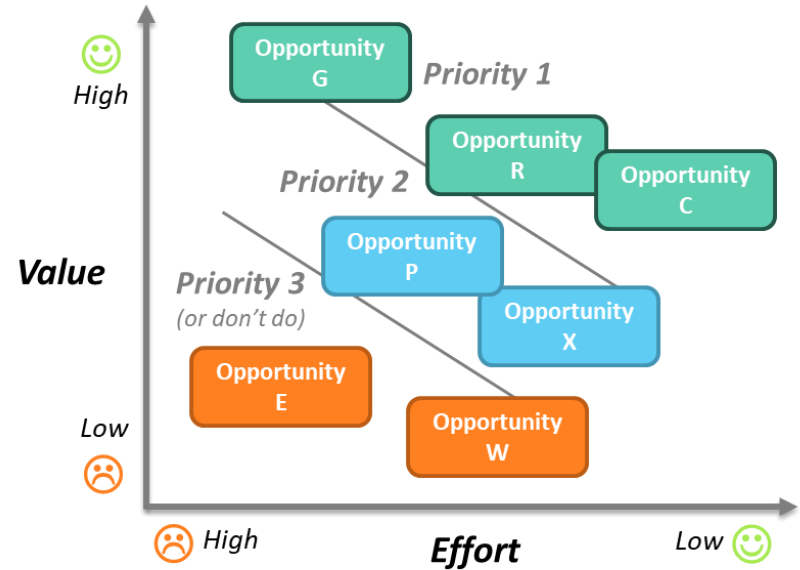
The y-axis represents value – value in helping us meet our product vision and objectives. Typically, this means customer value, competitive differentiation, and revenue and profit growth.

The x-axis is effort – and effort means cost to the business. This might be engineering development time, monetary costs or investments, and level of risk.

We then look at our options and place them on this matrix, depending on their relative value and effort.

With this visual prioritization tool, we can then say “don’t do” to some options, “maybe later” to others, and then select a few to experiment, refine, and take forward.

We can add a quantitative layer to this tool – adding numerical values to “value” and “effort” – and this may help in some situations. Generally, however, don’t do the numbers. Prioritizing our options is a rich, complex, data-informed decision, and our qualitative judgment is often better than a set of numbers.



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