



# Continuous Improvement Toolkit

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## Prioritization Matrix

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Prioritization is an essential skill that needs to be mastered to make the best use of your own and your teams time and effort. A

**Prioritization Matrix** is a

simple tool that provides a way to prioritize a diverse set of items into an order of importance. It allows the team to select the most appropriate option from several alternatives based on a predefined criteria.



A Prioritization Matrix is mainly used to prioritize a list of items in order to select and decide a further action. This might be a project that you need to start, an issue that you need to resolve, or a solution that you need to implement. It helps reduce options to the most effective and least costly among the available choices. It allows the team to agree on the priorities and move toward the action collectively. With good prioritization, you can better make use of time and resources to focus on the things that really matter.

Developing a list of **assessment criteria** is the first step before prioritizing your alternatives. This will help narrow down the discussion and provides a constant basis for comparison. The assessment criteria should cover all the aspects of the study to ensure that the selected option will be effective. Brainstorming, affinity diagrams and voting can be used to generate, organize and reduce the assessment criteria. Include assessment criteria that can be measured easily and objectively and ensure that costs, benefits and risks are taken into account. It is also important to include people with enough knowledge of the process to avoid missing any critical point. Some of the questions that can help you develop your assessment criteria are:

- Will the solution solve the problem permanently?
- Will it improve customer satisfaction?
- What are the cost for implementing the solution?
- How easy is it to do?
- How much time it will take?
- Are there any potential problems or risks that can arise in future?
- Are there any potential regulatory or safety issues that need to be considered?

After having an agreement on the assessment criteria, you

Criteria / Name	Adam	Emir	Sara	Zekaria	Total
Cost effective	40	55	20	40	155
Decreased defects	15	20	30	15	80
Increased productivity	40	10	50	30	130
User friendly	5	15	0	15	35
	100	100	100	100	

then need to weight all criteria according to importance as perceived by the team members (or other stakeholders). You may weight up your assessment criteria by totaling the scores collected during the assessment criteria development session. You may also ask each team member to distribute a certain number of points between the selected criteria.

Criteria	Cost effective	Decreased defects	Increased productivity	User friendly	Weighted score	Rank
Solution – Option / Weight						
New equipment 1						
New equipment 2						
New equipment 3						
New equipment 4						

**Example of a Prioritization Matrix Template**

## How to Construct and Use a Prioritization Matrix:

The following steps describe how to construct and use the prioritization matrix:

- Clearly explain to the team the purpose for constructing the prioritization matrix.
- Agree on the items (solutions, projects, etc.) that need to be prioritized.
- Ensure that the established assessment criteria and their weightings are set and agreed by all.
- Facilitate the prioritization by allowing each member to score each item against each criterion.
- Calculate the final weighted scores for each item.
- Compare the scores of items against each other or against a target value. Sort the items by their ranks to make them clearer for communication and decision making. You may also display the results in a Pareto Chart.

### Example:

This tool is often used in the project selection process. It allows to compare among different projects in order to select the most promising and profitable. In the example below, the team has to select the most profitable among five candidate projects.

Project Title	Cost \$	Savings \$ (1 <sup>st</sup> year)	Months to complete
Energy reduction	\$36,000	\$43,000	10
Spoilage reduction	\$30,000	\$120,000	12
Reduce strap width	\$5,500	\$11,000	3
Reduce stretch wrap usage	\$7,000	\$4,000	5
Reduce over varnish usage	\$20,000	\$66,000	8

They agreed that savings should be given a weight of 3 as it is relatively more important than the other criteria.

Project Title	Cost \$	Savings \$ (1 <sup>st</sup> year)	Months to complete	Weighted score	Rank
		<b>X 3</b>			
Energy reduction	1	3X3= 9	2	12	4th
Spoilage reduction	2	5X3= 15	1	18	1st
Reduce strap width	5	2X3= 6	5	16	3rd
Reduce stretch wrap usage	4	1X3= 3	4	11	5th
Reduce over varnish usage	3	4X3= 12	3	18	1st

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