How To Use Weighted Scoring?

Weighted scoring

The weighted scoring decision matrix is a powerful quantitative technique. It evaluates a set of choices (such as ideas or projects, for example) against a set of criteria you need to take into account.

It also is known as a "weighted decision matrix model".

There are two main types of decision matrix: weighted and unweighted. The unweighted decision matrix assumes all criteria have the same importance while the weighted one applies different weights.

Weighted scoring and its decision matrix technique is not only widely applicable, but also one of the best ways to tackle important and complex decisions.

> ⚠ **Please note**
>
> This is often referred to as a "prioritization matrix", which is an umbrella term that's also used to describe the Value vs Effort model. This crossover can often be a source of confusion. But don't worry, we'll be sure to be very clear about what we are talking about.
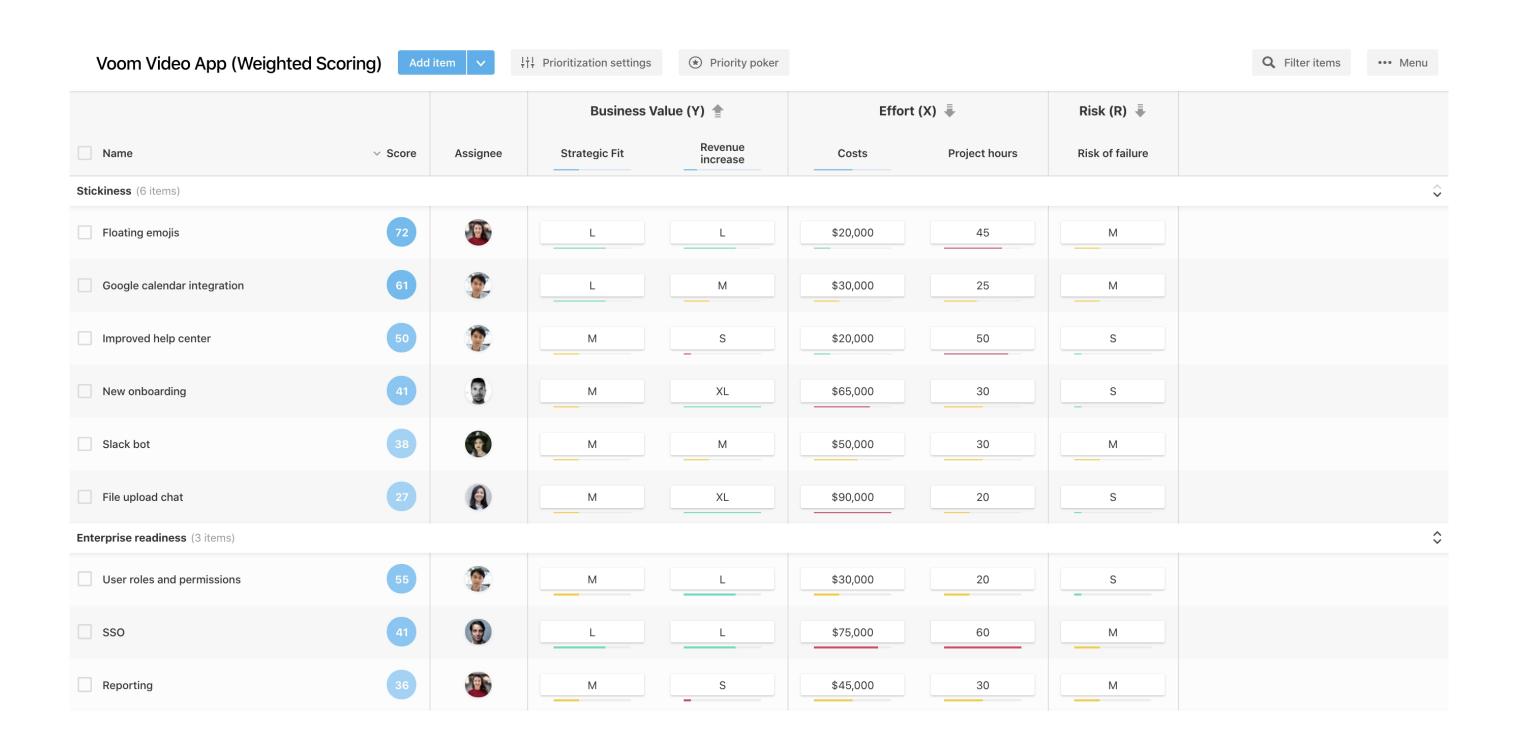
WHEN SHOULD YOU USE A WEIGHTED SCORING DECISION MATRIX?

The weighted decision matrix is particularly useful, specifically when you have:

• Many choices (such as different features, projects, and campaigns).

• Multiple decision criteria to consider (such as strategic fit, costs, risk, and customer value) with similar or varying levels of importance.

It's exceptionally powerful when you have to choose between multiple promising options and need to consider many criteria, or when you need to allocate limited resources to multiple options.

By extensively evaluating your choices and quantifying the process, you'll be able to greatly reduce (and in many cases remove) emotion and guesswork from the decision process. This enables rational and objective decisions every time.

| | | | Voom Video App (Weighted Scoring) | Add item ⌄ | Prioritization settings | Priority poker | | Filter items | Menu |

Name	Score	Assignee	Business Value (Y)		Effort (X)		Risk (R)	
			Strategic Fit	Revenue increase	Costs	Project hours	Risk of failure	
Stickiness (6 items)								
Floating emojis	72		L	L	$20,000	45	M	
Google calendar integration	61		L	M	$30,000	25	M	
Improved help center	50		M	S	$20,000	50	S	
New onboarding	41		M	XL	$65,000	30	S	
Slack bot	38		M	M	$50,000	30	M	
File upload chat	27		M	XL	$90,000	20	S	
Enterprise readiness (3 items)								
User roles and permissions	55		M	L	$30,000	20	S	
SSO	41		L	L	$75,000	60	M	
Reporting	36		M	S	$45,000	30	M	

HOW TO CREATE A WEIGHTED SCORING DECISION MATRIX?

1. List different choices

Start by listing all the decision choices as rows. Don't forget any relevant choices, since these rows will form the foundation of your decision matrix.

In another VOOM Video App example they are:

- Google calendar integration

- New onboarding

- Slack bot

2. Determine influencing criteria

Brainstorm what criteria will affect those decisions (this could be things like strategic fit, revenue increase, costs, project hours, and risk of failure, for example). List these criteria as columns.

Sometimes deciding whether to add a criteria can be a bit of a trade-off

- Having fewer criteria makes the prioritization process easier and less time consuming.

- Leaving a criteria out makes your model completely blind for this type of impact.

> **❗ Tip**
>
> Positive criteria usually represent your current product or business goals.
>
> Using costs and or project hours (or something similar) is a good starting point for negative criteria.

3. Weigh your criteria

Weigh each of these criteria in the columns using a number (the weight) to assess their importance and impact on your decision. Establish a clear and consistent rating scale for each one (for example, 1, 2, 3, 4, 5 starting from an insignificant to greater impact). This helps to calculate the relative importance of each criteria.

	Business Value	Costs	Risk
Weights	5	2	3
New onboarding			
Google calendar integration			
Slack bot			

4. Rate each choice for each criteria

Evaluate your different choices against the criteria. While using your defined rating system (in our case, from 1 through 5), rate each criteria individually. For example, if you think your mobile app has tremendous business value, give it a 5. Keep in mind: the values for each choice don't need to be different. Equal weighting is perfectly acceptable.

For each of these values, you have to make sure that higher values represent more preferable options. For example, a high ROI should lead to a high Business Value score because a great ROI is beneficial to your business. On the flipside, high development costs should result in a low Costs Value because high costs are negative.

	Business Value	Costs	Risk
Weights	5	2	3
New onboarding	5 x 3 = 15	2 x 3 = 6	3 x 4 = 12
Google calendar integration	5 x 5 = 25	2 x 2 = 4	3 x 2 = 6
Slack bot	5 x 1 = 5	2 x 5 = 10	3 x 4 = 12

5. Calculate the weighted scores

Multiply each of the choice ratings by their corresponding weight.

> **① Tip**
>
> Using a dedicated prioritization tool allows you to combine different data and measurement scales within the influencing criteria. This could range from ordinal (1-5), any given amount of money (like $500 USD), or even bin sizes (S, M, L, XL) as well as scoring directions.

	Business Value	Costs	Risk
Weights	**5**	**2**	**3**
New onboarding	5 x 3 = 15	2 x 3 = 6	3 x 4 = 12
Google calendar integration	5 x 5 = 25	2 x 2 = 4	3 x 2 = 6
Slack bot	5 x 1 = 5	2 x 5 = 10	3 x 4 = 12

Weights

6. Calculate the total scores

Sum up each of the choices and compare the total scores.

	Business Value	Costs	Risk	Total Score
Weights	**5**	**2**	**3**	Total Score
New onboarding	5 x 3 = 15	5 x 3 = 15	5 x 3 = 15	15 + 6 + 12 = 33
Google calendar integration	5 x 3 = 15	5 x 3 = 15	5 x 3 = 15	25 + 4 + 6 = **35**
Slack bot	5 x 3 = 15	5 x 3 = 15	5 x 3 = 15	5 + 10 + 12 = 27

Prioritize this option

7. Make your decision

In our example, the total score clearly favors developing a mobile app, so this is the option that we'll prioritize.

3 PRO TIPS BEFORE YOU GET STARTED

Now you know how to get started with a weighted decision matrix. Before you go ahead, check out these three essential tips to avoid common pitfalls:

1 Bang for your buck perspective

Before you start creating your weighted decision matrix, identify what sort of criteria you think a winning choice requires. Does it need to meet a minimum amount of attributes? Does it need to align with a certain goal? By doing this, you will quickly eliminate unnecessary options. Removing all unnecessary items and criteria is a step towards simpler prioritization. Ultimately, this saves time and yields better results.

2 Rate each criteria separately

When it comes to considering each criteria, be sure to isolate it from all other criteria on the list. This will help you make an objective decision, putting this one criteria into perspective. You'll also be able to make a more unbiased score without being influenced by other factors.

3 Keep the decision matrix up to date

External realities (like a new competitor, for example), as well as internal goals and considerations (such as budget cuts), can change quickly. So, watch out for any new factors and update your decision matrix accordingly.

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Why we love it

It creates transparency and agreement about the importance of each prioritization factor in the decision making process.

It's one of the most comprehensive methods of comparing numerous initiatives thanks to its linear layout.

It vastly reduces emotional bias, as it is based on objective metrics that affect the viability of the feature in question.

✕

A few downsides

Could be subject to inherent bias
Criteria weight can be under or overestimated based on other criteria.

Blind to externalities
Doesn't consider changing internal and external factors (new entrants).

Dependencies are not considered
This can be problematic as dependencies are an important consideration when prioritizing.

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