Appendix A
Tools to Prioritize Requirements

Business decisions are driven by priorities, tradeoffs that allow sensible allocation of budget and time. All too often, prioritization is done by a purely political process that yields inconsistent or even illogical results. The tools discussed in this appendix are designed to produce prioritization that incorporates the input of lots of users, yet produces consistent (and maybe even defendable) results for SFDC projects.

Prioritizing Project Requirements

Prioritizing requirements for IT work is something of a black art, but there can be no more important thing to get right in a project. It doesn’t matter how tightly executed or beautifully presented a feature is, if it is an unimportant feature. As the number one cause of scope creep is a weak or erratic prioritization mechanism, getting this right produces dividends throughout the SFDC implementation project.

No single prioritization tool or method will be appropriate for all companies and situations. In this appendix, we’ll give you a few alternative approaches that you can try with your teams and executives.

Here are ways to evaluate the efficacy of a prioritization method:

- Is it easy to understand and use?
- Does the tool elicit the right kind of input from users?
- Does the method produce predictable, credible rankings of features?
- Does the method realistically balance costs vs. benefits, or does it lead to over-optimism that blindly leads toward high expectations?
- Do people – particularly management – follow the rankings, or do they overrule them within a few weeks?

An important ingredient of good priority calls is making sure everyone is aware of the true costs, as well as the hoped-for benefits, of any choice. It’s tempting to focus on the benefits and assume that the costs are somebody else’s problem, so make sure to include both sides of the equation in priority discussions. Cost categories are:

- External fees and expenses (dollars required to satisfy the requirement)
- Internal staff time (person-weeks required to complete the tasks)
- Delay (calendar time required to complete the task)
- Team morale (tough to quantify, but look at unpaid overtime and unrecognized
effort)

- Effect on overall SFDC reputation/credibility (tough to quantify, but can work with a scale like “-- - 0 + ++”)

Benefit categories are:

- Revenue increases (expected extra dollars/quarter)
- Cost decreases (expected external cost savings/quarter)
- Time savings (expected person-hours/quarter)
- Error reduction (tough to quantify, so use a scale like “n/a small medium large”)
- Flexibility / responsiveness (from the customer’s or user’s perspective; use a scale like “n/a small medium large”)

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**The Delphi Method**

The Delphi Method was developed by the RAND Corporation years ago because they noticed that forecasts made in a bureaucratic setting weren’t as accurate as they should be. Indeed, the larger the group, the less accurate the forecast. The ability of important or eloquent people to sway the group’s opinion overwhelmed “the wisdom of crowds.” In extreme cases the collective IQ of groups sank to the lowest common denominator of its members.

The Delphi method is able to make forecasts and tradeoffs *more reliable* as the number of people involved in planning grows. One of the innovations of the method is to ask each participant what level of confidence they have in their own forecast, so that less-certain inputs are given less weight.

We’ve adapted this model for prioritizing requirements at the start of an SFDC project.

1. Start by creating a column on the spreadsheet to indicate the importance of the requirement (“importance” needs to be a number from 1-10 indicating the business significance of the requirement).
2. Have another column indicating the rank or management level of the main champion of the requirement (higher is better, as it’s an indicator of internal political visibility).
3. Add a column on the spreadsheet for each of the cost and benefit areas mentioned above, and fill in as many of the rows as you can.
4. Create a column on the spreadsheet to indicate the responder’s level of confidence about the information on that row. (This should be ranked from 1-10, with 1 indicating “we really don’t know” and 10 indicating “we are very sure”.)
5. Finally, use formulas in excel to create a weighted average that includes each of these factors to form a total score for each requirement line items.

See Table A-1 for an example of this.

**Table A-1**

*Example Delphi Weighted-Priority Spreadsheet*
You want to have one of these spreadsheet scores for each major SFDC stakeholder group. The total number of spreadsheets should be kept to less than 20 for manageability, and preferably there will be less than 10 of them. The final step is to aggregate (with one last weighted average) the “final scores” across all the stakeholders, so you get a single composite score for each line item.

Use these scores to create an initial ranking of the requirements. Of course, this scoring system will not make any decision, but it does provide insight into what the organization thinks is important. It can at least be the starting point of the discussion and negotiation, as it weighs the costs, benefits, importance of the item, and the level of confidence in the information. See the book web site for example Delphi Method prioritization spreadsheets.

Even if you don’t believe in the Delphi Method for ranking requirements, go through the exercise to create composite “scores” for the costs and benefits of the line items. You’ll use these cost/benefit indices as inputs for simpler prioritization techniques discussed below.

Prioritize via Investment

In this method, you do not attempt to collect or evaluate preferences from a large number of people. Instead, you just ask a few executives to play an investment game, from which you generate a weighted average of their responses. It’s moderately fun to play this game, and it can be done in as little as 5 minutes of an executive’s time.

The set-up for this investment game is simple: each participant is given a hypothetical $100,000 to invest in SFDC in the way that would provide the best value for his or her group (or personal agenda). Each individual must invest the entire $100 K in SFDC, allocating it to features that will make the most difference (either by yielding the most benefit or avoiding the most pain). The voting form looks something like Table A-2.

Table A-2
Example Investment Game Spreadsheet

After you’ve collected the input from the participants (there should be a separate spreadsheet or piece of paper for each person), ask them to do the exercise a second time, but in this case they are apportioning the $100,000 according to what they believe the business impact would be for the company overall. Don’t let them see their old votes – give them a blank piece of paper. The instructions are along this line: “Let’s say that investing in SFDC will result in $1 M (or, if you’re a really big business $100 M) of additional profits over the next three years. If that were true, what features on the list below would be responsible for that profit increase? Apportion your $100K according to which line items caused the increased profit.” Note, negative profit impact is allowed in this round, because it’s quite possible that some features like security controls and regulatory compliance will actually detract from company performance even if they are a good idea.

Typically, the answers from the two passes will be quite different.

Once you’re done collecting the inputs, do a straight average to create the composite vote for the group.

If negative profit impacts are voted for on some features, then the positive impact will be larger than the $100 K to balance out.
Weakest / Strongest Elimination

This exercise doesn’t use spreadsheets or parametric analysis. Instead, it’s an exercise of “American Idol” combined with “The Weakest Link.” This method isn’t very precise, but it’s useful for short-term priority calls because it’s relatively quick and intuitive.

The prioritization is done as a group exercise, typically around a conference table or video conference. The list of features is put in a spreadsheet, initially in “best guess” order of preference (with the no-brainers at the top of the list). The process is simple triage, and the goal is to divide the list into three groups:

- Features that are “above the line” – safe from questioning and sure to be done.
- Features that are alternates in case one of the “above the line” items can’t be done or needs to be delayed.
- Features that are “below the line” – won’t be done this time, so there’s no point in reviewing them any further now.

The list (see Table A-3 for an example) is used as a crucible for several rapid rounds of voting, along these lines (typically using a moderator to keep things going quickly):

Table A-3
Above/Below the Line Voting

1. Ask the audience to spend 20 seconds looking at the top part of the list to find the most obvious no-brainer feature.
2. Ask the audience to shout out their favorite “no-brainer,” and quickly see if the group can be brought to consensus that the nominee should indeed be kept above the line. As soon as it’s resolved (20-30 seconds), move on down the list.
3. Ask the audience to find an item in the top of the list that should be demoted to category #2. Move that item below the line in the excel spreadsheet so everyone can see it. There’s a cute Excel macro that makes line-item-moves a single keystroke – pick it up at www.SFDC-secrets.com
4. Repeat this “beauty contest” cycle until you’ve gone through all the items in the top of the list.
5. Switch to “the weakest link” cycle: start at the bottom of the list, and ask the crowd to nominate the most useless or uninteresting feature. As soon as there’s consensus, move that item to the very bottom of the list.
6. Ask the audience if there are items in the bottom area of the list that should be promoted to category #2. Repeat the weakest link cycle until you’ve run through all the items in the bottom area of the list.
7. Now look at the middle part of the list for items that should be demoted or promoted. Move the items as the decisions go, so that everyone sees the consequences.

218 It’s best not to have the CEO or other executive lead this exercise because it’s tough not to telegraph personal priorities to the audience, even in just reading the items on a voting list. The project manager or other neutral party should be moderating these votes to keep the prioritization perceived as unbiased.
8. Finally, repeat the whole cycle just on the above-the-line features, dividing them into three groups (high, medium and low priority, but all to be done).

Using this technique you can get through a prioritization cycle in 20-30 minutes.

**Popular Votes**

Some types of organizations prefer using popular voting to drive decisions, as a matter of culture and management style. Popular votes are easy to conduct, but can be problematic when it comes to meaning and wisdom. Not everyone who votes is equally competent or knowledgeable about SFA issues, and some voters just won’t have as much at stake as others will.

If you use a popular voting mechanism and are willing to put up with the problems of “one person, one vote,” seriously consider using SFDC’s own Ideas application: it’s perfect for this kind of dynamic popularity contest.

In most cases, it is preferable to use unequal voting: VPs should have bigger votes than worker bees, and Sales should have a bigger vote than Accounting. The vote weighting issue is particularly important when sales territories disagree violently about the importance of features. The idea of unequal voting may rub some people the wrong way, but the bills are going to be paid mainly by the Sales VP, and s/he has the most to gain from a great SFDC implementation.

Be sure to set up the apportionment of voting before you actually take any votes, to maintain the appearance of neutrality. The weighing of different people’s “importance” may be a very touchy issue, so play nice.

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219 Generally, it’s easier for people to vote down marginal items than to decide which one is “the most important,” so collect more demotion votes than promotion ones.