

Corporate Standard: Methodology for Calculating Project Priority

1. Purpose and Scope

2. Guiding Principles

- Align projects with strategic objectives
- Maximize value while minimizing risk
- Optimize resource utilization
- Ensure transparency and fairness
- Support data-driven decision-making in portfolio governance

3. Evaluation Criteria

Each project is evaluated based on a weighted scoring model that includes the following key dimensions:

3.1. Strategic Alignment (0-10 points)

- How directly the project supports one or more strategic goals
- Level of contribution (direct, indirect, or none)

3.2. Expected Business Value (0-10 points)

- Financial return (ROI, NPV, cost savings)
- Market impact (growth, retention, brand value)
- Operational efficiency improvements

3.3. Urgency / Time Sensitivity (0-5 points)

- Legal, regulatory, or compliance deadlines
- Market window opportunities

- Competitive pressure

3.4. Risk Level (0-5 points)

- Technical feasibility
- Organizational readiness
- Risk of failure or disruption

(Note: Risk is reverse-weighted-lower risk scores higher)

3.5. Resource Availability (0-5 points)

- Availability of required skills, teams, or budget
- Alignment with current resource capacity

3.6. Stakeholder Impact (0-5 points)

- Number of stakeholders affected
- Criticality of those stakeholders to business success

4. Scoring and Weighting

Criterion | Weight (%) | Max Score

-----|-----|-----

Strategic Alignment | 30% | 10

Business Value | 25% | 10

Urgency | 15% | 5

Risk (Inverse) | 10% | 5

Resource Fit | 10% | 5

Stakeholder Impact | 10% | 5

Total Score = Sum (Criterion Score × Weight)

Maximum possible score: 100

5. Priority Ranking Levels

Total Score | Priority Level | Decision Implication

-----|-----|-----

85-100	Critical	Must fund and execute immediately
70-84	High	Fund as soon as feasible
50-69	Medium	Fund if resources are available
0-49	Low	Put on hold or re-evaluate

6. Review and Approval Process

1. Project Sponsor completes a Project Priority Assessment Form.
2. PMO validates scoring accuracy and consistency.
3. Portfolio Review Board evaluates total scores and ranks projects for funding.
4. Results are updated in the Project Portfolio Register.

7. Exceptions and Reassessments

- Projects with legal, regulatory, or safety requirements may be escalated regardless of score.
- Scores may be updated upon significant scope, cost, or benefit changes.
- Reassessment is mandatory during quarterly portfolio reviews.

8. Ownership and Maintenance

This standard is maintained by the Project Management Office (PMO) and reviewed annually. All departments are responsible for compliance.

9. Example of Priority Calculation

Project Name: Customer Self-Service Portal

Criterion | Raw Score | Weight (%) | Weighted Score

-----|-----|-----|-----

Strategic Alignment	9	30%	$9 \times 0.30 = 2.70$
Business Value	8	25%	$8 \times 0.25 = 2.00$
Urgency	4	15%	$4 \times 0.15 = 0.60$
Risk (Inverse)	3	10%	$3 \times 0.10 = 0.30$
Resource Fit	5	10%	$5 \times 0.10 = 0.50$
Stakeholder Impact	4	10%	$4 \times 0.10 = 0.40$

Total Priority Score = $2.70 + 2.00 + 0.60 + 0.30 + 0.50 + 0.40 = 6.50$

Final Score (× 10 to scale to 100): 65.0

Result: Priority Level: Medium

Decision: May be funded if resources are available. Could be deferred in favor of higher-ranked projects.