

UNIT 176 – UPSC - Tools and techniques for strategic analysis: Impact Matrix

Impact matrix is an effective tool which can help organisations to convert strategy into action. The Impact / Performance Matrix provides the relative positioning for impact on the vertical axis, and the relative positioning for performance on the horizontal axis. The higher its placement on the vertical axis, the greater the impact the process has on the perception of value. To determine the order of impact from strongest to weakest, one would read the matrix from top to bottom.



The Impact / Performance Matrix is an advantageous device for incorporating various factors into the strategic planning process. It identifies those aspects of the association that have the greatest influence on the value of an association and provides a measure of its current performance. It helps managers to understand which stakeholders have the most influence and the impact they can make on project success. This device is very similar to the Power/Interest or Power/Influence grids. By focusing on the key set of project stakeholders, managers can prioritize stakeholder's requests, spend time as per influence and impact stakeholders have, and lead their project to accomplishment without stakeholder conflict.

Impact grid (Source: Scholtes, 2003)

