Jobs to be Done and Value Management - White Paper

This paper is inspired and based on insights gathered by merging the JTBD framework developed by Clay Christensen in the 1990s with the Value Management method developed by Lawrence Miles in the 1960s. It is based on the fact that the JTBD framework can be enhanced by applying fundamentals from the VM method, particularly when developing JTBD-driven business solutions.

We have tapped into insightful content from three essential books:

- The Innovator’s Solution, Clayton M. Christensen (2003)
- Techniques of Value Analysis and Engineering, Lawrence D. Miles (1961)
- Competing Against Luck: The Story of Innovation and Customer Choice, Clayton M. Christensen, David S. Duncan, Karen Dillon, and Taddy Hall (2016)

The job we have performed through this paper is the integration of those insights into a synergistic view of the JTBD and VM frameworks.

Jobs to be Done (JTBD) and Customer Centricity

For those companies that want to embrace Customer Centricity, the Jobs to be Done (JTBD) framework is an essential component to be incorporated into their DNA.
Customer centricity revolves around **Segmentation - Targeting - Positioning (STP)**. Defining distinct segments of customers enables companies to target solutions at particular segments. Then there can be a perfect fit between what is offered and who is buying it.

JTBD and their drivers are critical factors for segmentation. Traditional segmentation schemes focus on who customers are (i.e., demographics) and how they are behaving. JTBD-driven segmentation focuses on **why** they are acting a certain way and **how** they might consider new solutions. Successful companies have shown that a JTBD-driven STP makes all of the difference in terms of finding the appropriate solutions that delight customers and foster growth and profitability.

Jobs to be Done gives you as a business leader a refreshingly straightforward means to uncover hidden customer needs, including those needs that customers struggle to articulate on their own.

Generally speaking, consumers can’t always tell you what will make their lives better, so you need to look deeply and thoroughly for new insights. The Jobs to be Done framework provides a lens for business leaders to understand how to innovate in a way that will capture consumer demand.

**What Jobs to be Done (JTBD) are**

The JTBD approach is based on the groundbreaking work of Harvard Business School Professor Clayton Christensen, who popularized the concept of Jobs to be Done as a surefire way to spur innovation by looking not at what people happen to buy today, but rather at what are the **underlying** jobs they are trying to get done. Christensen first popularized the idea in his 2003 book *The Innovator’s Solution*, and he continues to be a thought leader in this space.
The Jobs definition starts with a change of lexicon: Why will a consumer hire your product or service for a specific job? As opposed to ‘What type of consumers are buying a product or service and how can we increase sales’?

Essentially, JTBD are Underlying Tasks that stakeholders are looking to get done in their lives. They signal Progress, i.e., a movement towards a goal, and they are expressed through Actionable Statements that guide the design of new solutions. An actionable statement is composed by an actionable verb & a measurable noun. This point will be further elaborated on throughout this paper as a key aspect of applying Miles’ method to the JTBD framework.

What Jobs to be Done (JTBD) are not

Jobs are not:

- Needs: Stakeholder articulations that they would like to see in a solution.
- Outcomes: Stakeholder success criteria.
- Attributes: Features that add value to a solution.

When first exposed to the JTBD framework, companies often find it challenging to discern what a Job really is. One of the key reasons being that stakeholders do not necessarily know what they want. By asking stakeholders: “What do you want?”, the answers obtained fundamentally lead to what they need or how they define success. If companies focus merely on features, it makes them lose sight of important jobs that would more effectively guide the design of new solutions.

This phenomenon explains why Jobs are defined as underlying, even subconscious tasks. It is only by digging into the “why” of people’s actions, that you can uncover the
set of reasons—emotional, psychological, and practical—that drive people to behave in certain ways rather than in others.

This challenge makes the Discernment phase of the Jobs Journey very relevant.

**Different types of Jobs**

As Christensen lays out, customers have jobs that are both functional and emotional/social in nature, and companies need to design offerings that win at both levels.

Emotional jobs tend to be neglected in business, mainly because they can be difficult to articulate, and solution-oriented managers have a hard time dwelling on how their products can satisfy emotional jobs.

It was at this particular junction, when exploring different types of Jobs, that we saw the connection between the JTBD framework and Value Management (VM), a powerful method developed by Lawrence Miles in the 1950s and 60s. When we read his seminal book Techniques of Value Analysis and Engineering, we immediately related it to the JTBD approach and thought that VM and JTBD can be strongly synergistic making a 1+1=3 easily accessible.

*Value Management is an organized effort directed at analyzing the Function of goods and services to achieve customers’ goals and essential characteristics in the most profitable manner.*

What Miles calls Function in his book we equate to JTBD throughout this paper. So, Value = Job to be Done (JTBD) / Cost. This relationship is the cornerstone of VM. Although expressed simply, the relationship of JTBD to cost has broad implications.

The principal value elements used in VM studies are classified as:

- Esteem Value = Want
- Exchange Value = Worth
- Utility Value = Need

It becomes crystal clear that we can draw the following connections:

- Esteem Value = Want, equates to Emotional or Social JTBD
- Exchange Value = Worth, equates to Emotional JTBD
- Utility Value = Need, equates to Functional JTBD

Each decision to hire goods or services includes one or a combination of all the value elements, where the sum of the elements results in a hire decision.

Esteem value or "want" invokes the hirer’s desire to hire for the sake of ownership. Collectibles fall into this category. The perception and reputation of the company can carry a quantifiable level of esteem value. Well-known companies that earn the reputation for—or are perceived as—producing high-quality products, support and innovation can command a higher price for essentially the same product produced by lesser-known companies.

Exchange value or "worth" describes the hirer’s perception, not the seller's. Improving an offering's worth requires a good understanding of why the product interests the hirer and how and when the hirer will use the product. These attributes can then be designed into the product.

Utility value or "need" is the primary value element the design engineer must address. Utility describes the performance and physical characteristics of the product, usually measured in engineering terms.

VM defines Function -aka JTBD- as the intent or purpose of a system, product or process operating in its normally prescribed manner. Using these defined value terms, we expand the previous equation into the following value relationship:

Or it could be expressed in this way:

Value = (Functional) × (Emotional) × (Social) / Cost.

The chart below illustrates the various avenues to increase value:

![Chart showing good and poor value options]

**Figure 1**: Function/Cost Relationship from *Value Management* by J. Jerry Kaufman

**The relevance of asking the right questions and identifying pain points**

Companies too often forget to ask: “What is the question that we’re trying to answer?” A great process around that question will enable repeatable innovation, and a consistently modern approach to developing client solutions.

It is actually the framing of problems that often leads to breakthrough ideas. Companies can waste thousands of hours and risk undertaking bad projects because they
miss the critical— and often under-appreciated— step of laying out very clear and rigorously defined problem statements.

Breakthroughs come from reimagining problems, not from creating an incrementally better solution to a well-understood challenge. We urge people not to jump to creating solutions before laying out this opportunity landscape in detail.

The Jobs to be Done framework succeeds because it focuses innovators on the right questions rather than having them jump directly into devising solutions.

Here is another great link with the VM method.

The Value Management process begins with identifying a problem - a pain point or an opportunity that needs resolution. A vast array of problem-solving approaches and variations exist, but many problem-solving disciplines produce a blind spot in that they assume that the stated problem is the real problem. Furthermore, problems are usually expressed as symptoms or the effects of the problem that are bothering the problem definer. Consequently, problems defined in this manner usually result in a solution to the symptoms instead of the problem. The root problem will then emerge in another form, often with greater magnitude than the original problem.

Peter Drucker, noted author, business analyst, professor, and management authority, once said that he would "much prefer to arrive at the wrong solution to the right problem than find the right solution for the wrong problem." And John Dewey's observation that "a problem well-defined is half-solved" stresses the need to invest the time in uncovering the root cause of the problem.

Another dilemma often faced by companies is that managers who have trouble articulating the root problem will often describe it as cost-related. "Cost reduction" they say, "is our biggest problem and we must take all of the steps necessary to aggressively reduce cost." But cost reduction is not a problem; it is a solution to a problem. Very
often managers can trace the need for cost reduction to real problems such as declining sales, profit improvement, eroding market share, time to market, new product introduction, competitive pressures or return on assets. The effective use of VM requires that the team clearly understand the target problem so that they can focus cost reduction on that problem. Consider also that cost reduction may contribute to the resolution of that problem, but by itself, the best option may not necessarily include cost reduction.

**Customer Insight**

Customer insight is at the center of the JTBD approach. Understanding what jobs customers are trying to get done and the obstacles they face in doing so points to fertile terrain for new solutions.

By combining a deep understanding of customer needs, attitudes, and behaviors with hard data on the market landscape, the JTBD approach enables companies to arrive at insights and solutions that are original and profitable.

The customer is always right. Especially when it comes to innovation. Whether they know it or not, customers have the answers for where the next big breakthrough will be. As previously stated, customers are notoriously bad at imagining the product that would solve their problems and conceptualizing how they would interact with true breakthrough solutions. As Henry Ford reputedly put it, “If I’d asked people what they wanted, they would have said faster horses.” The trick is figuring out how to unlock the right information that can get you to the winning solution without relying solely on asking people what they want. This critical step is where many innovation efforts fail.

Value practitioners fully appreciate that the success of products and services in the marketplace depends on offering JTBD for which the market is willing to pay. The value
practitioner also realizes that **those JTBD are not readily apparent**. To attack cost aggressively without knowing which JTBD and attributes are "customer-sensitive" could result in dramatic cost reductions, but those actions could also adversely affect sales.

Lawrence Miles expressed this search in a list of five questions.

- What is it?
- What does it do?
- What does it cost?
- What else will do the job?
- What does that cost?

**JTBD Examples**

*The Milkshake Case*

This video illustrates the JTBD concept as presented by Clay Christensen through a case study involving a fast food chain looking to increase the sales of its milkshakes.

*Uber*

The key to Uber’s success is that its efforts rely on Jobs-based principles. It’s almost impossible to list all of the pain points associated with traditional taxis: long waits while trying to find an empty cab, unfriendly drivers using every trick they know to drive up the fare, and “broken” credit card readers that force customers to pay with cash are just a few of the difficulties. Uber’s founders saw the problems that customers were facing and set out to offer a better alternative.

A serious customer-centric view of the landscape sheds light on which routes contain latent opportunities for you to exploit.
Rather than cramming its app with all of the features of its closest competitors, Snapchat has focused on satisfying a handful of emotional jobs that are important to its target users. Other social media apps have been criticized for creating an atmosphere of yearning in which users are bombarded with images of fun adventures and expensive vacations. Snapchat’s founders resisted the temptation of copying the competition by building an app that helps an identifiable user segment satisfy a handful of important jobs really well.

What if we tell a group of managers we need to sell more ice cream? They usually think about customers on average and respond that we need more flavors, more sales outlets, fewer calories, and lower prices. That’s not very practical, nor does it respond directly to Jobs to be Done. So, we then ask people a different question: Thinking about the last time that you had ice cream, why did you do that, and if you hadn’t had ice cream, what would you have done otherwise? The answers are completely different. People were celebrating an occasion, and they decided to have ice cream to spend more time together after dinner. They were trying to cool down at the beach, and ice cream competed against water. They were taking a stroll and saw a new shop, and they wanted a new experience rather than just following an old routine.

The Jobs Journey is a framework we have developed that allows companies to identify JTBD and their key aspects.

The Journey has 7 steps:
1. Who are the key stakeholders?
2. Brainstorm what they want
3. Discern Jobs from the rest
4. Identify Jobs Drivers
5. Determine pain points
6. Determine underlying technology and processes to perform the job
7. Define progress

Once the journey is executed, companies will be ideally positioned for STP.

We are going to make reference to an insightful case of an Internal Services team in a large, global corporation as an example to illustrate the Jobs Journey.

1. Who are the key stakeholders?

The journey begins with identifying key stakeholders and “bucketing” them into smart clusters, based on commonalities, mostly psychographics ones.

If you are in charge of an Internal Services operation in a large corporation, when thinking about your stakeholders, the first reaction that typically comes to mind is bucketing them by level: Executive Team, Business CEOs, etc., or by process roles: Finance, Operations, People, etc. Our brains have been programmed to think this way: in terms of demographics.

However, when you start digging deeper into the behaviors and context (attitudes, background, circumstances) associated with these stakeholders, the insights show a different story. In the recent case with a large corporation whose industry is being significantly disrupted, they shifted their approach to the exercise by asking questions like:
- How are the stakeholders behaving in relation to disruption? Are they trying to preserve the current business’ value or are they willing to embrace the new trends?
- What’s their attitude? Do they behave independently or operate in a more integrated fashion?

The leadership team participating in the session translated their answers into a 2-by-2 matrix illustrated below and they were able to create unique buckets categorizing their stakeholders, which better positioned the team to come up with potential JTBD.

**Figure 2:** Internal Services Team Case Study Stakeholder Identification
2. Brainstorm what they want

Once the team had clarity on these insightful stakeholder buckets, they went ahead and brainstormed potential needs, wants and the like.

The Marshall bucket, an integrator open to changes, needs help thinking outside the box and support to their already devised innovative plans. The SEALs, on the other hand, need an absorber of disturbances and clarity about the boundaries so they can operate with total freedom.

3. Discern Jobs from the rest

The Jobs Discernment is an essential step in the journey to uncover the JTBD. Once the brainstorm is completed, the team needs to pass every need, want and the likes through a JTBD acid test:
- Is it an underlying task (i.e., a potential JTBD)?
- What progress will the stakeholders make if they get that job performed?
- Is it stated actionably?

By doing the discernment, the team can see with enough clarity, whether the item is a need, an outcome, an attribute or a JTBD. In some cases, by rephrasing the item, they might get to a JTBD right away.

In the example above, they identified 6 major JTBD that could apply with different relevance to 1 or more of the stakeholder buckets. The JTBD are:

- Enhance my Brand
- Help me manage change
- Enable my plan
- Enable confident action
- Absorb my disturbances
- Help me think outside the box

**Actionable Statements**

When identifying the JTBDs of components, products or processes, it is important to use active, rather than passive, verbs. Miles used a verb-noun discipline to express JTBDs, prescribing an active verb and a measurable noun in combination.

Additional examples of describing JTBDs are:
- A spring does not move parts, it "stores energy"
- A screwdriver does not turn screws, it "transmits torque"
- An oil filter does not clean oil, it "traps particles"

How a product or service is used does not identify its JTBDs. A book may make an excellent doorstop, but the JTBD of a book is not to "prevent movement".
The verb describes the action and the noun defines the object of that action. Searching for the most descriptive verb-noun combination during the Jobs Discernment is difficult. Compromise often results in selecting the action as the noun and using a passive verb to complete the JTBD description. If you suspect a passive description of a JTBD or you wish to express the JTBD more actively, try to use the noun as a verb and then select another noun.

For example:

*Passive*
- Provide support
  - Seek approval
  - Develop exhibits
  - Submit budget
  - Determine resolution

*Active*
- Support weight
  - Approve budget
  - Exhibit products
  - Budget expenses
  - Resolve problem

JTBDs are intended to be taken literally. Avoid the verbs "provide," "review," "attend," and verbs ending in "ize." "Provide" is often used when the JTBD is not understood. "Review," as in "review proposals," means read or skim but do not comment or take further action. If this is the intent of the JTBD, then the JTBD is correctly stated. But if you want someone to respond to the proposals, you must say so: "evaluate proposals" or "correct proposals." "Attend" has different meanings depending on the context in
which it is used. For a staff member to "attend meetings" means that the person is just expected to sit there. But for a nurse to "attend a patient" means that the nurse is expected to care for the patient.

**Measurable Nouns**

Measurable nouns are easier to determine when the study topic is a hardware example. When hardware components are used, measurements are quantitative and often expressed as engineering units. Examples of measurable nouns include: weight, force, load, heat, light, radiation, current, flow and energy. JTBDs such as "control flow," "reduce weight" and "transmit torque" have nouns that can be universally measured. In hardware systems, JTBDs such as "repair damage," "complete circuit" and "store parts" have nouns that can be quantitatively measured, but do not easily fit conventionally measurable nouns. "Damage" can be measured in terms of cost or time to repair; "circuit" can be measured by the size of the network or energy consumed; "parts" can be measured by quantity or dimensions.

**Using Two Words to Describe JTBDs**

Using two-word JTBD descriptions in problem solving is essential because it cuts through technical jargon. These descriptions create a communication format that allows members of an interdisciplinary team to communicate with each other. It allows scientists to communicate with financial analysts, engineers with procurement, and manufacturing with marketing. To cite an example, if the finance representative on our hypothetical interdisciplinary team presented an idea for consideration, the person might say:

*Give consideration to obtaining our product at the present time while deferring actual expenditures of capital to a future period.*
In time, after some questioning, the suggestion would be understood. But using the verb-noun approach, this idea could be expressed as: *buy now, pay later.*

Although the many subtleties of finance might not be immediately apparent, the team better understands and can agree on what is being suggested.

Using two words, an active verb and measurable noun, may sound like a simple procedure, but it is not in fact an easy thing to do. Miles recognized the difficulty, and sometimes frustration, in trying to find those two words that could most accurately describe the JTBD of the item under study. The team must then confirm understanding by arriving at consensus on the JTBD description. In his book Miles said, "While the naming of Functions [i.e., JTBD] may appear simple, the exact opposite is true. In fact, naming them articulately is so difficult and requires such precision in thinking that real care must be taken to prevent abandonment of the task before it is accomplished!"

### 4. Identify Jobs Drivers

Returning to the Jobs Journey, once the team has agreed on the definitions of the JTBD, the fourth step deals with defining the Job drivers, the underlying contextual elements that make certain jobs more or less important. A concise way to describe the drivers is by understanding these three aspects:

1. Attitudes
2. Background
3. Circumstances
The example in the figure below illustrates what those 3 aspects mean.

![Diagram showing Types, Definitions, and Examples]

**Figures 4:** Jobs Drivers from *Jobs To Be Done: A Roadmap for Customer-Centered Innovation* by David Farber, Jessica Wattman and Stephen Wunker

In the example of the Services team of a large corporation, industry disruption is a major circumstance of their current state of affairs. Background has to do with stakeholders’ particular careers; for instance, if they have spent 25 years in the traditional industry, their position in the 2-by-2 - and hence the Jobs they need to get done - are completely different from those who are up-and-coming and technology-savvy. Similarly, their educational background, where they grew up, and other personal affairs will impact their views of the world. Those contextual elements are what categorize them as either a SEAL, Marshall, Preservationist or a Guard.
5. Determine pain points

Each Stakeholder bucket has different pain points - or problems as Miles calls them - mostly depending on their drivers. For a SEAL who loves freedom and wants to have his own space, a pain point can be the constraints coming from corporate policies. That’s why a key JTBD for them could be “Define Boundaries” to know where they can operate with freedom while at the same time complying with corporate rules. A pain point for the Marshall, on the other hand, has to do with her inability to accelerate the execution pace within the company’s incumbent mindset.

We recommend using the buckets to define specific pain points for stakeholders and then link those pain points to the JTBD previously defined. This is a valuable step in gaining a deeper insight into customer centricity, and is later applied to the STP.

In his VM method, Miles calls pain points Problems. The VM project starts with a desire to correct a problem - alleviate a pain point - or capture an opportunity. Usually, the project assignment is given to an individual or team who plans the direction and actions of the project, then acts to implement that plan to solve the problem. Inherent in the VM process is the need to confirm that the problem described is the "right" problem. A problem statement is then developed that will guide the team in seeking resolutions.

The questions are:

1. What is the problem (or opportunity) we are about to resolve?
2. Why do you believe this is a problem?
3. Why is a solution necessary? (or what is the consequence of not solving the problem?)

Example:
1. What is the problem (or opportunity) we are about to resolve?

*Our competitor has recently reduced the price of the product offering that competes with our widget product line.*

2. Why do you believe this is a problem?

*The price reduction has resulted in lost sales and revenue in our widget line. If we respond by reducing our price to meet the competition, without reducing cost, it will result in lost profits.*

3. Why is a solution necessary?

*If we do not recover the loss of sales and revenue of our widget product line, it will adversely affect the profit objectives of our business plan, which could affect growth.*

So, in this case, the JTBD might be: **Recover the loss of sales and revenues.** Let’s take this journey as an example:

- **Problem:** Competitor has reduced the price of the product offering - Competitive pressures
- **Pain Point:** The price reduction has resulted in lost sales and revenues
- **JTBD:** Recover the loss of sales and revenues.

By restating the problem conditions, the problem was redefined as competitive pressures, not cost reduction. Cost reduction is not a problem condition, it is a recommended solution to the problem. Reducing the cost of the widgets seemed like the obvious approach, but better approaches may exist. Searching for ways to improve
competition offers a much broader range of study than only seeking cost-reduction opportunities. Some avenues to explore are: thinning out the losing end of widget models, enhancing value-adding product features and attributes (such as performance, quality, service, delivery, etc.), improving product yield, increasing inventory turns and other non-direct expense areas.

The resulting VM actions may not need to match the competitors' price reduction. Improving value-adding features can justify and support higher prices if customers perceive those improvements as worth the price difference.

6. Determine underlying technology and processes to perform the job

All JTBD require clarity in terms of how they can be performed. This seems obvious but in many cases teams do not explore all the different options to get jobs done.

In the previous example, the Services team should ask themselves: How can we help a Preservationist to enhance his brand? One key component, particularly given the circumstances of an industry in disruption, is to be associated with technology. So, the services team, by inviting him to be part of an innovation committee, can contribute to the brand enhancement job.

Artificial intelligence and machine learning are other relevant examples of underlying technology that can be used to perform some jobs.

7. Define progress

Last but not least, defining Progress is of the essence to a clear understanding of a job.
A job is defined as the progress that a customer desires to make in a particular circumstance. This definition is specific and important: Fully understanding a customer’s job requires understanding the progress a customer is trying to make in particular circumstances and understanding all of its functional, social, and emotional dimensions—as well as the tradeoffs the customer is willing to make.

Progress is a movement towards a goal, a process rather than an isolated event.

For instance, by helping a stakeholder to enhance his personal brand, there is a clear progress to be made: Internal Positioning. Enabling the plan will help make progress in the Execution. Absorb my disturbances will help the stakeholder focus on relevant things (core) and not being distracted by uncertainties (context).