

SM PROBLEM SELECTION

OPPORTUNITY MATRIX

STRATEGIC FOUNDER WORKSHEET

Choose the Right Problem Before Building the Solution

7 SECTIONS

SCORING MATRIX

DECISION TOOL

SM

Introduction

Many founders begin with a solution rather than a problem. They fall in love with an idea before validating whether the underlying problem is real, painful, and worth solving. The quality of the problem often determines the quality of the business — and how much traction is available from day one.

A strong startup problem typically has four characteristics:

REAL PAIN	The customer experiences genuine frustration, cost, or friction.
ECONOMIC IMPACT	The problem has measurable financial or operational consequences.
REPEAT DEMAND	It occurs frequently enough to build a sustainable business around.
WILLINGNESS TO PAY	Customers are motivated to spend money or switch behavior to solve it.

How to use this matrix: Identify 3–6 problems you are considering. Work through each section for all candidates. Use the comparison table in Section 6 to score them side by side — then commit to one.

SECTION 1

Problem Identification

List every problem you are considering building a business around. Label each one A, B, C, etc. — you will reference these letters throughout the worksheet.

#	PROBLEM DESCRIPTION	CUSTOMER SEGMENT	WHERE IT APPEARS	EVIDENCE	NOTES
A					
B					
C					
D					
E					
F					
G					
H					

Tip: Be specific. 'People waste time at work' is not a problem. 'Operations managers at mid-size distributors spend 6+ hours weekly reconciling spreadsheet-based inventory reports' is a problem.

SECTION 2 Problem Severity Assessment

The best startup opportunities come from the most painful problems. Score the primary problem you are evaluating across these dimensions. Repeat on a separate sheet for each additional problem.

PROBLEM BEING ASSESSED:		LABEL:	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> <input type="checkbox"/> E
--------------------------------	--	---------------	--

FACTOR	SCORE (1-5)	NOTES
Customer Pain Level	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Frequency of the Problem	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Economic Cost of the Problem	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Urgency of the Problem	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Current Solutions Quality	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Customer Frustration Level	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	

SCORE	1	2	3	4	5
Meaning	Negligible	Minor	Moderate	Significant	Critical

SECTION 3

Opportunity Matrix

Map each problem from Section 1 onto the matrix below using its letter label (A, B, C...). Pain / Demand runs left to right. Willingness to Pay runs bottom to top.



WEAK OPPORTUNITY	Low Pain + Low WTP	NICHE OPPORTUNITY	Low Pain + High WTP	NEEDS DIFFERENT MONETIZATION	High Pain + Low WTP	STRONG STARTUP OPPORTUNITY	High Pain + High WTP
-------------------------	--------------------	--------------------------	---------------------	-------------------------------------	---------------------	-----------------------------------	----------------------

Which problems landed in the strongest quadrant, and what does that tell you?

SECTION 4 Market Opportunity Evaluation

A painful problem in a small or stagnant market may not justify a venture-scale business. Evaluate the market conditions around your primary opportunity.

PROBLEM BEING ASSESSED:		LABEL:	<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> E
--------------------------------	--	---------------	--

FACTOR	SCORE (1-5)	NOTES
Market Size	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Growth Potential	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Competitive Intensity	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Barriers to Entry	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Customer Acquisition Difficulty	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Distribution Opportunities	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	

What do these market scores reveal about this opportunity?

SECTION 5

Founder Fit Assessment

Not every opportunity fits every founder. A great market with the wrong founder is still a high-risk bet. Assess your personal fit with this opportunity honestly.

Why founder fit matters: Investors back people as much as ideas. A founder with domain expertise, relevant network access, and genuine passion has a structural advantage over a generalist pursuing the same opportunity.

FOUNDER FIT FACTOR	SCORE (1-5)	NOTES
Founder Domain Expertise	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Network Access to Target Customers	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Industry Knowledge	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Passion / Long-Term Interest	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	
Execution Advantage	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5	

Where is your founder fit strongest — and where does it need to be supplemented?

SECTION 6 Opportunity Comparison

Now compare all problems side by side. Use the scores from Sections 2, 4, and 5 to build a total score for each problem. The highest score is a starting signal — not the final answer.

TOTAL SCORE GUIDE Section 2 (max 30) + Section 4 (max 30) + Section 5 (max 25) = Total out of 85

#	PROBLEM DESCRIPTION	TOTAL OPP SCORE	MARKET ATTR ACTIVENESS	FOUNDER FIT	PRIORITY LEVEL
A		/ 30	■ Low ■ Med ■ High	■ Low ■ Med ■ High	■ 1st ■ 2nd ■ 3rd
B		/ 30	■ Low ■ Med ■ High	■ Low ■ Med ■ High	■ 1st ■ 2nd ■ 3rd
C		/ 30	■ Low ■ Med ■ High	■ Low ■ Med ■ High	■ 1st ■ 2nd ■ 3rd
D		/ 30	■ Low ■ Med ■ High	■ Low ■ Med ■ High	■ 1st ■ 2nd ■ 3rd
E		/ 30	■ Low ■ Med ■ High	■ Low ■ Med ■ High	■ 1st ■ 2nd ■ 3rd
F		/ 30	■ Low ■ Med ■ High	■ Low ■ Med ■ High	■ 1st ■ 2nd ■ 3rd

What does this comparison reveal? Are there tradeoffs the scores don't capture?

SECTION 7

Selected Problem Statement

Based on your analysis, commit to one problem. Write it out clearly — a precise problem statement is the foundation of everything that follows.

Chosen Problem (be as specific as possible):

Target Customer Segment:

Why does this opportunity stand out above the alternatives? What gives you conviction?

Opportunity Reflection

Before building anything, pressure-test your choice. These three questions are the most important ones any founder can answer about a problem they plan to pursue.

What evidence supports this opportunity?

What have you seen, heard, or measured that confirms this problem is real and painful?

What must be validated before building a solution?

What assumptions must be proven true before investing significant time or capital?

What is the fastest way to test this problem with real customers?

Design the smallest possible experiment that generates real signal.

Founder Signature

Date

Steven Mitts · Digital Startup Playbook · Premium Founder Framework

This document is for internal founder use only. For more resources visit stevenmitts.com