

# The Grading Value Equation

*Students don't want grades — they want to know they're getting better. The grade is the drill bit. The improvement is the hole. Design your grading system like a Grand Slam Offer: so valuable students can't ignore it.*

## THE TEACHING DECISION

**How do you make your grading system deliver maximum value to students?**

### HORMOZI'S VALUE EQUATION — APPLIED TO GRADING

**Dream Outcome × Perceived Likelihood**

**Time Delay × Effort & Sacrifice**

*Increase the top. Decrease the bottom. Value goes through the roof.*

#### CONVENTIONAL GRADING

- Feedback tells students what they got wrong, not where they could be (low Dream Outcome)
- Grades feel like verdicts — students don't believe they can improve (low Perceived Likelihood)
- Papers returned days or weeks later when students no longer care (high Time Delay)
- Complex rubrics and coded language students can't decode (high Effort)
- Every item graded equally, regardless of learning value

#### VALUE-BASED GRADING

- Feedback paints a clear path to mastery (high Dream Outcome)
- Students see proof that improvement is achievable (high Perceived Likelihood)
- Fast turnaround while the effort–result connection is alive (low Time Delay)
- Simple rubrics, plain language, obvious next steps (low Effort)
- Trim low–value items, stack high–value feedback — the 80/20 of grading

#### MONDAY MORNING ACTION

**Run a Grading Strategy Audit: List every graded item. Score each on the Value Equation. Trim the bottom 20%. Double down on the top 20%.**

#### THE BOOK

***\$100M Offers*** by Alex Hormozi



