

Introduction

The OWN™ Matrix is a powerful tool developed by the author of the book *101 Ways To Make More Profits*, Steve Pipe, and used with his permission.

Its role is to help businesses become more successful by helping them to identify their weaknesses, quantify the likely impact of changes, prioritise their action plans and monitor their ongoing performance.

The general principle

The basic principle behind the OWN™ Matrix is the simple but profound observation that success in any field of life is the product of three things:

- 1 What you **N**eed,
- 2 How **W**ell you use it; and
- 3 How **O**ften you use it.

(Read in reverse, the first letter of the words **N**eed, **W**ell, and **O**ften give the OWN™ Matrix its name)

As an example of the principle in action, think about a football team. Success there is the product of having enough talented players (which is the “what you need” part), who are played in the right formation, using the right tactics and teamwork (ie the “how well you use it” part) and who actually turn up for every match (ie the “how often you use it part”). Take away any one of these ingredients and the team will lose.

And it is the same in business. For example, look at sales. To grow your sales you need to expand your customer base (ie the “what you Need” part), you should encourage your customers to spend more every time they buy from you (ie you should use your customer base really Well), and you should encourage them to buy from you more Often.

Take away any one of these components and your sales will be near to zero (eg it almost doesn't matter what you do to the size of your customer base or how often customers buy from you, if your sales and marketing skills are so poor that they only spend an average of 1p every time, your total sales will always be very small, won't they?) On the other hand, get all three right (and we can show you how to set up systems to do exactly that) and your sales growth could be massive.

Creating your OWN™ Matrix

Creating your OWN™ Matrix is a very simple seven step task. Using the attached template, those seven steps are:

- 1 Write the objective that you want your OWN™ Matrix to address in the box marked “Objectives”. At the big picture (or “macro”) end of the spectrum it could be the long term success of your entire business. At the detailed (or “micro”) end of the spectrum it could be becoming a great business leader. NB A worked example of an OWN™ Matrix for being a great business leader is attached to this Insider Report.
- 2 List the “Success drivers” in the column of that name. These are the key factors that drive how successful you are in achieving your stated objective.
- 3 You now have a 100 “weighting points” to allocate between all of the success drivers you have listed. So give each driver a weighting (ie with the more important drivers getting a higher weighting than the less important ones) - being very careful to make sure that the weights add up to exactly 100.
- 4 Next, give each of the success drivers a score on a scale of 1-10 in the next three columns. For example, if the success driver is your ability to delegate you would give yourself:

- *In the “What we need” column* - A 10 if you have all the knowledge you need to be a brilliant delegator. You would score a 1 if your knowledge of delegation was almost non-existent. And you would score a 5 if your knowledge about effective delegation is OK.
 - *In the “How well we use it” column* - A 10 if you are brilliantly skilful at turning your knowledge of the theory of delegation into action. A 1 if you are hopeless at turning the theory into practice. And a 5 if you are OK at turning the theory into practice.
 - *In the “How often we use it” column* - A 10 if you delegate on every single conceivable occasion. A 1 if you hardly ever delegate. And a 5 if you delegate about half of what could be delegated in an ideal world.
- 5 Taking each success driver at a time, multiply the scores in column B, C and D together, and put the multiplied total in the “Non-weighted total” column.
- NB The reason we multiply (rather than add) the three numbers is that their contributions are inter-dependent. For example, going back to the football example we saw earlier, it doesn’t matter how many talented players you have, or how tactically brilliant your plans are... if the players don’t turn up for the match, you will achieve ZERO% of your potential. If we were simply to add the three ingredients up, we would get a misleadingly optimistic picture of what was achievable without actually turning up for the match, wouldn’t we?
- 6 Once again taking each success driver at a time, multiply the scores in the columns A, B, C and D together, and put the total in the “Weighted total” column.
- 7 Complete the boxes at the foot of the page using the instructions they contain.

Using your OWN™ Matrix

You have now finished producing the OWN™ Matrix for your stated objective, and are now ready to start using it in any of the following ways:

- Use the calculation of how many times more successful you could be to motivate yourself and your team on to greater achievement
- Identify which of the success drivers have low “Non weighted totals” and high “weights”, and concentrate your efforts on improving those

NB: For many people/businesses, the lowest score is frequently in the “How often we use it” column. In other words, they already know what to do and how to do it - but somehow they never quite find the time or the energy to actually do it. If this applies to you too, talk to us and we’ll tell you about some simple ideas and tools you can use to create the time you need.

- Perform “what if?” calculations to see the impact on your overall success of, for example, getting more of what we need, using it better or using it more often.
- Draw up an action plan of key actions in the “action” column
- Discuss your action plan with us. Not only will you be able to bounce your ideas off us, but we may also be able to use our experience of other businesses to suggest additional ideas and options that could make you even more successful.
- Revisit and recalculate the matrix every month to monitor your progress.

Frequently asked questions

- Q1 *But isn’t the whole thing subjective?* The answer is, of course, “yes”... at least at the start. But there is nothing wrong with that. What the OWN™ Matrix initially quantifies is how well you believe you are doing - which is an enormously useful starting point to help you understand where and how you can improve. But it doesn’t have to limit itself to that sort of subjective assessment. For example, you might want to start measuring accurately the proportion of your workload that you delegate, and use that scientific measure of how often you delegate instead of the previous more subjective one.
- Q2 *The success potential you quote is unrealistic because we can never achieve perfection* - Let’s be quite clear about it, the matrix is designed to show the maximum possible improvement in an ideal world. It is certainly not suggesting or promising that you will be able to achieve all of your calculated success potential. Realistically, of course, the most you can hope to do is to claw back some fraction of your unused success potential. So what the matrix does is give you a way of

choosing which of the many areas that you could tackle first are likely to have the biggest impact on your success, and deciding whether the rewards from doing so are likely to outweigh the costs.

Q3 *Sometimes getting more of something is a backwards step* - How very true. For many businesses, one shop, one customer or one product is the perfect number - in which case, if they already have the ideal outcome, they should give themselves a score of 10 in the “what we need” column (and, of course, if somehow they find themselves with 2 shops, their score would have to be cut to less than 10). In other cases, for a franchising business for example, the perfect number of shops may be 1000 - which case if they only had one shop they would probably give themselves a score of less than 1 out of 10. The point is that a score of 10 implies being at or near the ideal outcome. In some situations that ideal outcome may be “as many shops/customers/products as possible”, while in others it may be “not a single shop/customer/product more or less than X”. In business, and in the OWN™ Matrix, we should never assume that more is always best.

And now for another really important question....

What success drivers should be included in your OWN™ Matrix

Unfortunately the short answer is that there is no short answer!

What we mean by that is that every business’s success drivers will be different because their matrices will have different objectives. And even where the objectives are the same, different businesses will have different success drivers because of the unique nature of what they do and how they do it.

The key is to sit down and spend some quality time thinking about the knowledge and assets you need to achieve the objective listed on your OWN™ Matrix. With a little thought, the answers are usually quite obvious.

But don’t worry if you only come up with one or two success drivers. In many cases that will be all there are. And you can always add more drivers to your matrix at a later date if needs be. After all, the matrix is designed to be revisited and updated on a regular basis. So you don’t have to dot every “i” and cross every “t” the first time you create it.

Remember, we specialise in creating OWN™ Matrices for businesses like yours. So give us a call and we will gladly help you to produce yours too.

Finally, using the OWN™ Matrix in your one page business plan

Since the OWN™ Matrix summarises the key success drivers in your business, it can form an excellent source of inspiration and data for your one page business plan.

As you may know, we are pioneering a new form of business plan that sets out how well your business is doing, and what you need to do in the future to achieve much, much more. A business plan that is always up to date. A business plan that can be used to motivate everyone in your business. A business plan that could literally transform your prospects.

OnePage™ business plans

If you would like to find out how these *OnePage™* business plans work, and what they could do for your business, we’ll be happy to explain without any cost or obligation.

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Objective: To be a great leader of my business

Success drivers	Weight <i>Column must add up to 100</i> A	What we NEED	How WELL we use it	How OFTEN we use it	Non Weighted Total = BxCxD	Weighted Total = AxBxCxD	Key actions
		B	C	D			
← All on a scale of 1-10 →							
Be a great communicator	30	7	8	7	392	11,760	Nothing at this stage - score suggest this is not a high priority
Be a great delegator	30	3	6	4	72	2,160	Read the book “The one minute manager meets the monkey”
Be a great decision maker	25	7	3	8	168	4,200	Use a business game to practice decision making
Be a great motivator	15	10	5	2	100	1,500	Treble the number of team meetings and pep talks I give/organise
Total actual weighted score ie add up all the numbers in the “Weighted totals” column						19,620 (E)	
Maximum possible score ie if you have followed the instructions this will always be 100,000						100,000 (F)	
So we are currently using this percentage of our success potential ie divide (E) by (F) and multiply by 100						19.6 %	
And we have the potential to be this many times more successful ie divide 100 by the % you calculated on the previous line						5.1 times	

