Opportunity Matrix™

Licensed Facilitator Manual

Andrew Horder

The following pages provide an expanded version of the instructions contained in the tool. Notes for facilitators are to be found after each section in the instructions, in blue type.

Purpose

Opportunity Matrix™ will help you to analyse and categorise clients' opportunities, so that they can focus on those that have the best combination of appealing to them and earning them money. It is not intended to be a substitute for proper due diligence and a robust business plan - but it can help decide which projects are worth doing the research for a proper plan.

Opportunity Matrix™ is an analysis tool designed to help entrepreneurs and business managers to work out which of the many activities open to them will create the best result. Because each business is different – run by different people in different markets, using different skills and resources – Opportunity Matrix™ allows you and your client to pick their own criteria for what makes an activity right for their particular business.

Opportunities are rated on two dimensions:
Passion (ie how much do we want to do it?)

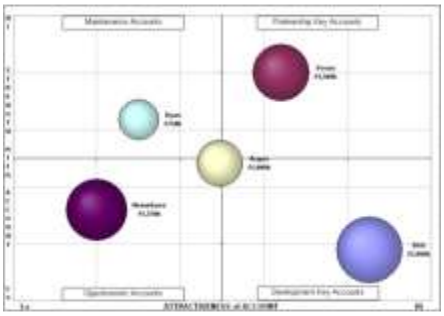
Profit (ie how easy will it be to actually make it work?)

How many essentially-sound businesses or initiatives have you seen that failed to reach their full potential, because the people running them just weren't turned on by them? So a client trying to do something that doesn't press their hot button is always going to be hard work, and ultimately destined to under-perform. Conversely, how many times have you seen people who are incredibly passionate about their ideas, but just can't make a viable business out of them.

The best businesses, initiatives, projects, etc, are those that have a sound and adequately resourced model AND are run by people who are excited and passionate about them. Those are the activities that Opportunity Matrix™ is designed to identify.

History and Theory

Opportunity Matrix™ is an adaptation of a model called the Key Account Selection Matrix (KASM), which was developed at Cranfield Business School in the mid-90's to help Key Account Managers understand the best way to deal with their top customers. The KASM uses two dimensions to assess each account – how appealing the account is to the seller, and how strong the seller is with the account.



I was using a derivative of the KASM in my work in Key Account Strategy, and one day a network colleague was complaining that he didn't know which of his many opportunities he should concentrate on. He knew which ones were most viable, but they weren't really the ones he wanted to do, and he was struggling to resolve the conflict between the rational and emotional sides of the decisions he had to make.

I realised that the KASM could be adapted to help my colleague with his problem, by assessing his opportunities using the rational dimension of Viability and the more emotional dimension of Attractiveness.

Each dimension uses a technique known as "Multiple Criteria Decision Analysis" (MCDA), in which a number of criteria are identified that combine to make up the rating for each opportunity. Typically in MCDA all of the criteria – rational and emotional – are combined together to arrive at a single score. The problem with that is that it becomes impossible to see whether a decision is being made for rational or emotional reasons, so Opportunity Matrix separates Attractiveness and Viability to give a clearer picture as a Multi-Dimensional MCDA (MDMCDA).

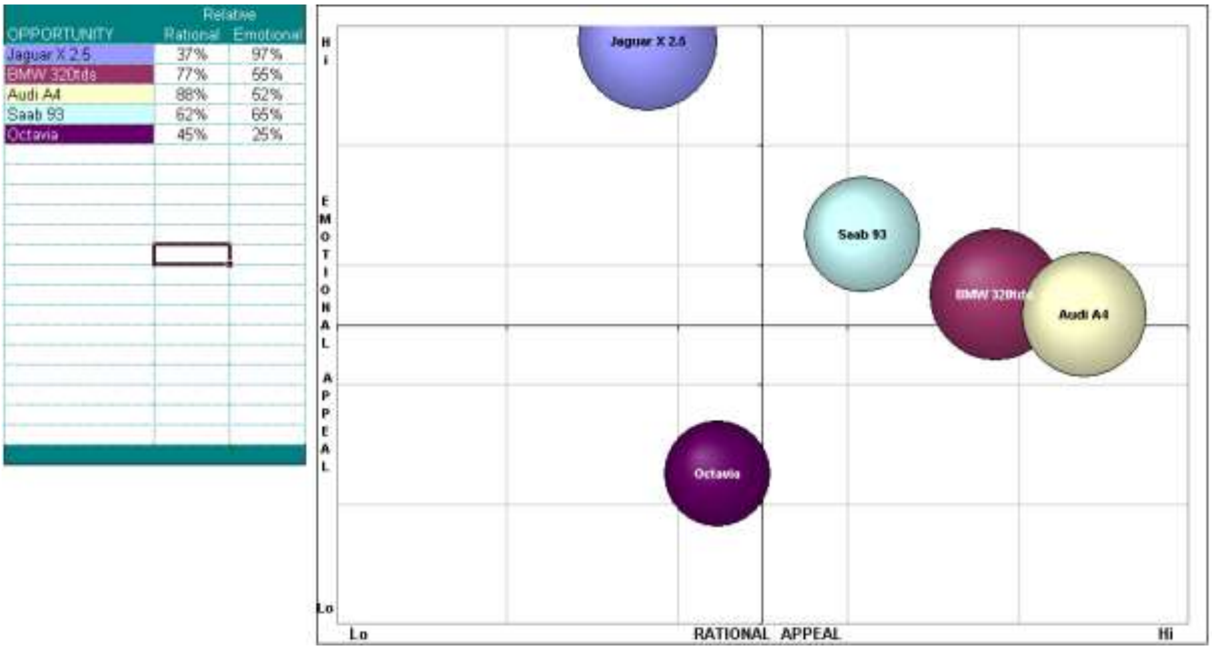
Let me give you an example of why MDMCDA is more effective. A while ago, I was trying to decide which car to buy, and as is my way (I'm an analyst!) I came up with a set of criteria for an MCDA, and scored each car.

Over the page is the simple grid I completed:

Criteria	BHP	0-60	MPG	Svc Cost	Resale	Style	Extras	Rating
Weight	8	10	6	3	10	10	4	
Audi A4	8	7	8	8	9	7	10	406
BMW	7	5	9	3	9	7	8	361
Saab	9	6	6	6	6	8	7	354
Jaguar	10	10	2	1	4	10	5	355
Octavia	3	4	5	7	2	1	8	177

Clearly the Skoda Octavia didn't match up to my specifications, and the Audi was the best choice for me. There was just one problem: <u>I really (really) wanted to buy the Jaguar</u>.

The trouble with the grid as I'd done it was that it mixed up rational and emotional criteria. The graph below shows the effect of separating the two.



By breaking out the two types of criteria, I could clearly see that my emotional preference for the Jaguar was off the scale, although the rational choice was for the Audi. So rather than messing about with the scores and the weightings, to try to get the Jaguar to come out on top, I could choose to make my decision based on either emotion or rationality – or a combination of both. But I would understand why I was doing it, rather than being frustrated by the results. In the event, I went for my passion, so I now drive a rather nice Jaguar.

Now let's translate that into a business situation. Look at the one-dimensional MCDA again; there doesn't appear to be a great deal of difference between the Jaguar and the Audi – yes, the Audi scores 14% higher than the Jaguar, but that might not be enough to overcome emotional bias for the Jaguar.

Criteria	BHP	0-60	MPG	Svc Cost	Resale	Style	Extras	Rating
Weight	8	10	6	3	10	10	4	
Audi A4	8	7	8	8	9	7	10	406
BMW	7	5	9	3	9	7	8	361
Saab	9	6	6	6	6	8	7	354
Jaguar	10	10	2	1	4	10	5	355
Octavia	3	4	5	7	2	1	8	177

But now look at the MDMCDA, and think about the 'rational' dimension as "Viability"; in the same business situation you would find it very hard to justify picking the 37% viable Jaguar over the Audi's 88%.

	Relative	
OPPORTUNITY	Rational	Emotional
Jaguar X 2.5	37%	97%
BMW 320tds	77%	55%
Audi A4	88%	52%
Saab 93	62%	65%
Octavia	45%	25%

Separating viability (Profit) from attraction (Passion) makes that a much easier decision – of course, it also allows the accountants to stop you doing what you want, because they can see how each opportunity stacks up based on viability criteria only. But as we've said, you really do need a high score on both for a business to perform at its best.

The structure of an Opportunity Matrix Program:

This page gives the overall structure, to give you context as you read each section. Do not worry if some parts are not immediately clear – come back to it once you have read the full manual and used the Matrix yourself, all will become clear. Timings given in brackets are for the premium or standard versions respectively, and are guidelines only, adjust them to suit your style and the client's speed of learning what is required of them. Each number represents a session (in the standard version sessions 2&3 and 4&5 are frequently done together).

1) Client briefing call (30mins): to run through the matrix with the client, explaining what it does, what they will get out of it, and what input they will need to provide. You should prepare a completed matrix with example opportunities and criteria relevant to your sector, to give clients a better idea of what the output will look like.
2) Passion [Steps 1-4] (90mins/45mins):
    a. Criteria (20m/10m): identify and weight the criteria that make an opportunity attractive to the client.
    b. Opportunities (10m/5m): List out the opportunities.
    c. Scoring (60m/30m): score each opportunity against each criterion.
3) Profit / Pragmatism [Steps 5-9] (90mins/45mins)
    a. Forecasts (10m/5m): add turnover or profit forecasts
    b. Criteria (20m/10m): identify and weight the criteria that make an opportunity attractive to the client.
    c. Scoring (60m/30m): score each opportunity against each criterion.
4) Passion Challenge (90mins/45mins)
   Detailed discussion challenging and adjusting opportunity scores and criteria weights on the Attraction tab (Passion dimension)
5) Profit Challenge & Summary (90mins/45mins)
   Challenging and refining the Profit dimension generally takes less time than the Passion dimension, so you can complete it and the summary in this one session.
    a. Detailed discussion challenging and adjusting opportunity scores and criteria weights on the Viability tab (Profit dimension)
    b. Overview of the output and suggestions, using the main Opportunity Matrix™ chart and the two Breakdown charts.

Requirements:

Opportunity Matrix™ is a Microsoft Excel file. You will need MS Excel (2007 or later) to use it, with macros enabled.

To enable macros in Excel, go to File>Options>Trust Centre>Trust Centre Settings and enable macros there. Please be aware that macros are sometimes used to carry malicious code, so if your version of Excel allows you to choose which macros to enable, please select that (in Excel 2010 we recommend the setting "Disable all macros with notification" – that creates a message bar on opening a file containing macros requesting permission to run them – to use all features of Opportunity Matrix, you will need to enable its macros).

Facilitators: if your client does not have Excel, you can still use Opportunity Matrix with them face-to-face or by sharing your screen using a program like Skype or Google Hangouts. Normally we suggest getting them to share their screen with you, so the resulting file is on their computer. We use an inexpensive service called StartMeeting that also allows recording and sharing of the sessions (and even running webinars, which is handy) - it is a little more reliable than the free services, and you can get a reduced price (currently $14.95pcm) after the free trial, bu using this link: www.thebusyfool.com/smtg

Please note: after opening Opportunity Matrix™ for the first time, you will be asked to enter an individual, organisation or business name to whom the license will belong. Not entering this will result in a warning on the client interaction pages that the version being used is not licensed for paid work. If you get into any difficulties with this, email pro@opportunity-matrix.com for help.

We STRONGLY recommend saving a clean version of the original file as soon as you have opened, before entering any data. Then, for each client you can create a separate file using File>Save As. You may also want to save different versions of each client file for comparison purposes - possibly one for each time you go through it with them.

Using Opportunity Matrix

Warning: NEVER use either 'Drag&Drop' or 'Cut&Paste' while using Opportunity Matrix – they break links in the data arrays and either cause error messages or incorrect output information. Use 'Copy&Paste' instead. If you break it, contact customer services at cs@pro.opportunity-matrix.com and we will try to fix it (on a best endeavours basis).

Step 1

The first step is to tease out all the opportunities the client is considering – there are usually more than they realise! At this stage, don't worry too much about getting the list complete – I find that more opportunities always 'pop up' as we go through the Matrix.

On the "Attraction" tab, enter a brief name for each opportunity down the left-hand side of the sheet.

Caution: these copy through onto the "Viability" spreadsheet, so if you later change the order of the names, or add new ones, you will have to re-enter or adjust the data on "Viability". Just changing a name but keeping it in the same place will not cause any problems.

After adding any opportunities, make sure you click the "Update Chart" button.

You can add new opportunities at any time. In fact, we recommend that you redo the matrix analysis every few months at least, to see if any of your opportunities have changed, or if any new ones have come into the picture. Opportunity Matrix™ is not a static tool for one-off use, it's intended to be used regularly to fine-tune and optimise your portfolio of activities.

Ideally, as soon as a new opportunity arrives on the planning horizon, it should be added to Opportunity Matrix™ and the scores for all the existing ones checked. Things will have changed – you might have found out new information that means that an opportunity is more or less viable, or maybe you might have tried an attractive activity and realised it's not quite as much fun as you thought it would be.

Facilitators: get clients to keep opportunity names brief, as they are used on the output graph and long names get messy. But make sure YOU will be able to remember any abbreviations they use!

Also remember to click the "Update Chart" button, this ensures all opportunities appear on the breakdown charts (see page 19).

Attraction Tab

Step 2

Spend some time working out what it is that makes a project attractive to you - it might be regular revenue, challenge, novelty, working with people, not working with people ,etc etc. One criterion we recommend is congruence with other things that you are doing. At this stage, you should NOT include the size of the potential revenue, nor things like profit margin or access to the market - those belong on the "Viability" tab.

Enter up to 12 criteria on the top of the "Attraction" tab.

A good way to arrive at criteria that mean something to you or your business is to look back over things that you have done in the past, and consider what it was about them that made them enjoyable – or not.

Facilitators: Appendix 1 contains a list of suggested criteria, which have all been used by clients at some point. It is by no means an exhaustive list, but hopefully it will provide clients with enough ideas to generate their own bespoke list of criteria.

Bear in mind that this is a major opportunity to find out a lot about the client's purpose for the business, so I recommend using the list only as a prompt. This step is also a great opportunity for you to identify any conflicts that may require further work, especially when working with Senior Management Teams rather than individual owner-managers.

Step 3

Check which of your criteria are most important to you, and adjust the weighting on a scale of 1-10 under each criterion on the "Attraction" tab.

Remember that as you weight your criteria, a high number will always mean ‘good’ and a low number ‘bad’. So it is advisable to always phrase your criteria so that a good opportunity gets a high score. For example, if one of your criteria is that the opportunity doesn’t take much effort, then your criteria would be entered as “Low Effort”. If you just enter “Effort”, working on the basis that you’ll remember that you mean ‘doesn’t take much effort’, I can pretty much guarantee that you’ll get confused at some point, and give a score of ‘1’ to something that you can do while sitting on a beach in the Bahamas. That of course, is a good thing, so should really get a score of 10 under “Low Effort”. Remember: High=Good, Low=Bad.

Facilitators: this is important, it creates untold confusion if you get this wrong!

In many cases with the consultancy-led executions of Opportunity Matrix™, we find that clients uncover additional criteria as we go through the scoring process. The tool is designed to allow you to add criteria whenever you need to.

Be very clear which criteria are essential, and which are "nice-to-haves"; essentials will be weighted 8 or over, nice-to-haves will be weighted below 5. Remember, the more criteria you have, the less effect each has on the overall rating, so with a large number of criteria, it’s important that any that are very important are weighted to really stand out.

Facilitators: Once they are all entered, it is helpful to start by making paired comparisons between any that are scored the same (*eg above: ‘interest’, ‘content control’ and ‘cycle time’, all 8*), and check that they really are equally important.

Then make paired comparisons with criteria that are weighted either side of each other (*eg 'low effort' = 7 and 'interest' = 8*), and ask yourself if that relationship is right – is the 7 really almost as important as the 8, but not quite. And so on.

Similar Criteria

Often clients feel that two or three criteria are really just different aspects of the same thing. A danger of this is that by having two or more criteria representing parts of the same area, the area ends up having too much effect on the total rating.

One way to deal with this is to delete all but one of them, and weight and score them all together. However, if the scores (see Step 4) for the different aspects are likely to be very different it is often a good idea to keep the various criteria and to split the weight of the area between them.

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ATTRACTION													
Criteria >	cycle time	clarity	content control	inspiring	novelty	interest	time control	low effort	"fit"	Passive	Exposure		
Weight>	6	5	8	9	4	8	3	7	9	6	4		
ortunity	Scores	Scores	Scores	Scores	Scores	Scores	Scores	Scores	Scores	Scores	Scores	Scores	Rating

For example, with the criteria above we might decide that 'interest', 'novelty' and 'inspiring' are all really elements of an overall criterion of 'growth', which gets an overall weighting of 9.

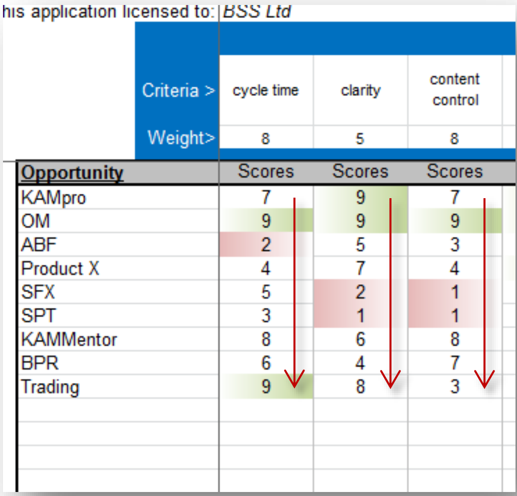
In the original weightings, 'interest' is 8, 'novelty' is 4 and 'inspiring' is 9 - so the three elements of 'growth' add up to 21, meaning that in total it has too much of an effect on the rating. In this case we might re-score 'interest' as 3, 'novelty' as 2, and 'inspiring' as 4, bringing them back to 9 in total.

Facilitators: be aware that the formula is not mathematical, with higher weightings having a greater effect on the overall score, so round up rather than down – in the above example you would probably make the weights 4, 3 and 5 respectively. It's easier not to get into the maths of why with the client, and in my experience they will generally follow your guidance.

Step 4

Score each opportunity for each criterion, entering the scores in the body of the "Attraction" tab. The scores should be relative to your "perfect" opportunity, not to each other. If your scores are too similar, you will be prompted to review them - though it is possible that all of your projects really are close to each other in attractiveness to you; after all, you thought of them!

I generally prefer to go down the columns, scoring all the opportunities against one criterion at a time. This helps to make sure that the comparisons are fresh. Once again, paired comparisons (see Step 3) are useful to tease out the differences and similarities between opportunities.



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Criteria >	cycle time	clarity	content control
Weight>	8	5	8
Opportunity	Scores	Scores	Scores
KAMpro	7	9	7
OM	9	9	9
ABF	2	5	3
Product X	4	7	4
SFX	5	2	1
SPT	3	1	1
KAMMentor	8	6	8
BPR	6	4	7
Trading	9	8	3

It is not at all unusual to find that clients have missed one or two important criteria, once they actually start to fill in the scores. Nor is it unusual to conclude that the weightings are not right. If either of these happen to you, don't worry. It doesn't mean you've got it wrong – in fact it means that you are doing it right, and challenging the client effectively. Just go back and add the criteria and/or adjust the weightings, and (preferably) re-start the scoring step.

We promised you that this tool is simple to use, not that it's easy!

Facilitators: this Passion (Attraction) scoring step is the second most important part of the work you will do with the client, especially management teams. As you go through this step, you will uncover all sorts of assumptions and misconceptions about why they are even in business – and every one of those is an opportunity to help them more with further sessions or your other programs.

Viability Tab

Step 5

On the "Viability" page, enter in the "Short-Term £k" column your best estimate of what you could earn from each project for the next 12 months. For now, ignore the fact that you won't have time to follow up on all the opportunities, and enter the figure you could achieve if you had as much time as you need for each of them. You should take account of any staff you'll need to run each opportunity, or any other specific costs, so that your figure here reflects what you get to actually put in the bank, not gross turnover.

Facilitators: this presents an opportunity to impress with your knowledge of costings and margins etc, but please remember this is supposed to be a 'broad brush' approach. Save time for the more enlightening challenge part of the viability tab – that's where your extra work will come from. Nonetheless, this and step 6 will let you see how realistic or optimistic the client is being.

Step 6

Under the "Potential £k" column, enter the maximum yearly amount you could earn from each project at some point in the future. You can either take a point in the future and enter the expected earnings from each opportunity at that point, or you can use the maximum figure that each would ever earn in a single year. If you take the latter option, and the opportunities will mature at differing dates, then you will need to include a criterion on the viability page that reflects that. Again, assume you are able to give all of your time to each project.

Facilitators: this step is particularly important either when the client has a stash of cash that they can afford to invest, or when they are looking for an exit. Each of those circumstances will need appropriate criteria added in the next step – and will provide you with useful information for future work with the client.

I generally use 6m or 12m for short-term and anything up to 5yrs for potential.

Step 7

Add criteria to the form in the "Viability" tab for what will make a project feasible. This will include things like size of market, access to market, having the right knowledge and skills, how much work will be needed before the product or service can be launched, the price (especially relative to the time it takes), profit margins, number of competitors, etc etc. Note that the opportunity names carry through from the Attraction tab, hence the need to avoid messing about with the order.

Facilitators: Appendix 2 contains a list of suggested criteria for the Viability dimension; once again, they are all ones that have been used by clients at some point. The client can use a selection of these, or make up their own that more closely match their particular situation. As with the Attraction criteria, identifying these can be very enlightening, both for the client and for the facilitator.

Step 8

As with Attraction, once all the criteria are added you can add the weightings directly on the Viability page.

Check the weight you have given each criterion on a scale of 1-10 according to how important it is - making sure that the real "show-stoppers" are much higher (8+) than the more minor issues (<5).

Facilitators: it is helpful to make paired comparisons between any that are scored the same (*eg above: 'price/hr', 'size of market', both 8*), and check that they really are equally important. Then make paired comparisons with criteria that are weighted either side of each other (*eg 'Access' = 9 and 'size of market' = 8*), and verify whether that relationship is right – is the 8 really almost as important as the 9, but not quite. As with Attraction, be alert for any groups of criteria that are really only aspects of one overall criterion, and adjust their weightings accordingly.

Agreeing the weightings for viability can help to surface hidden assumptions about the business or its market that might need additional work, as well as differences of opinion and emphasis amongst a Senior Management Team. In other words, another important opportunity for follow-up work.

Step 9

Score each opportunity for each criterion, entering the scores in the body of the "Viability" page. The scores should be relative to your "perfect" opportunity, not to each other. However, it is still useful to used paired comparisons between the opportunities to fine-tune your scoring.

As on the Attraction page, I recommend going down each column, rather than across the rows, to ensure consistency in your scoring for each criterion.

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			VIABILITY				
		Criteria	Size of mkt	Access	Know-ledge	Readi-ness	Accept-ance
		Weighting	8	9	7	3	10
Opportunity	Short-Term £K	Potential £K	Scores	Scores	Scores	Scores	Scores
KAMpro	£30	£75	6	4	8	6	3
DM	£15	£60	9	6	7	9	8
ABF	£2	£20	9	6	8	3	7
Product X	£12	£25	6	3	3	2	4
SFX	£15	£50	7	3	3	2	3
SPT	£3	£50	6	2	2	3	5
KAMMentor	£10	£30	4	5	8	7	5
BPR	£5	£15	3	6	5	7	7
Trading	£3	£25	8	9	3	6	5

Once again, if your scores are too similar, you will be prompted to review them - though it is just possible that all of your projects are close to each other in viability.

Facilitators: the methodology required here is identical to the one you used for the Attraction tab. Although the Viability scoring presents less in terms of mind-set and personal situation issues for you to develop additional work from, it is great for highlighting knowledge or skill gaps that you or your associates can help with.

You are now ready to look at the results of all your scoring on the Opportunity Matrix™

Matrix – The Four Quadrants

Just Do It: (High Passion, High Profit)

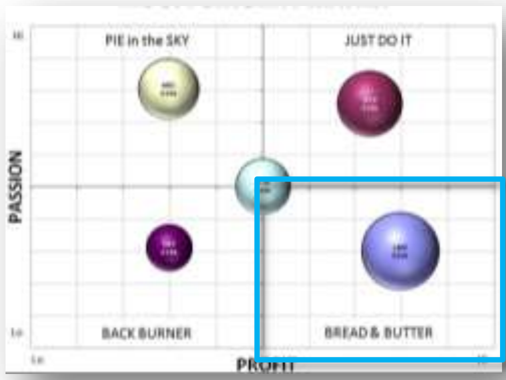
These represent the best return on your client's efforts, in terms of taking their business where they want it to go with the least effort, and probably also the best chance of success. They are the ones they need to do create a robust business plan.

Pie in the Sky: (High Passion, Low Profit)

These are the opportunities that appeal to clients, but will need significant work to make them happen. They could be worth pursuing as they will have the client's enthusiasm to get through any challenges, but only in time that is genuinely spare.

Bread and Butter: (Low Passion, High Profit)

These do not really appeal to the client, but they are easy to do. As such, they could be used to provide support and cash-flow for the more exciting projects at the top of the matrix. Make sure the client understands the factors that make them unattractive.



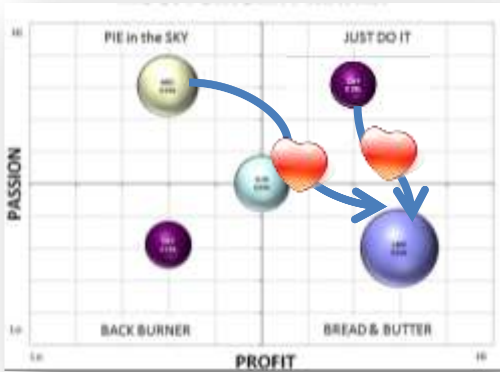
Back Burner: (Low Passion, Low Profit)

Like "Pie in the Sky", these will take time and effort to get them going, but as they are not very appealing to the client, that time is probably best spent on the other quadrants.

Facilitators: some suggestions for strategies you can recommend are below.

R&D Hold: where the client has nothing of any size in “Just Do It”, but does have a decent size opportunity in “Pie In The Sky” and a big opportunity in “Bread & Butter”, they can use the revenue from “Bread & Butter” to fund developing “Pie in the Sky”.

Go to the ATM: where the largest opportunity is in “Bread & Butter”, get the client to continue with that for now (going to the cash machine) while seeking something larger that has more Passion attached. They may then remember why they started doing it in the first place – few deliberately start something they hate!



Refresh & Refurb: often the reason why a large and lucrative opportunity is in “Bread & Butter” is that the client is simply bored with it. By looking at what the client likes about the opportunities with higher Passion ratings, you may be able to map some of that into this one. This is best where there are no good-sized opportunities with high Passion.

Slow Burn: Just because this client doesn’t have the ability or desire to make a “Back Burner” opportunity work, doesn’t mean they can’t find someone who does, and let them run with the idea for a small royalty.

I’m sure you’ll share your own strategies too!

Matrix Options (button on Matrix tab)

<u>Zoom</u>

You can zoom in on any quadrant of the Matrix, or on the centre, to allow you to see more clearly how the opportunities compare with each other.

<u>Labels</u>

Sometimes the relative position or the size of the balls means it's easier to have the opportunity labels showing at the side rather than over the balls. You can also switch off the labels completely, and rely on the colour-coding.

<u>Time Frame</u>

You can select to see only short-term earnings (default) or earnings at full potential. For clients with a longer payback horizon, the longer term may be more appropriate. Many clients find the "Both short and long term" setting the most useful; with this setting the short term shows as the solid ball, with the potential size showing as a dotted line around it.

Print:

To print out the output page, click "Print" and the current view will be printed from the currently-selected printer.

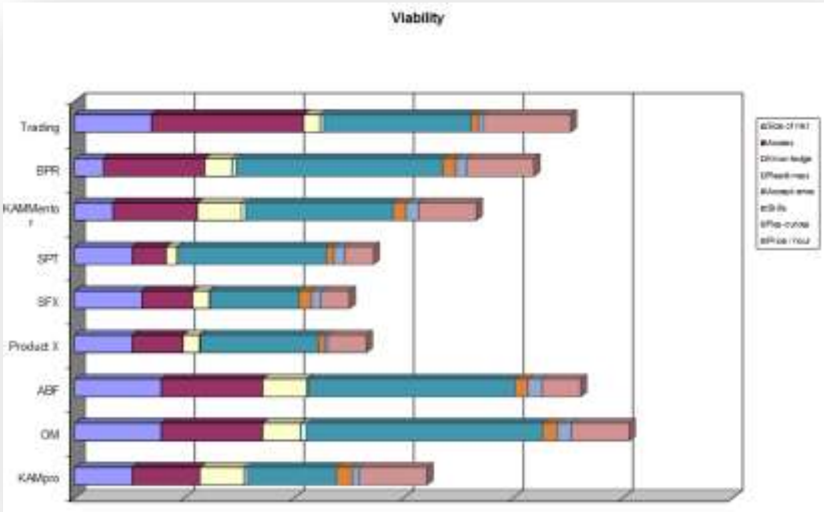
Facilitators: The most useful of the options is the Time Frame selection. In Excel 2010 and above, clicking on the buttons will instantly change the display, making this a great way to show the client the difference between the short and long terms. Where labels have been turned off, you can see which ball relates to which opportunity by hovering, or by the colour-coding on the data grid.

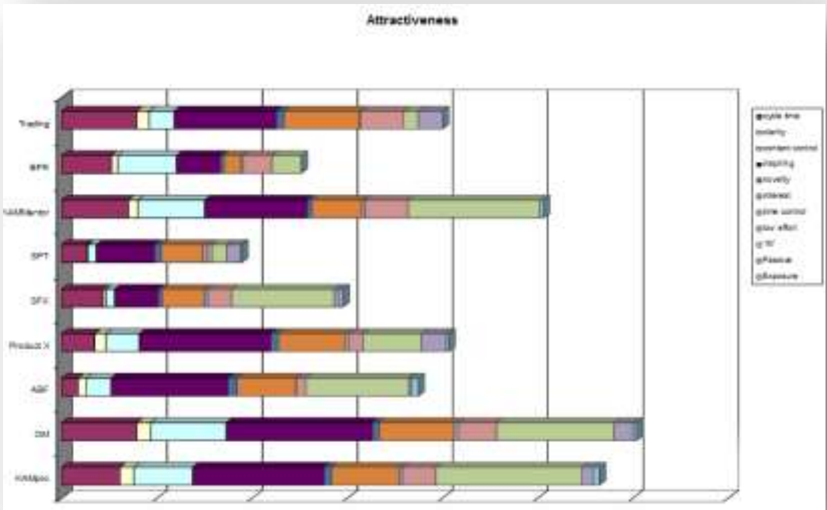
Breakdowns

The two breakdown tabs show a stacked bar chart of how the attractiveness and viability scores are made up – in other words how much each of your criteria contribute to the overall rating for each opportunity.

They are useful for sense-checking your results, and for gaining an understanding of areas to concentrate on to move "Bread and Butter" and "Pie in the Sky" opportunities into the "Just Do It" quadrant.

For example, the Viability Breakdown here shows us that one of the big differences between "KAMPro" and "OM" is the market acceptance (aqua); so if we want to move "KAMPro" from 'Pie in the Sky' into 'Just Do It', we will need to address the issues the market thinks are wrong with it.





"SFX" in this example has problems with access to market, knowledge, readiness, and acceptance (amongst others!) And even if we can fix those, we'll need to find ways to get more clarity on what it is, control over what it contains, and make it more novel and inspiring, to move it up the Attraction scale.

Facilitators: the breakdowns can also help you to see aspects of the client's total portfolio that are underweight versus their criteria – e.g. here there's not much passive income.

You do need to take the weighting into account – something with a low weighting won't contribute much anyway, regardless of scores. That may help to clarify the client's weightings – when you tell them that it doesn't really matter all that much, that may provoke a reaction that belies the criteria weightings they previously set.

A caveat here: as the breakdown charts are used towards the end of the process, be careful not to completely disrupt the weightings – unless you are ready to give them a whole load of free time re-doing the Matrix! If you suspect that there may be a big issue that has been overlooked, this can be used to prompt a further piece of work around clarifying that issue – and it is important that at the end of their Opportunity Matrix™ program they feel clearer on their priorities. So you must address this as a new issue (this is one of the few things I will insist upon, in terms of facilitator conduct with my tool).

Summary for Facilitators

Opportunity Matrix™ is best used where there is a specific request for help in deciding what to prioritize, and where, as a professional business coach or advisor, you realize that the client does not have a clear set of rules to let them decide between opportunities. The initial work to analyse their potential portfolio of opportunities is intended to be only the first stage in a long-term business relationship, and as such, it provides you with an excellent opportunity to get a deep understanding of their business and their aspirations for it.

Whilst it should never be sold as a 'cure-all' for their prioritization needs, it makes a very effective 'primary sale' as a diagnostic tool to identify priorities and create a set of rules for decision-making. Because it is recommended as a tool to be used repeatedly, that means that you are already positioned in the client's mind as someone who will continue to add value to their business, making ongoing work and retainer contracts a real possibility.

Suggested Pricing

Online 1-to-1 Opportunity Matrix™ program:

Briefing session + 2 x 90 mins (or 4 x 45 mins), by phone & screen share = $897

Premium 1-to-1 Opportunity Matrix™ program:

Briefing session + 4 x 90 mins, by phone & screen share = $1500

(you may choose to also offer this as a full-day face-to-face session at a price that allows for your travel time and costs – recommended for management teams)

1-to-1 Opportunity Matrix™ Lite program:

Briefing session + 2 x 45 mins, by phone & screen share = $447

(I don't recommend this, you will struggle to add enough value and discover enough to get good follow-up sales)

eCoaching Opportunity Matrix™ program:

Video briefing (pre-recorded) plus email support only = $147 (6m) or $247 (1yr)

(requires a copy of the file emailed to you or in a common online file-store)

(suggested only as a first sale, you should up-sell the client to the 1-to-1 program)

Questions, Queries and Problems

We are always happy to answer any questions you have about using the Opportunity Matrix online application. Please send an e-mail to support@opportunity-matrix.com and we will endeavour to come back to you within no more than 24hrs. If you need an answer more quickly than that, please call Customer Services.

Telephone: +44 (0)20 8144 2423

Office hours:

09:00 to 17:30 GMT Monday to Friday

10:00 to 13:00 GMT Saturday

Appendix 1

Suggested Attraction Criteria

1) **Congruence**

   How well does this activity/opportunity fit with the other things that clients are doing? Or: how well does this activity fit with their organisational or personal values and mission? For example, for someone whose business is mainly in property, starting an internet business might show low congruence, whereas starting a property magazine would build on and draw strength from what they were already doing.

2) **Inspiring**

   Does this activity really give the client a buzz, or a feeling that they are doing something useful and important? For example, launching a service that could revolutionise an industry, or going to the developing world to create wealth with a new factory. Many have also used words like “Impact” or “Legacy” to describe a similar feeling; the important thing is that the words used mean something to the client and to their organisation, and that the meaning is clear to them and to anyone else who will use the output from the tool.

3) **Time control**

   Does the client control when this activity gets done, or are they forced to do it at a certain time? For example, opening a retail shop could mean that they have to be there from 8-6 every day; or trading foreign exchange could mean having to be at their computer when the markets are open. Conversely, opening a chain of shops each with managers on site could mean greater time control for the client; again, what is important is what the words mean in their specific situation.

4) **Content Control**

   Is the client free to do what they want in this activity, or do they have to do this a particular way? For example, an independent consultant can use whatever tools he or she feels appropriate, whereas a consultant operating under a franchise or a license arrangement has to stick to the tools approved by the organisation. For some, or course, the availability of existing materials and methods is a plus, but that could be a different criterion – possibly “Support” or “Proven”.

5) **Low Effort**

   How much effort will the client have to put in to make this happen? And will that effort just be in the set-up phase, or will it be ongoing? For example, building a property portfolio takes a lot of work in the early stages, but once all the properties have tenants, there is much less work to do. An internet business, on the other hand, requires less hard graft initially, but needs to be constantly updated.

6) **Clarity**

   How clear is it exactly what is meant by this activity? Does the client understand exactly what doing it will mean, or is it more of a concept at this stage? Being clear on what has to be done is very important to those people and organisations with a low tolerance for uncertainty. The converse of this might be the ability to improvise and use one’s initiative.

7) **Cycle Time**

   How long does it take from first contact to revenue? This is largely used as an Attraction criterion by those with adequate funding, where it is nice, but not essential, for the sales cycle to be short. For some, it could be a Viability criterion – especially if they don’t have the funding to wait for cash-flow. For example (even assuming a reasonable financial buffer) a large-scale project with a very long sales cycle will be less attractive than one which can be turned around more quickly.

8) **Novelty**

   Is this something new for the client and/or the market? For many users, doing something new and challenging is important. Some would count it as part of ‘inspiring’, but many would treat it as something different (see under Step 3 for what to do if there are several aspects of the same main criterion). As is frequently the case, there is an opposite to this – stability – which may be more relevant to certain people or businesses.

9) **Passive Income / Long Term Benefit**

   Will this activity generate revenue or other benefits even after the client has stopped actively doing it? This is probably more relevant to individuals and smaller organisations - larger businesses might describe it as “Strategic”

10) **Exposure**

Will this activity provide the client or their organisation with press, PR or industry forum exposure? For example, developing a low-price offer that will generate significant volume sales and attract attention may be attractive to businesses that can't, or don't choose to, advertise.

11) **Geography / Travel**

Many people are not able to travel long distances to carry out their activities, so the location of a potential market can be important. For example, someone who is responsible for an elderly relative would find it hard to make overnight or foreign trips. On the other hand, a footloose youngster (or empty-nester) may actually delight in the opportunity to travel for business. I certainly enjoy my annual trip to South East Asia.

12) **Contribution**

For an increasing number of individuals and companies, the ability to contribute something to society or the world adds extra value to an activity, and could make it more attractive than a similar one that doesn't have that possibility.

13) **Working with people**

For many, activities involving people are far more attractive than those that just involve a computer screen. For others, the reverse is true. An example might be delivering a training course, compared with creating one – they have different levels of contact and interaction with people, the former being very interactive with a number of people, the latter being more research-based.

14) **Manual work vs Intellectual work**

Some people can't stand getting their hand dirty, while others are only happy up to their elbows in muck. Equally, some businesses are extremely skilled at a particular physical activity, but couldn't plan their way out of a paper bag.

Appendix 2

Suggested Viability Criteria

1. **Market Size**

   The main thing to consider here is how many potential customers there are for the product or service. It's important to be realistic when scoring this, and only use a sensible segment, that the client will practically be able to reach within the timescales you are considering. You should probably only consider the global market if the clients have a real ambition to scale the opportunity to that magnitude.

2. **Market Access**

   How easy will it be for the client to reach these potential customers? Do they have industry contacts, or a strong reputation in the market, or will they have to rely on cold-calling and mailshots? They will also need to consider whether there are any conditions for market entry, like licenses or other legislative issues. For some, legislation might be a separate criterion.

3. **Market Acceptance**

   The issue here is how quickly will the market accept the client or their offering as a solution for their needs – if they ever will? You will need to consider what constraints customer are currently putting on what they will purchase, and how the client will either accommodate or overcome those constraints.

4. **Knowledge**

   How good is the client's knowledge of the market and the technology involved in their offer? You will need to consider how essential it is that clients have that knowledge themselves or as a part of their management team, or whether they could buy it in from an outsourced supplier. You may also want to consider what other types of knowledge – maybe of systems or processes could be needed.

5. **Readiness**

   This relates to how near to market-ready the product or service is – is it all in a warehouse somewhere, or a program already written up, or does it have to be prototyped or even designed from scratch. The closer to ready the offering is, the sooner it will generate revenue and the lower the risk.

6. **Competition**

   A very important part of how viable an opportunity will be is how many other suppliers there are for that product, or for one that fulfils the same customer need. Don't neglect other demands on clients' prospects budget either, even if there's no immediately obvious connection. Examples might be a conservatory (a home improvement product) and a cruise (a leisure product) – both could also be seen by certain customers as luxury items, and therefore both competing for the same budget.

   Remember that when scoring against opportunities, good = high score, so you will need to phrase this as "Low Competition" or similar.

7. **Skills**

   This is very similar to knowledge, but it is concerned with how to do things, not what to do. For some users, it could be combined with knowledge – you decide whether it's relevant for the client's particular business.

8. **Resources**

   There may be very specific resources needed to follow up an opportunity, and you will need to consider how easily clients can get access to them. They might range from premises and vehicles to particular raw materials.

9. **Finance**

   In some cases this will be a subset of Resources, but for some opportunities it will need to be considered as something separate. It will certainly be very important to consider what finance is needed to get going, and what the client has access to. Even if access to capital is relatively easy for them, using it for one opportunity will mean it's not available for other things.

10. **Margin**

    In general, opportunities that offer a higher margin will be easier to get going, subject always to market size and the other Viability criteria.

11. **Price per Hour**

    Where clients are selling your services, the amount of profit they can make for each unit of effort or time will make a big difference to how easy it will be to make money from the venture. Also consider whether to include outsourced or employed labour in this criterion, or whether those are handled in the margin criterion.

12. **Risk & Uncertainty**
    To a large extent all of the previous criteria are a part of how risky or uncertain an opportunity will be to pursue, but there may be some risk outside of the general commercial risk – e.g. foreign exchange or political risks when dealing with overseas customers.

As with the list for Attraction, this is not intended to be an exhaustive list, but it should give some good guidance to get clients thinking about the kinds of criteria you will need to measure an opportunity's viability. As just like Attraction, the likelihood is that you or they will think of new criteria once you start scoring their opportunities.

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