



The Grid — The master model behind business success

Project success checklist

WHY YOU'LL LOVE IT:

This checklist helps you make better decisions, in less time, more of the time, by revealing the impact of any project or decision on the business as a whole.

GET ANSWERS TO THESE QUESTIONS AND MORE:

Should we give this project or decision the green light?
What will be the broader impact of this decision?
Have we considered all of the perspectives that matter?

YOU'VE GOT IT RIGHT WHEN:

Only the strongest projects get the green light and it's clear how a decision could impact the business as a whole.

TIPS:

- You can work through the checklist individually, or with your team. An interactive version is also available on our website: www.methodical.io
- We've included explanations on the last page in case any of the terms are unfamiliar.
- Each question has space below for to-dos, notes or next steps.
- **The Grid** book will help you work through unknowns, risks or challenges quickly and easily. Page numbers for the relevant sections are noted next to each question.
- This checklist works best if you pose your project or decision as a specific question, like:
"Should we outsource our contact center?" or
"Should we hire a permanent project manager?"
- Analyze alternatives separately. If you're choosing between options, run through the checklist multiple times and compare your results.
- You can also run checklists for different scenarios: best case, worst case and most likely case, for example.

Project success checklist — Desirability

YOUR PROJECT OR DECISION:

Could this project or decision affect desirability? This checklist guides you through all the factors worth considering.

WANTS AND NEEDS



1 CUSTOMER VALUES & BELIEFS 61 - 68

If your customers knew about this project or decision would they support it?

- Yes
- No
- Hmm, we should look into that
- They wouldn't care either way

2 CUSTOMER GOALS 68 - 73

Will this project or decision make it easier or harder for customers to achieve their goals?

- Easier
- Harder
- We've no idea
- It won't affect them

3 ADOPTION BARRIERS 73 - 82

Will this project or decision make it easier or harder for new customers to adopt your product or service?

- It lowers adoption barriers
- It makes adoption more difficult
- We haven't considered this
- It doesn't affect adoption barriers

RIVALRY



4 CATEGORY 87 - 91

Would this project or decision have a broader impact on the product or service category?

- Positive impact (e.g. creating a whole new level of demand)
- Negative impact (e.g. sparking a price war, or tarnishing the industry)
- We've not considered this – it's something to look into
- There will be no broader impact on the category

5 TERRITORY 91 - 92

Will this project or decision impact the territories you can operate in?

- A positive impact
- A negative impact
- That's a good question – we should research that
- There won't be an impact

6 ALTERNATIVES & SUBSTITUTES 92 - 98

How will this project or decision affect your competitiveness?

- We're likely to gain market share
- We're likely to lose market share
- We haven't thought about it
- It won't have an impact

OFFERINGS



7 PROPOSITION 101 - 108

Will this project or decision make your proposition more or less appealing?

- More appealing
- Less appealing
- We haven't considered it
- No impact

8 BRAND APPEAL 108 - 112

Will this project or decision strengthen or weaken your brand?

- It will strengthen it
- It will weaken it
- We've not thought about the impact on our brand
- It won't affect our brand

9 CUSTOMER EXPERIENCE 112 - 120

How will this project or decision affect the customer experience?

- The customer experience will improve
- The customer experience will suffer
- We haven't thought about it
- The CX will not be affected

WE'VE GOT YOUR BACK: Reading **The Grid** book sections (shown by the topic title) for any risks or unknowns will bring clarity and confidence to your decision. Visit www.methodical.io to find out more.

Project success checklist — Profitability

How would this project or decision affect your profitability? Let this checklist be your guide.

REVENUES



1 REVENUE MODEL 123 - 128

How will this project or decision impact your revenue model?

- It changes it for the better
- It's at odds with our revenue model
- We need to research this
- There's no impact

2 PRICE 128 - 136

How will this project or decision impact your pricing?

- It brings us closer to the optimum price point
- It takes us further away from the optimum price
- We haven't considered it
- There is no impact on pricing

3 VOLUME 136 - 143

How will this project or decision impact sales volumes?

- Sales will increase
- Sales will decline
- We've no idea
- Sales volumes won't be affected

BARGAINING POWER



4 WITH CUSTOMERS 146 - 165

Would this project or decision affect your bargaining power with customers?

- It strengthens our bargaining position with customers
- It weakens our bargaining position with customers
- We've not considered this – it's something to look into
- It won't be affected

5 WITH SUPPLIERS 146 - 165

Would this project or decision affect your bargaining power with suppliers?

- It strengthens our bargaining position with suppliers
- It weakens our bargaining position with suppliers
- We've not considered this
- It won't be affected by this decision

6 RULES & REGULATIONS 151 - 165

Are there any legal concerns about this project or decision?

- Nope – all above board
- It's illegal or bound to attract attention from regulators
- That's an interesting point...
- There's no legal aspect to consider

COSTS



7 FIXED COSTS 169 - 181

How will this project or decision impact your fixed costs?

- Fixed costs will either fall, or rise an acceptable amount
- The increase in fixed costs is unacceptable or unaffordable
- We haven't considered it
- Our fixed costs will not be affected

8 VARIABLE COSTS 169 - 181

How will this project or decision impact your variable costs?

- Variable costs will fall, or increase acceptably
- The rise in variable costs will seriously impact contribution margins
- We haven't considered this
- Variable costs will not be affected

9 CAPITAL EXPENDITURE 181 - 187

Does this project or decision impact capital expenditures?

- Capital expenditure will fall, or increase an acceptable amount
- The capital expenditure required poses a serious risk
- We've not thought about it
- Capex is not affected

WE'VE GOT YOUR BACK: Reading **The Grid** book sections (shown by the topic title) for any risks or unknowns will bring clarity and confidence to your decision. Visit www.methodical.io to find out more.

Project success checklist — Longevity

What impact would this project or decision have on your longevity? This checklist covers all the essential perspectives.

CUSTOMER BASE



- 1 AWARENESS** 191 - 197
Would this project or decision impact awareness of your brand, products or services?
- A positive impact
 - A negative impact
 - We've not considered this
 - Awareness will not be affected

- 2 ACQUISITION** 197 - 207
Will this project or decision impact your ability to acquire new customers?
- It'll help us acquire more customers
 - It will make acquiring customers more difficult
 - We haven't considered this
 - It won't affect customer acquisition

- 3 RETENTION** 198 - 207
Will this project or decision affect customer retention?
- It will improve retention
 - Retention could suffer
 - We've not thought about it
 - Retention won't be affected

IMITABILITY



- 4 LEGAL PROTECTION** 212 - 219
Does this project or decision fit with your intellectual property strategy?
- Yes
 - It puts our IP at risk
 - We haven't considered this
 - There's no impact / we don't own any IP

- 5 DURABLE ADVANTAGES** 219 - 233
Does this project or decision affect any durable advantages you have over rivals?
- It strengthens them
 - It weakens them
 - We haven't considered this
 - There's no impact / we don't have any durable advantages

- 6 COMPETITOR LAG** 224 - 233
Will this project or decision affect competitor lag?
- We'll pull further ahead from rivals
 - Rivals will gain ground
 - We've not thought about it
 - There's no impact

ADAPTABILITY



- 7 CASH POSITION** 239 - 244
How will this project or decision affect your cash position?
- A positive or acceptable impact on our cash position
 - An unacceptable impact on our cash position
 - We've not considered the consequences for our cash position
 - Our cash position is not affected by this decision

- 8 SCALABILITY OR CAPACITY** 244 - 246
How will this project or decision affect your scalability or capacity?
- For the better
 - For the worse
 - We've no idea
 - There's no impact

- 9 COMPLEXITY & RIGIDITY** 247 - 256
How will this project or decision impact the complexity or rigidity of the business?
- It makes things simpler or more flexible
 - It will introduce greater complexity or rigidity
 - We've not thought about this
 - There's no impact

WE'VE GOT YOUR BACK: Reading **The Grid** book sections (shown by the topic title) for any risks or unknowns will bring clarity and confidence to your decision. Visit www.methodical.io to find out more.

The Grid — The master model behind business success

To succeed, every business must pursue three goals: **desirability**, **profitability** and **longevity**. These goals are affected by three forces: the **customer**, the **market**, and the **organization** itself. This reveals a grid of nine factors that together determine the success of every business. Each box contains three essential elements, defined below.

| | DESIRABILITY | PROFITABILITY | LONGEVITY |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CUSTOMER | <p>WANTS AND NEEDS</p> <p>CUSTOMER VALUES & BELIEFS Customers prefer products and services that reflect their values, beliefs or self-image: like riding a Harley, or believing the more megapixels the better.</p> <p>CUSTOMER GOALS Every product or service is a means for customers to achieve a goal they care about. You bait the hook with what the fish wants to eat!</p> <p>BARRIERS Barriers prevent customers from achieving their goals or adopting your offering. A skill required or incompatible technologies for example.</p> | <p>REVENUES</p> <p>REVENUE MODEL Your revenue model is how you make money: a fixed price, or charging by the hour, for example.</p> <p>PRICE Pricing typically has the most powerful impact on profitability. Undercharge and you leave profit on the table. Set prices too high and volume suffers.</p> <p>VOLUME Sales volumes are determined by the quantities people buy, and the frequency with which they buy them.</p> | <p>CUSTOMER BASE</p> <p>AWARENESS People can't become customers unless they know you exist. Raising and maintaining awareness is vital to building and keeping your customer base.</p> <p>ACQUISITION Awareness should lead to acquisition – new customers joining your business. There's no customer base if people won't buy what you're offering.</p> <p>RETENTION Your customer base won't grow if existing customers leave at the same rate as new ones join. Retention – keeping hold of your customers – is often crucial.</p> |
| MARKET | <p>RIVALRY</p> <p>CATEGORY Your product or service category determines the intensity of the rivalry. Customers like buying from clear categories where comparison is easier.</p> <p>TERRITORY Where your business is located and the area you cover impact the size of your opportunity, the regulations you must meet, and the rivals you face.</p> <p>ALTERNATIVES & SUBSTITUTES Alternatives are direct rivals, like competing airlines. Substitutes are indirect rivals, like an airline competing with a train.</p> | <p>BARGAINING POWER</p> <p>WITH CUSTOMERS Powerful buyers can drive down your margins, so it's important to consider your bargaining power with customers and how it might be changing.</p> <p>WITH SUPPLIERS Bargaining power with suppliers is equally important. Powerful suppliers can also turn the screw on you – growing their profits at the expense of yours.</p> <p>RULES & REGULATIONS Every business must comply with basic regulations that limit their power – like tax, or health and safety laws – as well as industry specific regulations.</p> | <p>IMITABILITY</p> <p>LEGAL PROTECTION Legal protection – patents, trademarks and copyright – can prevent rivals from copying you.</p> <p>DURABLE ADVANTAGES Durable advantages – such as a unique cost structure, product ecosystem or network effects – can make your business challenging to imitate.</p> <p>COMPETITOR LAG You can make yourself inimitable by moving faster than rivals, or forcing them to make difficult trade-offs that slow them down.</p> |
| ORGANIZATION | <p>OFFERINGS</p> <p>PROPOSITION The product or service proposition is the concept the customer is buying into. Customers must have clear, obvious reasons to choose it over alternatives.</p> <p>BRAND APPEAL The expectations and associations people have about your business – its brand appeal – affect the desirability of all your products and services.</p> <p>CUSTOMER EXPERIENCE If your website is confusing, staff are impolite or returning damaged goods is difficult, desirability will suffer – no matter how good your product.</p> | <p>COSTS</p> <p>FIXED COSTS Fixed costs, like rent or salaries, stay the same regardless of how much you sell, affecting your break-even point and subsequent profitability.</p> <p>VARIABLE COSTS Variable costs depend on volumes – like the materials needed to make products. Cars have high variable costs compared to software, for example.</p> <p>CAPITAL EXPENDITURE These are longer-term investments, like factories or equipment. Their impact on profits are spread over the useful lifetimes of the assets.</p> | <p>ADAPTABILITY</p> <p>CASH POSITION If you run out of cash, you cannot continue to operate the business. The stronger your cash position, the greater the scope of options you can pursue.</p> <p>SCALABILITY OR CAPACITY Operating at full capacity leaves you unable to plan for the future. If your business cannot scale it cannot grow.</p> <p>COMPLEXITY & RIGIDITY Complexity and rigidity within a business can make getting new ideas off the ground or changing direction agonizingly slow – if not impossible.</p> |

WE'RE HERE TO HELP: Visit www.methodical.io to learn more about the grid and how it can help your startup, business or project succeed.