

Executive Summary

This case study examines the partnership between FranklinCovey and MATRIX Resources, one of the largest and most successful IT staffing firms in the U.S. Faced with the post dot-com, post 9/11 business environment where companies were hiring less and outsourcing more, MATRIX leadership made the decision to launch two new business units to better meet the changing requirements of clients.

The success of these two service offerings, however, depended greatly on changing the company's mindset of being a single service provider to taking a diversified solutions approach. Recognizing the immense challenge of transforming his entire organization's way of thinking, MATRIX CEO Jim Huling turned to FranklinCovey to help MATRIX gain the level of focus and clarity necessary to launch the new units with absolute alignment and commitment to the objectives.

After evaluating MATRIX plans and measuring the company's ability to execute with FranklinCovey's xQ (Execution Quotient) process, FranklinCovey senior consultant Jim Stuart worked with Huling to implement a solution for aligning the entire organization around MATRIX most important priorities. This process began with a series of full-day work sessions for the MATRIX executive team called The 4 Disciplines of Execution, during which they identified the two most "wildly important goals," or WIGs for the company.

Department and business-unit goals that aligned with the company's overall strategy were then set and communicated through a series of Town Hall meetings. MATRIX also incorporated the FranklinCovey Work Compass, a powerful alignment tool, into the WIG process. To further sustain focus, MATRIX distributed scorecards to every employee, who used the cards to track progress against goals.

MATRIX saw almost immediate results from the implementation of this solution. In just three months, MATRIX had already surpassed the year-end goals they had set around several key metrics. Huling concludes, "Through The 4 Disciplines of Execution we became focused on the strategy that is most important to the company and we engaged the minds and hearts of every employee on what we were trying to achieve."

Alignment and Focus: Keys to Success for Launch of MATRIX Business Units



In the face of a radically changing business environment, MATRIX Resources, Inc., successfully launched two new business units in 2003 by organizationally adopting new principles and methods for alignment and focus.

The proof? The company signed the largest single contract in its history, surpassed revenue goals and gained newfound momentum for the future by successfully launching two new business lines, all in a market where industry averages continued to decline.

This success was achieved through the integration of two key factors: a strong expertise in execution made even stronger, and a new level of company-wide focus, both acquired through FranklinCovey's solution, The 4 Disciplines of Execution. The synergy of these factors enabled each member of every team at MATRIX to focus their daily activities on the goals that

were most important and that were aligned to the company's overall success.

"The key for us was enabling our talented people to know exactly what they needed to do for MATRIX to be successful, and for them to buy into it," said MATRIX CEO Jim Huling. "That's where FranklinCovey was invaluable to us. FranklinCovey helped us define and focus on our goals at every level of the organization, but more importantly, they enabled us to engage each individual in a sense of personal contribution to the company's success. Ultimately, this is the goal of every company, but few ever achieve it. Through The 4 Disciplines of Execution process, we not only secured this level of buy-in, but reaped the financial results that prove its value."

FranklinCovey senior consultant Jim Stuart said, "Obviously, the people of MATRIX were very good at execution. And we helped them find a way to get even better at a critical time."

The Realities of the Recession

Founded in 1983 to serve the marketplace with IT staffing services, MATRIX experienced uninterrupted success throughout its first two decades in business. Every year in the company's history has been marked by profitability and a debt free balance sheet. MATRIX success was

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highlighted at the end of the millennium by nine consecutive years of double digit growth and three consecutive rankings (1997, 1998, 1999) in the Inc. magazine list of the Fastest Growing Private Companies in America. Consistently recognized for its business success and sharp focus on quality, MATRIX also achieved the ranking for the first time in 2003 as the 20th largest IT staffing firm in the U.S.

However, the post dot-com, post 9/11 business environment brought new realities to the staffing industry. The recession was followed by a so-called jobless recovery. Businesses were hiring less and outsourcing more.

Although MATRIX remained profitable and even gained a degree of market share during the economic downturn of 2001-2002, the MATRIX executive team realized that their company must diversify beyond a single service offering in order to better meet the changing needs of clients, and at the same time become less vulnerable to business cycles. With approval of the company’s Board of Directors, it was determined that MATRIX would add two new lines of business: outsourced IT Project Solutions and staffing program management through Managed Services.

“We felt that, given the expanding needs of our clients, as well as the new business climate that was emerging, it was important to our future to launch this new strategy,” said Huling. “But it’s not a small thing to do, it requires effort and time and, most importantly, passion. It’s one thing to develop a strategy, but it’s quite a different challenge to actually execute it, especially with the consistency and effectiveness that new service offerings require.”

Changing the Company Mindset

The goal was to successfully launch two new service offerings – Project Solutions and Managed Staffing Services – through the existing sales and support system, without disruption to the company’s core offering of staffing services. The challenge was immense:

- > Focus needed to expand from the mindset of being a single service provider, to one with a diversified solutions approach, with three distinct service offerings.
- > Employees needed to adapt from selling and fulfilling a single line of business to now cross-selling products and solutions and ensuring the highest levels of customer satisfaction.
- > They had to learn and adjust to work with a long sales cycle in addition to a short one.
- > They needed to understand the value of becoming a true solutions partner to customers rather than experts in a single area.

Blinding Flash of the Obvious

Long a proponent of the FranklinCovey school of thought, training methods and tools, Huling turned once again to the consulting firm to put his company in a better position to successfully launch its two new business units. As he entered Huling’s Atlanta office, Stuart introduced himself with the question, “What are the three most important things that have to happen this year for MATRIX to be successful?”

Huling mentally ran through various initiatives that MATRIX was working on, and then was hit with what he calls, “a BFO” ... a blinding flash of the obvious.

“At that moment I realized that I could easily name several things that were important, even very important,” said Huling. “But I couldn’t instantly provide an answer for the three that were most important and that had to happen. This was a new level of clarity that we needed—one that would bring even greater focus to the organization.”

After evaluating MATRIX plans and ability to execute, Stuart took the company’s leadership team through The 4 Disciplines of Execution—a powerful series of work sessions that ensured line-of-sight agreement among department leaders on the top MATRIX priorities, as well as to define strategies for how to achieve those priorities.

During a series of full-day training sessions, MATRIX executives made several breakthroughs, not the least of which was to determine their most important goals, which they nicknamed “WIGs”, short for Wildly Important Goals. The first two MATRIX WIGs included:

1. Financial: Achieve 2003 revenue goals in the existing staffing service line of business.
2. Strategic: Successfully launch the Project Solutions and Managed Services business units by the end of 2003, to be measured by a goal of three major contracts.

Next, MATRIX executives set and aligned WIGs for each of the company’s 17 departments and business units. These departmental WIGs would support the company’s overall business strategy WIGs and would ensure focus at the team level.



The program was rolled out to all MATRIX employees through a series of Town Hall group meetings. “At the end of each meeting I grew more confident that our employees understood exactly what we were trying to accomplish as a company, but more importantly, each of them knew what they must do personally to help us reach our goals,” Huling recalled. “Of course, each of us has other non-WIG goals and tasks to do each week, but now we all remained focused and make sure that we spend our greatest effort on our WIGs.”

In the following weeks, it quickly became clear throughout MATRIX that the employees understood the company’s strategy, were committed to their WIGs, and knew what to do about them. But most importantly, it became clear that they all cared about their WIGs. “It was this degree of personal connection to the company’s strategy that was the most rewarding to see,” says Huling. “So often, a company’s strategy is a broad and abstract idea that individuals see as separate from what they do all day. Through The 4 Disciplines of Execution process, the connection between strategy and execution is made clear and the result is a powerful

level of personal involvement. I’m certain that, without this level of personal connection, our results would not have been possible.”

The MATRIX WIG process was supported through scorecards distributed to each employee every two weeks. “The scorecards are critically important for sustaining focus,” Huling explained. “To not have scorecards would be like playing the Super Bowl without a scoreboard. You could turn it on at the end to see who won, but you would have lost a valuable tool for winning during the game. Just like a scoreboard provides critical information such as the score, time remaining, down and yards to go, the scorecards let each team know where they are on their goals and projects. If a team is behind, they know exactly where to put their extra effort and focus. In addition, many of our sales teams follow the scorecards of other teams to keep their competitive juices flowing.”

MATRIX executives and employees also used a powerful FranklinCovey alignment tool called the Work Compass, which they used to keep focused on their most important goals and tasks. Utilized at the

individual level, a Work Compass is typically updated on a weekly basis to help focus attention on the activities that need to happen that week in order to maintain progress on WIGs.

Wildly Successful WIGs

MATRIX achieved almost immediate results from its implementation of The 4 Disciplines of Execution. For example, sales set a goal of 30 meaningful, face-to-face client meetings during the last six months of 2003. But the department completed 32 meetings in just 90 days. The two new business units had committed to three major contracts by December 31, a figure that was also reached in the first three months. By year-end, goals were surpassed throughout the company.

“Although our people are accustomed to success at MATRIX,” said Huling, “we were not expecting such a positive impact, especially in such a short time frame. We purposely set the bar at a high level with ‘stretch’ goals at the company level as well as in every department, so it was surprising to see how much we overachieved.”

FranklinCovey’s Stuart was just as impressed. “They were maniacal about it,” he recalled. “They jumped in head first. The key to their success was their speed and commitment. Their leadership team took the plan to the entire MATRIX organization without hesitation because they saw the value in it.”

Huling summed up the MATRIX approach a bit differently, “It’s the power of focus. Most companies are filled with talented people who work very hard every day. But often, they don’t really know what their greatest focus should be or how to set priorities that match the company’s strategy. Because of this, they don’t feel that sense of personal connection. Through The 4 Disciplines of Execution, we became focused on the strategy that is most important to the company and we engaged the minds and hearts of every employee on what we were trying to achieve. Then we exceeded our goals by as much as 500 percent in a down year for our industry. Was it magic? No, but it was miraculous.”

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