



Disruption

Lean Methodology

Creative Innovation Leads to Radical Success



Venture Capital Success Rate

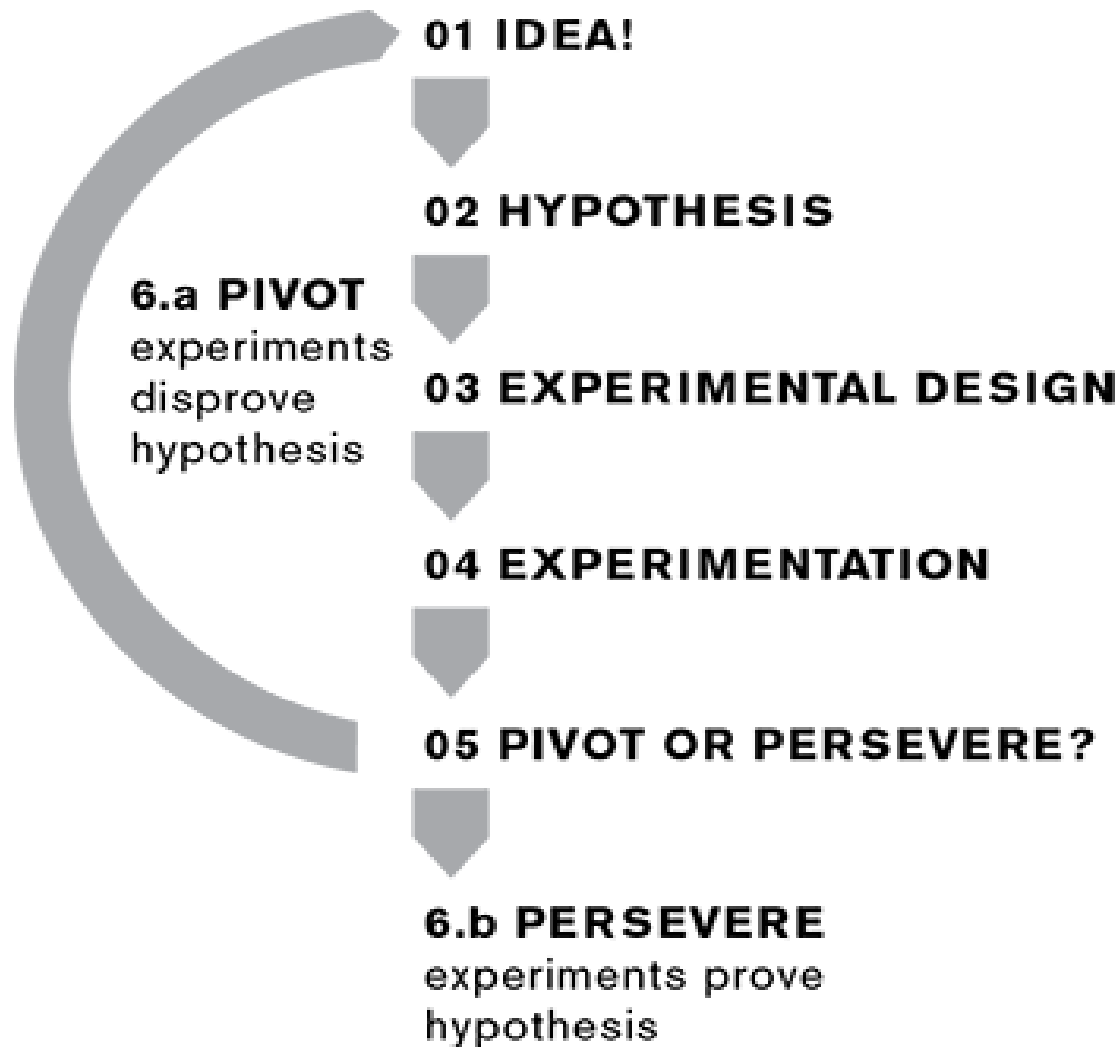
Depends on your definition!



Ultimate Question


If we are so SMART, why do we FAIL so much?

The Scientific Method





Your Catalyst

-  **Lean Methodology is at its essence getting ideas completed and in front of customers as early and as often as possible! This reduces the risk of starting new and disruptive ideas.**



Your Catalyst

△ You Snooze, you Looze

All companies need to use **Disruptive Innovation** to succeed over the long term!

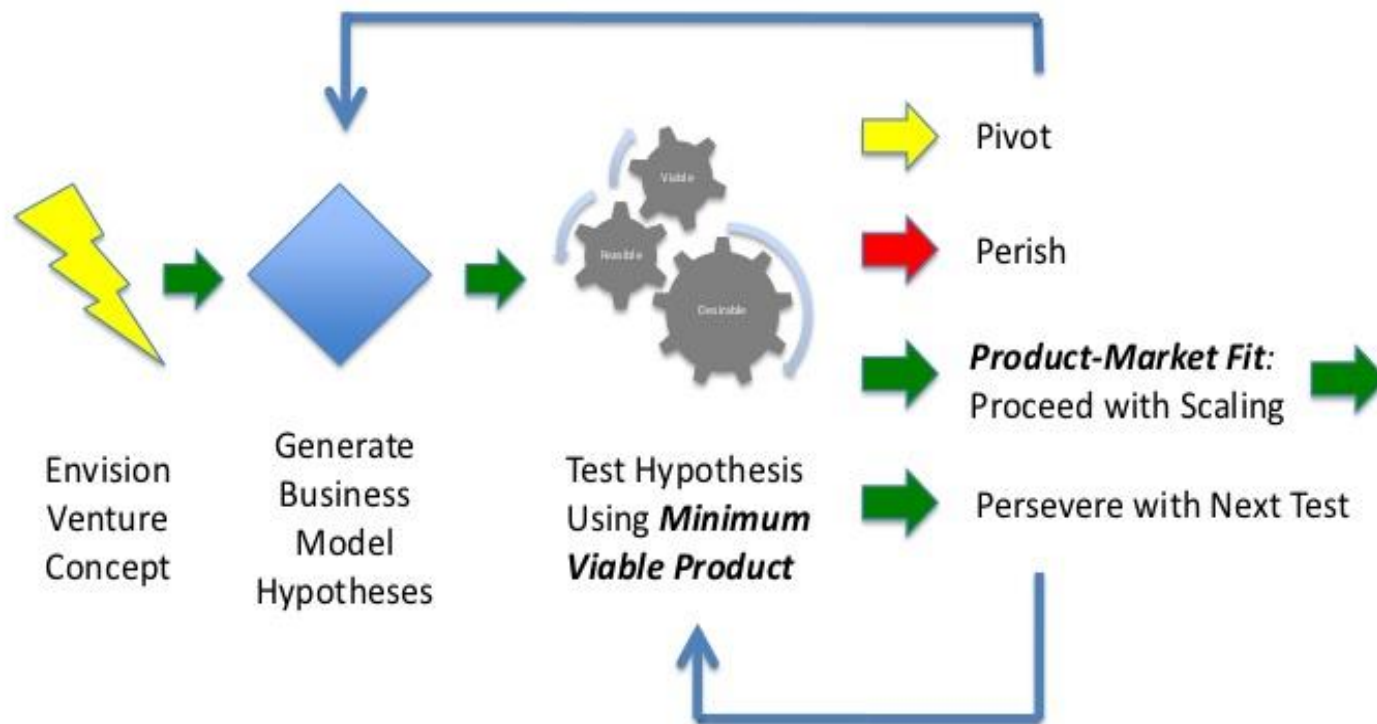
Lean Methodology

**Think BIG.
Start SMALL.
Scale FAST.**

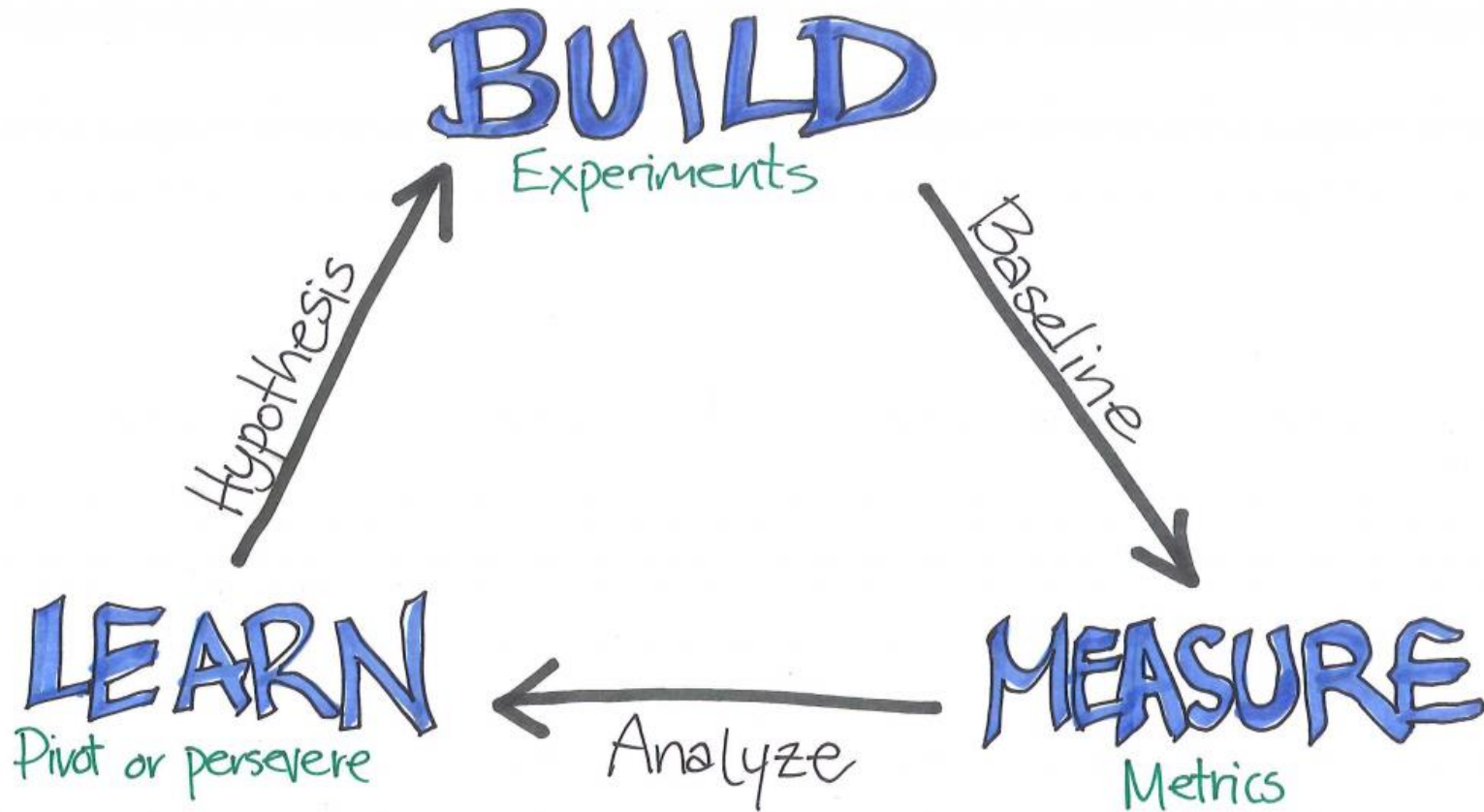


Lean Simple Overview

Hypothesis-Driven Entrepreneurship



Title

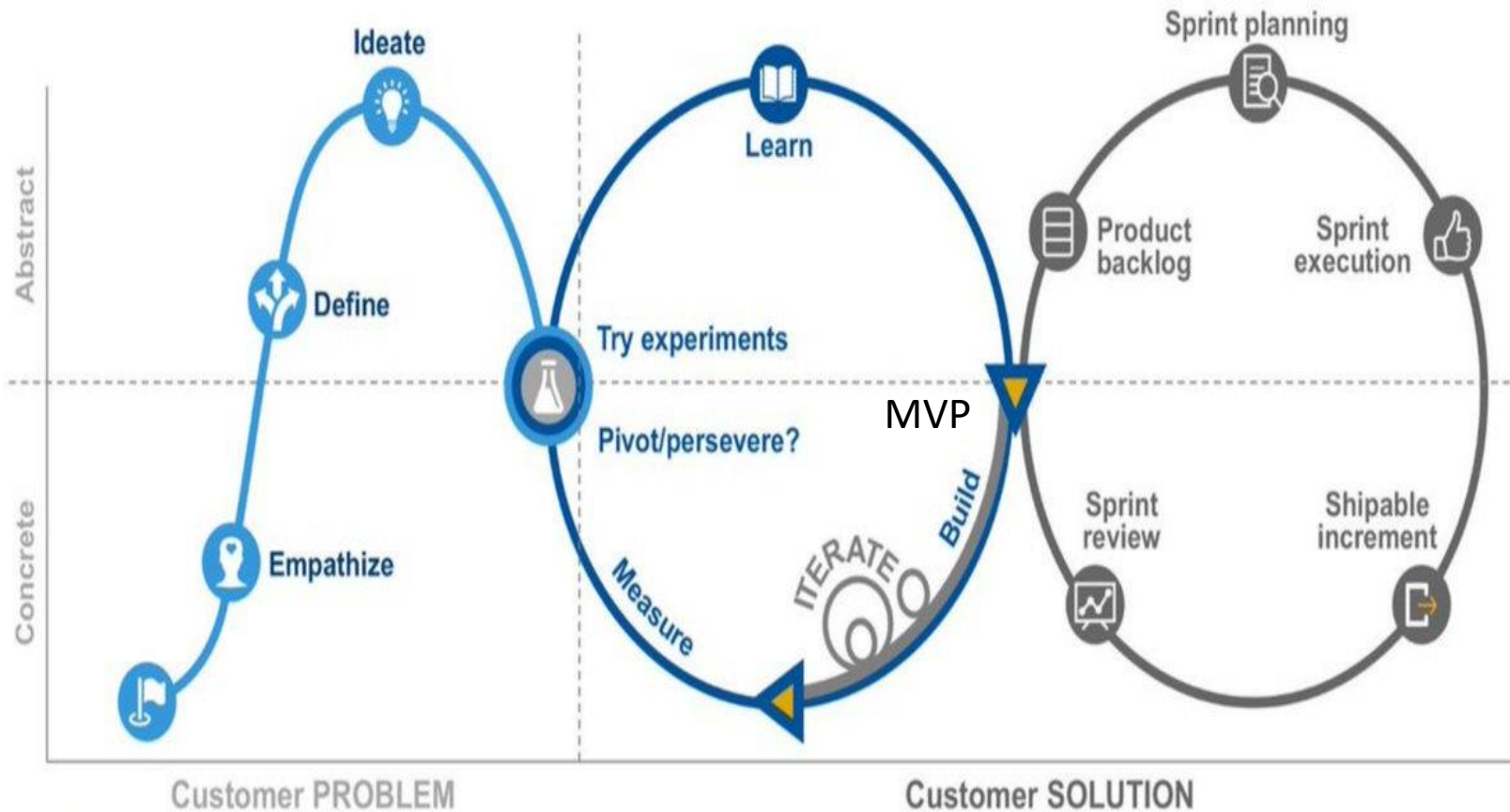


Validated Learning

The **unit of progress** for Lean Methodology is **validated learning**-a rigorous method for demonstrating progress when one is embedded in the turmoil of extreme uncertainty.



Lean Methodology



Business Model Canvas

LEAN STARTUP

AGILE

Business Model Canvass

Sketch Out Your Hypotheses

The business model canvas lets you look at all nine building blocks of your business on one page. Each component of the business model contains a series of hypotheses that you need to test.

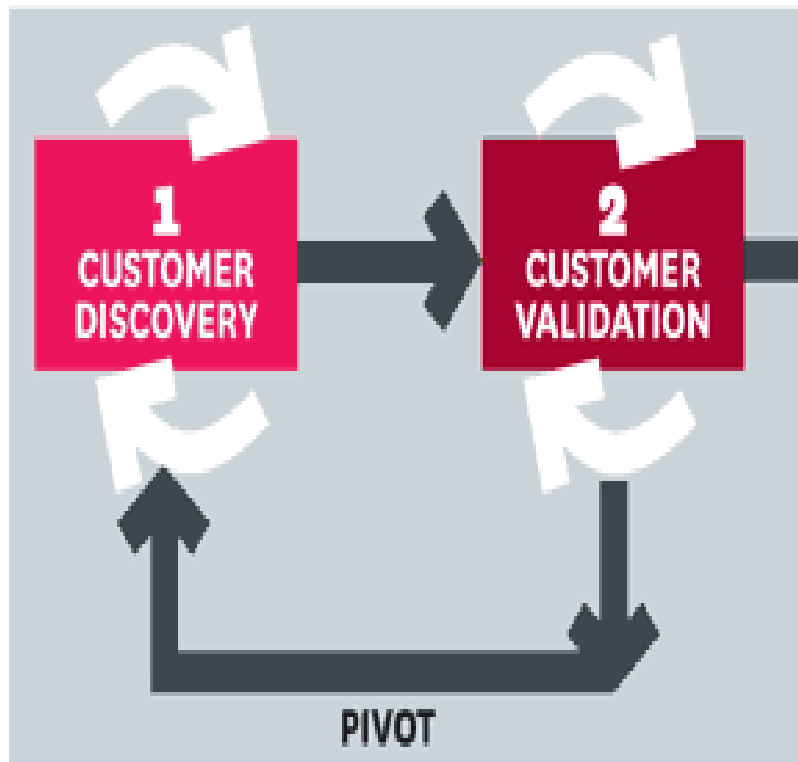
<p>KEY PARTNERS</p> <p>Who are our key partners? Who are our key suppliers? Which key resources are we acquiring from our partners? Which key activities do partners perform?</p>	<p>KEY ACTIVITIES</p> <p>What key activities do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?</p>	<p>VALUE PROPOSITIONS</p> <p>What value do we deliver to the customer? Which one of our customers' problems are we helping to solve? What bundles of products and services are we offering to each segment? Which customer needs are we satisfying? What is the minimum viable product?</p>	<p>CUSTOMER RELATIONSHIPS</p> <p>How do we get, keep, and grow customers? Which customer relationships have we established? How are they integrated with the rest of our business model? How costly are they?</p>	<p>CUSTOMER SEGMENTS</p> <p>For whom are we creating value? Who are our most important customers? What are the customer archetypes?</p>
<p>KEY RESOURCES</p> <p>What key resources do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?</p>		<p>CHANNELS</p> <p>Through which channels do our customer segments want to be reached? How do other companies reach them now? Which ones work best? Which ones are most cost-efficient? How are we integrating them with customer routines?</p>		
<p>COST STRUCTURE</p> <p>What are the most important costs inherent to our business model? Which key resources are most expensive? Which key activities are most expensive?</p>			<p>REVENUE STREAMS</p> <p>For what value are our customers really willing to pay? For what do they currently pay? What is the revenue model? What are the pricing tactics?</p>	

SOURCE WWW.BUSINESSMODELGENERATION.COM/CANVAS. CANVAS CONCEPT DEVELOPED BY ALEXANDER OSTERWALDER AND YVES PIGNEUR.

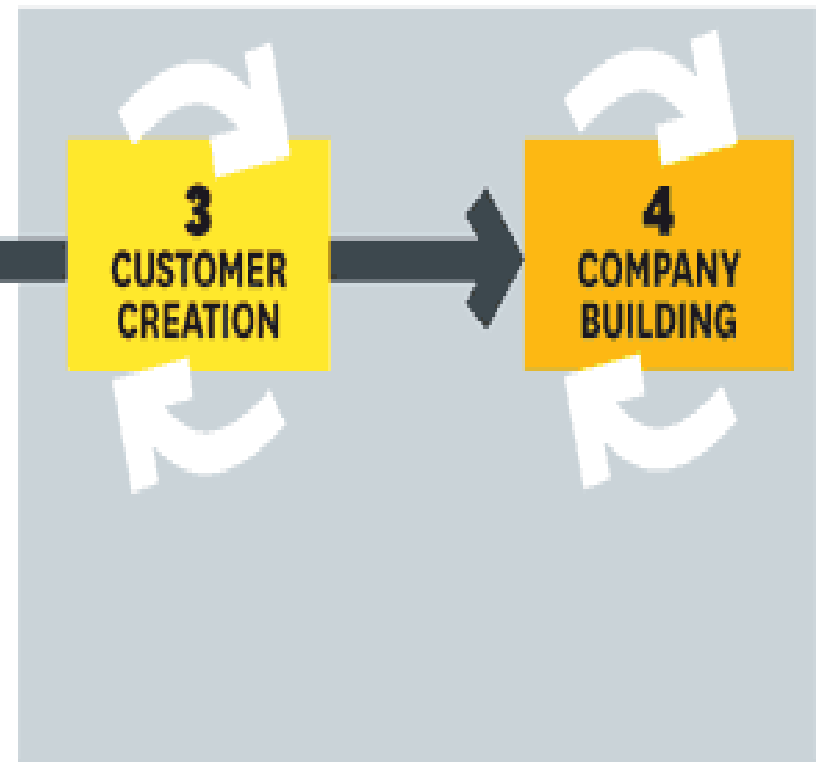


Lean = Customer Focused

SEARCH



EXECUTION





Your Catalyst

- ⚠ **Don't think you are going to change your customers—think how you are going to help them!**

To be truly effective the Disruptive Business Model must be **THEM** oriented or **Customer Centric** vs **YOU** oriented or **Company Centric**.

Ask “**Who is the Hero of my Story?**”

It must be the **Customer!**

Agile Development

- Agile Development (large projects broken down into small interim projects for risk reduced development as opposed to Waterfall development (whole large project done at one time)).

Minimum Viable Product

Who Is MY Customer

What is Their Problem

What Solution Do They Need

What is the Minimum Viable Product



Appendix – Lean vs Traditional

Lean

Traditional

Strategy

Business Model
Hypothesis-driven

Business Plan
Implementation-driven

New-Product Process

Customer Development
Get out of the office and test hypotheses

Product Management
Prepare offering for market following a linear, step-by-step plan

Engineering

Agile Development
Build the product iteratively and incrementally

Agile or Waterfall Development
Build the product iteratively, or fully specify the product before building it

Organization

Customer and Agile Development Teams
Hire for learning, nimbleness, and speed

Departments by Function
Hire for experience and ability to execute

Financial Reporting

Metrics That Matter
Customer acquisition cost, lifetime customer value, churn, viralness

Accounting
Income statement, balance sheet, cash flow statement

Failure

Expected
Fix by iterating on ideas and pivoting away from ones that don't work

Exception
Fix by firing executives

Speed

Rapid
Operates on good-enough data

Measured
Operates on complete data

