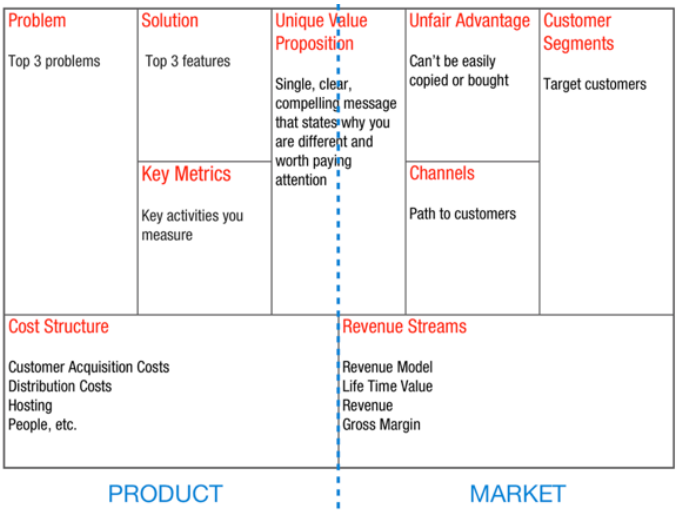
LEAN STARTUP PROCESS

1. Start with a 'Lean Inception' and a "Lean Canvas"
2. Identify and prioritise your assumptions
3. Figure out how to test assumption quickly – build your hypothesis
4. Build the MVP and launch the experiment
5. Learn from your experiment - Pivot or Persevere!
6. Iterate

1. LEAN INCEPTION AND LEAN CANVAS

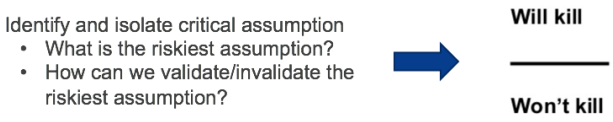
The Lean Inception		
	morning	afternoon
Monday	Introduce the inception, kick off, and Write the Product Vision	The product Is – Is not – Does – Does not
Tuesday	Describe the Personas	Discover the Features
Wednesday	Technical and Business Review	Show the User Journeys
Thursday	Display Features in Journeys	Sequence the Features
Friday	Build the MVP Canvas	Showcase the results of the inception to those interested in the project



2. IDENTIFY AND PRIORITISE YOUR ASSUMPTIONS

- Starts with 'I believe that' statements
    - Problem, Solution, Customer (among others), in your Lean Canvas/Product Vision statement
- Clarifies current understanding of what you don't know with certainty

- Some are more important than others



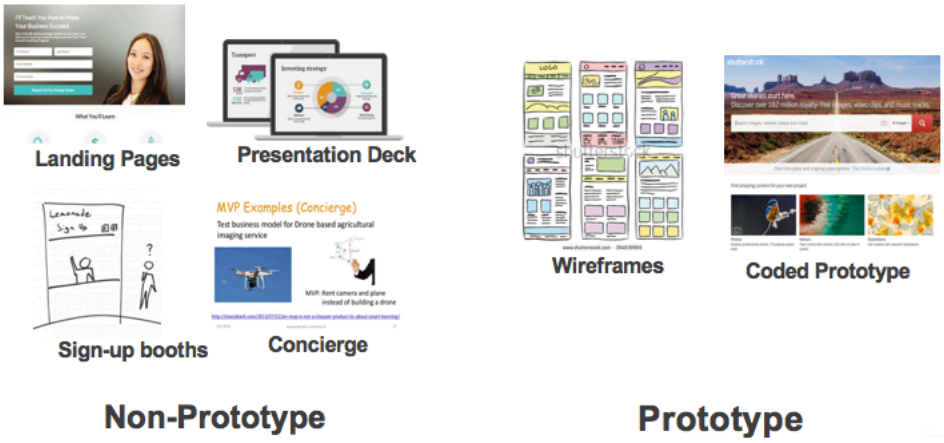
- E.g. Airbnb – 'in a city where space is extremely limited, [I believe that] people will pay a small amount of money, for a small amount of space... they don't need a hotel."

3. *DEVELOP HYPOTHESIS FOR YOUR ASSUMPTIONS*

- 'If…then' statement that helps design tests for an assumption
- Clarifies current understanding of what uncertainty you seek to resolve
- Helps to design and build an MVP
- Value and Growth Hypothesis
- Value hypothesis tests if a product is *valuable to potential customers*
- Growth hypothesis tests how you assume users will find your product
- E.g. Airbnb – 'If we display professionally shot pictures of rooms, then we will have more bookings'

4. *BUILDING A MINIMUM VIABLE PRODUCT*

- **MVP** – an experiment that helps you validate (or invalidate) hypotheses about the value or growth potential for a new product
- Need to develop MVP to begin the process of learning
- 'Should we even build this product?'
- 'It is the simplest thing that you can show to customers to get the most learning at that point in time' – Steve Blank
- Low-fidelity and High-Fidelity MVPs

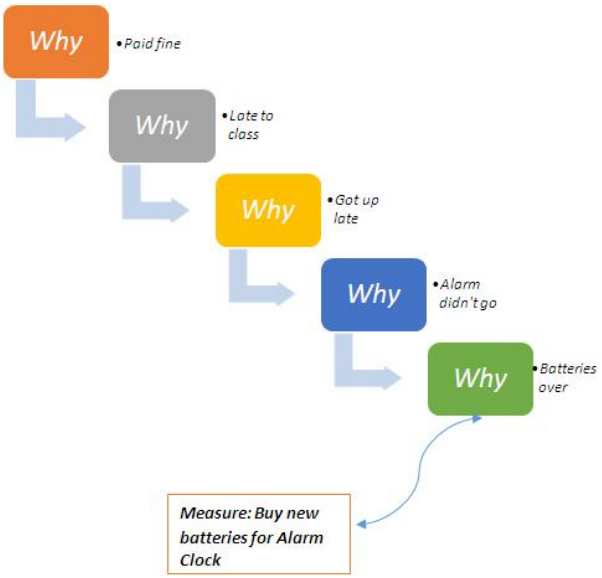


Identify Metrics that will Measure your Experiment

- MVP helps answer a specific question about one of your assumptions
    - Test one assumption at a time
- Building an MVP is not a one-time event
- Measure cohort-based (i.e. a customer segment/group) metrics over time
- Metrics should be:
    - *Actionable* – demonstrate clear cause and effect relationship so you can take definitive action in response to it
    - *Accessible* – be easily understood and available widely to people in the company
    - *Auditable* – be able to go back to the source of data to prove that the metrics were telling the true (and entire) story

5. LEARN FROM THE RESULTS OF THE EXPERIMENT

- Five Whys Root Cause Analysis
    - Ask ‘why’ five times when something unexpected happens
    - Make proportional investments in prevention at all five levels of the hierarchy
    - Behind every supposed technical problem is usually a human problem. Fix the cause, not just the symptom
- ‘Five Whys’ – simple questions to study and solve problems

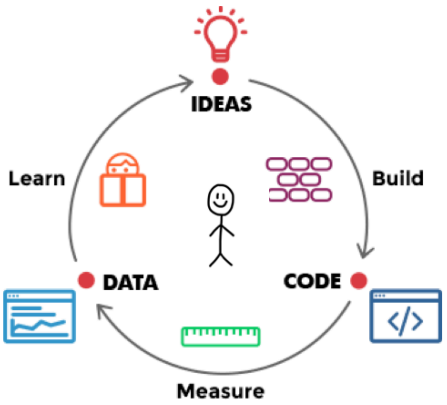


- When do you Pivot?
  - When experiments show diminishing returns
  - **Pivot** – shift in business strategy to test a new business model or product after receiving feedback; structured course correction to test new hypothesis
- When do you Persevere?
  - When you continue to learn from your MVPs, and your experiments show increasing returns
  - **Persevere** – implementing small changes and updates to make progress towards goals, often using build-measure-learn cycles
- Types of Pivots (not exhaustive)
  1. Zoom-in pivot
  2. Zoom-out pivot
  3. Customer segment pivot
  4. Customer need pivot
  5. Platform pivot
  6. Business architecture pivot
  7. Value capture pivot
  8. Engine of growth pivot
  9. Channel pivot
  10. Technology pivot

6. ITERATE

- Minimise the time it takes to go through the build-measure-learn loop

BUSINESS ANALYST IN A LEAN STARTUP ENVIRONMENT



- BA skill sets:
  - Eliciting requirements
  - Customer interaction
  - Facilitation between business and tech
- Where do BAs fit in?
  - Design experiments
  - Analyse data
  - 5Whys
  - Customer development