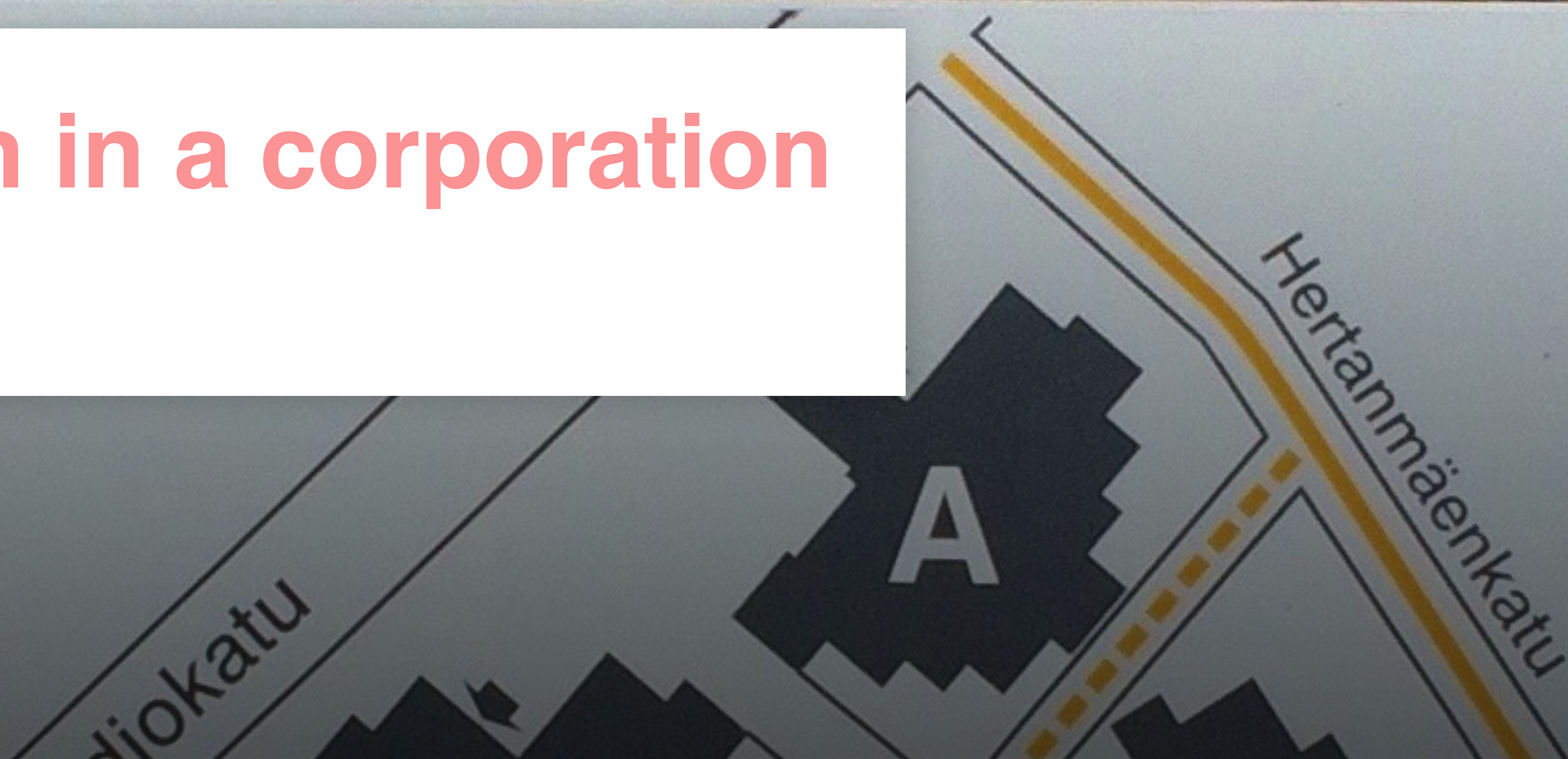


Leankatu 7

Running lean in a corporation  
@tlaturi





A **startup** is an organization formed to **search** for a repeatable and scalable business model.

A **company** is a permanent organization designed to **execute** a repeatable and scalable business model.



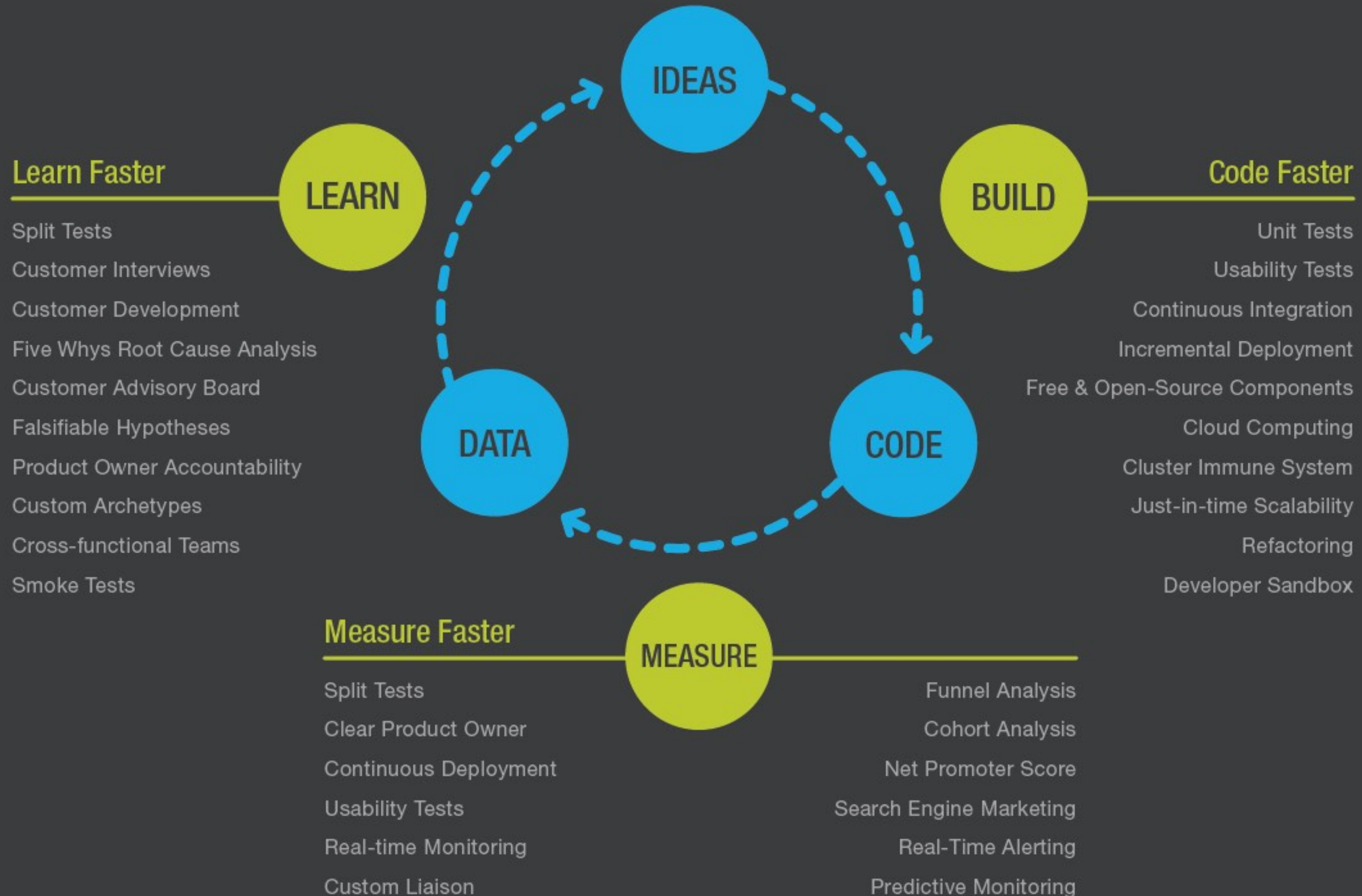


# The lean startup

# THE LEAN STARTUP

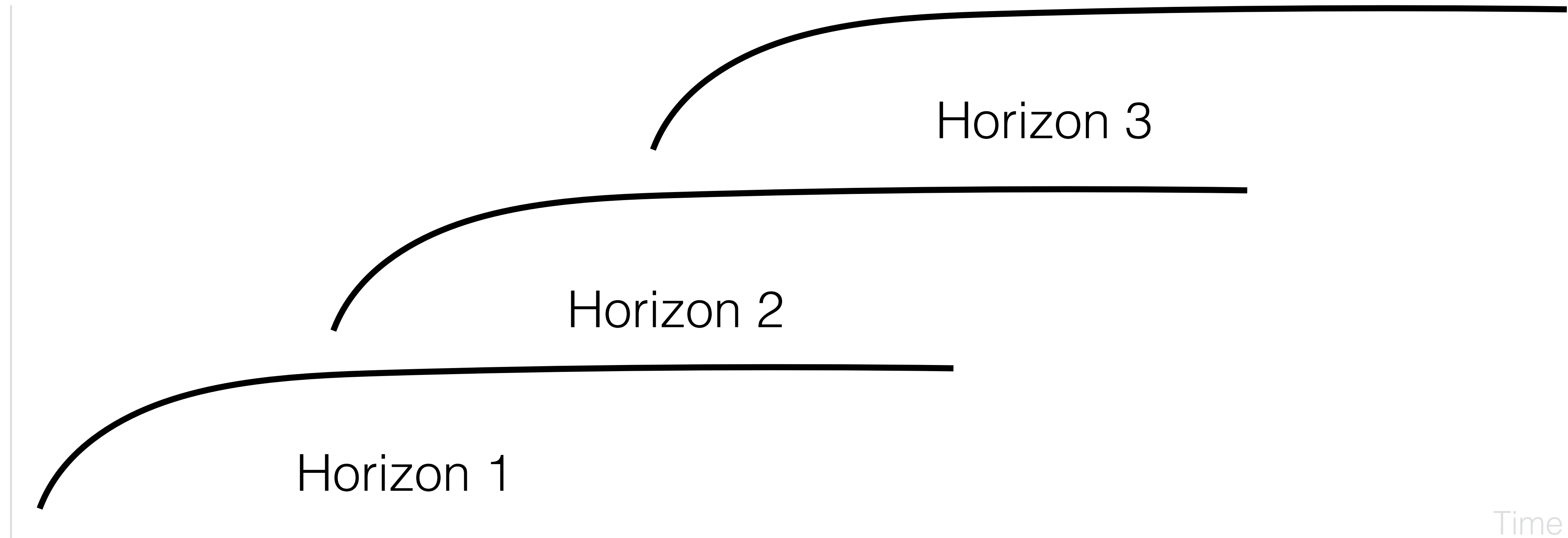
Created by Eric Ries - [startuplessonslearned.blogspot.com](http://startuplessonslearned.blogspot.com)

Designed by  **KISSmetrics**



So how does this come together?

# Three Horizons of Growth



## Mature

Defend  
Extend  
Increase profitability

Planning  
Forecasting  
Budgeting

## Growing

Initiatives  
New business development

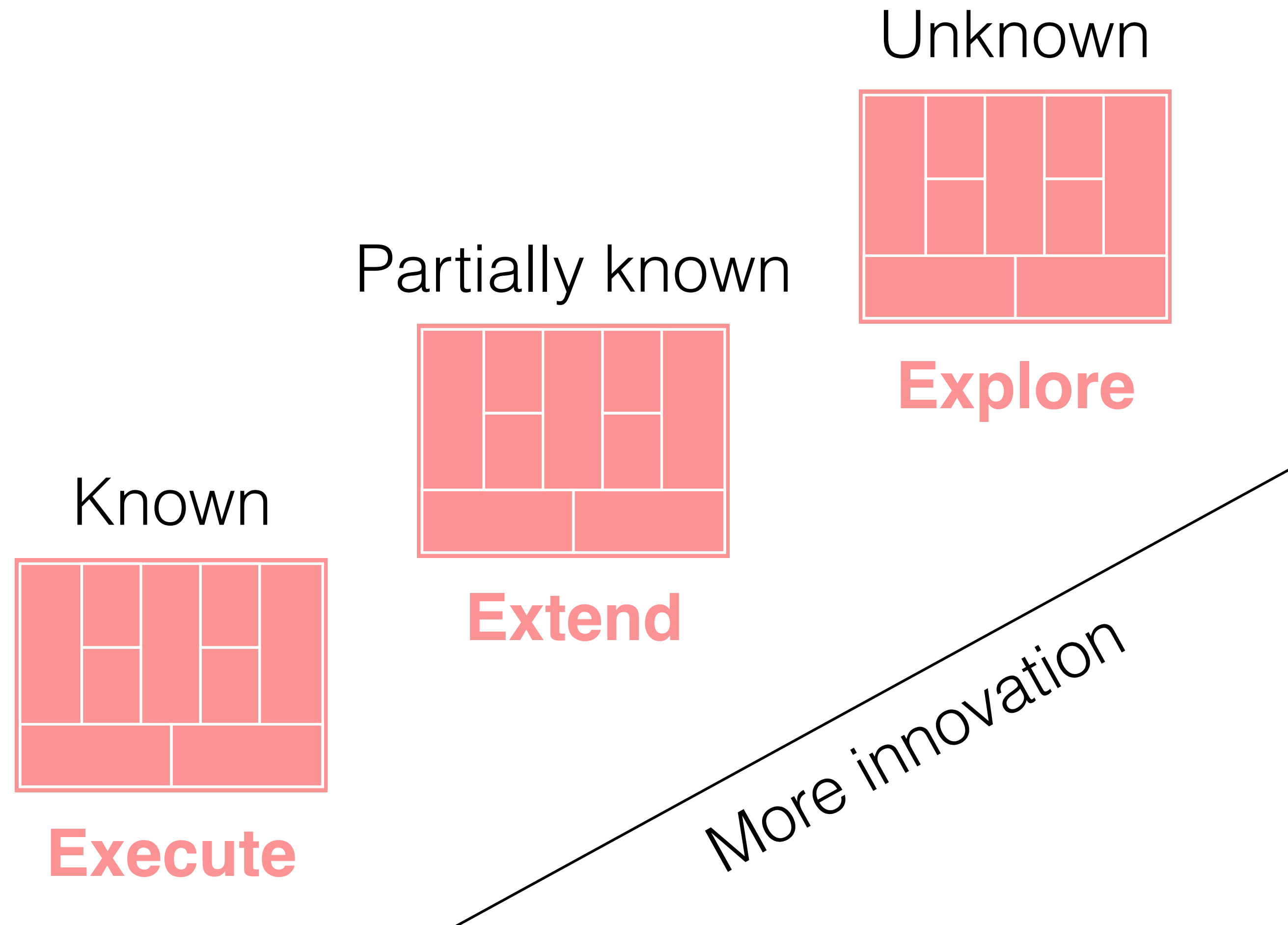
Investment budget  
Detailed business plans

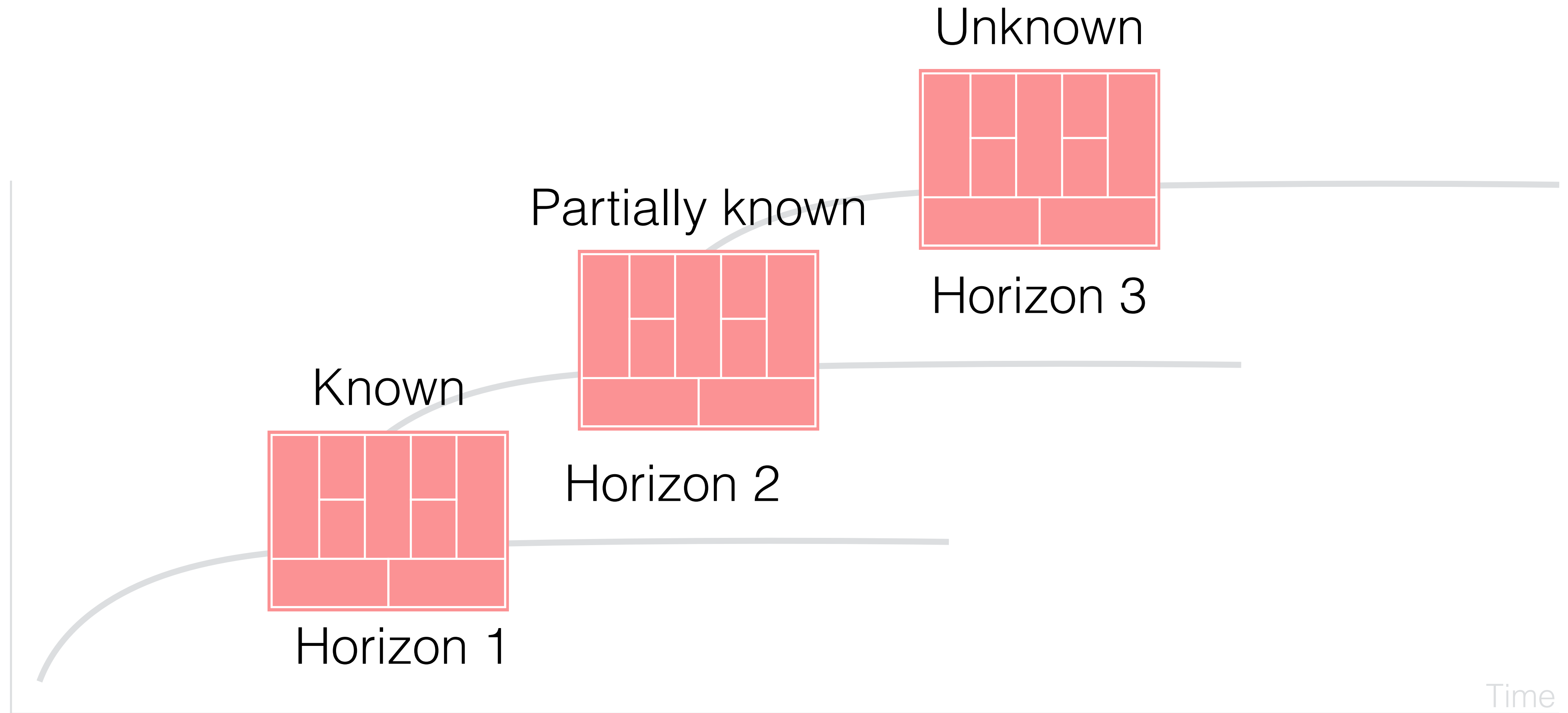
## Emerging

Analyzing opportunities  
Betting on opportunities

Decisions to explore







## Execute

Execute business model:  
Process innovation

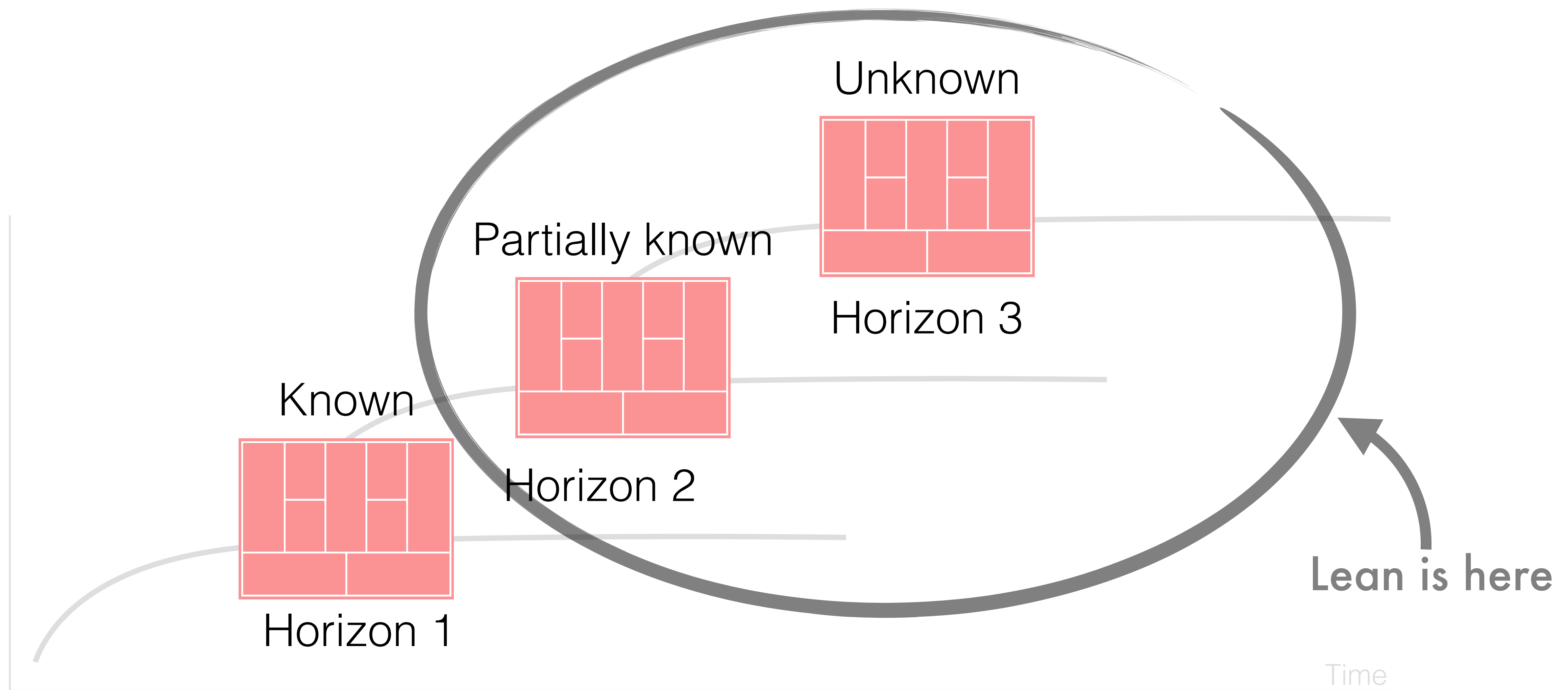
## Execute/Search

New opportunities via business  
model innovation

## Search

New disruptive business model





## Execute

Execute business model:  
Process innovation

## Execute/Search

Extend core business: New  
opportunities via business model  
innovation

## Search

New disruptive business model

Transition ~ exit



# INNOVATION AT 50X

STEVE  
BLANK

CO-HOSTED by

USGIF  
and  
OBSYSTEMS  
OWN THE OUTCOME

"INNOVATION"  
reaching buzzword  
BINGO status

INNOVATION starts with a set of things

Methodologies  
Metrics

INNOVATION  
is BEST DONE  
LEAN

Get out &  
MEET  
YOUR  
CUSTOMERS

10x the INNOVATION  
in 1/5th the TIME

Navy carriers  
Mission still exists  
but method has  
changed

DISRUPTION  
AT SPEED

Externally

Internally

Cryptology  
NSA - more  
users develop  
on own

We stand up  
INNOVATION in  
a CRISIS

LEAN INNOVATION  
MANAGEMENT

New Innovation  
Has costs  
Technical &  
Organizational  
Debt

Refactoring

crazy people!  
People  
who are  
innovators  
need those  
who DEPLOY  
and REFACTOR

AMBIDEXTROUS  
ORGANIZATION

- Execute
- Innovate

BREAKTHROUGH THINKING  
EXECUTE MISSION  
SERVE EXISTING CUSTOMERS

Out innovate  
our ADVERSARIES  
We can because  
of our CULTURE

How do we  
build INNOVATION  
in our organization?

Goals  
Communicate  
Incentives

Crazy idea people who will  
innovate even if not paid!

NEW  
MODELS

HORIZON 3  
EXPAND CORE  
MISSION

HORIZON 2  
CORE  
MISSION

Incentivize  
Horizon 1 & 2  
to help the  
organization

Get Horizon 1  
people to say YES!

POLICY  
BUDGET  
HR

This is  
LEAN

Day 1: Get OUTSIDE

Then build a Minimum Viable Product

Don't mix the Horizon 3s with 1s & 2s

Example: Astronauts visit moon,  
fill out CUSTOMS PAPERWORK  
when return

Identify INNOVATION incentives

Recognition is  
not just money

Incentivize Horizon 1 & 2  
for BUSINESS CONTINUITY

TALKING TO  
CUSTOMERS

How does  
this look?  
Do you  
like it?

I went to  
the MOON...  
I have to  
fill out PAPERWORK!?!?

Create things CUSTOMERS  
NEVER THOUGHT WAS POSSIBLE

LEAN INNOVATION

3 PARTS

- 1 BUSINESS MODEL CANVAS  
• Frame hypotheses, test,  
build incrementally
- 2 CUSTOMER DEVELOPMENT  
• Talk to people, even those  
who will be negative
- 3 AGILE DEVELOPMENT  
• Minimum Viable Product

Find a PIVOT  
Something that  
changes in  
your canvas

Balance a CULTURE  
of TAKING RISKS  
with being  
INNOVATIVE

To encourage innovation,  
teach the 3 HORIZONS  
--- it only takes 5 minutes

The RIGHT  
MANAGEMENT  
psychology

Develop  
a Common  
language around  
INNOVATION

They feel threatened  
Job specs are same  
No incentives or penalties

Why innovation  
FAILS?

- Focus on Now
- Leadership doesn't get innovation
- Repeat failures
- Innovation killed by middle management
- Demoralize employees
- No incentives

TRENT  
WAKENIGHT  
14 AUG 2015



Any experiences?

COSMOPOLITAN Hyvä terveys kodin kuvalehti Soppa  
et et ristikot et *Terveys* SPORT 365  
GLORIA GLORIAN koti GLORIAN ruoka & viini  
meidän perhe menaiset *matka* opas  
Suuri Käsityö TIEDE VAUVA



UUSI MOBIILIPALVELU!

**MUN Treenari**

Tee ILMAINEN testi ja tartu haasteeseen!

LATAA TÄSTÄ

Uutuus!

OSTA NYT LAATUTUOTTEITA EDULLISEMMINI!

**vauva BOX**

Tilaa uusi Vauva BOX!

STYLEWHILE UUSIMMAT TYYLIT - KAUPALLINEN YHTEISTYÖ

STYLEWHILE

< >

**NORDICPATTERNS**

DIGILEHTI VAUVASTA HAAVEILEVILLE

UUTUUS!

**vauva**  
kuume

LATAA OMASI 5,99 €

sanoma

**UUSI**  
Voidebaari  
ON AVATTU

Kosmetiikan suosittelukone verkossa.



**ÄLÄ JÄÄ YKSIN:**  
Kysy terveydenhoitajalta Vauvan keskusteluissa

NEUVOLA  
CHAT

Hesari ja Aikakauslehdet  
Hesarin tilaajille alkaen 5 €/kk

Tilaa Aikakauslehdet >>

- ✓ Hesarin verkkopalvelu ja sovellukset
- ✓ Kuusi suosittua aikakauslehteä digitaalisena
- ✓ Tutustu kaksi viikkoa maksutta!

**kodin**  
kuvalehti

Näin opit bloggaamaan



# Lessons learned

- **Clear ownership:** independency + responsibility
- Without a clear **vision** it will not work
- **Correct metrics:**
  - Financial metrics kill the initiative
  - Valitates the progress
- Identifying the failure —> pivot or kill early enough
- Work with partners
  - Do not try to do everything alone
  - When working with startups, understand their position
  - You should commit too
  - Use fair terms and shake hands

- **Exit properly**
- **Do not dabble**
- Important
  - Focus on customer acquisition
  - Analyze and measure
  - You don't know if it's needed until someone pays
- Is the organization ready
  - Is there a mandate to test
  - Does your organization tolerate failures
  - Are you able to **make** it?
- Do not hype, **avoid innovation theatre**
- Break rules, tell no one
- Corporate friction is super frustrating





## Attitude

# Making it easier

- Foster a can-do attitude
  - Making mistakes
  - Making decisions
- Don't just ideate —> start working
- Push towards continuous improvement everywhere ("kaizen", Plan->Do->Check->Act)
- Enable decision making
- Less managers, less "hand-waving"
- Use your unfair advantage: finance, legal, customers, partners, brand/credibility
- Make the lean work visible
- Train people thoroughly (Sanoma accelerator)



A close-up, cinematic shot of Mike Tyson in a boxing ring. He is shirtless, wearing red boxing gloves, and has a determined, intense expression on his face. He is looking slightly to his left. The background is dark and out of focus, showing some blurred lights and the ropes of the ring. A white text box is overlaid on the left side of the image.

“Everybody has a plan until they get punched  
in the mouth.” – *Mike Tyson*