

MVP as a sprint goal

Dismantling and scaling via hypothesis

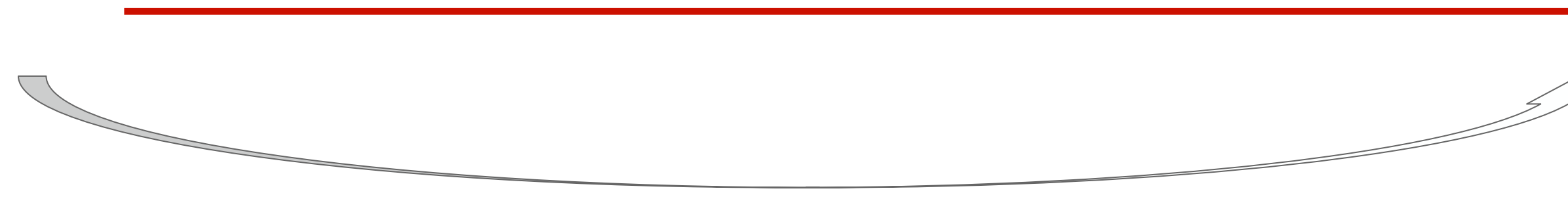
Imagine a team of nearly 30 developers, working on an innovation tool for audio technologies and...

Before:

- a product, that after a year of development does not even has working basic functions

After:

- a product that drives the innovation of the company and becomes the most important platform for specific customer applications



Two Central Lean Startup Concepts

• The Minimum Viable Product (MVP)

A "Minimum Viable Product" might be:

- **Learning:** Onsite observation, fake menus, ads
- **Pitching:** Preorders, comparisons, joint design
- **Experiencing:** Concierge, prototypes



Early releases focus on quickly & cheaply testing ideas



Later releases focus on scaling

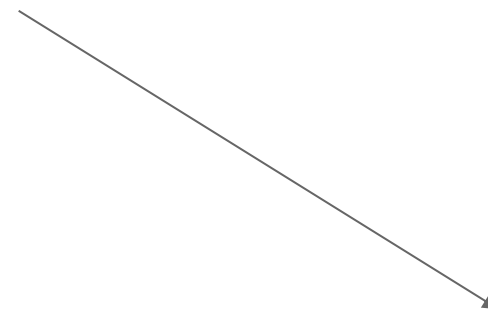
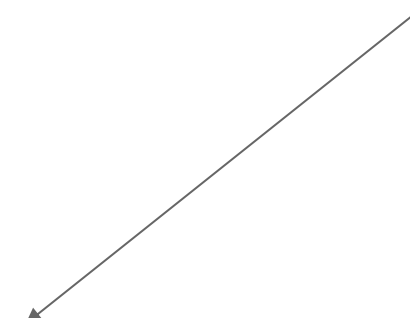
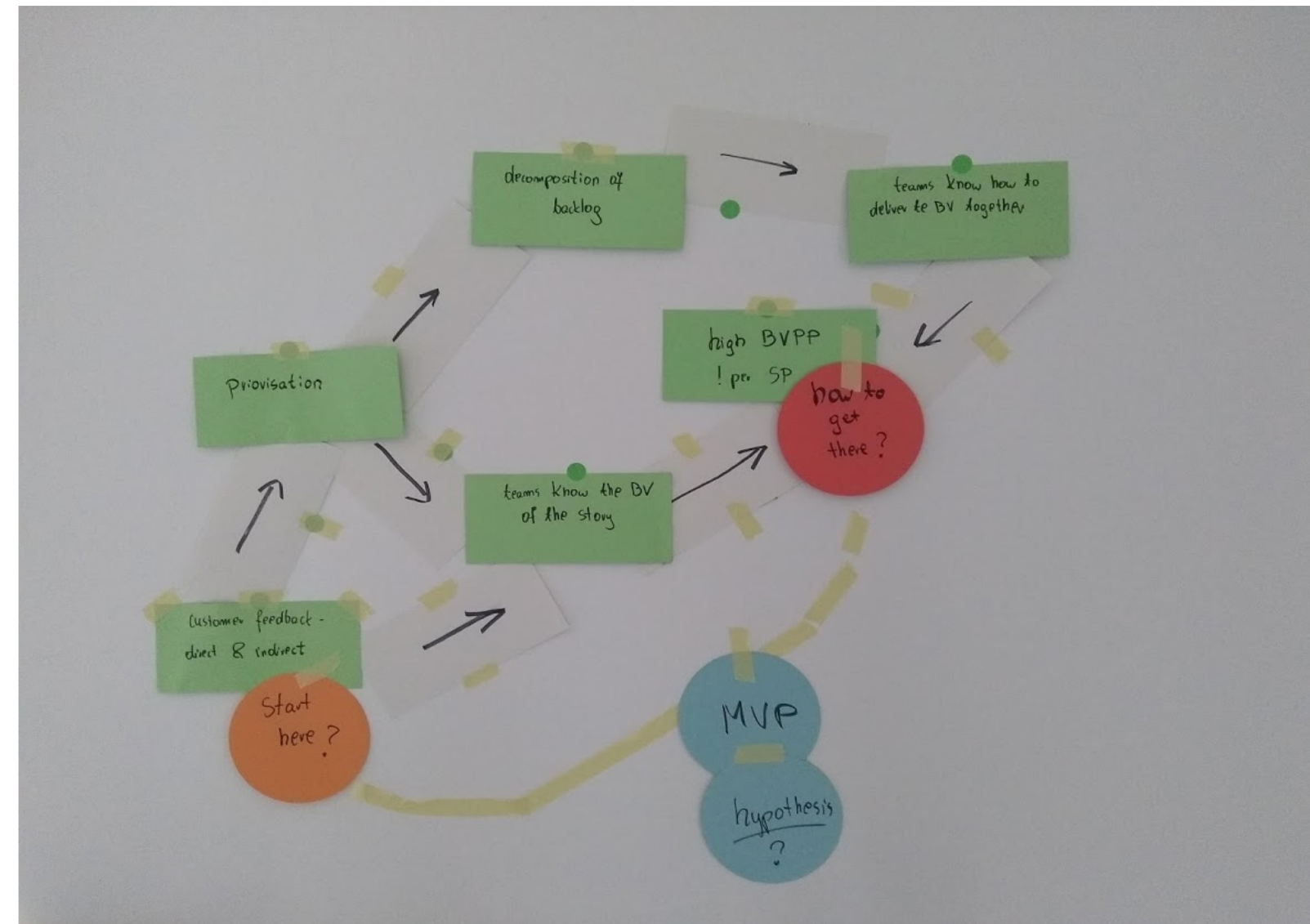
The Pivot

Based on what you learn, you might:

- Target another customer group
- Target a different need
- Expand or contract feature focus
- Change platforms or architecture
- Change channels



Step 1: Define patterns - what's going on in the system



scruminc.

scruminc.

As an enterprise, we need to harness Feedback effectively to improve our process



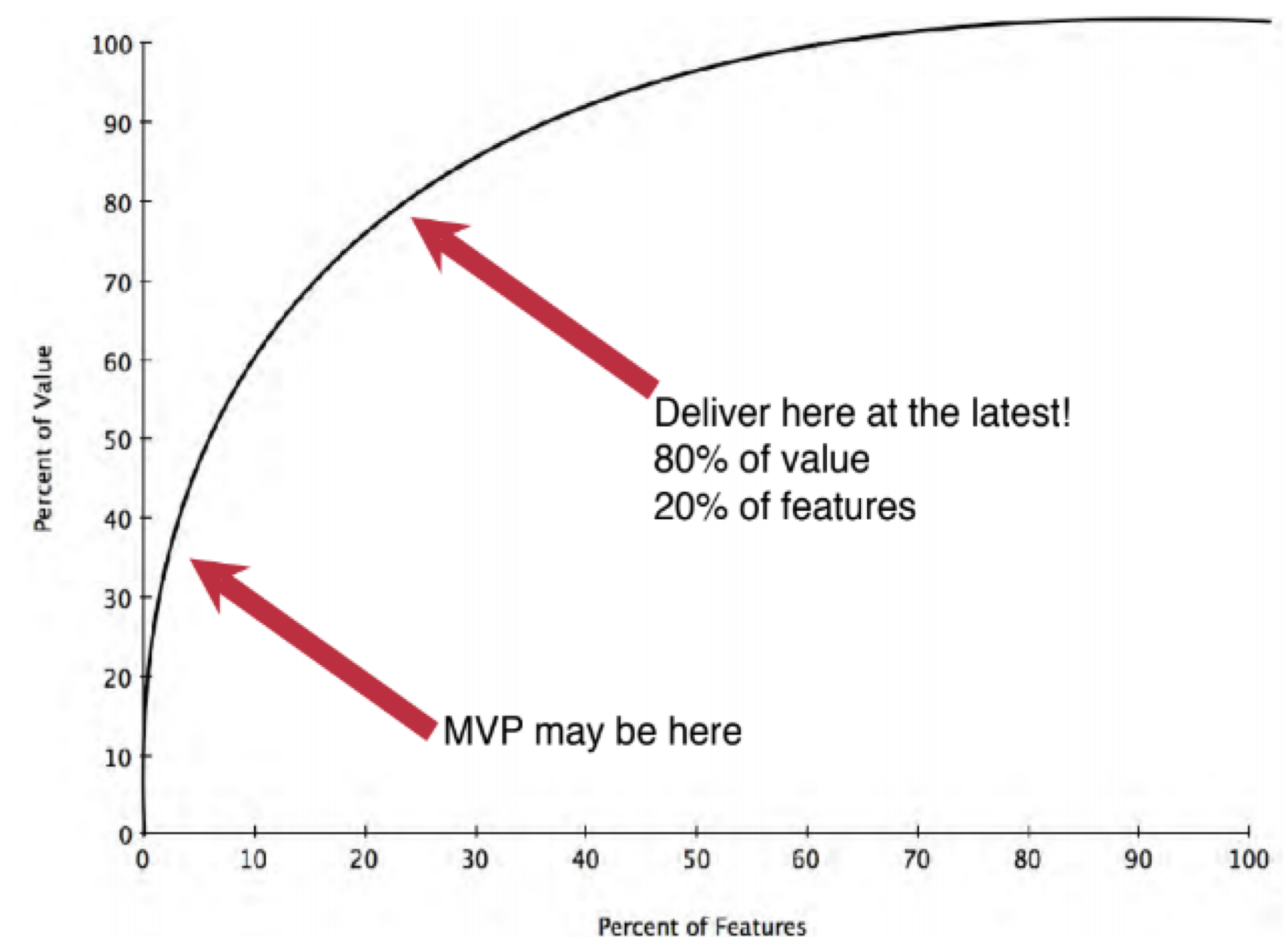
As an organization, we must Refine & Decompose the Backlog so that many teams can work together



The IDEA - validated learning via MVP provides highest value

- Backlog flows to self-organised & self-designed feature-teams
- we practice groups of volunteering experts
- CPO formulates the sprint goals as hypothesis/MVP
- teams may work on the same hypothesis from different point of view/customers perspectives, etc.

Product Owner Tries to Trace "Value Curve"



Example of Dismantling: ROI of specific customer application

- Each team can choose the hypothesis they would like to work on during the sprint
- green= the hypothesis was true
- red = the hypothesis was false;
- Validated learning - teams generate Business Value even if the hypothesis has been proven as false
- challenge - find early adopters

The screenshot shows a spreadsheet with the following data:

	A	B
1	Hypothesis: Customer wants to see/understad the ROI of the customized appliocation but is willing to spend max. 10 min on the calculation	
2	Hypothesis	Team
3	Customer wants to understand the additional costs of the customized application/configuration in order to evaluate the business value	Bangalore
4	Customer wants to roughly calculate his potential revenues (related to customized application/specification) in order to evaluate the business value	TTool
5	Customer is willing to spend max 10 min for the ROI calculation	Lodz
6	The data customer needs to calculate ite revenue is not available for him so we have to provide an empirical basic data	GEfficiency
7	Our sales departement wants to get quickly an estimation of the ROI of an specific customer specification/configuratin	Greek Geek
8	Customer prefers a roughly ROI calculation automataly creted after the signal flow has been created	Buda
9		
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Conclusion:

- Hypothesis testing as a value driven approach in innovative, complex, “unknown” markets
- self-emerging loop for business value
- early indicator for low business value
- up to 3 MVPs per Sprint
- Business Value Per Point increased by a factor of 3

