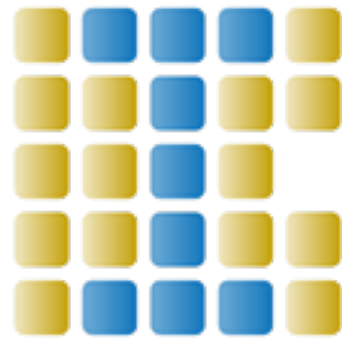


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# ***Agile Innovation System***

**Lean Startup Concepts**

## **Agenda**

- 1.) Introduction to Agile & Lean Startups - Dave Mawhinney**
- 2.) Video “The Lean Startup: Innovation Through Experimentation.”  
Eric Ries, Web 2.0 San Francisco 2010**
- 3.) Videos, “How We Validated Customer Need”, Rob Daley, 4Moms**



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***Dave Mawhinney  
Serial Entrepreneur  
June 2013***

What Choo Talkin' 'Bout Willis?



**That Lean Startup Crap is  
just for lightweight Web 2.0**

**Elaine Chen “#Leanstartup – Hardware Edition”**

<http://www.slideshare.net/chanelaine/lean-startup-hardware-edition-20563840>

**Mike Kuniavsky “Lean Hardware startups”**

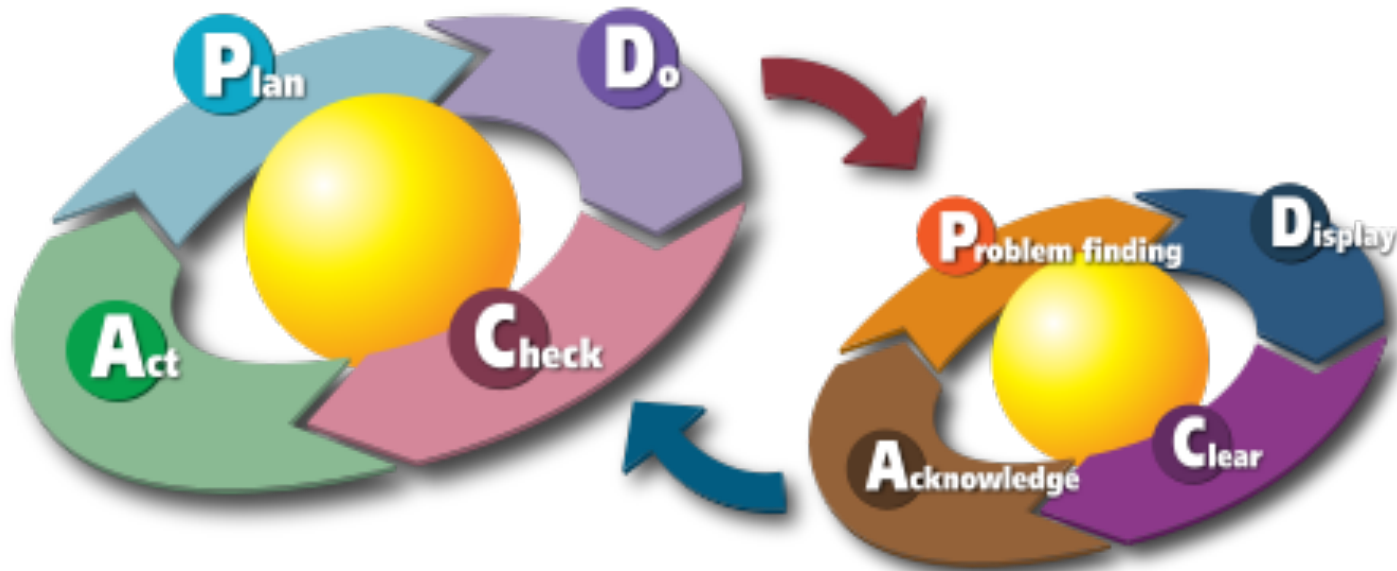
<http://www.slideshare.net/mikek/lean-hardware-startups-elements-of-a-ubiquitous-computing-innovation-ecosystem>



# ***There is Nothing New Under the Sun!!***



# Kaizen!



**Rapid, Continuous, Incremental, Improvement**

# Origins of Kaizen, Lean & Agile

In 1951, as part of the United States effort to rebuild Japanese industry, the Civil Communications Section's (CCS) Economic and Scientific Section (ESS) developed the training film **"Improvement in 4 Steps" (Kaizen eno Yon Dankai)**. This is the original introduction of "Kaizen" to Japan.

For the pioneering, introducing, and implementing Kaizen in Japan, the Emperor of Japan awarded the Second Order Medal of the Sacred Treasure to Dr. W. Edwards Deming in 1960.



# 2001: Agile Manifesto

We are uncovering better ways of developing software by doing it and helping others do it. Through this work we have come to value:

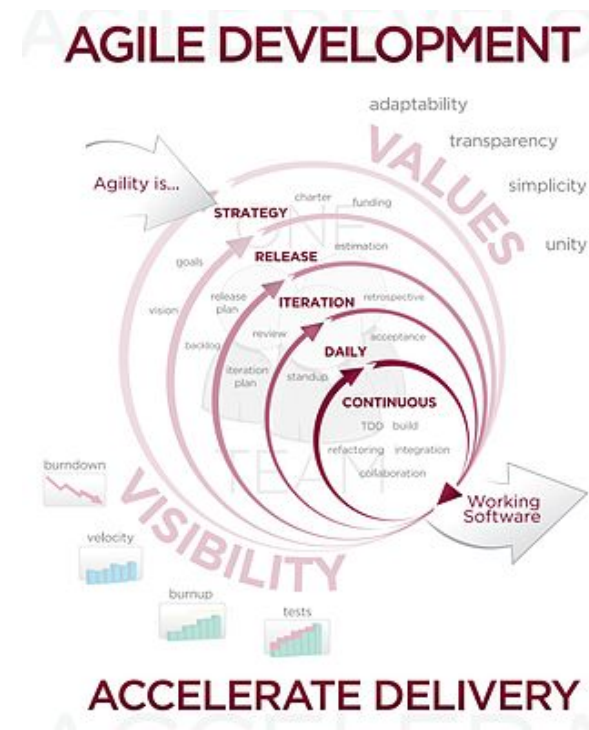
**Individuals and interactions** over processes and tools

**Working software** over comprehensive documentation

**Customer collaboration** over contract negotiation

**Responding to change** over following a plan

That is, while there is value in the items on the right, we value the items on the left more.



Sutherland & Schwaber  
Fathers of Scrum



# Why do most start-ups fail?

*Will the dogs  
eat the dog food?*



"A and C are a bit on the gritty side... B seems to have a bitter aftertaste... C has a good taste but a bit too mushy..."

**They don't talk to customers early and often enough!**

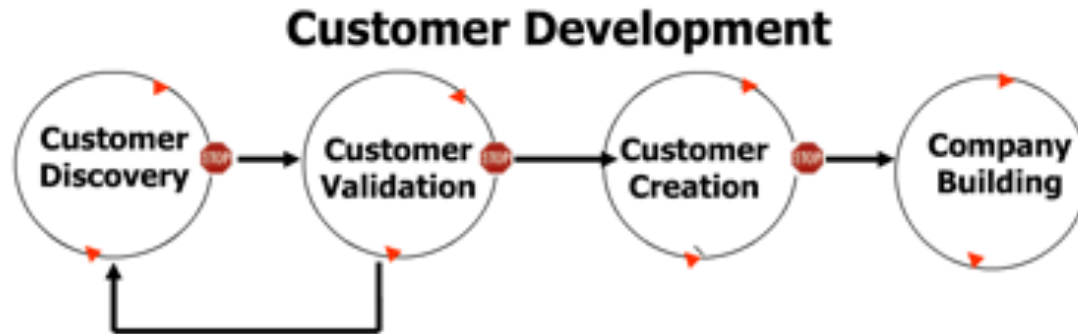
# Another Evolution: MVP



????????????

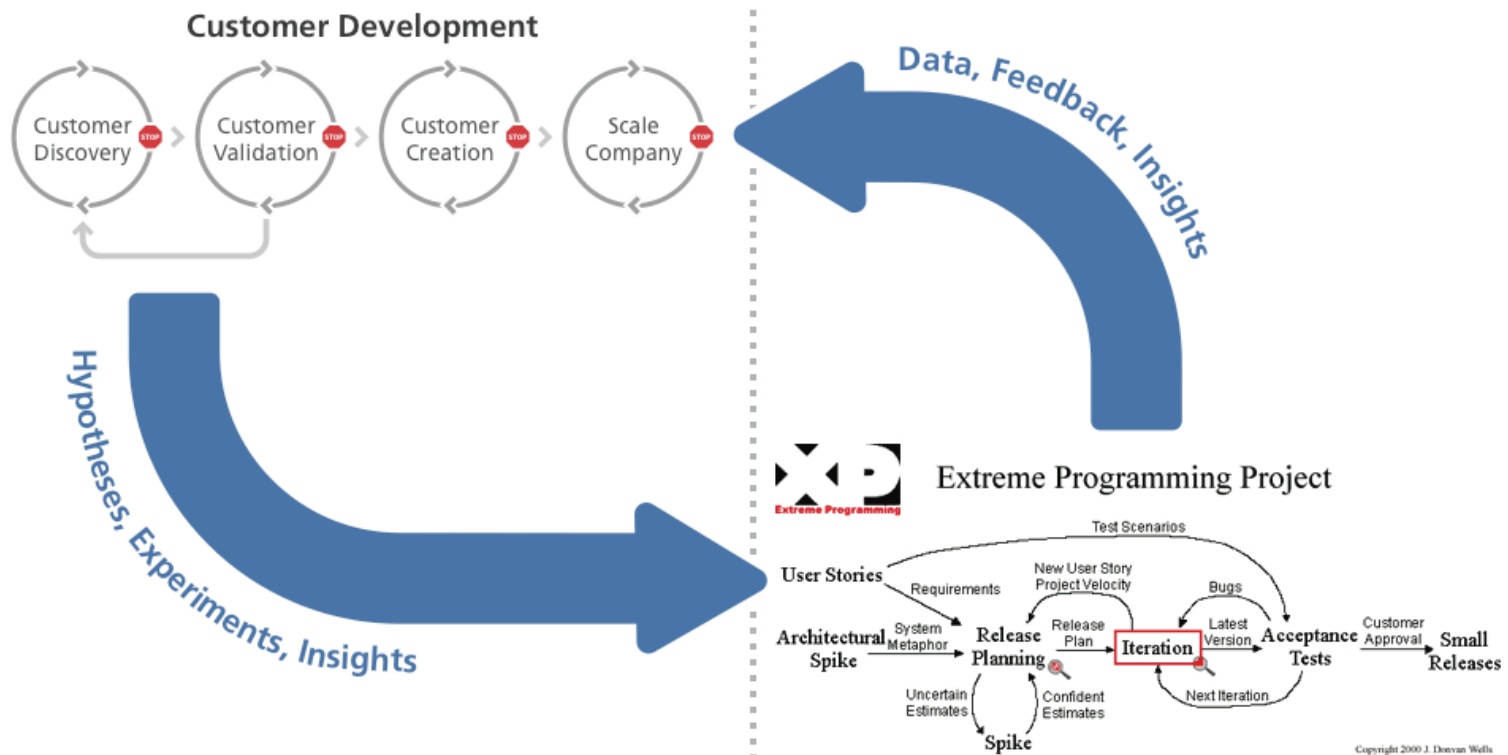
# Minimal Viable Product – Lean Startups

**Customer** Development is as important  
as **Product** Development



Blank , Reis, Eisenmann

# Customer Development meets Agile Product Development

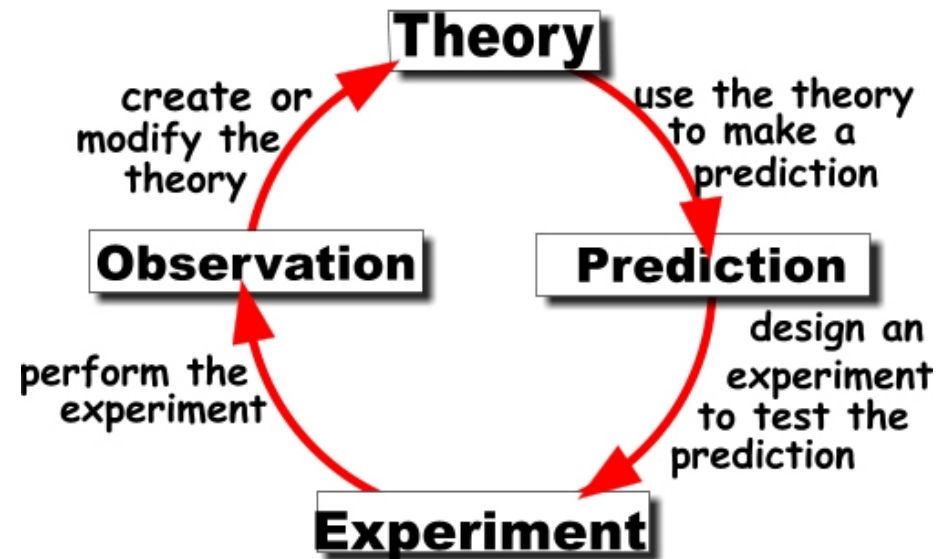


# The Lean Startup!

# *There is Nothing New Under the Sun!!*



## The Scientific Method



# Phases in the Embryonic Stage

## 2. Feasibility

- Benchscale Model
- Lab Tests
- Private Information Gathering
- Preliminary Business Plan

## 3. Verification

- Prototype Product Design
- “Quiet” Field Exposure
- Regulatory Evaluations
- Management Team



## 5. Commercialization

- Full Scale Production
- Explosive Market Development

## 4. Demonstration

- Produce First Production Quantity
- “Noisy” Customer Involvement
- Replicate Formula for Success
- “Seasoned” Management Team
- Detailed Plan of Attack



all ri

# The Goodness Factor



**Don Jones**  
Robot  
Entrepreneur  
& VC

If you enter a market that has an existing solution and your product is the same “price”, then you must be **THREE TIMES BETTER.**

Or, if you offer the same benefit, you must be **THREE TIMES CHEAPER.**

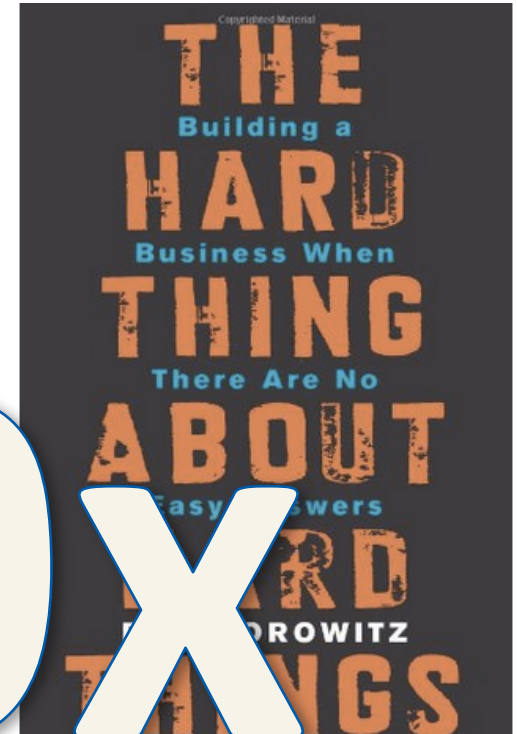
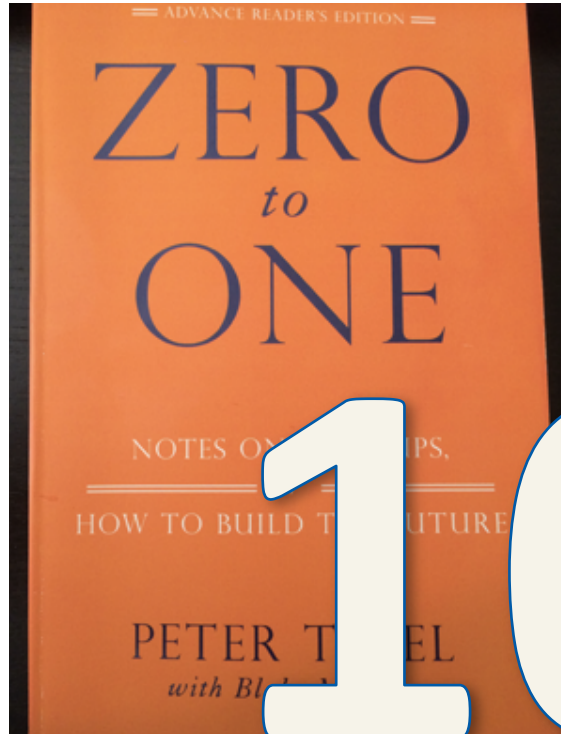
Why?

People are LAZY!!! The great HABIT FORCE is hard to break. So you must have a **GOODNESS FACTOR** to compel them to change!

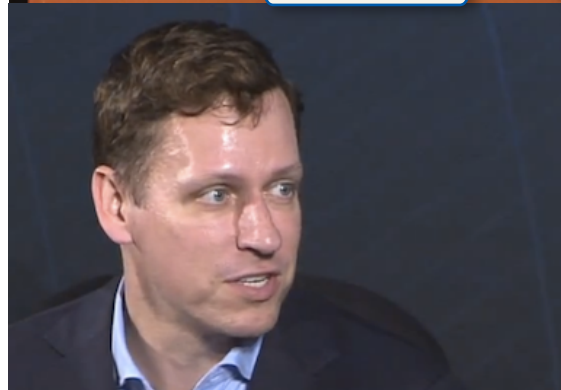
# The Goodness Factor



**Don Jones**  
Robot  
Entrepreneur  
& VC



10X





# Quantitative Benefits

1. Saves Time



2. Saves/Makes Money

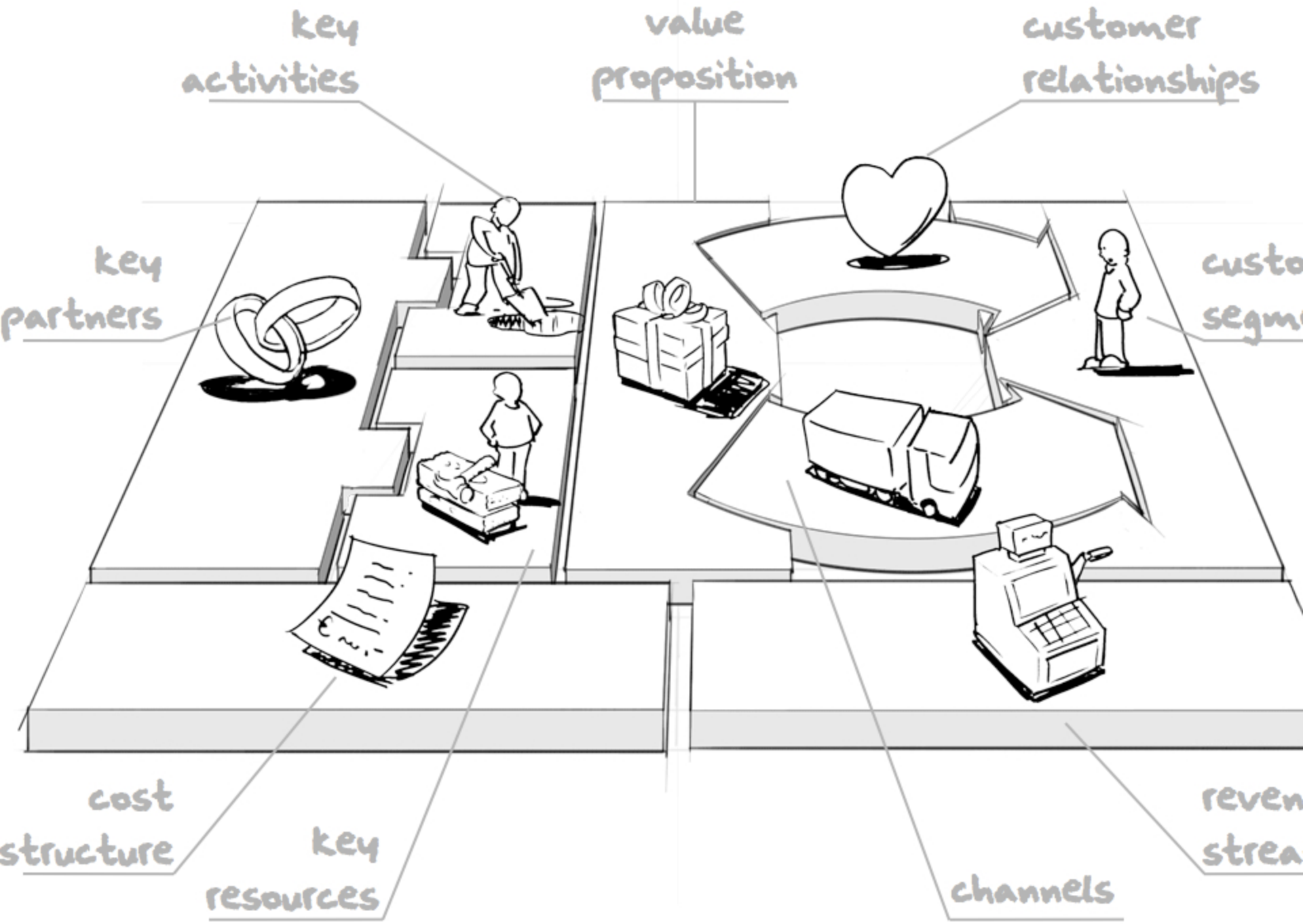


3. Hooks you up!

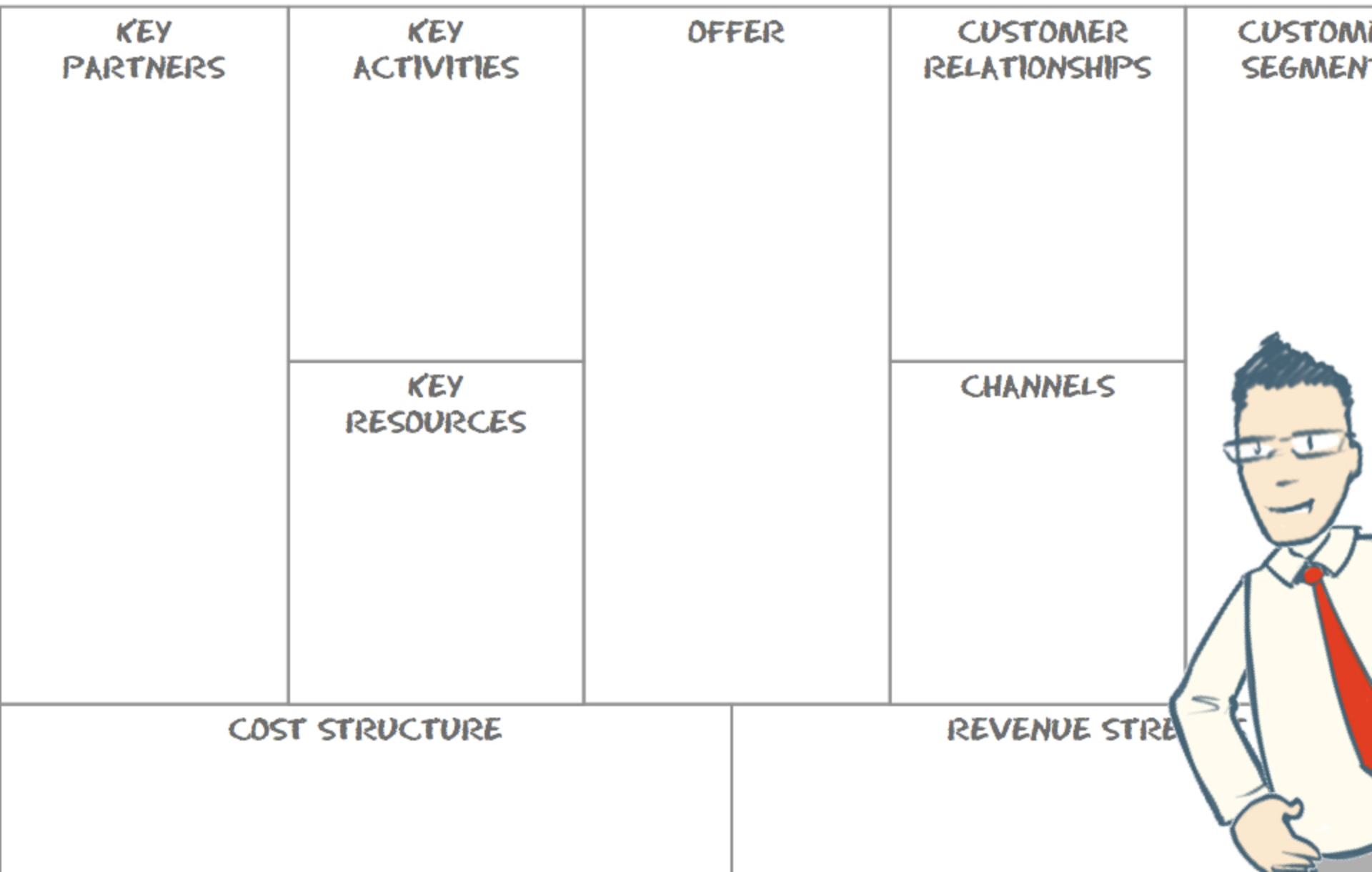


4. Fame/Recognition

5. Altruism/Doing Good



# THE BUSINESS MODEL CANVAS



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