

# GUEST From Lean Startup to Lean Business A Manifesto

Transforming the Lean Startup in an engineered process

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# Acknowledgements

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#### **CLAIM**

Companies need tool to efficiently manage their innovation and business development processes, reduce the gap between business areas (e.g., managers and marketing) and operations and innovation and reduce to time to implement their strategic decisions

#### **GOAL**

Introduce lean concepts in business development, project management and innovation management in a repeatable, sustainable and efficient way

#### VISION

Move from Lean Startup to Lean Business
Create an engineered process requiring a low learning curve based on
Lean Startup

# Why we need GUEST?



- ★ Different methodologies to speed up business development and innovation management
  - Require specific training
  - Often domain dependent

WCM

Agile

Lean Startup

Lean Production

- To Be
  - ★ Single framework adaptable to different domains
  - ★ Can include different actors and different stakeholders
  - ★ Easy to manage and implement
  - ★ Low learning curve

# Background

GUEST is a Lean Business methodology developed by G. Perboli and R. Gentile with the aim of providing at firms an innovative structure for the business management.

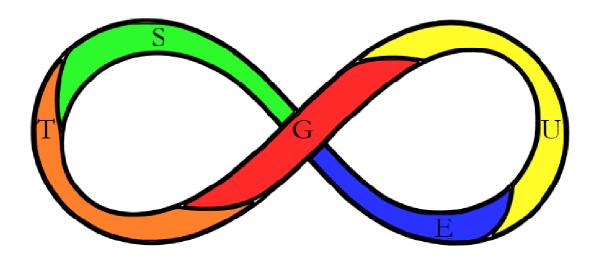
The methodology supports firms that are at the end of the *Start-up* period, to the future developed of their business models, but also small and medium sized enterprises to implement new business.

In particular, when a company is part of a **Multi-Actor Complex System** (MACS), the methodology:

- → supports the actors in the control of their projects, from the idea of new product or service, to the implementation;
- guides the decisional process;
- → give a standardization of documents and tools used by different stakeholders, to connect in a common framework their vision, issues, results, problems and opportunities, but also to allow an easily following benchmark.

# GUEST is divided in five consecutive steps:

- 1. Go
- 2. Uniform
- 3. Evaluate
- 4. Solution
- 5. Test



# 1st Step: GO

The scope of this first step is to establish an approach with the firm, gather data and information for build a knowledge base and make a first evaluation of the project and business potentiality.

Share surveys with team work of the firm and processing of the results

Second meeting with the Prospect to show results and to define the collaboration terms.

Request of first contact with the owner or the Project Manager

Kick off meeting with the Prospect and face-to-face survey administration

## GO SURVEY

For the qualitative data gathering is used a **Standardize Survey** that results from the merger of the Business Model Canvas and the Basel II Guidelines for SMEs.

This survey provides a full description of a company profile and its environment.

#### **CUSTOMER SURVEY**



General Information

Activities

Commercial Information

Customers

Suppliers

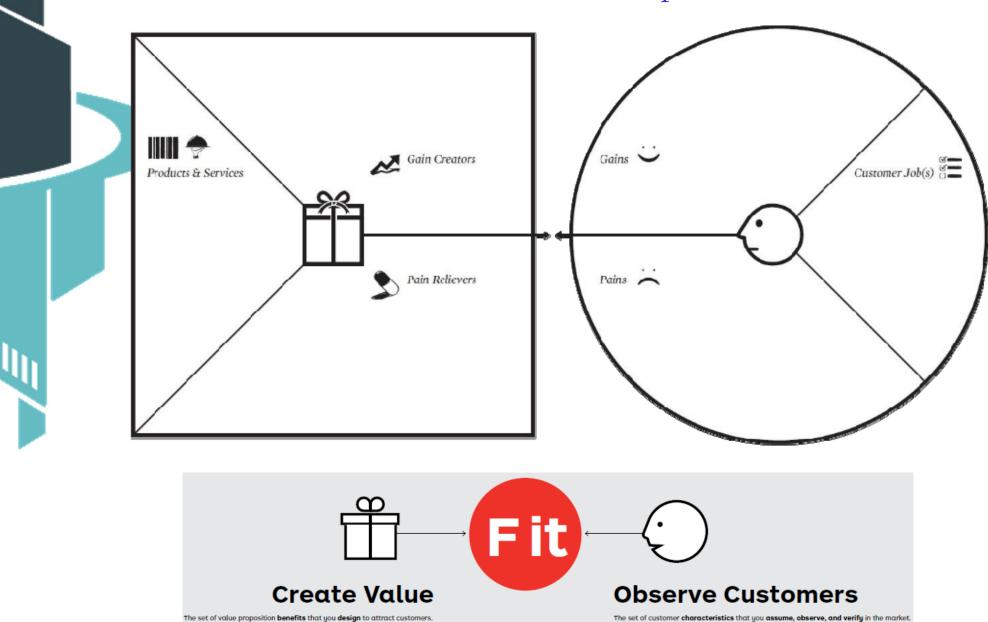
Competitors

Evaluation

#### **ADVISORY SURVEY**



# Value Proposition Canvas

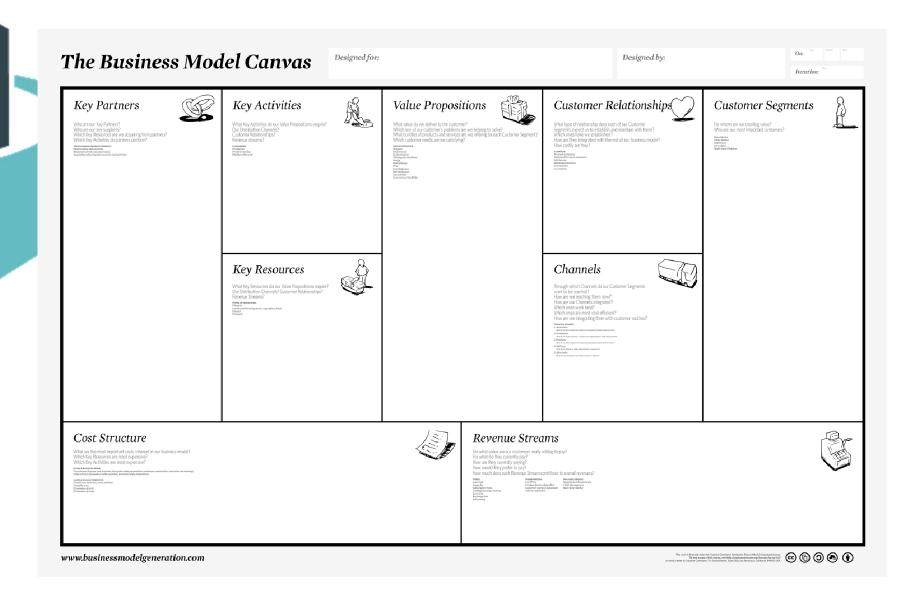


# 2<sup>nd</sup> Step: UNIFORM

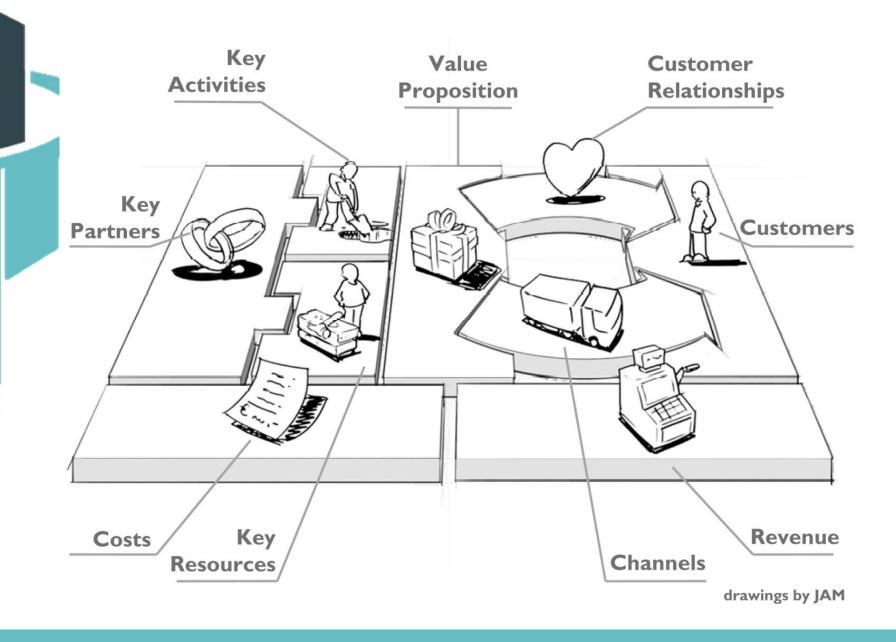
The scope of this step, is to assess in a standard way, the information collected in Go phase, in order to obtain a common vision of the MACS.

The governance and the state-of- the art of the company and its business models are described by means of the **Business Model Canvas** as proposed by A. Osterwalder.

## **BUSINESS MODEL CANVAS**



## THE 9 BUILDING BLOCKS of BMC



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Source: "Business Model Generation", Osterwalder, 2010



### Customer Segments

An organization serves one or several Customer Segments.



#### Value Propositions

It seeks to solve customer problems and satisfy customer needs with value propositions.



## ■ Channels

Value propositions are delivered to customers through communication, distribution, and sales Channels.



#### CR

Customer Relationships

> Customer relationships are established and maintained with each Customer Segment.



## ■ Revenue

Streams

Revenue streams result from value propositions successfully offered to customers.



#### Key Resources

Key resources are the assets required to offer and deliver the previously described elements ...



# ☑ Key

Activities
... by performing a number of Key Activities.



#### ΚP

Some activities are outsourced and sor

Some activities are outsourced and some resources are acquired outside the enterprise.



## □ Cost

Structure

The business model elements result in the cost structure.

# 3rd Step: EVALUATE

From the "as is" situation explicitly described by mean of the Business Model Canvas analysis, this step provides a "to be" analysis resulting from the collaboration between the Customers and the Advisor.

## SOCIAL BUSINESS NETWORK

The **Social Business Network (SBN)** is a visual document that represents the organization within its environment, to evaluate every possible positive or negative interaction between elements and actors of the MACS.

These relationships are displayed thought a graph consists of nodes and arcs, as follows categorized:

Actor Type	Node	Size	Specifications
Company		Micro Small	<10 employess <50 employess
		Medium	<250 employess
Partner/Competitor		Large	>250 employess
			Institution with influence at local level
Institution		Local Regional	Institution with influence at regional level
		Domestic	Institution with influence at domestic level
Customers		European Extra-European	Institution with influence at European level
			Institution with influence at Extra-European level

## ICE DIAGRAM

The **Identify-Control-Evaluate** (**ICE**) diagram expresses problems and opportunities into concrete actions to implement and monitor through KPIs. This model considers financial parameters and not, which should lead the organization to superior and sustainable competitive performances, providing strategic inputs.

#### **ICE DIAGRAM**

IDENTIFY CONTROL EVALUATE

Identify the opportunities and/or problems of the organization. Consider different perspectives:

- Customers
- Internal management process
- Growth and learning process
- Financial process

Define the actions to implement for solve the problems and/or for improve the opportunities.

Prioritize these proposed actions.

Define the KPIs for monitor the implemented solution

# 4th Step: SOLUTION

The purpose of this step is to present at the customer, a document that summarizes the solution to be implemented.

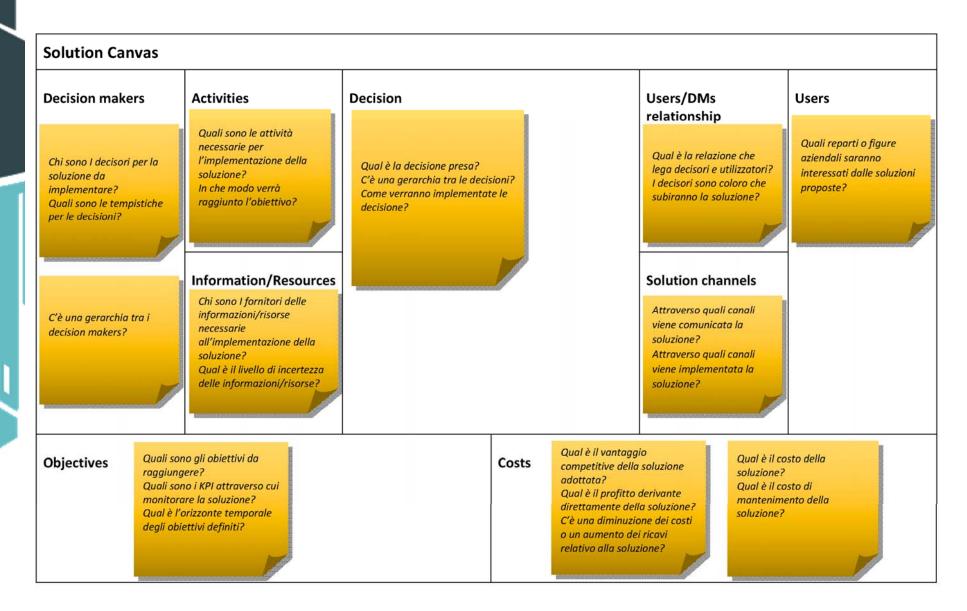
Depending on the interlocutor, there are two different type of documents:

## 1. Executive ICE-Diagram

Identify	Control	Evaluate		
		KPI	Res	Time
Problema x	I Azione da implementare	KPI 1x <del>KPI 2x</del>	10K	1 w
Problema y	LAZIONA da implementara	KPI 1x KPI 2y	50K <del>70k</del>	3 w <del>2W</del>
Opportunità z	Azione da implementare	KPI 1z	30K	4W

ICE Diagram Executive						
Identify	Control	Evaluate				
		KPI	Res	Time		
Problema x	Azione da implementare	KPI 1x	10K	1 w		
Problema y	A - i - u - u - i - u - u - u - u - u - u	KPI 1x	50K	3 w		
Problema y	Azione da implementare	KPI 2y	50K			
Cook Flow Monitoring	Ch Fl	IN/OUT		Whole		
Cash Flow Monitoring	Cash Flow	Flows		project		

## Solution Canvas



## 5th Step: TEST

It is the last step of the methodology and has the purpose of monitoring the effects of actions that are actually implemented in case studies, and which involved three different field: Operative, Customer Satisfaction and Administrative.

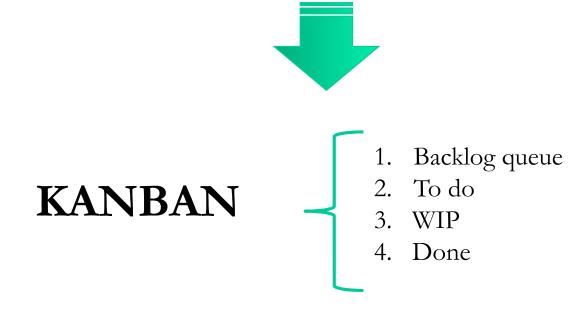
In this step will be identify:

- any critical issues of solution;
- → any particular case not considered in the solution;
- → any interference with other activities which have a negative impact;
- → any critical issues of medium and long term.

# Overall process monitoring

The GUEST methodology standardize tools and documents supporting a new business development. But not only, it is necessary to make in a standard way also the whole application process of the methodology, about:

- Timing;
- → Human Resources;



#### BENEFITS:

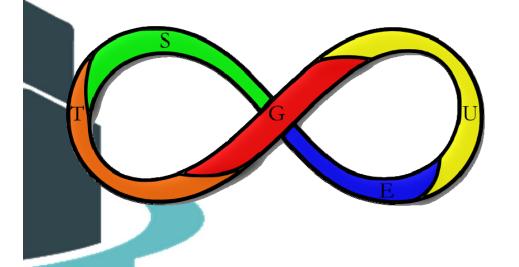
- ✓ The Project Manager has a whole vision and always updated about the progress business;
- ✓ update meetings will not be necessary;
- ✓ the overview allows to detect synergies between projects to saving times and resources for the operations management;
- ✓ each member of team knows other project, also not within his competences, and could help with suggestions.

# PROCESS KANBAN

		Backlog queue	To Do	WIP	Done	Sent
Project: PM: Resources: Start:	End:					
Project: PM: Resources: Start:	End:					
Project: PM: Resources: Start:	End:					
Project: PM: Resources: Start:	End:					
Project: PM: Resources: Start:	End:					
Project: PM: Resources: Start:	End:					
Project: PM: Resources: Start:	End:					
Project: PM: Resources: Start:	End:					

# PROJECT KANBAN

			•		•	
Projec	ct: Project M	Manager: Resources:	es: Start: End:			
	Backlog queue	To Do	WIP	Done	Sent	
G						
U						
Е						
s						
Т						



## Contacts

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