

Lean Startup philosophy

A way of strategy in practice



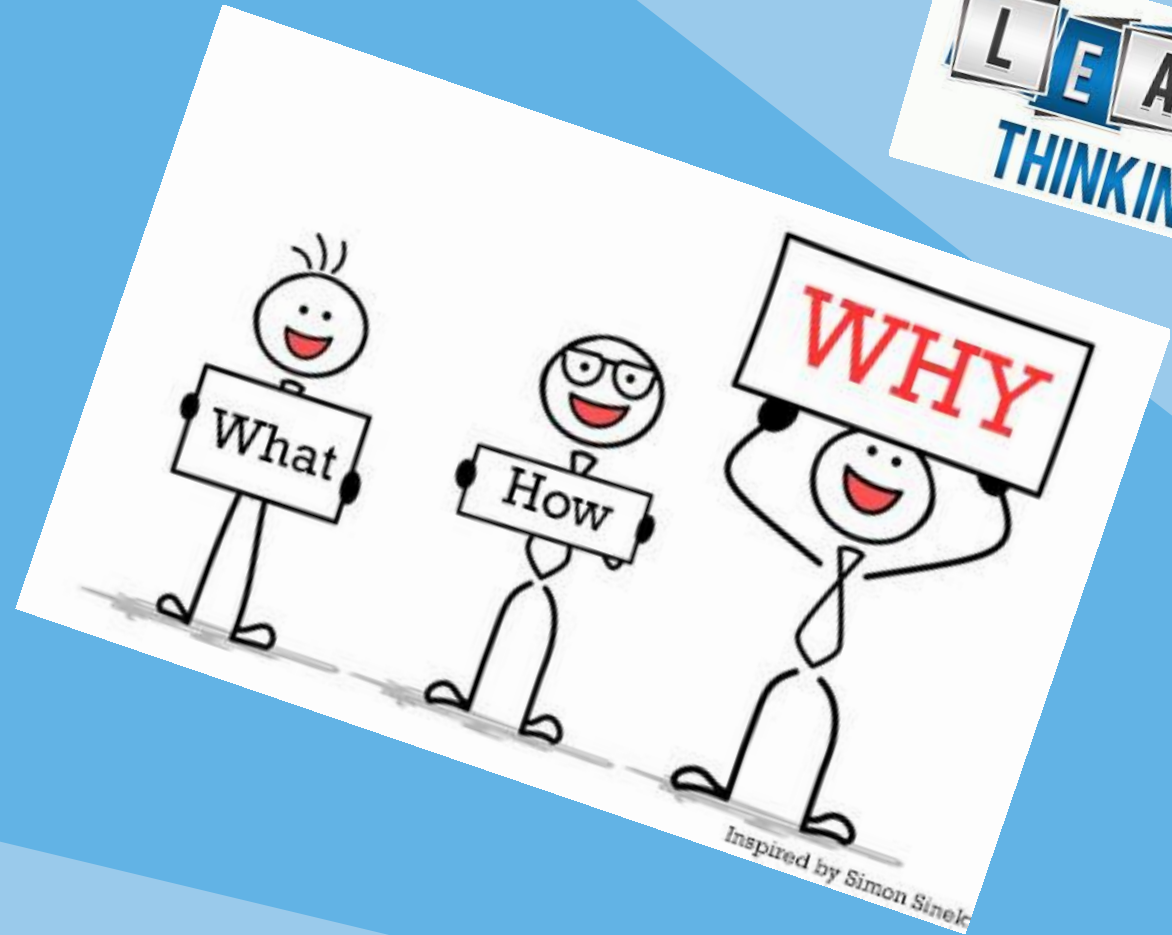
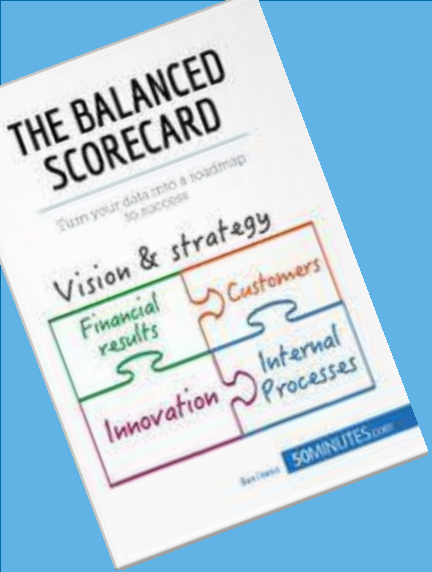
Hi, I am Heiti ! I am an entrepreneur !



Tieto Estonia – business development
manager (Industry)

Incubator Tallinn – Mentor, strategy & IT
consultant, entrepreneur

Science Park Tehnopol–Innovation
project manager



It's not about me...

- 1 in 6 IT projects has an average cost overrun of 200% and a schedule overrun of 70%.
- 91% of projects in large companies will be total failure
- Only 2.5% of companies complete their projects 100% successfully.
- 17% of IT projects go so bad that they can threaten the very existence of the company.
- 78% of projects failed to realise even 50% of the originally identified benefits.
- 40% of CFOs find that their IT investments are producing the returns they expected.

TOP 5 reasons for fail

- Lack of business alignment
- Poorly defined requirements
- Stakeholders are not engaged
- Lack of focus on business results
- Failure to manage organisational **change**



Communication, cooperation,
trust & ... **courage**



DO YOU HAVE THE **BALLS TO CHANGE?**

Lean Startup as a strategic toolset



“Lean Startup methodology is everything to do with assessing the specific demands of consumers and how to meet that demand using the least amount of resources possible”

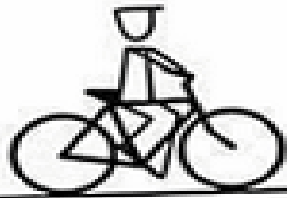
These guys are average people like us

internal

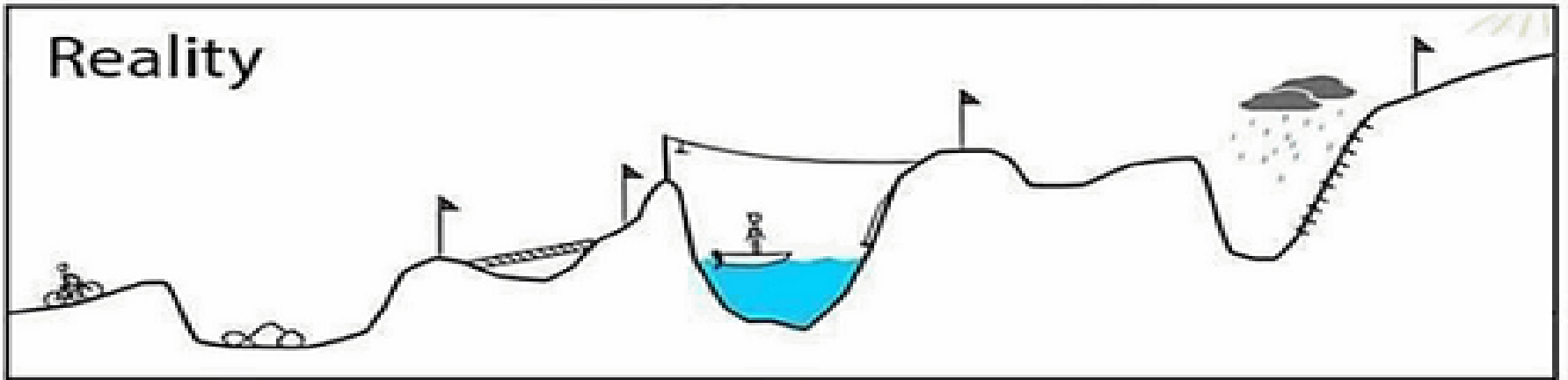
So, what they are doing differently?



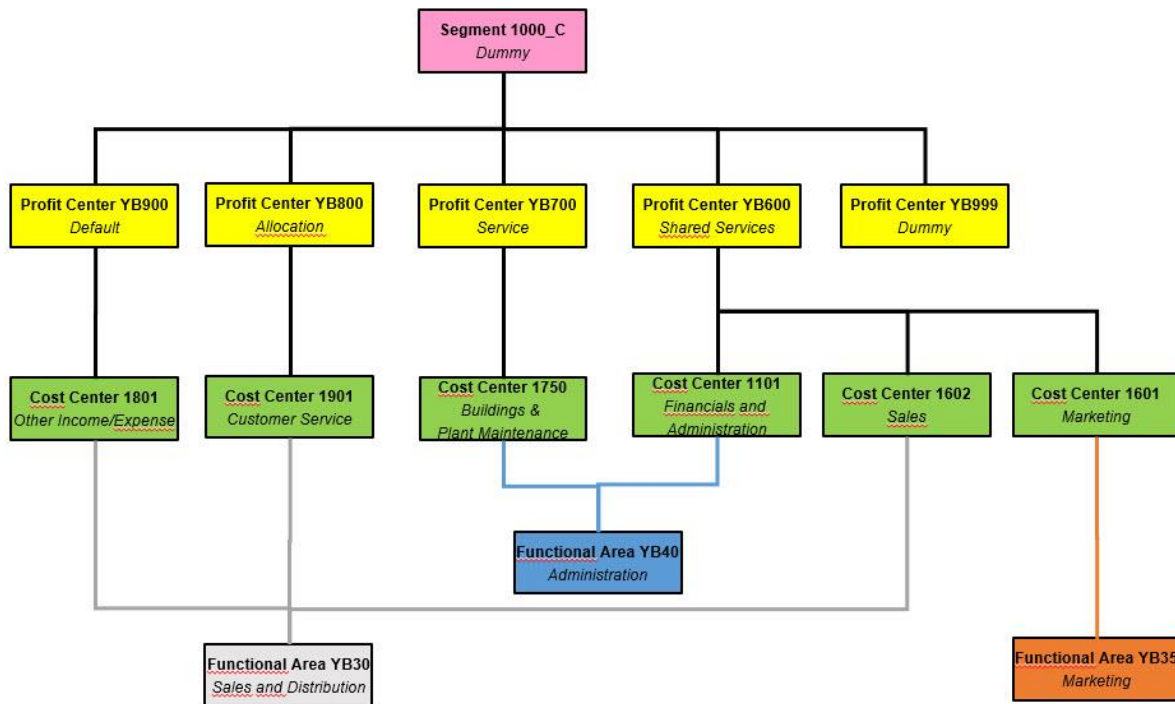
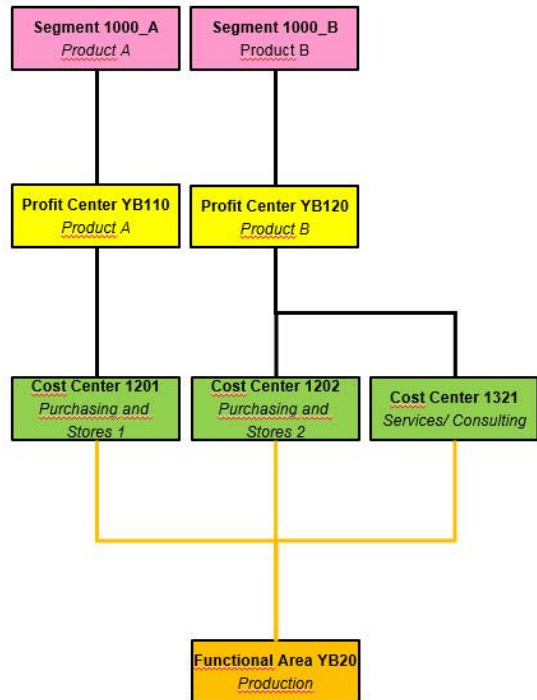
Your plan



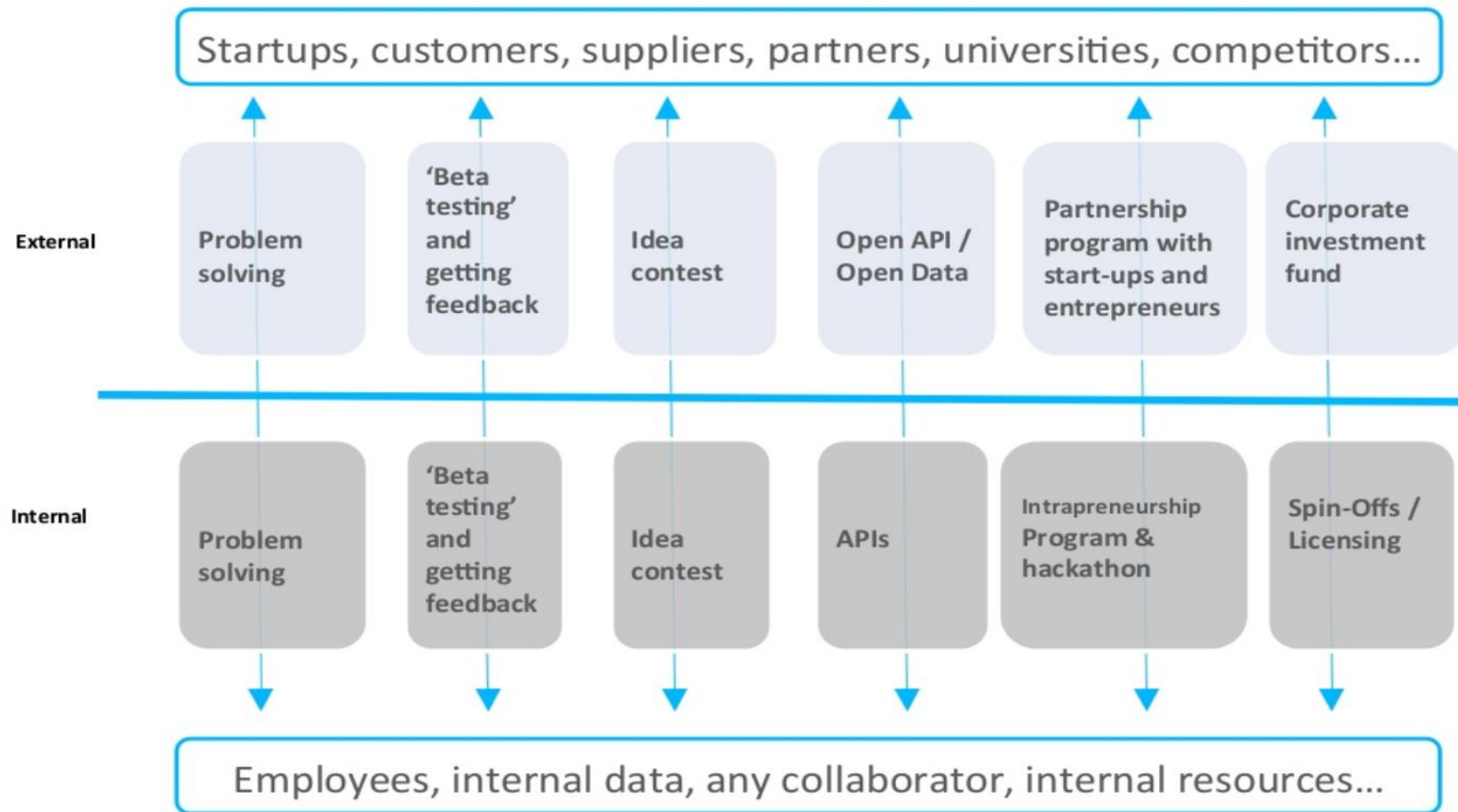
Reality



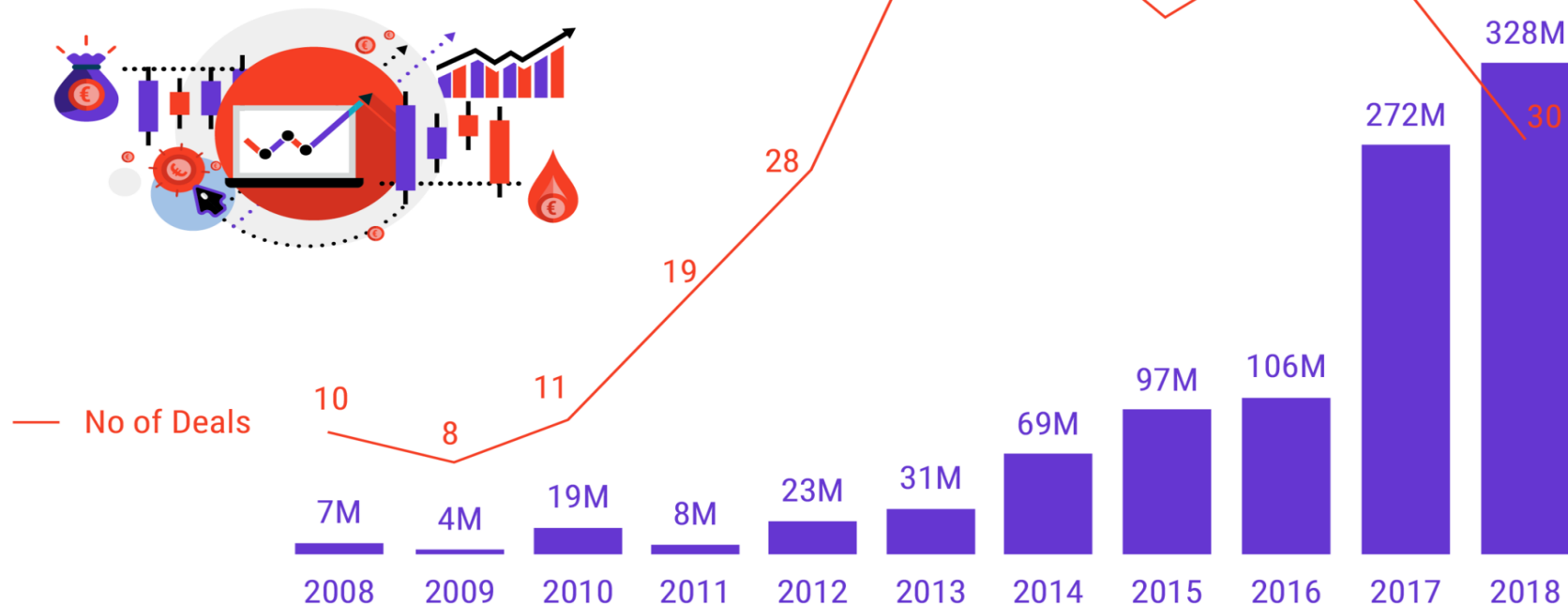
What if..?



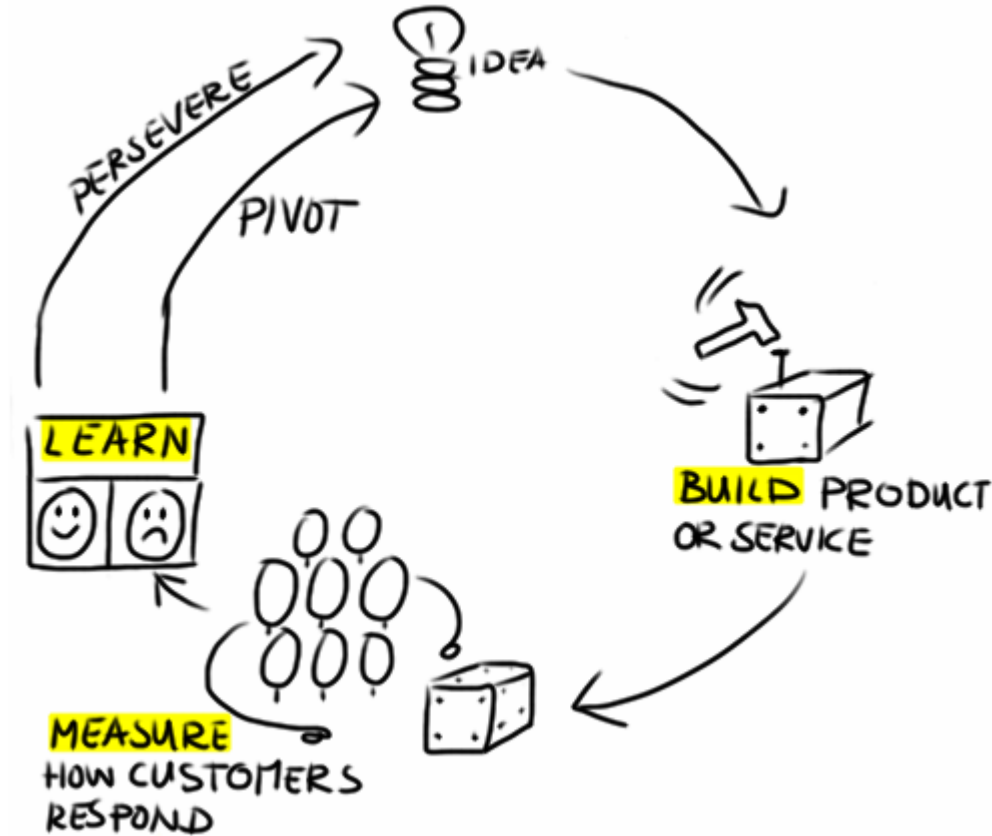
Open & Collaborative Innovation ?

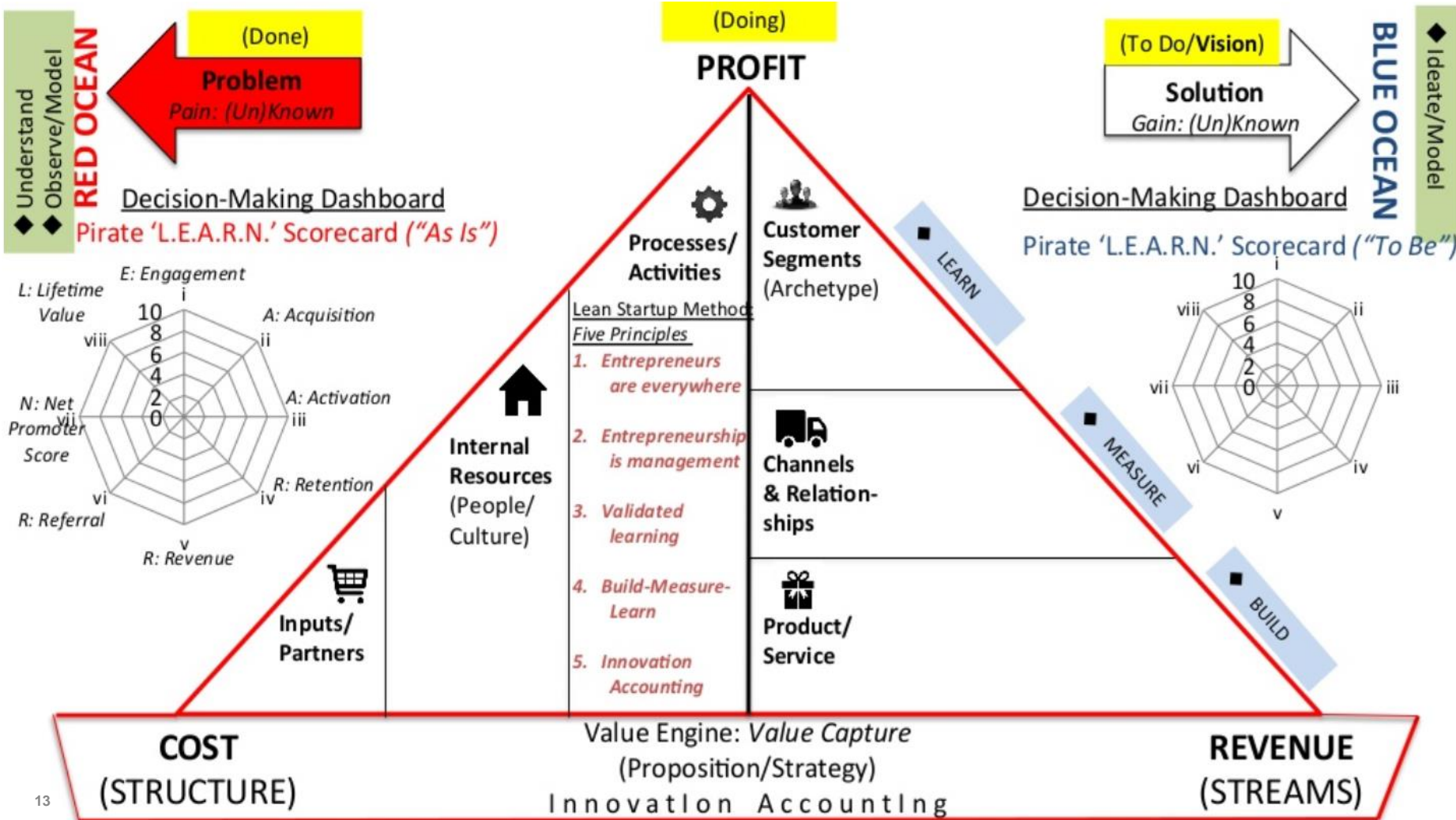


Investments (EUR) to Estonian startups 2008-2018



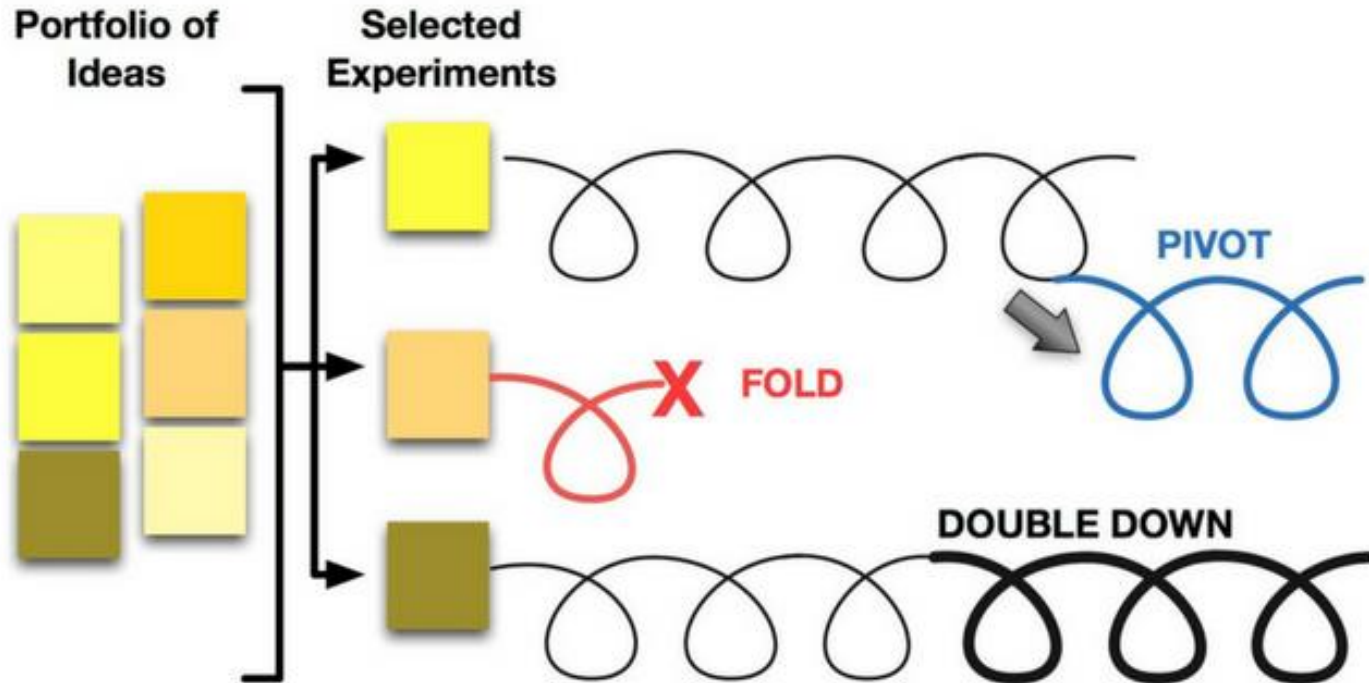
Just keep it simple





To build a Minimum Viable Product (MVP)

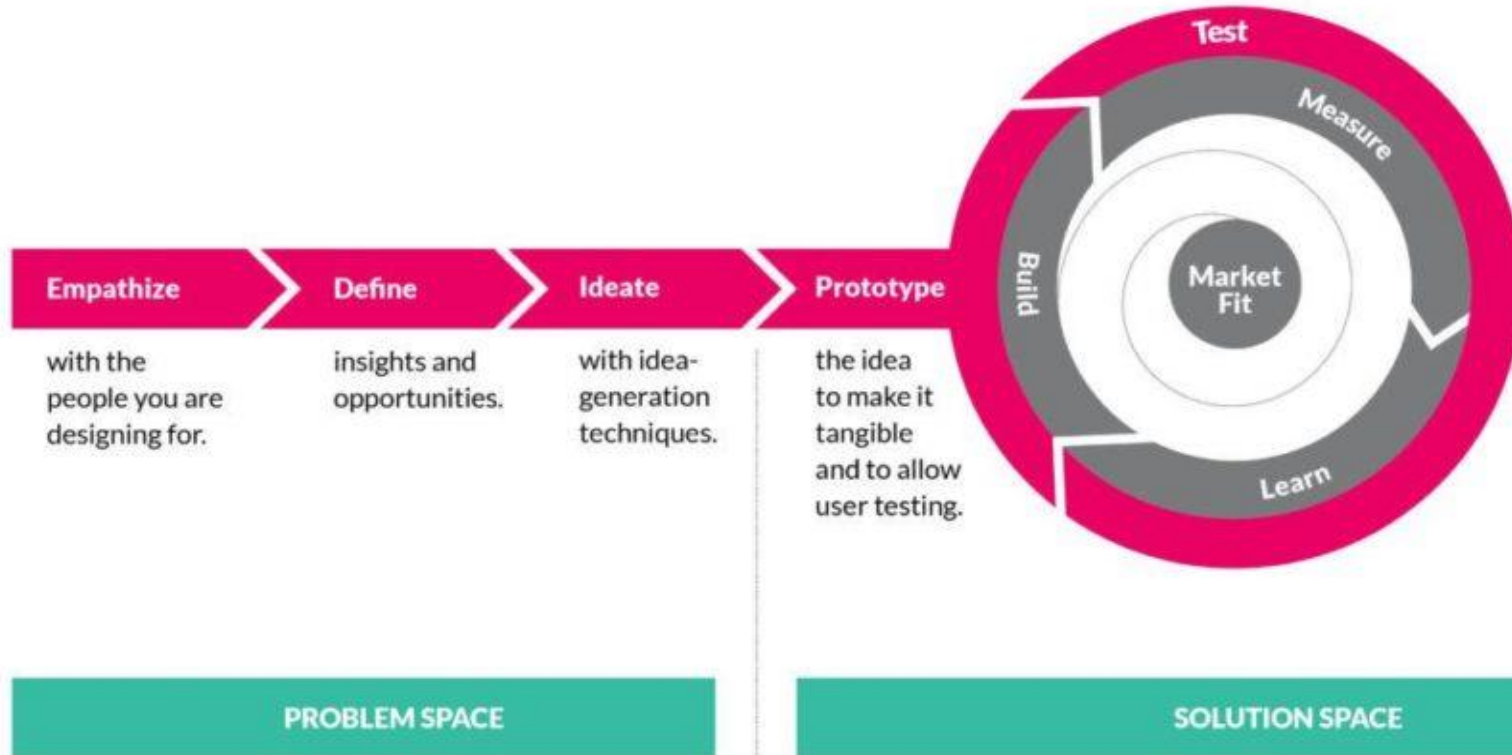
“The Minimum Viable Product (MVP) is the version of a product which enables the maximum amount of validated learning about customers with the least effort.”

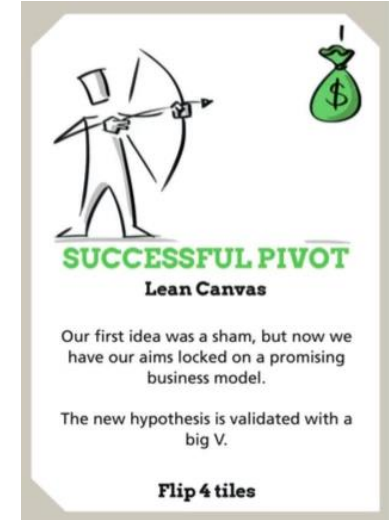
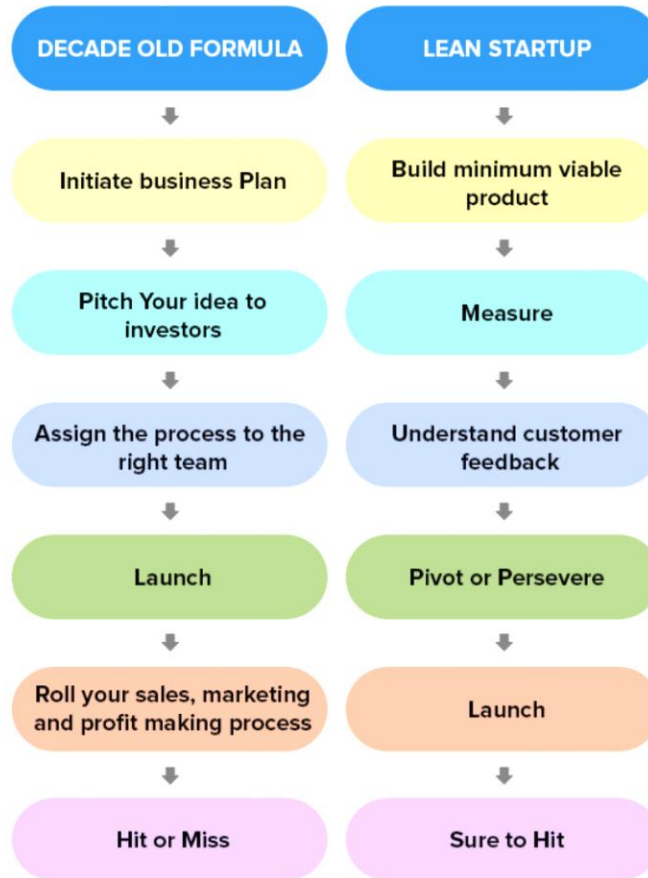


How do Design Thinking and Lean Startup relate?

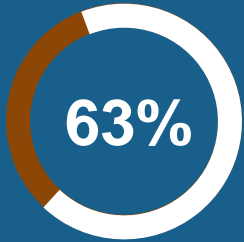
DESIGN THINKING

LEAN STARTUP





Industry disruption



63% say it will be impossible to stay competitive without being a quick adopter of new technology.

The Future of Business Transformation Research,
Kairos Future together with Tieto



Increased real-time visibility

Share information across supply chain in real time

Improve quality and efficiency by reducing manual reporting

Improve customer experience by using information from tracking deliveries and delivery conditions of end products

Use information from equipment to proactively reserve service and spare parts



Real-time visibility can help reduce inventory by more than 20%

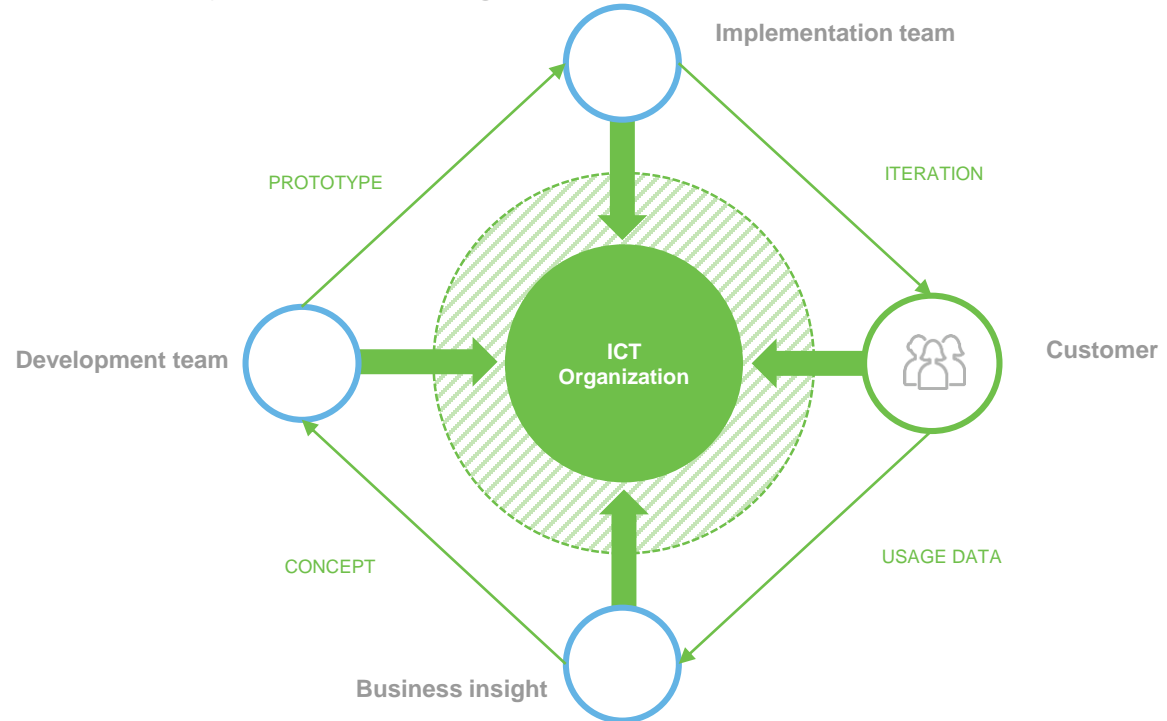
Accelerating business digitalization

Use ICT organization as a hub and enabler for your business digitalization

Support rapid prototyping and agile development

Remove unnecessary investment burdens and concentrate your efforts on enabling digitalization

Take advantage of social media, mobile, analytics and cloud



Digitalization offers totally new insight & collaboration possibilities

Enable service business growth

Need to find opportunities outside the traditional capital business

Can you extend your client relationship beyond product sales?

Do you have capabilities for the effective delivery of services?

Do you know how Industrial Internet can change your business?

Concentrating on core product offering has its limits:

Installed
base 1

Installed
base 2

Installed
base 3

Sales

R&D

Service

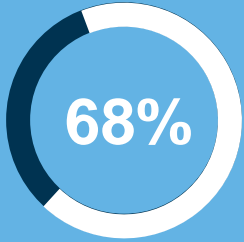
Marketing

Installed
base 1

Installed
base 2

Installed
base 3

The time to act is NOW!

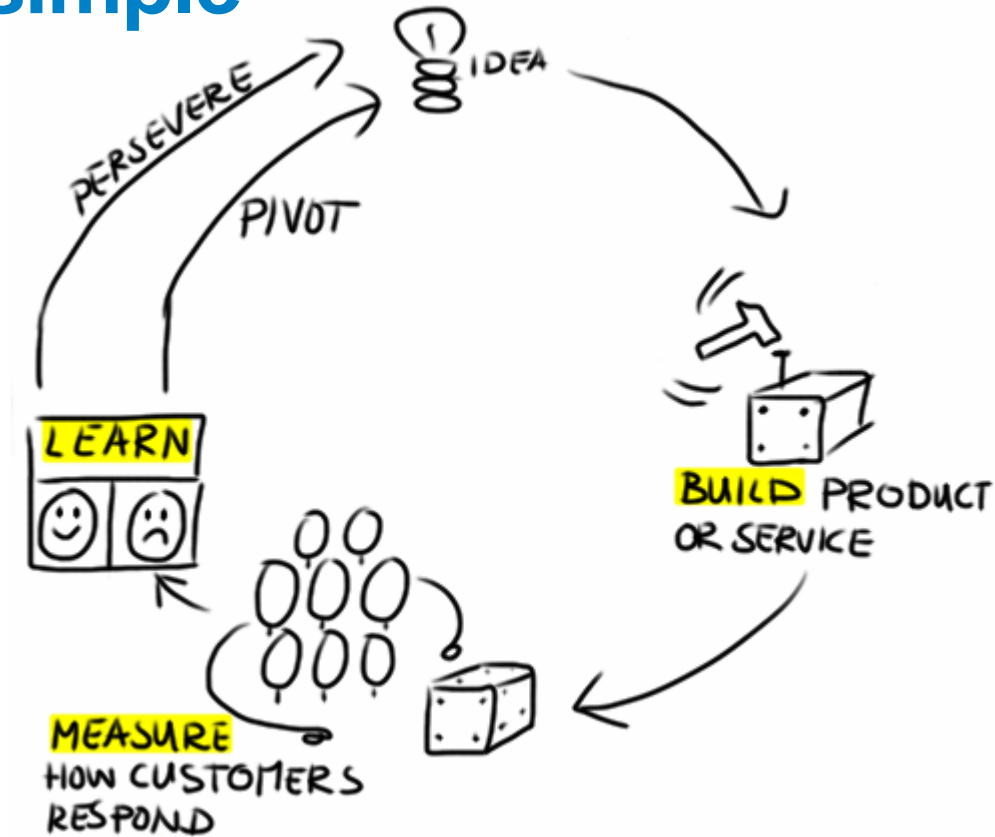


68% of manufacturers agree or strongly agree that their company will be undergoing significant business process transformation to prepare for future market demand in the next three years.

Source: PTC Research



Just keep it simple



If you can't explain it simply you don't
understand it well enough“

Albert Einstein

