Organizing for Innovation

David J Bland
Thursday, August 6, 2015
no one uses our product
no one uses our product

ask customers what features are missing
no one uses our product

build the missing features

ask customers what features are missing
Product Death Cycle

no one uses our product

build the missing features

ask customers what features are missing
This is the Product Death Cycle. Why it happens, and how to break out of it

The hardest part of any new product launch is the beginning, when it’s not quite working, and you’re iterating and molding the experience to fix it. It may be the hardest phase, but it’s also the most fun.

The Product Death Cycle
All of this was on my mind when I saw a great tweet from about a year ago, on the Product Death Cycle, when things go wrong. David Bland, a management consultant based in San Francisco, tweeted this diagram:

“This is what I’m calling the Product Death Cycle
– @davidjbland

Average company lifespan on S&P 500 Index (in years)

Year (each data point represents a rolling 7-year average of average lifespan)

DATA: INNOSIGHT/Richard N. Foster/Standard & Poor’s

Projections based on current data
Lean Startup from Eric Ries

IDEAS

LEARN

DATA

MEASURE

PRODUCT

BUILD
Lean Startup from Eric Ries

@davidjbland

[start here]
Toyota Production System

Goal: Highest Quality, Lowest Cost, Shortest Lead Time

Just In Time
Operate with the minimum resource required to consistently deliver:
- Just what is needed
- In just the required amount
- Just where it is needed
- Just when it is needed

High Quality
- Muri Mura Process
- Min Input
- Max Output
- Minimum Lead Time

Jidokka
- Detect abnormalities
- Stop and Respond
- Harmonise humans & machines

Heijunka
Standardised Work
Kaizen
Stability
Receipt
Total: $1.82
Spruce, The Corporate Minimum Viable Product

Submit Request

Example images

Requests sent to Trello

Designed Images

@davidjbland

Pitch an idea. Explain a concept. Inspire action.

Share what's important to you without being in the room. Create a clear, engaging, stunning video. Effortlessly.

The Ginger Project is now available as Adobe Voice!

Download it for your iPad free from the App Store.

Download it for your iPad

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Customer Ratings

Current Version:
★★★★ 235 Ratings

All Versions:
★★★★★ 864 Ratings
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Adobe Voice

App Store

The Ging available
Download free fr

@davidjblan

Retention
Retention → Satisfaction
Raise

Eliminate

New Value Curve

Create

Reduce
Raise

Selection
Convenience

Eliminate

Physical Stores
Late Fees

Reduce

Customer Help
Rental Cost

Create

Personalization
Social Sharing

Adapted from https://www.blueoceanstrategy.com/
As a team, pick a high retention + low satisfaction opportunity and sketch out your strategy.
Horizon 1
Core, ROI, Sustaining Innovation
value

Horizon 1
Core, ROI, Sustaining Innovation

Horizon 2
Adolescent, New Business

time
Horizon 1
Core, ROI, Sustaining Innovation

Horizon 2
Adolescent, New Business

Horizon 3
Disruptive Innovation
DVDs Remain a Cash Cow for Netflix
Shipping disks by mail may be retro, but it's profitable

Source: Company reports
Netflix Challenges TV Networks at the 2014 Emmys
Nominations at the 2014 Primetime Emmy Awards

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Source: Academy Of Television Arts & Sciences

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<tr>
<td>Sr. Product Researcher - Quantitative</td>
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<tr>
<td>Director, Product Consumer Insights</td>
<td>Los Gatos, California</td>
</tr>
<tr>
<td>Sr. Product Researcher - Qualitative</td>
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Quantitative & Qualitative
Innovation Accounting

A term Eric Ries described in his book, The Lean Startup: To improve entrepreneurial outcomes, and to hold entrepreneurs accountable, we need to focus on the boring stuff: how to measure progress, how to setup milestones, how to prioritize work.
Aware

Acquisition

Adapted from Scaling Lean by Ash Maurya
Aware
Acquisition
Adapted from Scaling Lean by Ash Maurya
Adapted from Scaling Lean by Ash Maurya
Adapted from Scaling Lean by Ash Maurya
Adapted from Scaling Lean by Ash Maurya
As a team, identify which metric is the riskiest assumption.
Holding Accountable

Giving an Account
Corporations don’t lack ideas, instead they have trouble deciding which ones to invest in.
ideas
ideas

idea
ideash

idea

+ team
Pivot/Persevere/Kill

- Share overall product status with stakeholders
- 90 minutes
- What did we learn overall so far?
- Do we want to pivot/persevere/kill?
- Using feedback & data to inform the longer term plan.
“I’m not leaving you. I’m pivoting to another man.”
Pivots -> Customer
Recap
What is organizing for innovation?
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- Using actionable strategy tools that not only define what you’ll do, but what you won’t do.
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- Empowering teams to give an account with leading indicators (i.e. traction metrics).
What is organizing for innovation?

- Using actionable strategy tools that not only define what you’ll do, but what you won’t do.
- Empowering teams to give an account with leading indicators (i.e. traction metrics).
- Creating urgency and expectations with incremental funding on Horizon 3.
Q&A