Kickstart Your Business Transformation
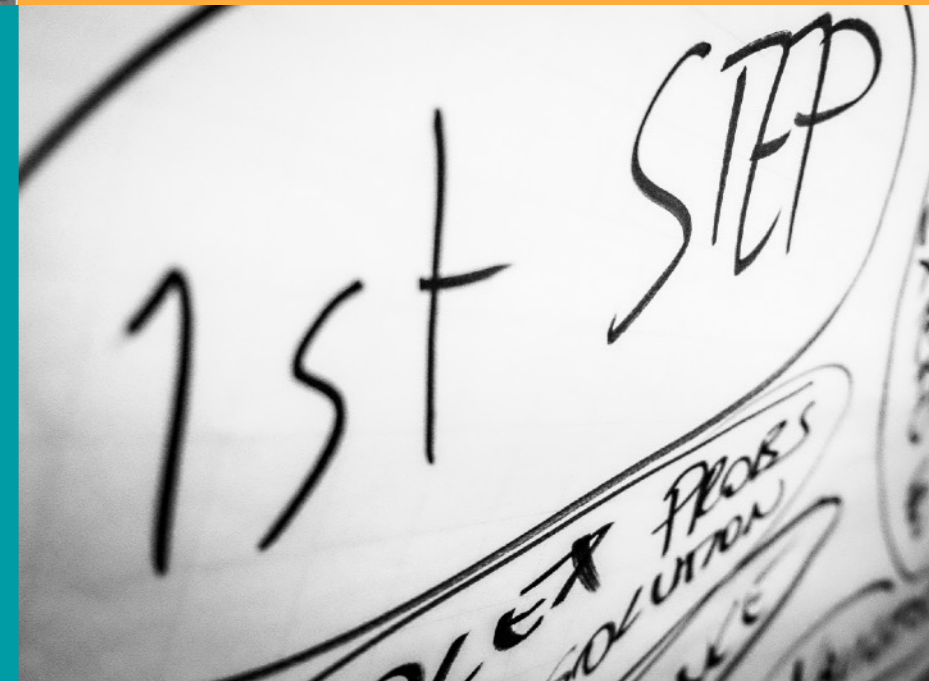
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in 9 steps

A curated workshop process & toolbox

WHO WE ARE & WHY WE DO THIS

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WHY WE DO THIS?

Over the past decades we have facilitated hundreds of workshops for companies wanting to transform.

We have tested numerous frameworks, models, tools and methods and have come to the conclusion that there is not ONE single tool that fits all circumstances.   So leveraging the best frameworks and tools available we curating a process flow designed to help business owners rapidly achieve business model innovation.

We believe the ability to change and shift one's business model to address the ever changing business landscape is the most critical competence any business can acquire. Our Kickstart Workshop will help you achieve this. It is a process proven to work whether a small business or a large enterprise.

It is not the content that makes the difference, but the people and process that matters to create a break-through.

So we decided to share our content with you.

WHO ARE WE?

Triangility is a community of experts and pioneers. We offer training & workshops for meaningful organizational transformation.

Our community leverages cutting edge principles in Business Strategy, Leadership, Organizational Culture and Structure, combined with veteran knowledge of IT and technology.

We have delivered workshops in more than 50 countries, working with 14.000 businesspeople and technologists worldwide.
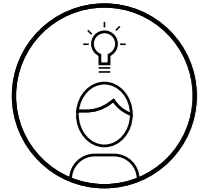
We believe that transformation is not just digital.
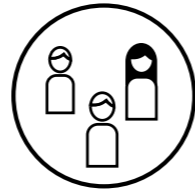
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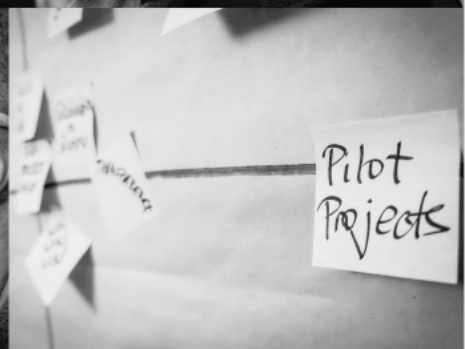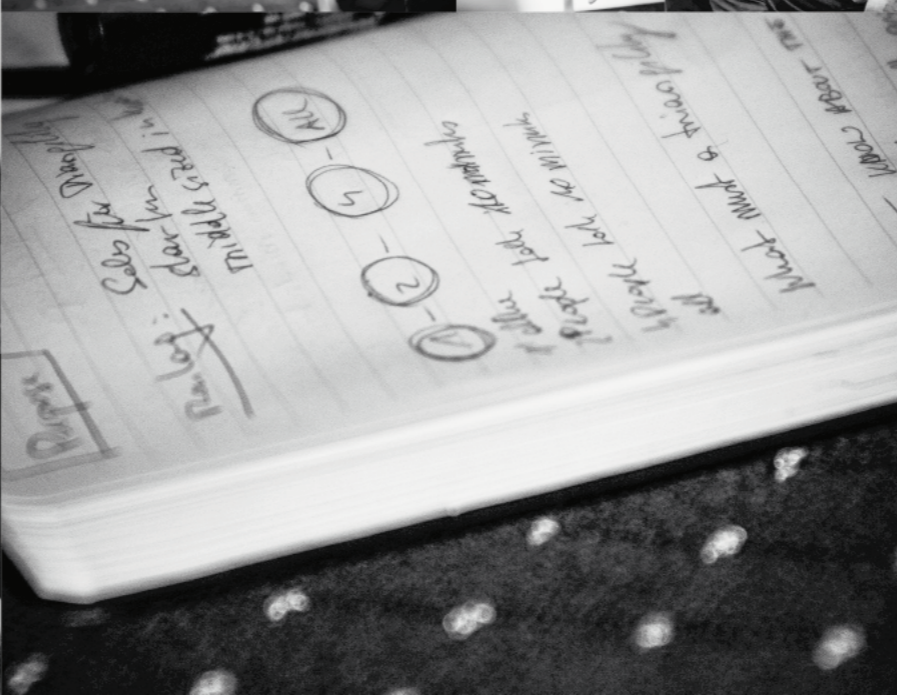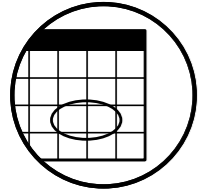
WHAT DO YOU NEED TO KICKSTART?

It doesn't require a lot to run a successful workshop, here's a list for preparation:
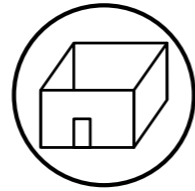
An open mind

A cross-functional team (3+ people)

1 or 2 days of focused time

A room with enough space to collaborate
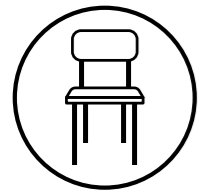
Chairs (no tables)
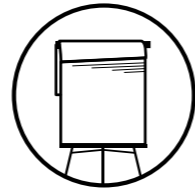
Flipchart with paper
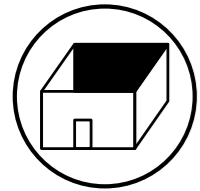
Walls
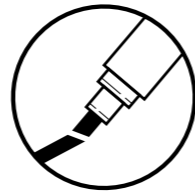
Markers for each participant
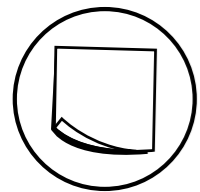
Sticky-notes in different colors

Sticky tape
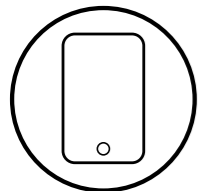
Smartphone to take pictures

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ORIENTATE
1. Describe Current Business Model
2. Identify Your Value Proposition
3. Analyze Influencing Forces

CREATE
4. Collect Ideas for new Capabilities
5. Empower Those Ideas
6. Validate Capabilities

IMPLEMENT
7. Define Activities
8. Build Your Roadmap
9. Commit to Execute

1. DESCRIBE CURRENT BUSINESS MODEL
2. IDENTIFY YOUR VALUE PROPOSITION
3. ANALYZE INFLUENCING FORCES

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DESCRIBE CURRENT BUSINESS MODEL

ORIENTATE

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DESCRIPTION DESCRIBE CURRENT BUSINESS MODEL

Businesses compete on their business models - how they specifically create and deliver value, not just on their products and services.

The business model canvas was developed by Alexander Osterwalder and Yves Pigneur in 2010 and has become a standard tool for describing, innovating and changing business models.

"Business model innovation is hardly new... But the scale and speed at which innovative business models are transforming industry landscapes today is unprecedented. For entrepreneurs, executives, consultants, and academics, it is high time to understand the impact of this extraordinary evolution. Now is the time to understand and methodically address the challenge of business model innovation."

Our business transformation journey starts with analyzing your business model canvas to orientate your team how all of your business building blocks connect and create value for your specific customer segments. If you want to dig deeper into the canvas, you may watch the video "Business Model Canvas Explained" on youtube.

Defining Your Value Proposition is covered in step 2 after describing your entire canvas. Its great importance demands its own individual step in the process.

ORIENTATE

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Sources: Business Model Generation (2010) www.strategyzer.com
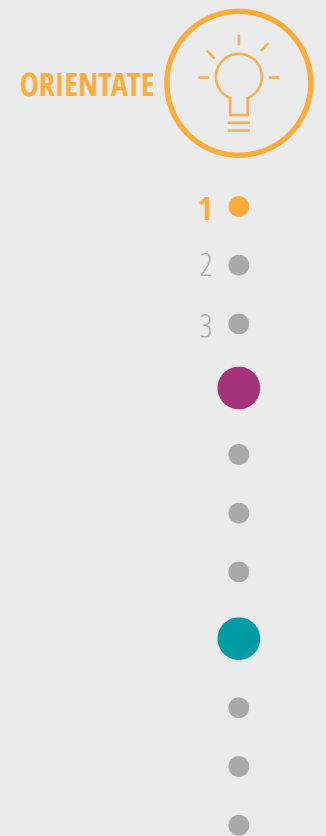
WHAT YOU NEED DESCRIBE CURRENT BUSINESS MODEL

Use a **flip-chart paper**, pin it to the wall horizontally and draw the 9 fields according to the template. Then use markers and **sticky notes** and start from the right (customer segments).

ORIENTATE

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HOW TO APPLY

Discuss each building block on the **right side** of the canvas and leave your sticky notes in the specific field. The right side of the canvas represents the External View: how you deliver your value proposition through your channels to your customers to generate revenue.

The **left side** of the canvas represents the internal view: how your partners, activities and resources serve your customers and build your value proposition.

ORIENTATE

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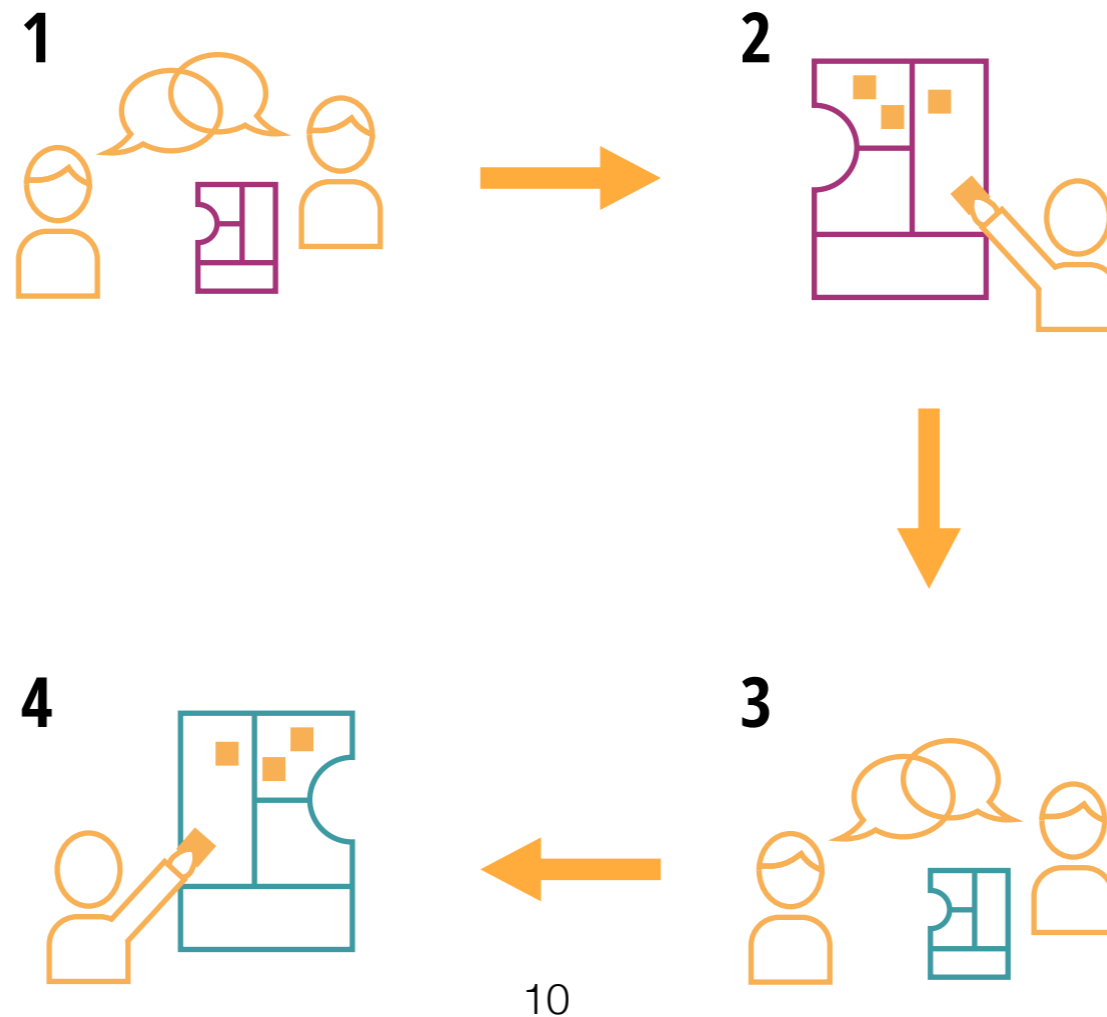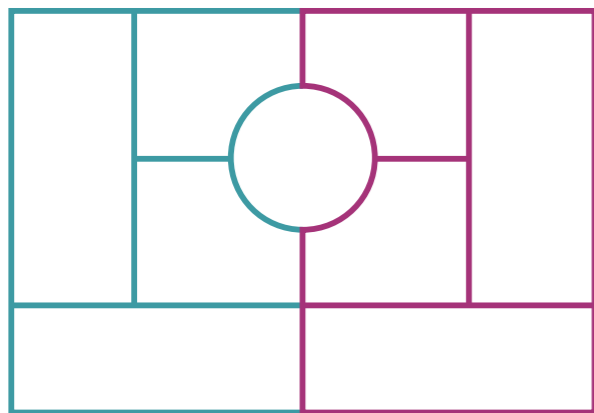
INSTRUCTION DESCRIBE CURRENT BUSINESS MODEL

Customer Segment describes for who you create value. Start here since all other elements are determined by the customers you serve.

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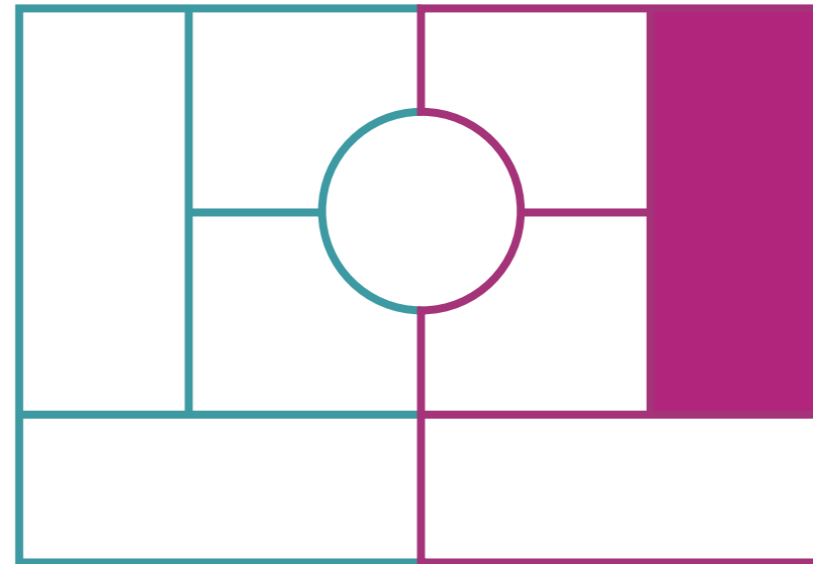
GUIDING QUESTIONS

- For whom are we creating value?
- How can we separate different segments from each other?
- What are our most important customers?

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INSTRUCTION DESCRIBE CURRENT BUSINESS MODEL

Channels describes how do your customers buy from you, how do you reach them with your messages, products and services? What types of channels have you established?

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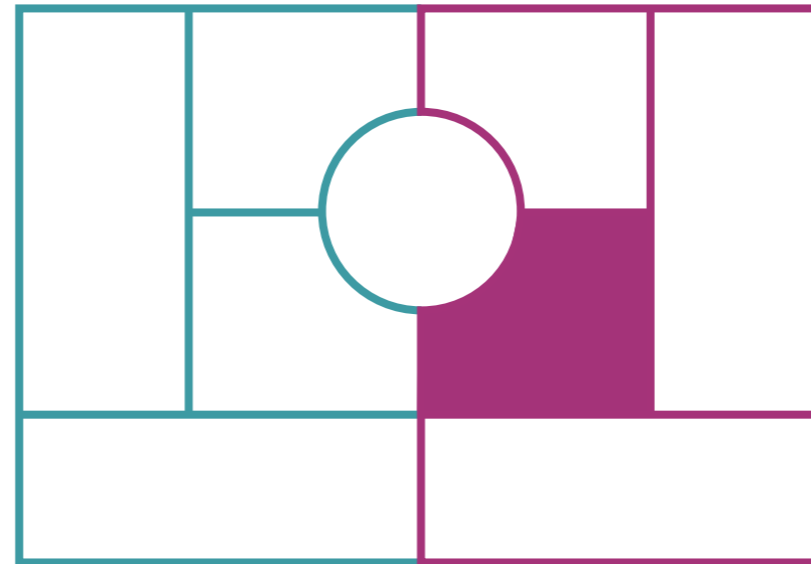
GUIDING QUESTIONS

- Through which Channels do our Customer Segments want to be reached?
- How do your products and services reach our customer segments?
- What channels are direct (sales force, website, stores), which are indirect (partners, wholesaler, partner stores)?

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Customer relationship describes the type of relationship you have built with each customer segment. What type of relationship do your segments expect?

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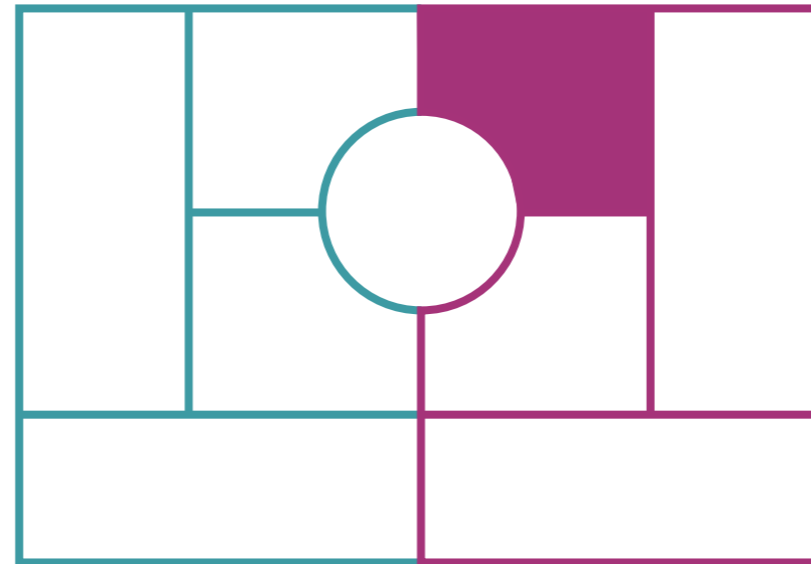
GUIDING QUESTIONS

- What type of relationship does each of our
  Customer Segments expect us to
  establish and maintain with them?
- Which ones have we established, how costly and
  effective are they?

Revenue Streams shows how cash is generated from your customer segments.

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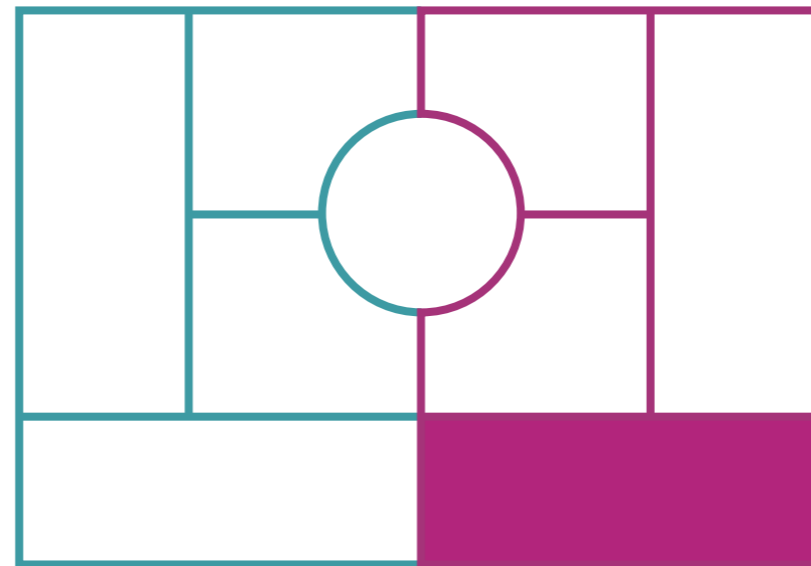
GUIDING QUESTIONS

- For what value are our customers willing to pay?
- For what do they currently pay?
- How are they currently paying?
- How much does each Revenue Stream contribute to overall revenues?
- How do revenue streams increase or decrease?

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INSTRUCTION DESCRIBE CURRENT BUSINESS MODEL

Key Resources describe the most important, required assets your business needs to work. These may be physical, intellectual property, financial resources or human resources required for value creation and not easily replaced.

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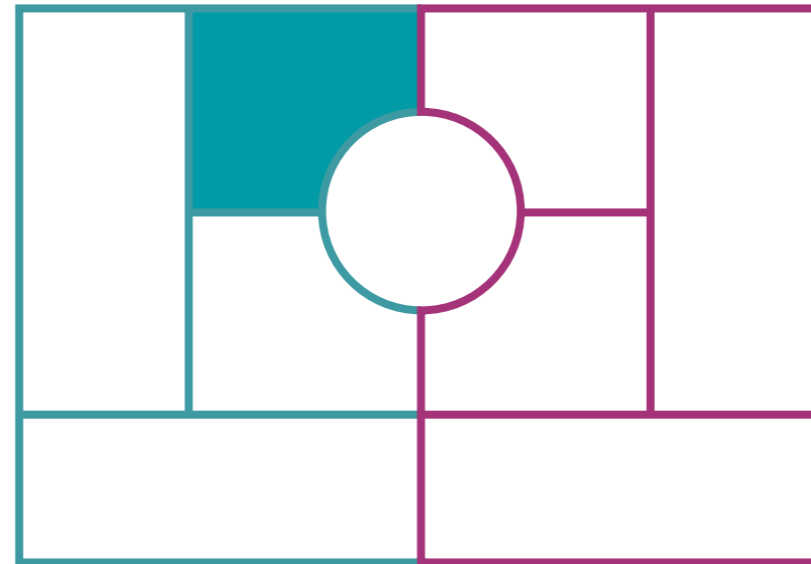
GUIDING QUESTIONS

- What Key Resources do we require to maintain
    Customer Relationships,
    our Channels or Revenue Streams?
- What Key Resources build our Value Proposition?

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INSTRUCTION DESCRIBE CURRENT BUSINESS MODEL

Key Activities describe the most important activities and processes your company must execute to create value for your customers.

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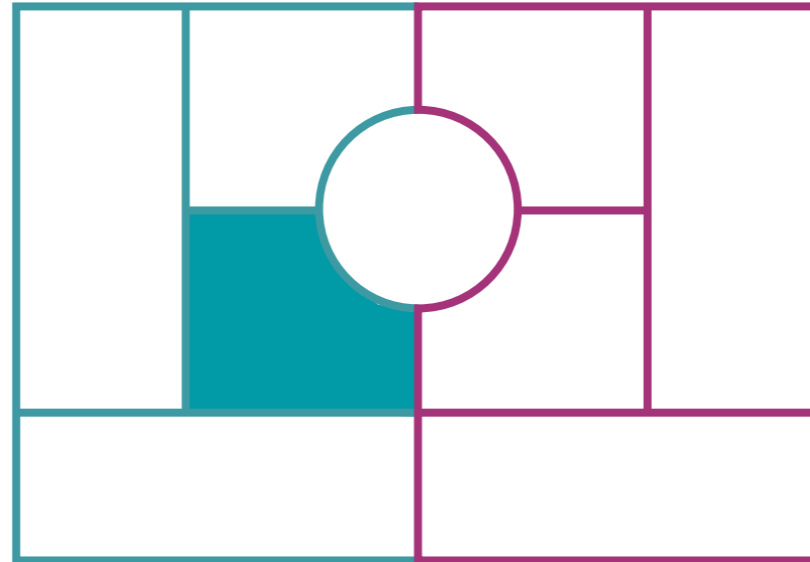
GUIDING QUESTIONS
- What Key Activities do our Distribution Channels require? Our Customer Relationships? Our Revenue Streams?
- What Key Activities build our Value Proposition?

INSTRUCTION DESCRIBE CURRENT BUSINESS MODEL

Key Partners describe those critical relationships required for your business to function, without which your business may be in jeopardy.

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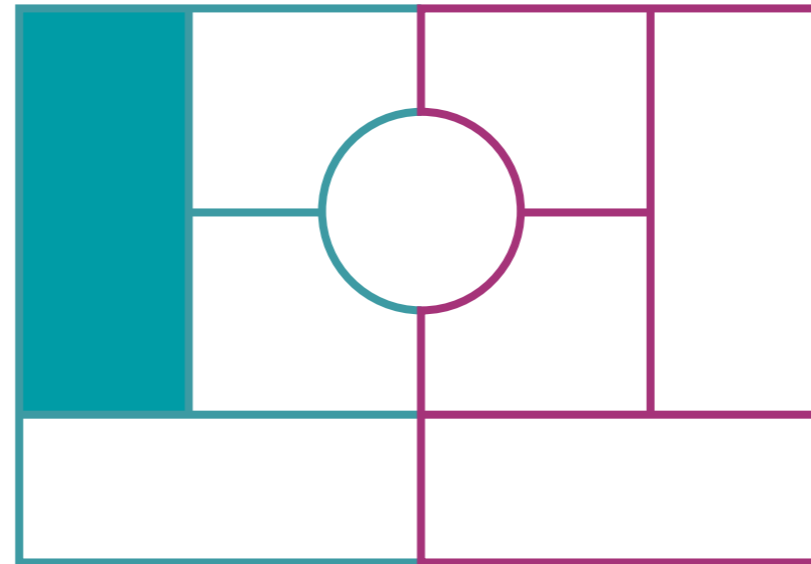
GUIDING QUESTIONS

- What are our Key Partners (the business model wouldn't work without them)?
- Who are Key Suppliers?
- Which Key Resources do we acquire from key Partners?
- Which Key Activities do Partners perform?

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Cost Structure describes what are the most expensive elements required to make your business run.

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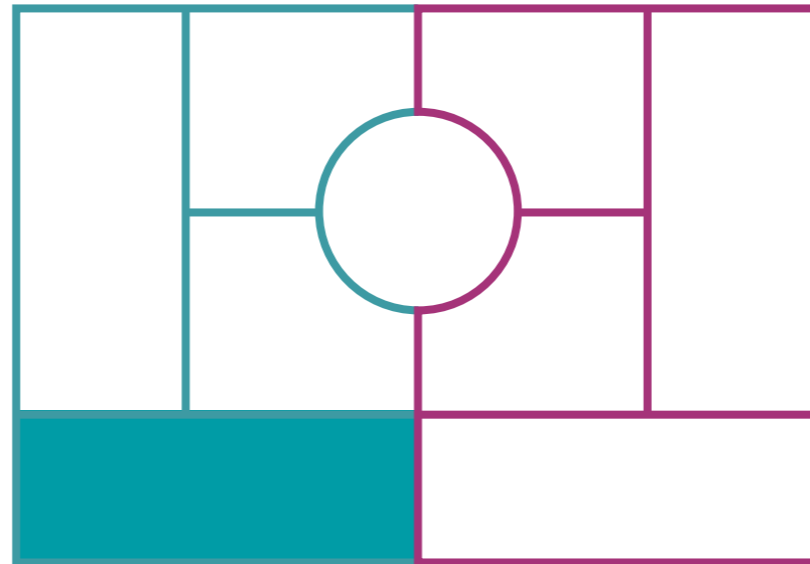
GUIDING QUESTIONS
- What are the most important costs inherent in our business model?
- Which Key Resources are most expensive?
- Which Key Activities are most expensive?

BUSINESS MODEL CANVAS

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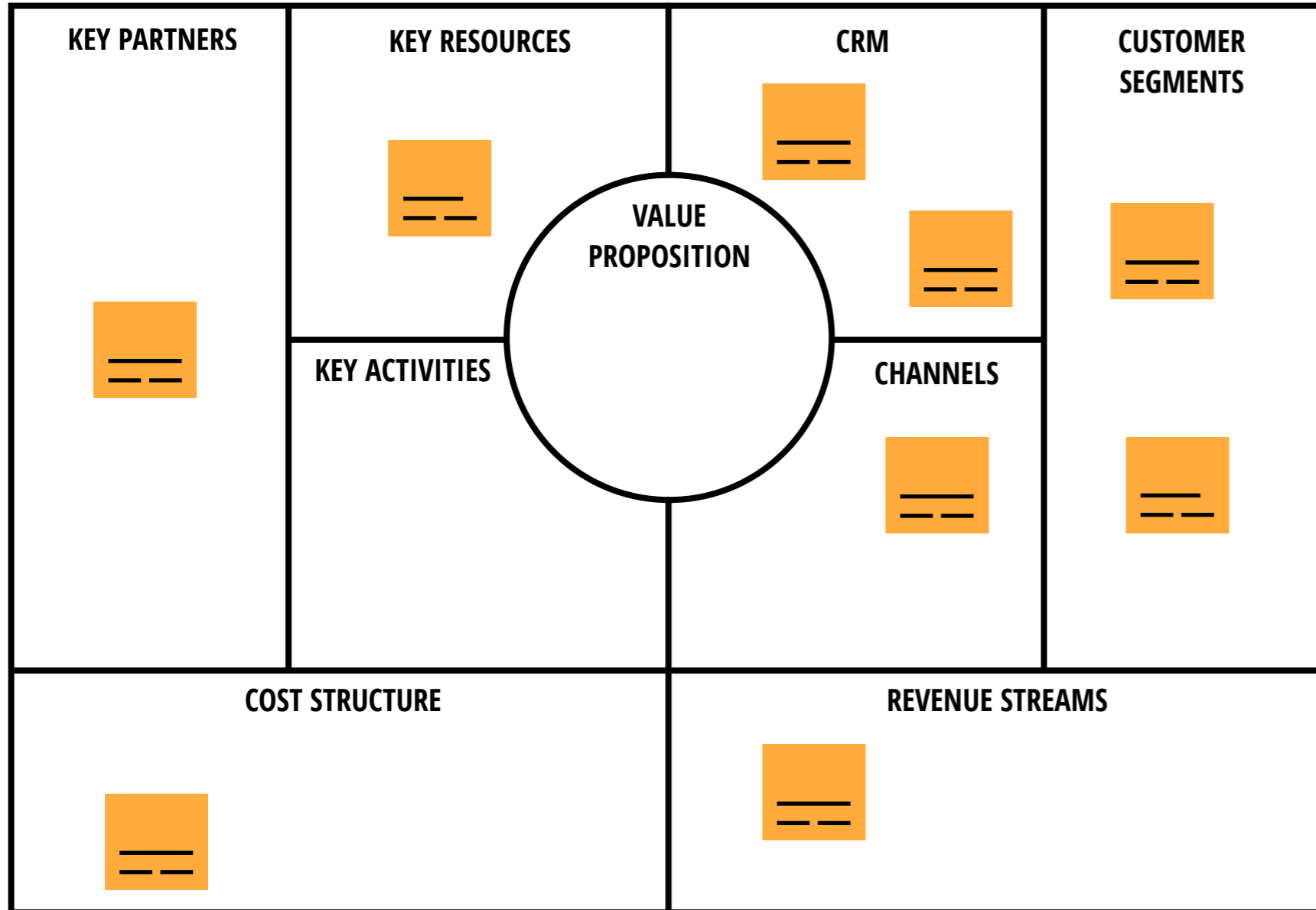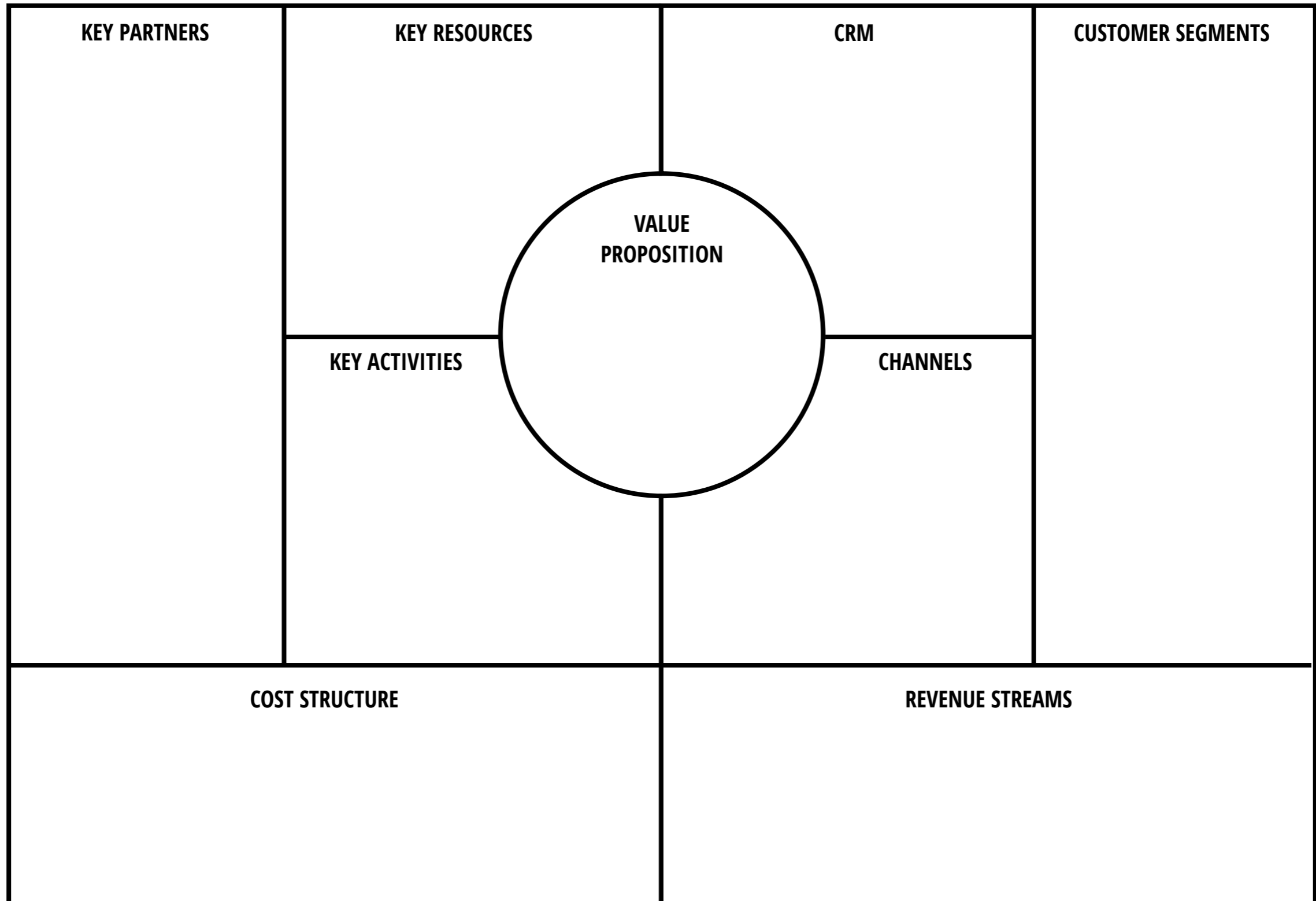
KEY PARTNERS	KEY RESOURCES	CRM	CUSTOMER SEGMENTS
		VALUE PROPOSITION	
	KEY ACTIVITIES	CHANNELS	

COST STRUCTURE	REVENUE STREAMS

ORIENTATE

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Business Model Canvas (Alexander Osterwalder) www.strategyzer.com

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| KEY PARTNERS | KEY RESOURCES | CRM | CUSTOMER SEGMENTS |

VALUE PROPOSITION

KEY ACTIVITIES

CHANNELS

COST STRUCTURE

REVENUE STREAMS

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IDENTIFY YOUR VALUE PROPOSITION

ORIENTATE

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The Value Proposition is the core of your Business Model. It answers the question: Why should a customer buy from your organization (and not a competitor?) It is the promise you make to your customers that you must deliver on. What value do you offer to specific customer segments?

The Value Proposition Canvas helps you identify the real value you offer your customers. It is tightly linked to the Customer Segment element of the Business Model Canvas. It consists of two elements:

- the Customer Profile (right side)
- the Value Map (left side)

Start with the Customer Profile and what "Jobs" your customer must do or desires to do. Jobs also include Task and Activities or any meaningful action your customer must perform.
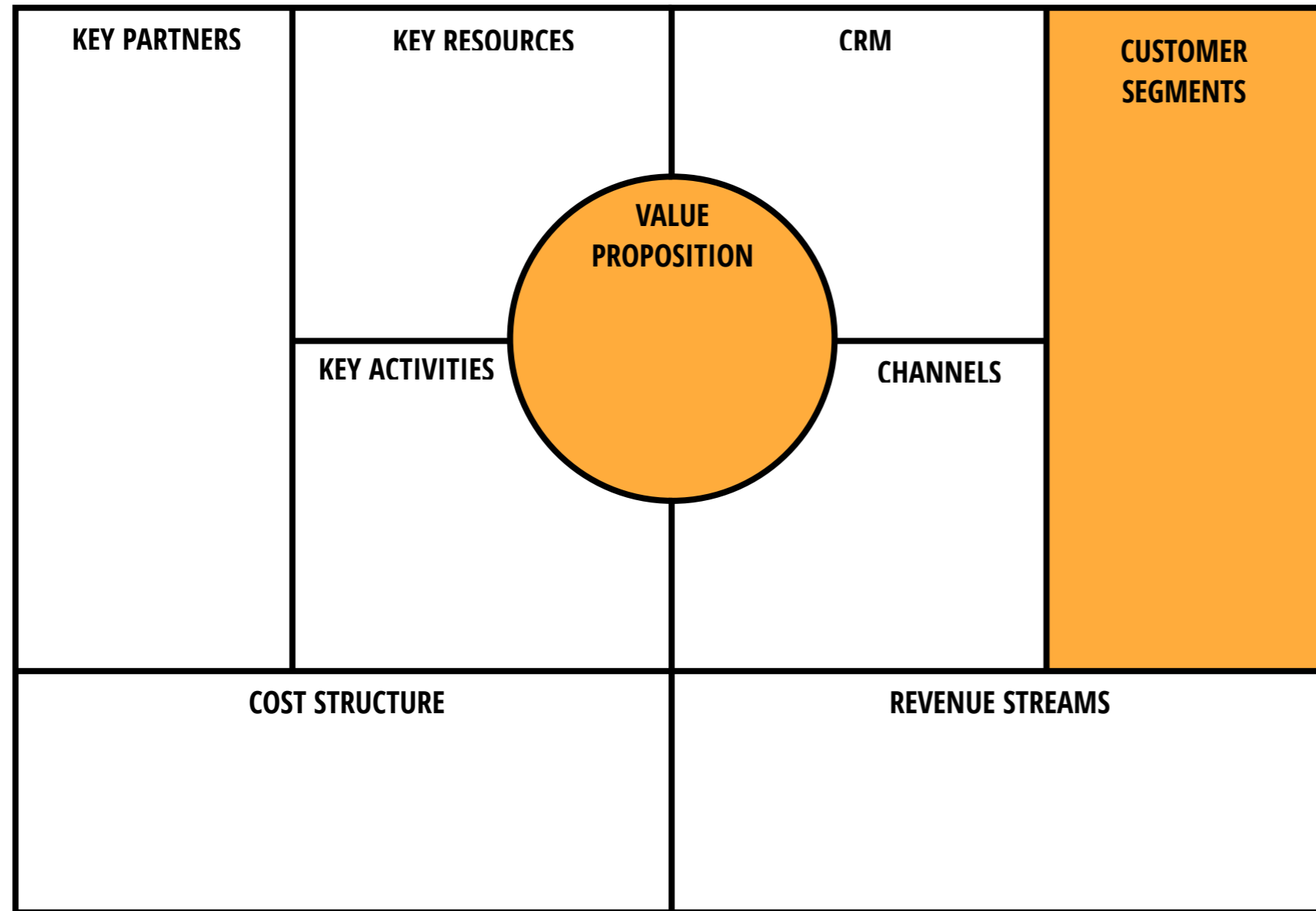
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Sources: Business Model Generation (2010) www.strategyzer.com

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KEY PARTNERS	KEY RESOURCES	CRM	CUSTOMER SEGMENTS
	KEY ACTIVITIES	**VALUE PROPOSITION** · **CHANNELS**	
COST STRUCTURE		REVENUE STREAMS	

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Sources: Business Model Generation (2010) www.strategyzer.com

WHAT YOU NEED CUSTOMER PROFILE

Use a **flip-chart paper**, pin it to the wall vertically and draw the Customer Profile. Then use markers and **sticky notes**.

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INSTRUCTION CUSTOMER PROFILE

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HOW TO APPLY

We can define a "Customer" as an organization you serve "Amazon" for instance.   Or your "Customer" can be defined as a specific individual with specific needs such as "service manager for retail."   For the individual customer, clearly define them in terms of a specific persona.

You may do this with the organization as a customer (e.g. company Zylker) or on individual basis for a customer persona (Service Manager). Both works, in the second case you have to do a customer profile for various personas.

Next take the customer's perspective (you may even include customers in the process).   What are relevant activities or jobs this customer has to perform? See the Guiding Questions.

Spend a fair amount of time gathering ideas and perspectives. Assign one person to be the "devils advocate" to challenge the team from a skeptical customer perspective. Is that really important for a customer - or do we just think it's important?

Continue gathering ideas on pains and gains by using the guiding questions.

- Collect findings on sticky notes
- Evaluate importance from 1 (lowest) to 10 (highest)

ORIENTATE

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INSTRUCTION CUSTOMER PROFILE

GUIDING QUESTIONS

CUSTOMER TASKS, ACTIVITIES AND JOBS
- What functional jobs does the customer need to perform?
- What social goals does the customer have? (desire to increase reputation, power, status)
- What personal or emotional jobs (or goals) does the customer need to perform? (creating safety, reduce risk)
- What critical activities must the customer do to maintain their business?
- What jobs or tasks create new strategic capabilities or value for them?

PAINS
- What problems appear while performing a task (functional, social, emotional)?
- What stops a customer performing jobs (organizational hurdles, missing resources)?
- What risk is attached to the jobs?

GAINS
- What gains are possible (savings, quality, new revenues or customers, ease of use etc.)?
- What are gains the customer MUST create?
- What are gains the customer WANTS create?
- What might be unexpected gains?

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INSTRUCTION VALUE PROPOSITION CANVAS

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VALUE MAP

CUSTOMER PROFILE

Gain creators

Products & Services

Pain Relievers

Gains

Customer Job(s)

Pains
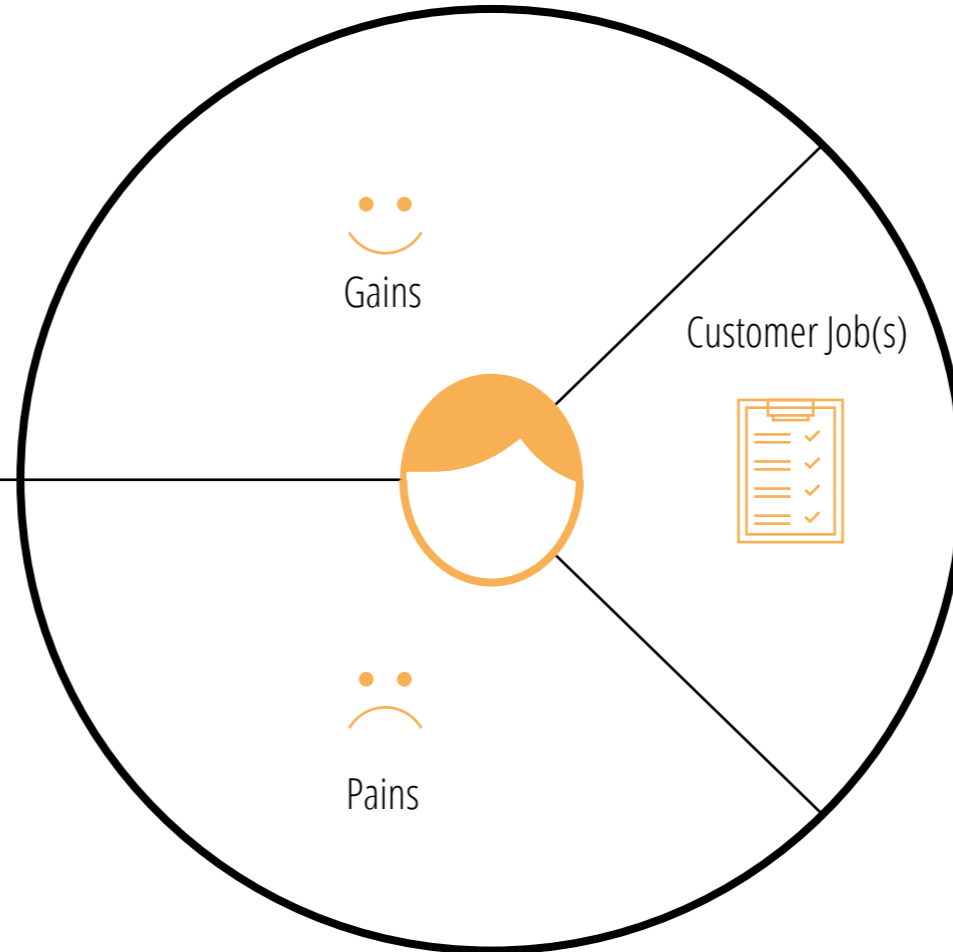
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WHAT YOU NEED CUSTOMER PROFILE

Use a **flip-chart paper**, pin it to the wall vertically and draw the Customer Profile. Then use markers and **sticky notes**.

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INSTRUCTION VALUE MAP

HOW TO APPLY

If you have a better view on a customer (segment), then start mapping your offerings to the Customer Profiles.

Continue gathering ideas on pains and gains by using the guiding questions.

- Collect findings on sticky notes
- Evaluate importance from 1 (lowest) to 10 (highest)

GUIDING QUESTIONS

CUSTOMER JOBS
- What functional, social or emotional jobs does the customer need to perform?
- What are critical jobs to maintain the daily business?
- What are jobs to create new strategic capabilities?

PAINS
- What problems appear while performing a task (functional, social, emotional)?
- What stops a customer performing jobs (organizational hurdles, missing resources)?
- What risk is attached to the jobs?

GAINS
- What gains are possible (savings, quality, new revenues or customers, ease of use etc.)?
- What are gains the customer MUST create?
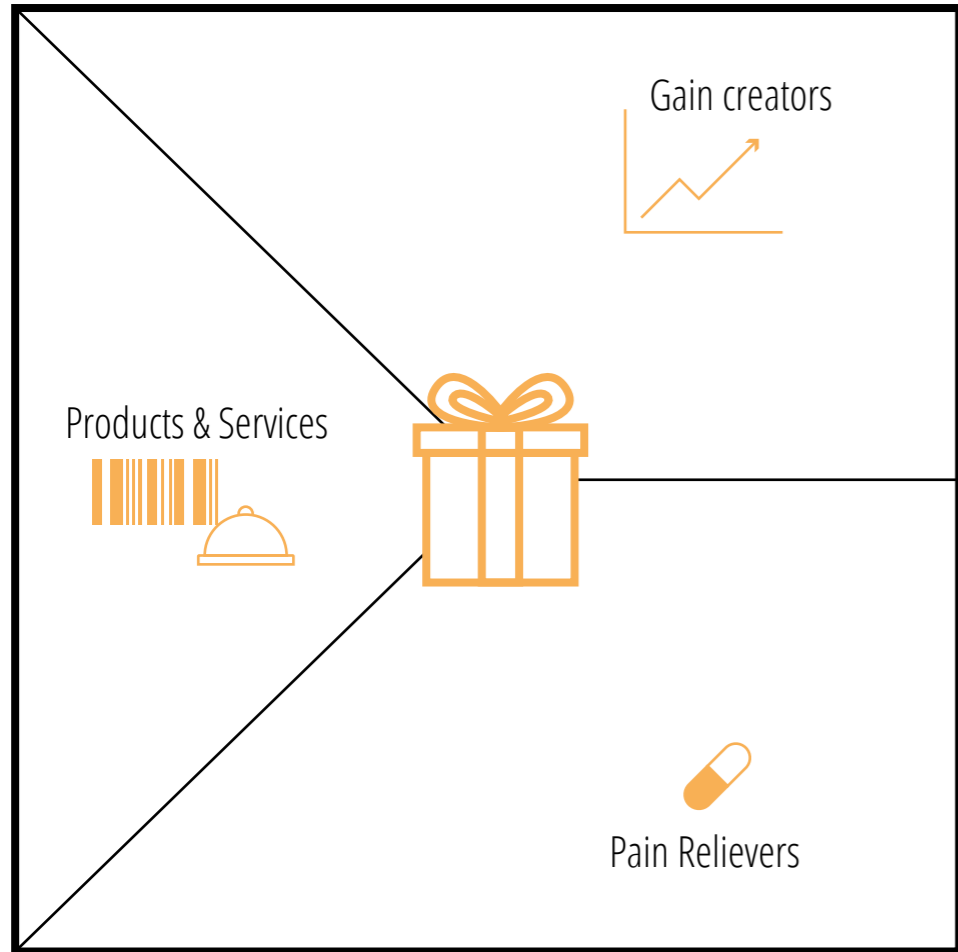- What are gains the customer WANTS create?
- What might be unexpected gains?

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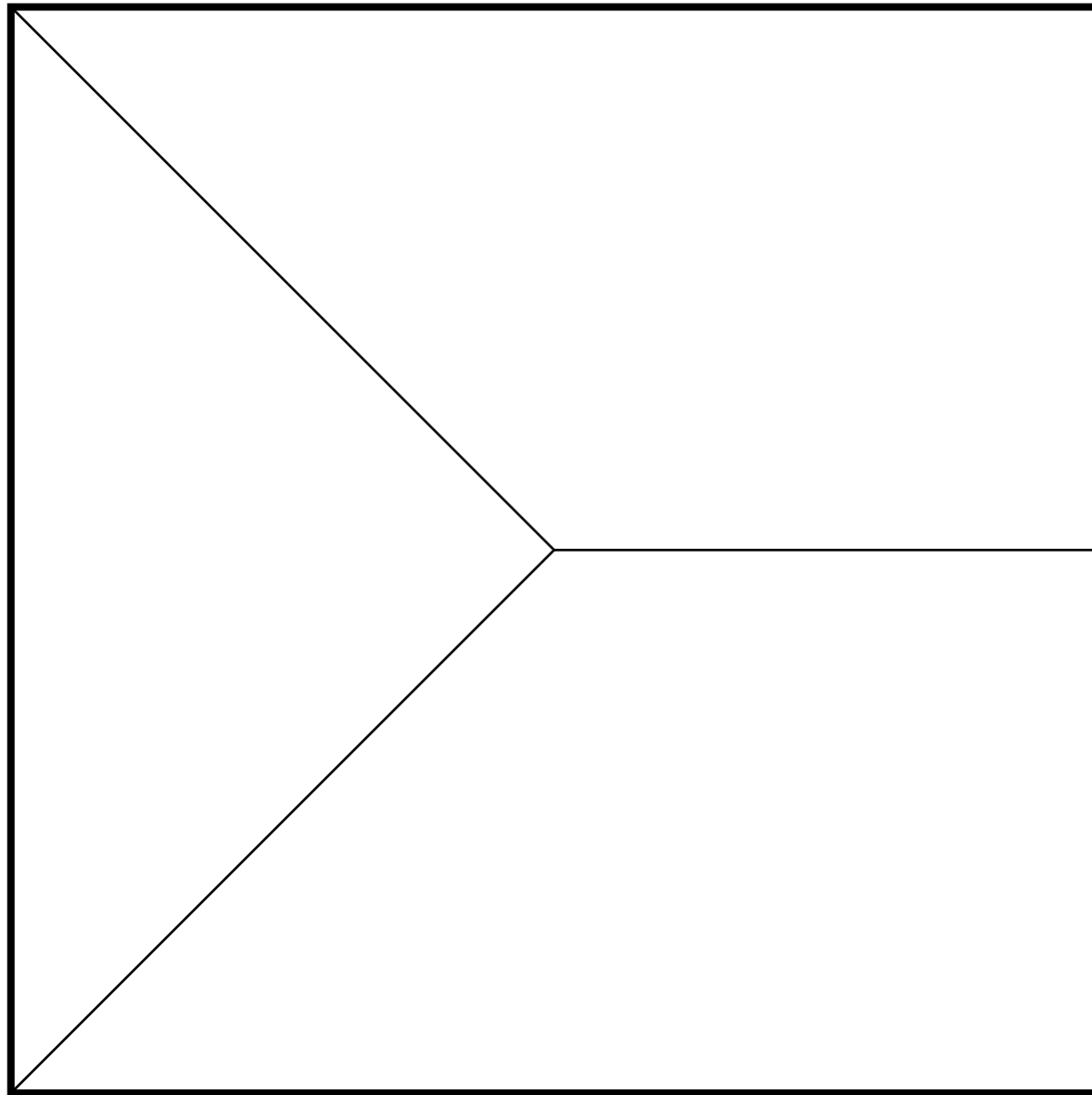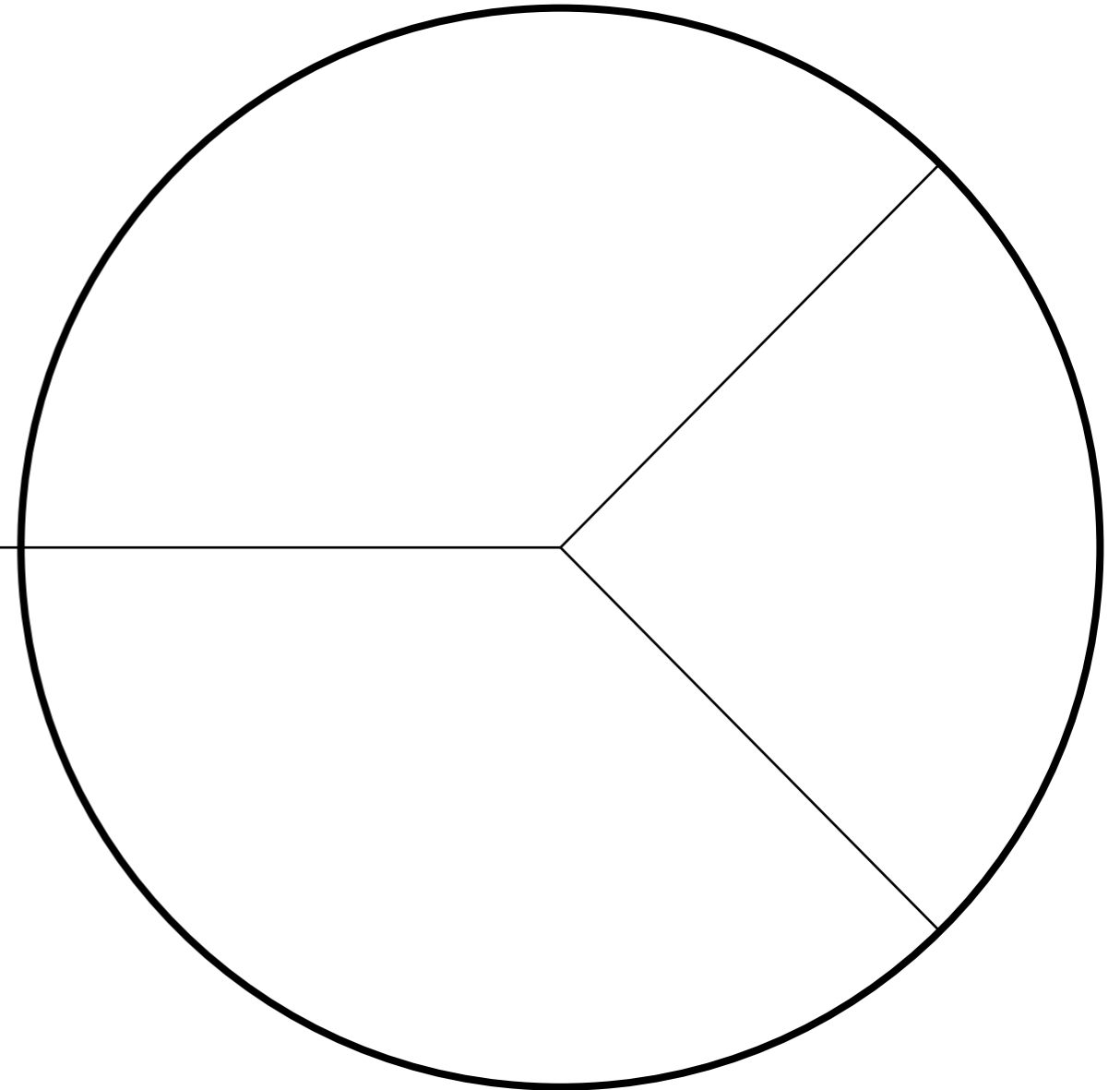
VALUE MAP   **CUSTOMER PROFILE**

Our_____ help _____ who want to
products & services   customer segments

_____, by _____ and _____ .
tasks to be done   reduce pains   increase gains

For each customer (segment) you may articulate a value proposition in one sentence. Use that template and fill the blank spaces.

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ANALYZE INFLUENCING FORCES

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Even successful business models don't last forever. A business model is designed for delivering value to specific customers (segments), but if market dynamics or customer behavior changes, then a business must adapt quickly.

In the next step you will analyze the various forces that stress your business model. Understanding these forces provides a sense of urgency and helps you to think outside the box.

We will cover four sources of potential stress on your business model:

MACRO-ECONOMICAL
Leveraging a tool called "PESTLE Analysis."

CHANGING BEHAVIOR AND DEMAND FROM CUSTOMERS/CONSUMERS
some of the PESTLE factors impact customer behavior: new technology changes the way customers and/or consumers perform activities, make decisions, buy goods and services, pay for value etc.

CHANGING SUPPLY
some of the PESTLE factors impact supplier and have indirectly influence on your business model (Key Partners)

COMPETING BUSINESS MODELS
Competition doesn't just exist between companies in the same market, but also from new organizations offering the same value but conveying it through a newly designed business model. E.g., a platform business can make the traditional relationship between customer and supplier obsolete and takes the authority on a large scale market.

Finally, we will summarize your finding using SWOT analysis.

Since the macro-economical factors are dominating, we start the evaluation with a PESTLE analysis.

ORIENTATE

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MACRO-ECONOMY
appearance of urgent influencing factors
(applying **PESTLE Analysis**)

**PARTNER
ECOSYSTEM**

changing supply,
services, portfolio
or business model

**CUSTOMER/
CONSUMER**

changing behavior,
expectations,
demand and
consumption

BUSINESS MODELS
competitors in the same market but with innovative business
model (Platform, Aggregators, long tail, XaaS etc.)

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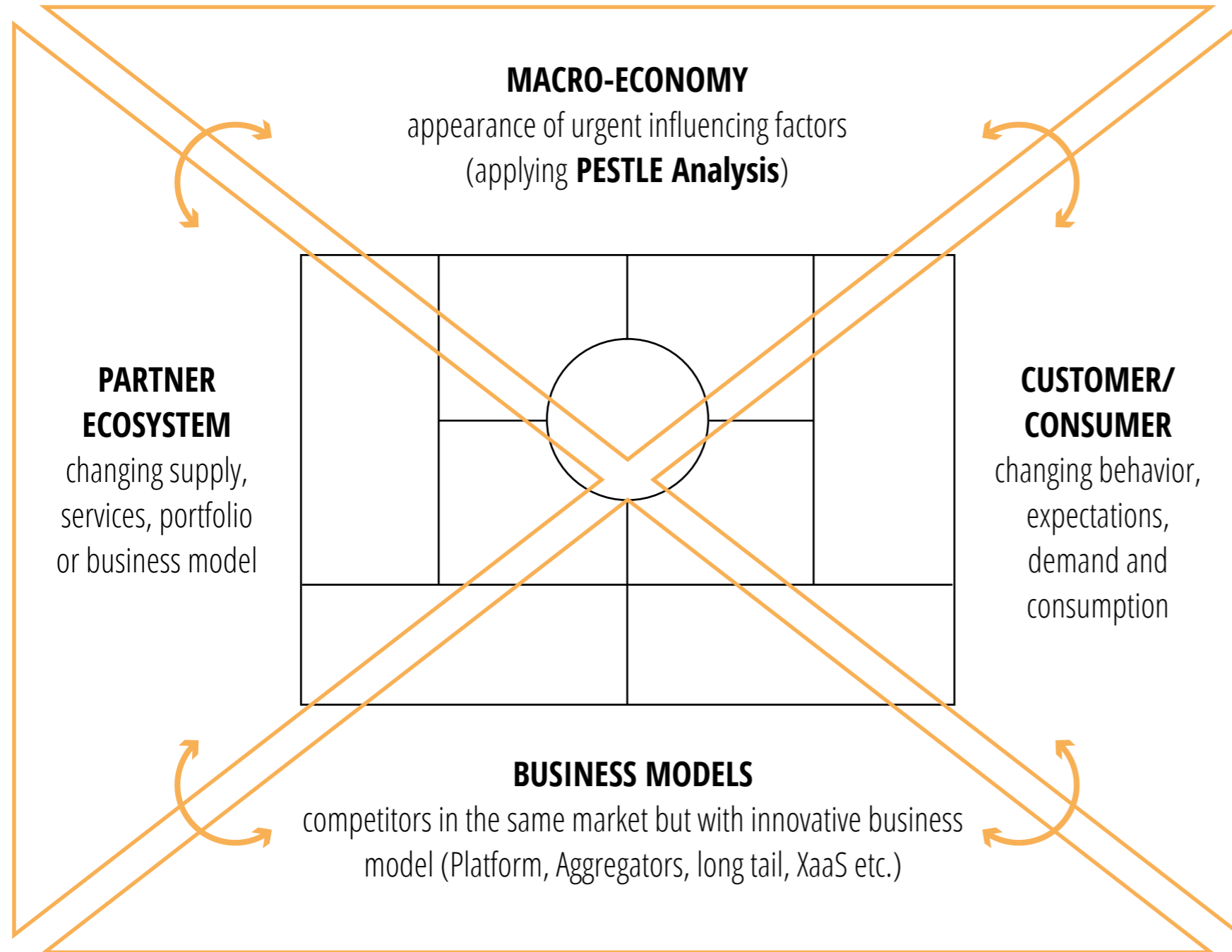
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WHAT YOU NEED PESTLE analysis

Use a **flip-chart paper**, pin it to the wall horizontally and draw the 6 columns according to the template. Then use markers and **sticky notes**.

ORIENTATE

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INSTRUCTION PESTLE analysis

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HOW TO APPLY

Split into smaller groups of 3-4 people working through each of the PESTLE Guiding Questions. Write down every finding on a single sticky note - **write a complete sentence!**

Combine each smaller groups ideas onto the main PESTLE template building one condensed analysis.

Rank the top 10 influencers for your company from 1-10. Many of the ideas will not be significant influencers, get clarity on what are the real major global factors your company faces in the future.

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INSTRUCTION PESTLE analysis

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GUIDING QUESTIONS

POLITICAL
- What political influencing factors will influence our business or industry in the short-, mid-, and longterm?
- Consider factors at the national and local levels as well as international (e.g. EU), other global trends?

ECONOMICAL
- What economical factors (interest rates, raw material prices, energy cost, access to equity, unemployment rates, etc) will influence your business?

SOCIAL
- How is consumer behavior changing (trends)?
- How are cultural, demographic, access to talent, and mindset of younger and older professionals trends impacting your business?

TECHNOLOGICAL
- How is new technology impacting your industry? What emerging technologies may disrupt your business?
- What are the major technological trends in your specific industry?

LEGAL
- How will new regulations, laws, requirements impact your industry?

ECOLOGICAL
- How is sustainability, reduced emissions/waste/ consumption, re-/up-cycling, renewable energy, impacting your industry?

ORIENTATE

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POLITICAL	ECONOMICAL	SOCIAL	TECHNOLOGICAL	LEGAL	ECOLOGICAL

Use a **flip-chart paper**, pin it to the wall horizontally
and draw the 4 triangles according to the template. Then
use markers and **sticky notes.**

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HOW TO APPLY

Take the most relevant findings from the PESTLE analysis and stick them on the top triangle.

Then continue analyzing the other forces starting with the challenges and changes you might expect with your customer, and with your suppliers and partners.

Keep in mind the influencing forces from PESTLE and discuss in groups of 3-4 using the guiding questions.

Collect your findings, build a condensed group analysis. Post your top 5 or 10 ideas onto the board. Rank them if you can.

GUIDING QUESTIONS

CONSUMER/CUSTOMER
- How is your customers behavior going to change: how do they decide, buy, consume, apply your products/ services?
- Are consumers getting used to new technology, consumption models, features, supply, or to purchase directly from your partners?
- Do customers perceive the value through your products/ services lower/higher than in the past?

SUPPLIER
- How is your supplier behavior going to change: how do they change strategy, produce and deliver differently?
- Are suppliers applying new technology, consumption models, features, or do they start selling directly to your customers?
- Do suppliers perceive your value as a customer lower/ higher than in the past?

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YOUR PESTLE-ANALYSIS

PARTNER ECOSYSTEM
changing supply, services, portfolio or business model

CUSTOMER/ CONSUMER
changing behavior, expectations, demand and consumption

BUSINESS MODELS
competitors in the same market but with innovative business model (Platform, Aggregators, long tail, XaaS etc.)

ORIENTATE

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Define the influencing forces on your business model. Focus on forces with the biggest change/difference to the existing outside world.

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HOW TO APPLY

Finally, do the same with the Competing Business Model guiding questions. Again, keep all the other forces in mind.

Collect your findings, build a condensed group analysis. Post your top 5 or 10 ideas onto the board. Rank them if you can.

GUIDING QUESTIONS

COMPETING BUSINESS MODELS
- What new business models could completely replace your current one? Think digital photography and Kodak, or retail shopping and Amazon. What trends could make your business obsolete some day?
- Do you perceive the rise of new platforms that might take control over your customer relationships?
- Will new or existing competitors offer similar products as yours but "as a Service?"
- Can Cloud based offerings substitute for your service?
- Do you see suppliers selling directly to your customers?
- Will completely different businesses suddenly start competing in your market space? Think about Amazon and groceries.

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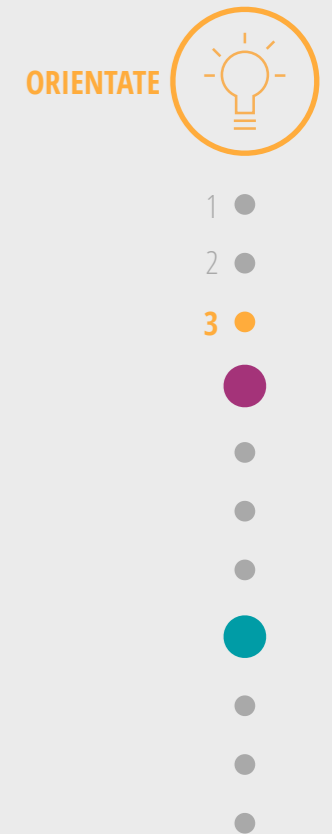
EXAMPLE INFLUENCING FORCES TOOL

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YOUR PESTLE-ANALYSIS

PARTNER ECOSYSTEM
changing supply, services, portfolio or business model

CUSTOMER/ CONSUMER
changing behavior, expectations, demand and consumption

BUSINESS MODELS
competitors in the same market but with innovative business model (Platform, Aggregators, long tail, XaaS etc.)

ORIENTATE

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Define the influencing forces on your business model. Focus on forces with the biggest change/difference to the existing outside world.

YOUR PESTLE-ANALYSIS

PARTNER ECOSYSTEM

changing supply, services, portfolio or business model

CUSTOMER/ CONSUMER

changing behavior, expectations, demand and consumption

BUSINESS MODELS

competitors in the same market but with innovative business model (Platform, Aggregators, long tail, XaaS etc.)

WHAT YOU NEED SWOT Analysis

Use a **flip-chart paper**, pin it to the wall horizontally and draw the 6 columns according to the template. Then use markers and **sticky notes**.

ORIENTATE

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INSTRUCTION SWOT Analysis

triangility

HOW TO APPLY

Brainstorm elements for each of the the four elements (**Strengths, Weaknesses, Opportunities and Threats**) and post them on the board. Then rank each of the ideas from 1 (most important) to least important. Move the lower ranking ideas to the side, leaving only the most important ideas on the board.

Work through the Guiding Questions to gain insight into what Actions you can take next.

GUIDING QUESTIONS

- What strengths, weaknesses, opportunities, and threats does my business face in the next 1, 3, and 5 years?
- Now play each area against the others:
- How could your strengths enable opportunities and mitigate Threats?
- How might your Weaknesses mitigate your Opportunities? And enable your Threats?
- How can your Opportunities minimize your Weaknesses?   etc...

ORIENTATE

1
2
3

EXAMPLE SWOT Analysis

triangility

STRENGTHS	WEAKNESSES

OPPORTUNITIES	THREATS

ORIENTATE
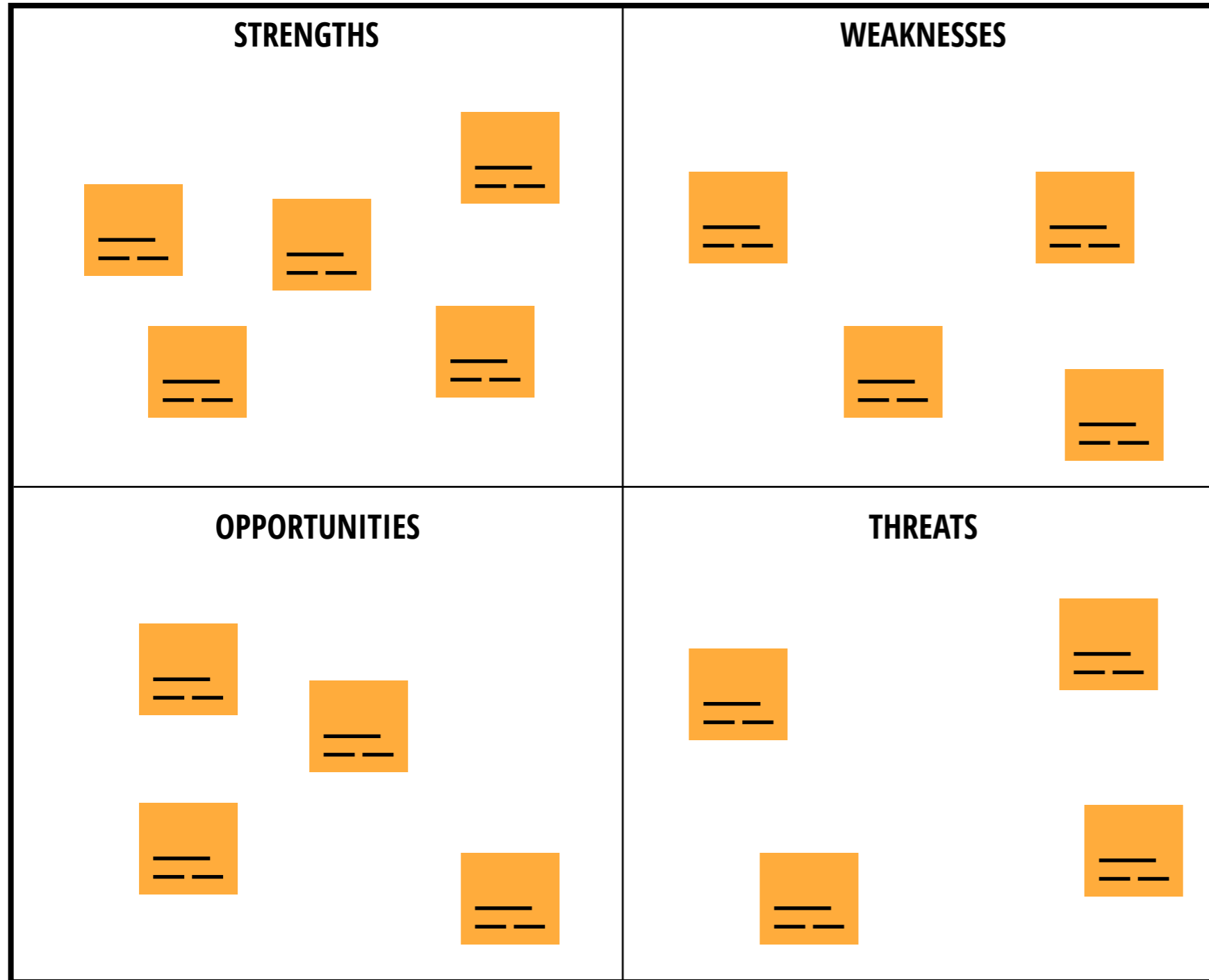
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STRENGTHS	WEAKNESSES
OPPORTUNITIES	THREATS

4. COLLECT IDEAS FOR NEW CAPABILITIES
5. EMPOWER THOSE IDEAS
6. VALIDATE CAPABILITIES

COLLECT IDEAS FOR NEW CAPABILITIES

CREATE

4
5
6

What are the capabilities your business must be able to do, but can't do today?

Now we shift into the second phase of the playbook, the creation phase. Here we will brainstorm and validate new capabilities for the business.

Business Transformation is about creating new business capabilities and implementing them into your business model.   A "capability" is the ability to generate an outcome for your customer, internal operations, or sales. Example: a machine builder is used to selling machines transactionally, but they don't have the capability of selling "Machines as a Service" (see example business model on the next page).

Capabilities are built by creating new processes, leveraging resources, partners, or capital. New capabilities may apply to new or old customers, through new or existing channels. They may build new revenue streams or strengthen existing ones.

In order to design and implement a new capability, the entire business model should be considered as the implications of new capabilities could impact many aspects of the business. However, it may also only affect an isolated aspect of the business such as a department or stand alone process. Either way the big picture needs to be considered. A new capability is more than just deploying a new application, technology, or process. Potential impact on the **entire** Business Model Canvas should be considered. The critical question you will ask your team is:

"What are the capabilities your business must be able to do, but can't do today?"

To answer we must be creative and think out of the box. It requires leaving fixed thinking patterns behind.   Pay attention to unconscious restrictions or bias - "this will not work" or "we have never done this" or, we are a machine builder, and machine builder don't do this'.

Our approach is to first brainstorm, design, and validate potential new capabilities first, then we will build an action plan for implementation.

CREATE

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EXAMPLE "MACHINE AS A SERVICE - CAPABILITY"

triangility

KEY PARTNERS	KEY SEGMENTS	CRM	CUSTOMER SEGMENTS

KEY PARTNERS

IT Infrastructure partner
Experts for Industrial IoT

KEY SEGMENTS

Lifecycle Service Creation
CX Experts Service
Product Mgt Self Service
Portal New Service Center

VALUE PROPOSITION

Offering machine as a service

KEY ACTIVITIES

tracking demand of usage
subscription model design
Cash Flow Management
Managing CX Risk Mitigation

CRM

CX Services

CHANNELS

Self Service Portal
Lifecycle Services Sales
OEM

CUSTOMER SEGMENTS

Existing customers

New customers

COST STRUCTURE

Investments in new infrastructure
Cost through Risk

REVENUE STREAMS

New Revenue stream for subscription business

CREATE

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To design a new capability, all areas of the business model must be considered. Think about how the new capability might impact every aspect of the business.

WHAT YOU NEED TRIZ

Use a **flip-chart paper** and **sticky notes.**

CREATE

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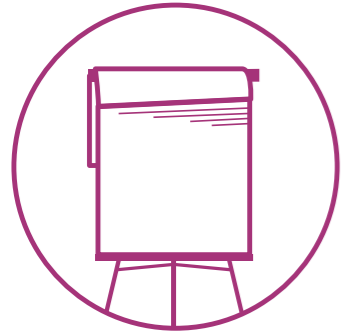
HOW TO APPLY

Every idea is allowed and worth to be thought. To start this exercise, we offer you TRIZ as a funny but powerful structure to start gathering ideas.

TRIZ is a Russian acronym that translates to "Theory of Inventive Problem Solving." In this case your problem is how do you respond to the changes in the market and competitive business models?

Create a chart as on the next page. Split people into smaller teams of 3-4, and have them start to answer the first question: How could you "kill your business?" Answer the first question thoroughly. Remind each other of all the influencing factors you discovered in previous steps. Then ask: What Else? Do this many times!! Often the best ideas come at the end!

Once the first question has been thoroughly explored, then move on to the second question: "Which of these are you already doing?" Be honest and really challenge your business's current projection.

Finally, work on the 3rd question. Give enough time (e.g. 30min) for them to come back with ideas on actions to take and capabilities to build.

Each group presents their best ideas back to the larger team and then build a condensed "**list of ideas"** on new capabilities.

CREATE

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QUESTION 1	QUESTION 2	QUESTION 3
What can we do that would "**kill our company**" given the challenges of the influencing forces we face?	From that list, **what are we doing already?** (create second list)	What can you **start doing** now to avoid the unwanted outcomes from lists 1 and 2?

TRIZ from the Liberating Structures (originally by Altschuller/Shapiro)

EMPOWER THOSE IDEAS

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CREATE

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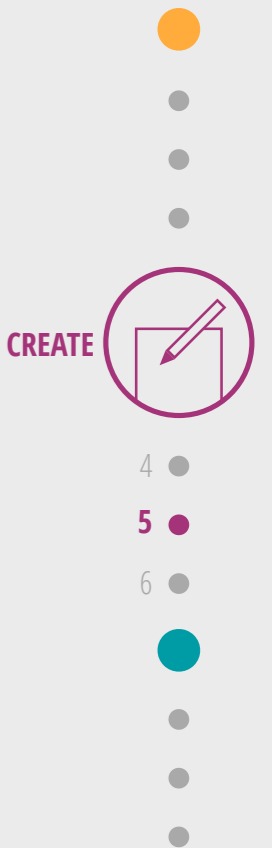
DESCRIPTION 4 Action Framework

This method is derived from the 4 Action Framework (Blue Ocean Strategy from Kim & Mauborgne).
We ask four questions regarding our value offer that we present to customers. Typically this is used to reexamine our Value Proposition to our customers.   But in this exercise consider all of the elements within the Business Model Canvas.

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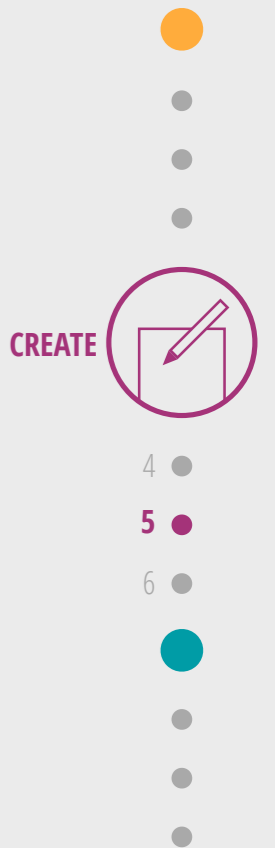
WHAT YOU NEED 4 Action Framework

Use a **flip-chart paper** and **sticky notes.**

CREATE

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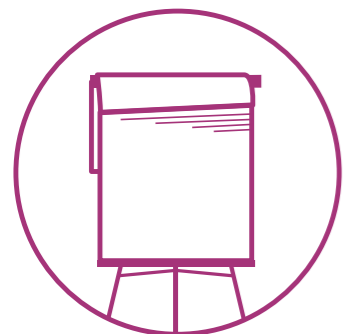
HOW TO APPLY

Split into smaller teams of 3-4 people.   Stand in front of the current business model, keeping all the influencing forces in mind, and answer the following questions:

What could we Eliminate? What is not essential, but if we eliminated it we could save considerable costs?
What could we Reduce?   What aspect of customer needs are being Over Served?
What could we Increase? What aspects of our customer needs are Under Served?

What could we Create?   What could we offer to customers that isn't being served at all right now in our market?

If you eliminate/raise/reduce/create something (think about all 9 fields of the Business Model), what would be the effect on customer segments and your value proposition? What differences would that make? What new Capabilities would empower these shifts?   List these new capabilities on the chart.

Each group collects ideas on new capabilities on a list and presents their findings to the whole group. Build a condensed list of additional capabilities (onto the **list of ideas**).

CREATE

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EXECUTION 4 Action Framework

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RAISE Which factors should be raised well above the industry's standard?	**ELIMINATE** Which factors can you eliminate that your industry has long competed on?
REDUCE Which factors should be reduced well below the industry's standard?	**CREATE** Which factors should be created that the industry has never offered?

LIST OF ALL IDEAS
Consolidate all of team ideas onto one list.

CREATE

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Four Actions Framework (Blue Ocean Strategy from Kim & Mauborgne)

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VALIDATE CAPABILITIES

CREATE

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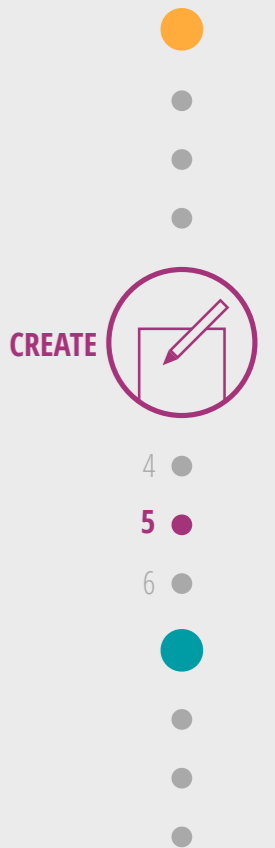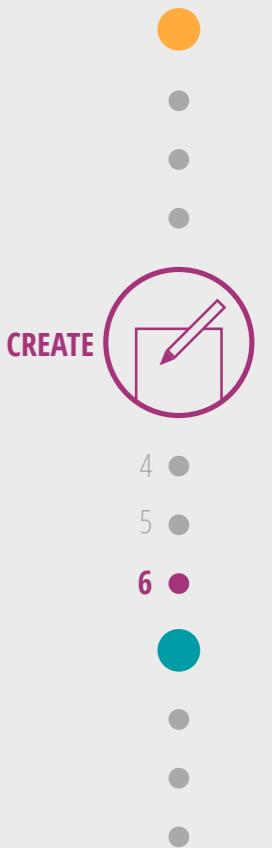
DESCRIPTION Validating Capabilities

The previous steps leveraged **divergent thinking**: Every idea is allowed.

In this step, we will shift to **convergent** thinking, narrowing our ideas down to what will impact most: What should we focus on?

To validate the many ideas, we offer you a structure to measure their potential impact along with the required time for implementation.

CREATE

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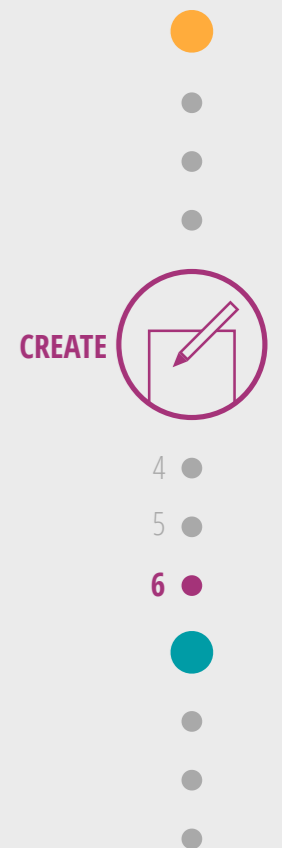
WHAT YOU NEED SCRUM Matrix

Use a **pinboard** (or a wall). Use **sticky tape** to mask the 4 fields of a SCRUM matrix. Work with **facilitation cards** (or sticky notes).

CREATE

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INSTRUCTION SCRUM Matrix

HOW TO APPLY

Write down each capability on a separate card/note; build a whole sentence.

The SCRUM matrix validates new capabilities via 2 dimensions: How long does it take to implement this capability? What will be the impact - value creation for customers?

As a group, discuss step by step the capabilities via the two dimensions. Discuss also:

- **Interdependence** - What capability is tightly connected to another capability? Which must be developed in parallel?
- **Dependance** - How is one capability dependent from another? Which must be developed one after the other?

As a group, place the top 3-6 capabilities that will both have the most impact and that you can and want to implement in the next 9 months.

CREATE

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INSTRUCTION SCRUM Matrix

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GUIDING QUESTIONS

TIME TO IMPLEMENT

- Do we have the required resources - do we have access to them?
- Do we have the required competencies? Or would we need to learn them over time?
- Can this capability be developed by just a few people - or does it require a large cross-functional team?
- Are we dependent on any 3rd party?

VALUE FOR CUSTOMER/CONSUMER

- Does this capability help a customer to perform a functional, social or emotional task (see Customer Profile in the Value Proposition Canvas)?
- Is this capability a gain creator?
- Is this capability a pain reliever?
- Does it differentiate us in the market? (See 4 Factors Framework, Influencing Forces)
- Does this capability help us to address a new thriving customer segment?
- Does this capability help us to keep customers longer, deepen the relationship, or does it offer any up-selling/ cross-selling?
- Does this capability helps us to build a new revenue stream?

CREATE

4
5
6

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< 3 months

TIME TO IMPLEMENT

< 9 months

> 2 years

Low

High

VALUE FOR USER/CUSTOMER

CREATE

4
5
6

< 3 months

Time to implement

< 9 months

> 2 years

Low

High

Value for user/customer

7. DEFINE ACTIVITIES
8. BUILD YOUR RADMAP
9. COMMIT TO EXECUTE

DEFINE ACTIVITIES

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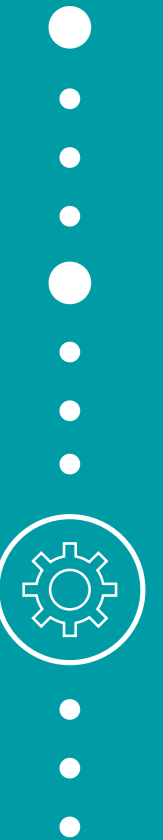
IMPLEMENT

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DESCRIPTION Define Activities

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Your list of ideas has now turned to a list of validated new capabilities - and a small list of key capabilities you are going to implement first (and a validated backlog). Remember, a capability is a set of resources, activities, partners and investments, that addresses customer segments through channels and customer relationship activities building or increasing a revenue stream - it's an evolution of your current business model.

"Change happens if you do things differently - and if you do different things."

To implement a new capability, you have to change something.   Using the RCA (Remove-Change-ADD) Canvas, we will design specific activities to bring our new business capabilities into reality.

Define the Outcomes in terms of changed human behavior: "An outcome is a change in human behavior that drives business results." (Jushua Seiden)

Alternative Tools that could be used but will not be covered here are the following:
Brainwriting (6-3-5 Methodology);
SCAMPER - Substitute, Combine, Adapt, Modify, Put into other uses, Eliminate, Rearrange

IMPLEMENT

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WHAT YOU NEED RCA (Remove-Change-Add) Canvas

Use a **flip chart page of paper per capability.** Draw
the canvas as on the next page. Use sticky notes and
markers.

IMPLEMENT

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INSTRUCTION RCA (Remove-Change-Add) Canvas

HOW TO APPLY

This structure requires facilitation and time boxing (limit the time per step). Appoint a facilitator who will track the time. Start with the first capability and write its description in the top left field.

STEP 1 – INDIVIDUALLY: think about each field on the chart: the desired the outcome, remove, change, add and expected cultural response. (2 min)

STEP 2 – IN PAIRS: share your ideas and refine them. (5 min)

STEP 3 – IN GROUPS OF 4: (two pairs combine) share refined ideas and refine further. (5 min)

STEP 4 – ENTIRE GROUP: Each group of four shares their best, refined ideas, writing them on sticky notes in full sentences. If necessary, build clusters of similar ideas and appropriately organize the notes.

Spend 5 min as a full group discussing your findings.

Do it again with the next capability...

IMPLEMENT

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INSTRUCTION RCA (Remove-Change-Add) Canvas

GUIDING QUESTIONS

CAPABILITY DESCRIPTION

How can we express this capability in a sentence? Do we all have the same view? Same meaning? Word Smith until all agree.

OUTCOME

What new internal or external (customer) behavior do we want to achieve? Do we agree? How could it be measured?

REMOVE/CHANGE/ADD

- What do we RCA in behavior, activities, workflows, processes, tools, resources, investments, communication, compensation, education, training etc.?
- Can we articulate it in a full sentence? Do we agree on the meaning?

CULTURAL RESPONSE

- If we start changing things, how will people in our organization react?
- Do we expect resistance, aggression, sabotage, ignorance, anxiety, discussions etc.?
- How will customers react?
- Where does the reaction comes from: what are our shared values, our unconscious beliefs (e.g., customers need perfectly engineered machines") and assumptions (e.g., we are a machine builder")?

IMPLEMENT

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CAPABILITY #1 DESCRIPTION	DESIRED OUTCOME

REMOVE	CHANGE	ADD

Expected cultural response
(behavior based on unconscious values, beliefs, assumptions)

BUILD YOUR ROADMAP

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DESCRIPTION Building 3-6-9 Roadmap

With your designed capabilities, you have worked out the specific activities (remove, change and add) to embed each capability into your (new) business model. The next step is building a common roadmap so you can execute as a team in phases with defined milestones. Most changes will need to be accomplished in a particular order since they may be dependent on other changes or constraints.

We propose thinking in quarters, covering the next 3, 6 and 9 months. Don't concern yourself with activities beyond this timeframe.   Experience shows that you will need another design cycle by that time since both the world and your business will have changed by then. Transforming agilely means designing and executing as you process in iterative cycles.

IMPLEMENT

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WHAT YOU NEED Building 3-6-9 Roadmap

Pin **three flip chart pages vertically** on a large open wall side-by-side. Draw lines to mark a "swim lane" for each capability across all three pages.

IMPLEMENT

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INSTRUCTION Building 3-6-9 Roadmap

HOW TO APPLY

Start with Capability #1. As a group place each RCA actions into an appropriate order over the next 3 quarters. This normally takes less than 5 minutes. Have a brief discussion, reflect concerns and questions.

Then continue with Capability #2, and so on.   Once finished, stand in front of the roadmap and check for plausibility, and executability across all activities and across all capabilities:

GUIDING QUESTIONS

- Dependency: Is any activity dependent on another?
- Are any activities tightly related such that they could be performed in parallel?
- Who will "Own" each action item? The owner doesn't have to do everything, but will be responsible for coordinating efforts to execute the action by its deadline.
- What cross functional help will each owner need in order to complete their actions? An owner must have the power or pull to ensure the required help across the organization. If not, who does? Plan on getting the buy in your need to be successful.

IMPLEMENT

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EXAMPLE Building 3-6-9 Roadmap

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	1st Quarter	2nd Quarter	3rd Quarter
Cap #1			**Cap #1**
Cap #2			**Cap #2**
Cap #3			

COMMIT TO EXECUTE

triangility

IMPLEMENT

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DESCRIPTION Commit to Execute

You're almost finished!

Thus far, you have designed new capabilities to enhance your value proposition and evolve your business model. You have created a plan for implementing these new capabilities in cross-functional teams.

The last task in this workshop is committing to execute. As a team, decide on the tools and structure you will use to ensure you stay on track and accomplish what you have defined you should do. What meetings (weekly, monthly, quarterly retrospectives) will be required? What sub teams need to be formed? Who will be leading and tracking?

IMPLEMENT

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WHAT YOU NEED Commit to Execute

Use a **flip chart paper** and discuss the three questions
on the chart.

IMPLEMENT

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HOW TO APPLY

First, start a dialog. What went well in the workshop? What was missing, disturbing or stopping the flow? What was supporting and accelerating the flow? What kept the energy high? What dragged the team down? What caused the "Rat Holes?" You may want to list the keys factors on a flip chart.

Then continue the dialog and build out your agreed upon structure and tools you commit to using. Use the Guiding Questions on the following page to gain clarity on your purpose, tools, and structures you will leverage to stay on track.

IMPLEMENT

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PURPOSE "WHY ARE WE DOING THIS?"

Why are you doing this? What is your shared purpose?
Define this in a well crafted full sentence!! You will need this also to engage others!
Why do you need transform your business model and implement new capabilities?

STRUCTURE

Decide how to structure resources, time, and accountability to succeed. How often will you meet (weekly, bi-weekly)?

- Will you meet in person or virtually?
- Would a fixed agenda for the weekly help you be comprehensive?
- Will one person be overall in charge of tracking progress? Or how do you share leadership?

TOOLS

Decide on the required tools to create transparency and support collaboration.

- What applications will you use for collaboration?
- How will you track progress and make achievements and blockages visible to others?
- What triggers the team to get back on track when some actions will inevitably far behind?

FURTHER READING & RESOURCES

triangility

Many tools were developed by ourselves, but we were inspired by...

- Business Model Generation | Alexander Osterwalder & Yves Pigneur (2010)

- Value Proposition Design | Alexander Osterwalder, Yves Pigneur, Greg Bernarda, Alan Smith (2014)

- Outcomes over output | Joshua Seiden (2019)

- Disciplined Entrepreneurship: 24 steps to a successful startup | Bill Aulet (2016)

- Measure what matters: OKR Objectives & Key Results | John Doerr (2017)

- Orchestrating Transformation | Michael Wade, James Macaulay, Andy Noronha, Joel Barbier (2019)

- www.strategyzer.com

- www.liberatingstructures.com

IMPLEMENT

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