MAP&FIRE

Improve and Refine Your

Business Through:

Validation

Validation Worksheet Overview

Welcome to our worksheet focused on refining and improving your business through the practice of running experiments!

When you think about the lifecycle of running a business you understand that there's no grand finish line you're seeking to cross. There are plenty of Big Goals, Objectives, and personal or team accomplishments you'll aim for and hit along the way. However, that final peak and guiding star — what you laid out as your Vision and Purpose for your company, will always be driving you forward.

The Validation step is the fire that keeps burning as you continue on this journey. It represents the process of looking at all the ideas and assumptions you've made about your business and testing them in real life to see what works and what doesn't.

In many ways this is the most important step, because it's what carries you forward and puts all your thinking into practice. Even if many of the ideas and assumptions you outlined in the Lean Strategy process end up being incorrect, the Validation step will help you figure this out in a structured, consistent way.

Once you've set up a routine of running experiments to work through your assumptions, there's no question that over time you'll make real improvements to your business. Let's get to it!

Validation Worksheet Outcomes

Here are some specific outcomes that we're working toward in the Validation step:

- **What** it means to run an "experiment" on your business

- **How** to structure an experiment to maximize the learning that you'll get from running it

- **Which** experiment will you run first

Need Help?

For additional information on the components of this worksheet visit our website:

http://mapandfire.com/field-guide/practice

Start With Assumptions

There are two criteria to consider when thinking about where to start with your experiments:

1. **What are your riskiest assumptions?** What are the assumptions you've made in your strategy that, if wrong, would most impact your ability to succeed as a business? Do you fully understand the most important Job of your Customers? Do you really know what they value the most in satisfying that job? Are you sure you're marketing to them in the right way? All of these things and many more are great candidates for your Experiments.

2. **What can you realistically test and measure?** In order to gain learning from an experiment, you need to be able to validate (or invalidate) your hypothesis with some degree of accuracy. This may require getting creative by using surveys or polls along with web analytics. It may also mean going outside your comfort zone and simply talking to existing or potential customers about what works for them or not.

Again, remember to create a hypothesis that you can validate or invalidate. As Eric Ries of *The Lean Startup* says, if you just start "trying stuff to see what happens", then you're guaranteed to succeed…at seeing what happens.

If you're serious about improving your business, then simple experiments with real, testable hypotheses are one of the best ways to go about it.

One thing is certain, you won't learn **anything** by sitting around and wondering.

Business Assumptions Template:

As you're working on defining and *refining* the areas of your business, you can use this template to gather and prioritize assumptions you've made along the way.

Business Assumptions			
Assumption Description	**Assumption relates to** *(The Problem / Your Solution)*	**Danger if assumption is false** *(High / Med / Low)*	**Confidence that assumption is true** *(High / Med / Low)*

Running Experiments

The following are guidelines for running experiments in your business. Because every business has its own unique set of inputs and challenges, this process is intentionally broad so that it's flexible to work in any scenario.

If you have any doubts or questions about the process, the best thing you can do is try one and see what happens. You'll learn much more by going through the process yourself and seeing what works for your situation than you will by debating and thinking about the perfect idea / time / goal / etc.

Over time, you'll see what system works best for your business and what provides the most value and learning.

Exercise: Lean Strategy Experiment Template

This is a basic template that you can use for any experiment. To start, you can fill in the details right here. As you run more experiments, you'll probably want to set up your own template or structure that you can use again and again.

You could think of this like a lab report from your high school chemistry class, except that the answer to "When am I going to use this in real life?" is actually "Right now."

Experiment Number / Title:			
Timebox:	*Start Date:*	*End Date:*	
Learning Goal: *What are you trying to learn or achieve?*			
Lean Strategy Area(s) Affected	Purpose Offering	Customers Brand	Competition Marketing
Hypothesis: *Is it falsifiable and specific?*	*Structure as: If [specific action], then [measurable result]*		
Metric: *What are you measuring?* *Is it quantitative or qualitative?*			**Fail Condition:** *If this happens the hypothesis is false.*
Description: *How will you set up the experiment?* *How will you collect the data?*			
Results & Observations			
Result: *What happened?* *What data did you collect?*			
Validated Learning: *Summarize what you learned from the experiment overall.*			
Next Step: *How does this affect your current direction?* *Should you make a change to your strategy?* *What's the next experiment to run?* *Is there more to learn around this goal?*			

How Often to Test

If this is a new process for you or your team, and one you're working into an already busy schedule, you should start slow. Commit to doing one experiment a month for 2-3 months. Once that period is over, assess what you've learned, how much you've benefitted from the results, and decide if you have the resources to do more.

Some businesses run experiments every week -- or even multiple experiments a week. It is possible, but it takes effort. Ultimately, it'll depend on finding the right balance of resources you have available and looking at the expected value you can get from spending time and effort on them.

Remember, **actually running one experiment *now*** is more valuable than **thinking about the plans to run many experiments *in the future***.

Congratulations, You've Come A Long Way!

You've made it through your first pass of the Validation Worksheet!

Through our Big Picture, Product / Market Fit, and Communication resources you defined the different pieces of your business and learned how they fit together. Now you know how to start testing those pieces and improving on them.

We say it's the *first pass* through this step, because Validation really speaks to the ongoing nature of running a business - your aim isn't to "complete" it, it's to keep going. And as long as you're going, you should be continuously seeking ways to make your business better serve what you want out of it.

Our goal with this system is to give business owners the best chance to succeed by helping them understand more clearly how their business actually works. We truly believe that the more you understand the different areas of your business and how they fit together, the more likely you'll be to make clear, purposeful decisions toward accomplishing your goals.

That clarity, for yourself and your team, is the key ingredient to a happier, healthier business - and in turn, hopefully a happier, healthier life.

What's Next?

As we said, there's no perfect solution to running a business. And there's no finish line you get to cross that suddenly makes it all easy.

Our Map & Fire strategy resources weren't developed to spit out a specific answer for you like a giant math equation. It was designed to give you a structure for thinking and talking about your business so that you can make good, informed decisions.

So, that's what you'll do next. Apply your new thinking and let it help you make better decisions every day.

It won't solve all your problems, because there are always new problems to solve. But it will give you the confidence that you're attacking your problems with a solid process and clear thinking.

In the complex world of running a business, that's an advantage that very few ever get to claim.

Don't Wait - Keep Working On Your Business Right Now! :)