Lean at Ten: Culture Eats Methodology for Lunch

By Jamie Notter, Culture Scientist and
Elizabeth Weaver Engel, M.A., CAE, Chief Strategist, Spark Consulting
With Guillermo Ortiz de Zárate, Chief Executive Officer and Executive Vice President, the American Society of Appraisers

CONTENTS

CASE STUDIES

BONUS CONTENT

Introduction: Why Revisit This Topic?

Ten years ago, Guillermo and Elizabeth released the monograph *Innovate the Lean Way* to introduce the association community to lean startup methodology. We explained why we felt these concepts are particularly applicable to associations, shared examples of association executives using lean startup to gain insight into the programs, products, and services they offer to their members and other audiences, and attempted to help readers get started using the methodology themselves.

The methodology itself hasn't changed. There were ample resources available for additional learning ten years ago, and there are more now. There were ample tools available to help adherents work with the methodology ten years ago, and there are more now.

So why revisit this topic?

First, and maybe most importantly, we still believe this is a highly useful approach for associations seeking to stay relevant, create real member value, increase membership, and investigate ideas for non-dues revenue. But it's an approach that has not been widely adopted yet. We still hope to change that.

Why revisit this topic *now?*

The coronavirus pandemic revealed a significant structural weakness in associations' traditional three-legged revenue stool: events, dues, and, for lack of a better term, "other."

Event revenue ceased, abruptly and nearly completely, for 12-18 months. Meanwhile, many associations made the member-centric choice to hold the line on dues during a time of significant economic uncertainty, even as inflation increased more than 22% between 2019 and 2024.[1]

1. https://www.usinflationcalculator.com

spark consulting llc
explosive growth for associations

Jamie Notter

That left "other." Outside the well-trod paths of sponsorship, exhibiting, and ads—which are commonly tied to events—associations had to come up with new ideas for new programs, products, and services to help new audiences solve new problems and achieve new goals.

That's enormously risky.

Lean startup provides an evidence-based, data-informed way to mitigate at least some of the risk of developing new programs, products, and services for new audiences.

The world is even less predictable now than it was in 2015. Many (although certainly not all) associations are struggling to reformulate their member value proposition and create the programs, products, and services their members need to respond to the novel goals they seek to achieve and the rapidly shifting challenges they face. Associations are having a hard time meeting member needs, particularly when those members aren't even sure what their needs are today, much less what they'll be tomorrow or next year. Multi-page business plans based on a lot of unstated (and thus untested) assumptions and product development cycles that take years to come to fruition aren't going to cut it in a time of rapid, large-scale, continuous change.

Relatedly, the imperative to look forward is even stronger now than it was ten years ago. Associations have the advantage of perspective on the industries and professions we serve, operating from deep knowledge of those industries and professions. But we also have enough distance from those industries and professions to be able anticipate the changes that are coming and help members and other audiences prepare for them. In other words, we're called to practice foresight around things like the effects of generative artificial intelligence, the arrival into the workplace of younger generations, and the acceleration of talent loss as Baby Boomers retire. (For more on these drivers of change, see ASAE's ForesightWorks resources at *https://www.asaecenter.org/resources/asae-foresightworks*.) While we can't predict what's going to happen in ten—or even five—years, we are called to think about how these large-scale societal trends will affect our members and other audiences and to develop solutions for those audiences. Lean startup can help.

Despite these compelling needs, however, lean startup is still not being widely adopted, which brings us to the other major reason we decided to revisit this topic ten years later: Most association cultures hurt lean startup efforts more than they help them.

For example, associations have a hard time letting things go or making the decision to sunset programs. People in positions of power, both staff and volunteers, have pet projects. No one wants something to fail "on my watch." Boards and board chairs want to have "signature" accomplishments. So association execs over-commit our teams to produce programs, products, or services based on ideas that haven't been validated, or fail to consider new ideas due to lack of capacity. Meanwhile, we fail to kill programs, products, or services that aren't working, that aren't fulfilling goals related to mission, member satisfaction, or revenue. Lean startup could help identify not only what isn't working but also why it's not working, so associations can make space to develop new ideas that will create genuine value for members. But association culture often won't let that happen. We've come to prize "member service" so much that we often can't even imagine killing an influential member's pet project, no matter how much it costs our organizations.

Peter Drucker famously remarked: "Culture eats strategy for breakfast." This is a bit of a spoiler alert, but what your authors have learned in the past decade of working with lean startup concepts and methodology is that it's not the tools and techniques and processes that are the hard part. Those things do require time and practice to develop proficiency, of course, but with time and practice (and interest), teams do become proficient in them. It's the culture change that's the biggest barrier to success. In this monograph, we want to share what we've gained by hard experience, through trial and error, so you don't make the same mistakes we have.

But first, a bit of background.

What Is Lean Startup?

We're not going to do a deep dive here. For that, see either *The Lean Startup,* by Eric Ries, or Guillermo and Elizabeth's earlier whitepaper, *Innovate the Lean Way.*[2] But we're also not going to assume that you have immediate and perfect recall of all the details of the methodology. (If you do, feel free to skip to the next section).

Lean startup methodology was originated by Eric Ries, who developed the methodology out of his experiences using lean process improvement, which focuses on reducing waste and defects, and working more efficiently and effectively.

Eight Wastes[3]

Ries and his teams at various tech startups were following all these good practices. But they were, as he put it, "working incredibly hard on products that ultimately failed in the marketplace."[4]

Ries had an epiphany: **It doesn't matter how quickly you're moving if you're headed in the wrong direction.**

The biggest waste, the first waste, maybe the only waste that really matters, is investing resources working on the wrong thing. It doesn't matter how well you do on things like using your talent effectively and agile development and reducing defects if you're going the wrong way. That insight led to the development of lean startup methodology as an innovation framework.

No organization, tax-exempt or for-profit, suffers from a dearth of ideas. We all have plenty of ideas for things we could build to benefit our audiences, be they members, customers, or other stakeholders. But those ideas are based on assumptions about three things:

1. The audience you're trying to serve.
2. Their goals, problems, and challenges.
3. The solutions you think will help them achieve their goals, solve their problems, or address their challenges.

Relatedly, there are a few key questions one needs to answer when developing new programs, products, or services:

1. Did you correctly identify the audience?
2. Is the problem that you're trying to solve a real, significant problem for them? Is it, in Guillermo's terms, a "problem worth solving"?
3. Does your solution work for your intended audience, and at a price (not just money, also time, learning curve, investment of other resources) they're willing to pay?

Lean startup methodology relies on a few key concepts designed to help practitioners answer these questions in an evidence-based, factual way, to make sure you're going the right way and going there quickly and efficiently:

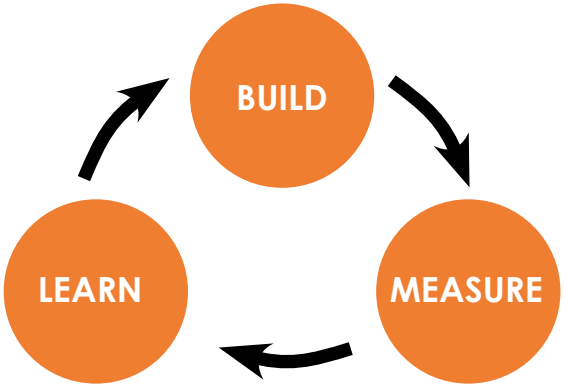
- **The Lean Canvas**
- **The Build-Measure-Learn Cycle**
- **The Minimum Viable Product (MVP)**
- **The Pivot**

2 https://bit.ly/1NJJzkJ
3 https://theleanway.net/The-8-Wastes-of-Lean
4 *The Lean Startup,* pg. 5

The **Lean Canvas** is a one-page business plan tool that helps you focus the design of your new offering and begin to articulate the assumptions that go into it, so you can start testing and validating (or disproving) them. (For examples, see our Bonus Content section **Lean Tools** on page 28.)

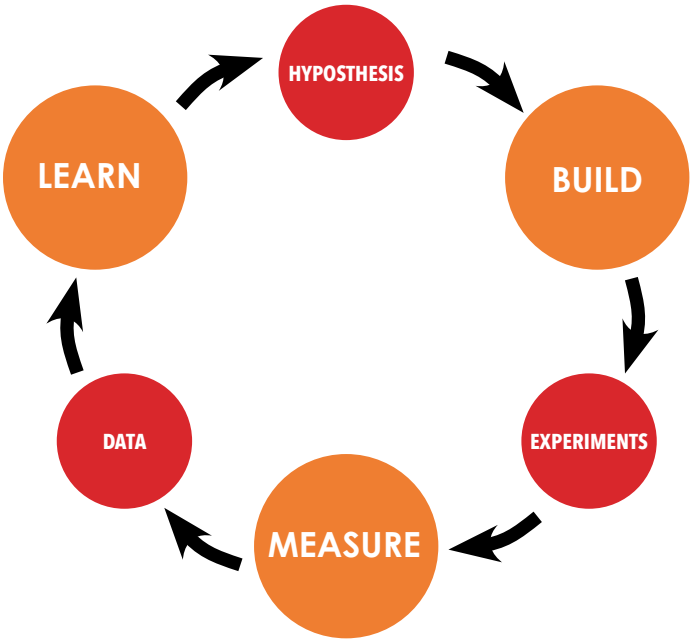
The **Build-Measure-Learn Cycle** is the core of the methodology. It tasks adherents with building the Minimum Viable Product and getting it into the hands of potential customers as quickly as possible. That way you can begin learning, from real people who are really using your MVP, whether you've correctly identified a real and significant problem and come up with a solution they'll both use and pay for.

Build-Measure-Learn Cycle[5]



The Minimum Viable Product is the simplest version of the product or service you can build, with the smallest possible investment of resources and effort, that is also real enough to let you start testing your assumptions. In other words, it's a kind of prototype, one that allows you to learn through incremental and iterative work. You start with a hypothesis, design experiments to test it, collect data, learn from those experiments, and feed your insights back into the next cycle.[6]

Build-Measure-Learn Cycle[7]



When you are measuring, you're going to have to do it a little differently than you may be accustomed to. You're not trying to make sure you deliver on a complex business plan on time and on budget. You're trying to learn what you need to know to build the right thing. You must design experiments that allow you to test your assumptions about your audience, their problem, and your potential solution.

Which begs the question: **What are good metrics?**

Bad news: There's isn't one standard answer for every idea to solve every audience's every problem.

Better news: There are myriad resources to help you figure this out. We've listed a bunch in the **Additional Resources** section on page 32, but we recommend you start with Alastair Croll and Ben Yoskovitz's book *Lean Analytics*. In it, they share some common characteristics of a good metric, what they term "The One Metric That Matters":

5 https://visualisesolutions.co.uk/why-the-b-m-l-loop-of-lean-startup-is-misconstrued/
6 Ibid
7 Ibid

- It's a rate or ratio. New users per day is better than total users.
- It allows for comparison over time. Percentage of change from last week is better than overall percentage.
- It's simple. People can't remember or use metrics that are too complicated.
- It makes your predictions more accurate, which means you must track what happens over time.
- It allows you to change your behavior based on the results you see. That is, it allows you to learn and then act on what you learn.[8]

Speaking of, what if you learn that you were wrong about your audience, their problem, or your potential solution? You pivot.

According to Eric Ries, **the Pivot** is "a structured course correction designed to test a new fundamental hypothesis about the product, strategy, and engine of growth."[9] Basically, you're taking a step back and testing a new hypothesis about your audience, their problem, or your potential solution.

Quoting the 2015 whitepaper:

> Consider Groupon, an online group discount tool that started as a platform for mobilizing groups of people toward action for various social causes. Or YouTube, a company that began as a site for sharing videos for online dating but, when that failed to take off, switched to sharing any kind of videos online. Or PayPal, originally launched to allow people to transfer money between Palm Pilots (remember those?), before it was acquired by eBay and began running the majority of online transactions.
>
> These successful companies all got their initial assumptions wrong. They picked the wrong problems. Their target audiences did not need or want their proposed solutions. But they all learned from that feedback, adapted, found problems worth solving, and came out with new solutions to those problems.[10]

No one can be right all the time. This axiom is part of the lean startup model itself, which can be incredibly freeing. Lean startup tells you that it's OK to be wrong, in fact you're supposed to try to prove yourself wrong, as long as you keep learning and adjusting based on what you learn.

Over the past decade, Guillermo's teams have identified another tool that's been critical to their lean startup journey: **design thinking.** That's the focus of our next section.

8 *Lean Analytics,* chapter 6
9 *The Lean Startup,* pg. 149
10 *Innovate the Lean Way,* pg. 11

What Is Design Thinking?

Design thinking, as popularized by IDEO, is a methodology for creative problem solving that relies on human-centered approaches to innovation.[11] It calls practitioners to center people's subjective, socially constructed reality in developing and testing potential solutions to their challenges[12]

Design thinking recognizes that:

> We live in an increasingly complex world where challenges are dynamic, interconnected, and deeply human….Design thinking helps us tackle these challenges and more by always keeping people at the center—creating solutions that are not only innovative but also relevant, responsible, and lasting. It helps us cut through the complexity, uncover unmet needs, and create meaningful change.[13]

Per the Hasso Plattner Institute of Design at Stanford University, it includes five steps:

- Empathize
- Define
- Ideate
- Prototype
- Test[14]

We'll address each, briefly, in turn.

Empathize

Clearly, the five stages of design thinking align well with lean startup methodology, but it's the first step, Empathize, that makes design thinking such a valuable complement to the methodology.

Design thinking requires practitioners to "get out of the building" and interact with members and other audiences directly to learn what's going on in their worlds, the challenges they're facing, and the goals they're trying to achieve. That way, your association can provide the programs, products, and services that will meet those deep needs while also creating repeatable, sustainable relevance and revenue for the association itself—in other words, doing good while doing well.

This goes beyond conducting yet another survey asking members what they need or might like. Remember the famous, possibly apocryphal, Henry Ford quote: "If I had asked people what they wanted, they would have said, 'Faster horses'." Or, as Steve Jobs put it: "A lot of times, people don't know what they want until you show it to them."[15]

Your members know what their goals and challenges are, but they don't know how to solve them. That's why they're associating in the first place. Design thinking's focus on empathy urges innovators to observe audiences in their own environments, ask questions, learn what makes people successful in their daily work, and discover their pain points along the way. It calls on practitioners to bring "beginner's mind," a fresh perspective that allows them to identify problems worth solving and envision novel solutions, unconstrained by "we have always done it that way."

Define

Once you've done a deep dive into your members' biggest goals and most pressing problems, it's time to organize what you've learned into a problem statement, defining the problem that is worth solving in a member-centric, human-centric way. This step is critical to developing the "shared understanding" we discuss in more detail in the American Association of Veterinary State Boards case study on page 20.

11 https://www.ideou.com/blogs/inspiration/what-is-design-thinking
12 *Designing for Growth,* pg. 12
13 https://www.ideou.com/blogs/inspiration/what-is-design-thinking
14 https://www.interaction-design.org/literature/article/5-stages-in-the-design-thinking-process
15 https://www.goodreads.com/quotes/8668660-a-lot-of-times-people-don-t-know-what-they-want

What does that look like?

It's not: "We need to increase revenue by 10%, and AI is a hot topic in our profession, so we're going to create an AI training program." That's an association-centric perspective that puts the cart (a training program) before the horse (what is the problem worth solving for our audience?).

Defining the problem in a member-centric way looks more like: "AI is increasingly impacting the profession our association serves, and our members tell us they lack the skills they need to use it in an ethical, responsible, collaborative, effective way."

Ideate

In the ideation stage, the goal is to come up with as many ideas as possible that could potentially solve the problem you've defined after conducting your empathy-based research. Done right, it's a creative endeavor that can be the most fun part of the design thinking process.

There are all kinds of techniques you can use to support your ideation process. Some of them include:

- **Brainstorming:** Brainstorming is the most common and well-known ideation method, where participants generate as many ideas as they can in a set timeframe, without criticism from the larger group.
- **"What if…?":** Duncan Wardle, former head of innovation and creativity at Disney, developed the "What if" technique, where participants change "we can't…" statements to "what if we could…" statements, unleashing new perspectives in a newly imagined reality.
- **"Yes and":** The "Yes and" method derives from improvisational theater, where actors are trained never to reject an idea from a fellow actor, collaboratively developing the story and bringing the ongoing scenario to new places.
- **Mind-mapping:** Mind-mapping is a visual technique where participants start with a central theme, then develop ideas related to that theme by literally drawing actual connections between them on a physical page.
- **Rule-breaking:** Rule-breaking involves listing your stated and unstated rules of operation, asking, "Can we break this rule for the good of the organization?" and playing out what that might look like.

Again, it is critical that you involve your members and other audiences in this process, and that you do it in a way that includes as many points of view as possible. Soliciting diverse perspectives—both traditional "protected classes" like race/ethnicity, gender, disability, and age, and things like region, economic background, and career stage—will allow you to generate more potential solutions with wider potential appeal more quickly.

Prototype

The next phase in design thinking focuses on creating low-fidelity models of the solution, so you can refine your solution to match the needs of your potential audiences and solve the problem you defined.

Prototyping allows your project team to inject a dose of reality into the ideation sessions, where participants intentionally ignore potential roadblocks as they posit possible solutions. The thing is, for those possible solutions to actually work for your actual members and customers, they must be both feasible and affordable. Low-fidelity prototypes allow you to replace assumptions with facts and validate your approach with real members and customers before you invest a lot of resources making your exciting ideas real.

What might that look like?

A classic example is to add a feature to your website that looks highly automated from the user's perspective but in reality is still done by hand by staff on the back end until you have the data to indicate that web visitors will actually navigate to and use that feature, justifying the investment of resources necessary to build the technical infrastructure to deliver that automation in production.

How is a prototype different than an MVP?

The two terms are often used interchangeably, and the distinction is a bit fuzzy. A prototype is basically an early version of an MVP, something that's even more "bare bones," intended to test the *idea* for the solution before you even get to building a *functional approximation* of the solution.

If you want to call your MVP a prototype, or vice versa, we won't report you to the lean startup police. But it can be useful to have two different terms, one that's focused on gathering feedback about an idea—the prototype—and one that's more of a we-built-it-out-of-popsicle-sticks-and-baling-wire thing potential customers can hold in their hands—the MVP. (For more on the differences between the two, see this informative blog post from UXPin: ***https://www.uxpin.com/studio/blog/prototype-vs-mvp-vs-proof-of-concept/***.)

Test

The final phase of design thinking is the most humbling part of the method: Putting the prototype in front of audiences, asking them to use it, and gathering their feedback—good, bad, or indifferent.

This is obviously an iterative process, as it's unlikely the first version of the prototype will be what ends up in production. Your project team will incorporate user feedback to improve the prototype and test again until that feedback is highly positive, clearly supporting that you've chosen the right audience, identified a real and significant problem worth solving for them, and that your solution works, at a price your audience is willing to pay.

To learn more about how design thinking can support lean startup methodology to form a full lean innovation process, see the National Council of Architectural Registration Boards case study on page 23.

Now that we've equipped you with some background knowledge, definitions, and tools—the easy part—we're ready to tackle the hard part: culture change.

The Roadblock: Your Workplace Culture

If you made it this far, then there's a good chance that you see some real promise in lean startup methodology. An evidence-based, disciplined process for developing new programs, products, and services that is member- and customer-centric, iterative in nature, based on making small bets, and that allows you to quickly course-correct sounds highly appealing. But you also may be wondering if it could ever work at your association.

Frankly, that's a valid concern.

In fact, this may not be an issue of "wondering" for you at all. You might have already spent several years trying to implement lean startup methodology, either in whole or in part, and you've been disappointed with your results. Some examples:

- You committed to developing minimum viable products, but staff were hesitant to share things that were unfinished with members, so your MVPs never got out the door.
- You learned it was time to pivot on audience, problem, or solution, but the project owner was too in love with their own idea, so they pushed forward with it, and no one internally would confront them about that.
- You wanted to be agile, but the project team got frustrated when every decision they made was ultimately questioned or overturned by leadership.

In short: You want to do lean startup, but your culture doesn't.

While the concepts of lean startup may be attractive, the implementation of the methodology can only happen within the context of your workplace culture, and that means that, just like that famous quote from Peter Drucker about culture and strategy we referenced in the title of this monograph, **culture often eats lean startup methodology for lunch.**

Your culture's primary job is to make clear what is truly valued to everyone in your organization. This is critical, because what your staff perceives to be valued will have a direct impact on their behavior.

For instance, if you say that your strategy is to focus on emerging member needs and trends in your profession or industry, yet you reward "the members say jump, we say how high?" over-responsiveness, the culture you've actually built could, per Drucker, eat your strategy for breakfast. When you jump to satisfy members' immediate requests, you won't have the resources to proactively keep them ahead of the curve.

On the lean startup side, the example we mentioned above—where staff ended up not sharing the MVP with members—demonstrates the same principle, rooted in a different cultural value. The behavior of not sharing the MVP with members wasn't random. It was driven by a culture that places a lot of value on members and volunteers viewing the staff as experts and the association as highly competent. Thus, to show the members something that you know is imperfect (which, by definition, MVPs are) can feel like a mistake in that culture. This cultural value may never have been made explicit, yet the staff instinctively knew not to show those imperfect MVPs to members.

That's how cultures work. They are created by a combination of the words leaders use, the behaviors inside the organization that are rewarded, and even tangible aspects of work, like office design or dress code. Those things together clarify and reinforce what is valued, and that drives behavior internally.

There may never have been a time where a staff leader explicitly declared: "Our culture is rooted in not showing imperfect things to members." But the employees still get it. They piece it together by watching what leaders do and say. They observe what kind of behavior gets rewarded and what gets punished. Too frequently, based on all that, they may end up choosing behaviors that make it nearly impossible to implement lean startup methodology effectively. Your culture ate your plans for non-dues revenue world domination using lean startup for lunch.

The only way to fix this is to intentionally evaluate and consciously change your culture.

More specifically, you need to identify the parts of your culture that are driving the behaviors that are blocking implementation of lean startup and deliberately change them. If this sounds scary to you, don't worry—it's easier than you think. Jamie and his partner, Maddie Grant, have been doing in-depth research on workplace culture for a decade, and they have identified four specific parts of culture that are probably messing with your lean startup implementation. So they've already done the first step for you!

The aspects of culture that can eat lean startup for lunch include:

- **Innovation practices**
- **Effective action**
- **Organizational clarity**
- **Difficult conversations**

If your culture does not handle these four areas effectively and consistently, your lean startup plans will fail.

The first two (innovation practices and effective action) come from Jamie and Maddie's research into the underlying **patterns** that exist in most cultures. Two of those patterns focus on agility and innovation, and within each pattern, there are specific culture building blocks that, when weak, will present roadblocks. For innovation, it is **practices** (like experimentation and beta testing) and for agility, it is **effective action** (like the capacity to fix or stop things).

The second two (organizational clarity and difficult conversations) come from Jamie and Maddie's more recent research into the elements of workplace culture that support or thwart **change readiness**. Specifically, they identified elements of culture that either support individual agency (employees taking action) or lighten top-down control, because when agency is low or control is heavy, change becomes difficult and slow.

Jamie and Maddie identified six categories of change readiness, but the two we're focusing on here have a particularly large impact on the ability to successfully implement lean startup. Organizational clarity is about reducing the negative impact of silos and getting everyone on the same page with strategy. Difficult conversations is about candor and effectively managing conflict.

As you will see, each of these four components of culture has three specific cultural building blocks that you will likely need to work to improve to increase your chances of success implementing lean startup practices.

Innovation Practices

The first major culture pattern that Jamie and Maddie spotted in their research was called "incomplete innovation." This is arguably the biggest cultural challenge for implementing lean startup. This pattern, which is very common among associations, is one where a culture values the **concepts** of innovation (e.g., creativity, future focus) more than the **practices** of innovation (e.g., experimentation, prototyping, beta testing). In other words, we're talking the talk around innovation, but we're not walking the walk (which is why the innovation is *incomplete*).

It is the innovation practices that are the problem here, because they represent the behaviors you need to make lean startup successful. In their research, Jamie and Maddie identified three specific practices that, for most associations, need to improve:

- **Testing new ideas.** Can employees run beta tests? Are they allowed to show unfinished or imperfect products to members or other stakeholders to gather feedback?
- **Experimentation.** Do you create an environment where employees are free experiment and try new things?
- **Risk taking.** Can employees take appropriate risks? Is it okay to make a mistake, as long as you learn from it?

The example above of not sharing the MVP with members is a perfect illustration of how the "testing new ideas" building block in your culture can thwart your lean startup efforts. Without being able to test new ideas, your MVP isn't going to be minimum. You'll wait until you can release a finished, but possibly wrong, product, missing out on the early customer feedback that allows you to course-correct before you've invested significant resources going the wrong way.

The core of the lean startup methodology is the Build-Measure-Learn cycle, which is really another way of saying "run experiments." If you're testing your assumptions about who your audience is, for example, you'll create a hypothesis about which segment has the specific problem you've identified, and then you test that hypothesis by building a possible solution and measuring their response.

But experimentation is typically weak in associations. One of the primary reasons for that is a lack of tolerance for failure. We want all our experiments to be successful. But if all your experiments succeed all the time, you're not doing it right. You're only trying things that you already know will work, and that's misses the "learn" part of the Build-Measure-Learn cycle, not to mention the whole "creating new value" part of innovation.

That connects to the third innovation practice that is lacking inside associations: maintaining tolerance for risk. Associations are the poster children for the phrase: "We've always done it that way." Maintaining the status quo feels safe, and because we've always done it that way, we are highly confident it will work out the way we want it to. However, the essence of lean startup is creating new value by continuous learning. If you take no risks, you learn nothing new.

Effective Action

Innovation is about unlocking new value and breaking new ground, so it often gets more attention than the other culture pattern we think is equally important for doing lean startup well: agility.

Agility doesn't just mean turning on a dime. In fact, in Jamie and Maddie's culture data, the ability to move quickly while still maintaining quality is present in most cultures, as is embracing change in general. This part of the culture pattern is called "forward action," and it is strong in many different types of cultures across many different types of organizations.

Research demonstrates that the trouble starts with the other half of this culture pattern: effective action. If you are moving and changing quickly but not monitoring the outcome of those fast actions for effectiveness and efficiency, you lose the value of fast movement. This gets back to Eric Ries's original epiphany: **It doesn't matter how quickly you're moving if you're headed in the wrong direction.**

The three specific cultural building blocks that ensure effective action are:

- **Efficiency.** When processes or procedures are broken, can you easily fix them?
- **Changing directions.** Can you eliminate or stop activities that are not moving you toward your goal?
- **Assignment of responsibility.** Is work shared based on who is in the best position to get it done or on who "owns" it?

Efficiency is about fixing things that are broken. Too many organizations tolerate processes and systems that they know don't work rather than addressing them, which frequently results in missed opportunities to learn, iterate, and grow.

For example, the education department might be working on creating a new line of micro training modules. They're at the stage of starting to sell an MVP version to a small, intentionally selected audience of beta testers. Unfortunately, the association's financial systems don't communicate well with the LMS, so tracking purchases and knowing when to solicit feedback from those beta testers becomes cumbersome. The education staff reverts to manual workarounds, but that slows everything down. By the time they're able to gather, analyze, and incorporate user feedback to iterate the next version of the product, they've missed their window of opportunity.

Changing directions is about stopping things that aren't working, which is a true Achilles' heel in the association community. Nearly every association can point to that program, the one that is beloved by a very small number of influential members yet loses money year after year and has declining attendance or participation. In other words, it's no longer adding value, but you keep doing it anyway.

What's worse is that even if an association musters the courage to kill that program, the one that's a drain on resources for no appreciable value, a few years later (after board membership has completely turned over), it may come back to life. As association executive David Gammel once described it: "They're not just sacred cows, they're sacred *zombie* cows!"

Honestly, though, wasting resources on programs you can't kill is not the main threat to lean startup success. It's the cultural bias toward defaulting to legacy solutions.

Maybe you're experimenting with a new approach to sponsorship, moving away from offering 95 different sponsorship opportunities over 37 different events and towards large-scale annual partnerships. But then some of your business partners ask for exceptions, because they had such great success under the old system, and you end up accommodating them, under the principle of "customer service." As a result, new partners feel undermined, you don't achieve the efficiency you'd projected, and the growth of the new program is slowed.

Assignment of responsibility is about getting the right people in the right place at the right time to accomplish work most effectively. Generally speaking, that is the purpose of organizational structures. Departmental structures group people together by knowledge and expertise, and levels of hierarchy tell us who has what level of experience and authority. These rules tend to determine who is assigned what work, and that is fine—except when it isn't.

Lean startup requires matrixed project teams that have the exact right combination of skills and expertise to carry an idea from concept to delivery. Frequently those teams will cut across the lines we've drawn on our org charts, both horizontal and vertical. Many leaders resist this, primarily because it feels like they are losing control when structural lines are crossed. As a result, a product development team may end up failing to include all the right players (e.g., marketing gets left out until it's too late, finance isn't consulted at the right time, the senior team feels blindsided at the end, etc.). This overlaps with the silo issue that is at the heart of the next category, organizational clarity.

Organizational Clarity

Organizational clarity is the first of two cultural elements that are related to change readiness. Organizational clarity is about establishing a flexible structure, the right collaboration tools, and a shared strategy that enable more agency and reduce the need for heavy control, leading to operational effectiveness in change management.

There are six building blocks of organizational clarity, but the three with which organizations typically struggle also happen to be critical for your lean startup efforts:

- **Boundaries, borders, and territories.** Does your culture bust silos and discourage territoriality?
- **Competitive technology.** Is your technology as good or better than that of similar organizations?
- **Strategic clarity.** Do people in your organization truly understand your strategy so they can use it in their decision making?

Boundaries, borders, and territories is about the one thing that just about every organization on the planet complains about: silos. Ironically, as much as we all complain about them, organizations really do need silos. It's good to be able to work closely with others who have the same deep expertise you have in an area that others in the organization don't share. The existence of borders between departments and functional areas is not the problem. The problem arises when we make those borders rigid and impermeable. Why can't the proverbial "fences" we build between departments be just two feet high, so people can step over them easily when they need to?

Of course, the challenges we face managing the *horizontal* boundaries among functions and departments are often equaled or surpassed by the challenges we face managing the *vertical* boundaries across the various layers of organizational hierarchy. This can wreak havoc on lean startup initiatives.

For example, at the beginning of a project, everyone seems to be on the same page. The project team completes a Lean Canvas for their idea, identifying their audience, that audience's real and significant problem, and their potential solution. They present that one-page business plan to the senior team, and everyone agrees on a scope and schedule for testing their assumptions with an MVP via the Build-Measure-Learn cycle. A few months down the road, however, the new product begins to ruffle some feathers among the board, who might be clinging to "we've always done it that way." Board members voice their displeasure to the senior team. Suddenly the senior team is getting back in the weeds of the project, delaying iteration cycles, changing the scope, possibly even killing the project entirely, even though beta tester feedback doesn't support that. When different layers in the hierarchy cannot collaborate effectively, it puts innovation projects at risk of failure.

Competitive technology is about making sure your technological capacity is not an impediment to the success of your lean startup activities. This is not about chasing the latest shiny object or being right on the bleeding edge of technology. It's more about making sure your systems are modern, can talk to each other, and enable the communication and data sharing staff, volunteers, members, and other audiences need. Unfortunately, associations don't have a great track record on using modern, integrated technology systems. Fifteen years ago, Harrison Coerver and Mary Byers wrote *Race for Relevance,* which identified five critical areas where associations must change, and "build a robust technology framework" was one of them. We're not confident that most associations have met that challenge.

There is no point, for example, in trying to use lean startup to develop a self-service portal on your website if you're relying on an unsupported WordPress theme to run a bloated website. You'll be unable to capture the feedback you need on the utility of the new portal simply because users, frustrated with their experience on your site in general, will be disinclined to visit to experiment with anything new.

Strategic clarity is about ensuring that everyone in the organization understands your strategy and can apply it to the decisions they make. Too often, however, team members keep their heads down and focus on their own workstreams, goals, and targets. When that happens, your association runs the risk of drifting away from its planned strategy, or of producing unintended outcomes that impair the ability to achieve it.

This is particularly important for implementing lean startup, because inherent to the process is the fact that you don't know exactly where you are going to end up when you start. The Build-Measure-Learn cycle is designed specifically to challenge the notion that we already know exactly what our customers or members want and need. It's a process of discovery that calls on practitioners to articulate and test their assumptions through an iterative process that gets closer to the right audience, problem, and solution with each turn through the cycle. So you must periodically check in to ensure your day-to-day work stays aligned with your overall organizational strategy.

For example, an association with a well-respected certification program might use lean startup to experiment with some new micro credentialing programs targeting emerging trends in the profession. Their iterative process becomes more successful than they had imagined, and they start to experience explosive growth with the new micro credentialing programs. Perhaps blinded by their unexpected success, however, they failed to notice that the new programs—with their focus on cutting-edge issues that don't have a deep research base—ended up damaging the reputation of their original certification, which prompts a competitive organization to develop their own certification program in response. If this association had been more attentive to the strategic implications of their new programs, it could have gotten in front of the reputation issue and managed it before it damaged a critical brand.

Difficult Conversations

The final cultural element that we believe can make or break your lean startup activities is also the one that can thwart just about any kind of change: managing conflict and difficult conversations. In fact, of the 64 building blocks that Jamie and Maddie measure in their culture research, the two with the strongest statistical correlation are "managing conflict" and "embracing change." In other words, if you want to do change well, you need to handle your conflict. And, of course, lean startup is all about change.

Among the building blocks, the three most important relating to difficult conversations are:

- **Managing conflict.** Do people move toward and manage conflict when it arises?
- **Hard truths.** Is the senior level transparent about why it makes tough decisions?
- **Incorporating outside perspectives.** Do you regularly bring in people from outside your organization (or department) to help you see things from a different perspective?

Managing conflict is the heart of this category, and it is ultimately about whether you avoid conflict inside your organization. It's not about whether people "like" or "don't like" conflict. When Jamie does conflict resolution trainings, he will often have people physically line up on a continuum from "really hate conflict" all the way over to "love conflict," and, perhaps surprisingly, people tend to be distributed fairly evenly across the continuum. What both ends of the continuum share, however, is a propensity to *avoid* conflict. It's obvious why the people who don't like conflict avoid it, but even those who do like conflict frequently end up moving through it too quickly, because what they really like about conflict is when it's over. This leads to partial resolution, which means the conflict inevitably resurfaces.

Lean startup requires a more effective approach to conflict resolution, particularly because it's focused on developing new approaches and new products or services, which almost inevitably causes friction with your existing programs and the teams who run them. If the new program you're developing could take away customers or revenue from another department, you need to have an open and honest conversation about that early. Frequently, however, these conversations stay vague, because the other department doesn't want to make waves. But when the revenue hit becomes significant, the affected department head objects to the whole project and starts working to kill it. Avoiding the conflict puts the whole project in danger unnecessarily.

Hard truths addresses how effectively the senior level of the organization communicates the "why" behind their toughest decisions to employees. Let's begin by acknowledging that transparency at the senior level feels risky. There's more on the line, so fear creeps in. Letting go of information feels unsafe; it could cause problems.

But the truth is, holding on to information tends to cause more problems than letting go of it. People end up making up stories to fill in the gaps when senior leaders are being too guarded, and those stories are almost always worse than the truth. While there will always be some confidential issues or HR details that absolutely cannot be shared, senior leaders in cultures that do "hard truths" well make a concerted effort to let their teams know what they were thinking when they had to make those tough decisions.

Take the example above involving the department head worried about a revenue hit from the new program. Imagine if that organization assembled the senior team to hash out the potential revenue shift as soon as it became apparent. While the leader proposing the new program remained enthusiastic about its potential, she also realized the revenue concern being expressed by the other department head was legitimate. Perhaps that department was already in the middle of some significant strategic investments that would be derailed if the revenue wasn't there to support them. As a team, they might decide to slow down the development of the new product, alter the new product to not compete so directly with their existing portfolio, focus on a different audience or a different problem, allocate the incoming revenue differently, or modify overhead calculations. There are many options. Once they made their decision, the senior team would then have the responsibility of sharing that reasoning out with all the departments, with a consistent, positive message that wouldn't pit one department against another.

Incorporating outside perspectives is a muscle you must develop if you want to improve your organization's ability to handle conflict. This is about intentionally seeking out perspectives and worldviews that are different than those you already hold. In his book *Think Again,* Adam Grant refers to this as "confident humility." You are *confident* that you will solve the problem or work through the issue, but you are simultaneously *humble,* recognizing that the answers or tools you start with might be the wrong ones. You seek outside perspectives almost hoping you'll be proved wrong, because you know that the sooner you can improve your own approach, the sooner you'll get you to your goal.

This concept is at the very heart of lean startup, where you are constantly challenging your assumptions and trying to prove yourself wrong. That requires data, honesty, and evidence-based decision-making. If you rule out data sources because you don't want to hear bad news, you're doing it wrong. If you choose a specific member segment to test your idea simply because you already know that segment well and have reason to believe they'll agree with your assumptions, you may end up spending a lot of time developing something that will only resonate with a tiny percentage of your membership. And ultimately you'll have to pull the plug after having wasted a lot of time and money—which is ironic, of course, because saving time and money was the whole point of using lean startup methodology in the first place!

Conclusion: Building a Strong Foundation for Lean Startup

We recognize you might be feeling a little down right now, having read all this. Perhaps you saw yourself in some of the descriptions above of cultures that struggle with innovation practices, effective action, organizational clarity, or difficult conversations. That shouldn't be a surprise. In Jamie and Maddie's research, most organizations struggle with the specific building blocks mentioned in those four areas, so you're not alone.

Reading the earlier sections on lean startup and design thinking, you might have come to the somewhat painful conclusion that your people lack some of the critical skills needed for design thinking, or that they don't have a lot of experience in the specific practices that lean startup requires. Again, don't beat yourself up about this. There are more associations in the same boat as you than there are sailing into the sunset toward lean startup paradise. That's one of the biggest reasons we're revisiting lean startup: Associations generally like the idea but still haven't built a solid foundation on which lean startup practices can be successful.

So if you're serious about doing lean startup, make sure you build a solid foundation by addressing three key areas first: Change your culture, build your empathy muscles, and become a learning organization.

Overcoming the Culture Roadblock

Your current culture is likely the biggest obstacle to doing lean startup effectively, so we recommend you start here. This may paralyze some of you, because you've been led to believe that culture change is something that takes decades, encounters tremendous resistance from employees, and, more often than not, fails completely. Well, we have some good news for you:

The notion that culture change is extremely hard to do is a myth.

Yes, culture change requires concerted effort and consistent attention, but no more so than most of the work you're already doing to lead and manage your association. Culture change is a normal part of leadership. The secret to making it easier is to identify the specific areas you want to change and then take a "playbook" approach to implementing that change.

Step 1: Prioritize

One way we make culture change harder than it needs to be is by thinking in terms of creating an "ideal" culture (whatever that might be). We try to define what the perfect culture looks like, which often ends up in a wordsmithing exercise around core values. While core values can be a useful part of managing a culture, that shouldn't be where you start. You don't need lofty language to do culture change right. You need clear statements of priority that demonstrate why those particular priority areas will drive success and include tangible, observable behaviors you can measure that will make those aspects of your culture a reality. These culture priorities aren't necessarily permanent; they're what you need right now, which is likely to change as your association's circumstances and operating environment change.

If your association could benefit from using lean startup methodology (and we hope it's clear by now that we think it could), then we gave you a short cut by giving you four priority areas to focus on:

- **Innovation practices**
- **Effective action**
- **Organizational clarity**
- **Difficult conversations**

These aren't necessarily going to be the core values you list on your association's website. They are just specific areas that research demonstrates must be improved if you want to be successful with your lean startup strategy. It can help to write up these priorities, but as we said above, skip excessive wordsmithing of lofty, aspirational language. Be real, honest, and detailed.

If you know you need to work on innovation practices, for example, then describe what that would mean inside your culture, explain why you think more experimentation would drive success, and detail the matrixed team structure you'll cultivate to make your lean startup work effective.

Then (and this part is critical) lay out the specific behaviors that you know you need more of, like:

- We identify and articulate our assumptions.
- We work in cross-functional and cross-hierarchical teams.
- We routinely run experiments.
- We collect data on the results of those experiments every time, so we can document what we learned.
- We don't punish people for trying something new that doesn't work out, as long as they learn something from it.
- We share what we learn from our experiments, whether they succeed or fail.
- We identify segments of our members and other audiences who are open to being beta testers.
- We solicit feedback from those audiences early and often.
- We use customer feedback to iterate versions of our programs, products, and services, rather than holding them back until they're "perfect."

When you clearly articulate your culture priorities and the specific behaviors you need to encourage and reward to support them, your action planning becomes much more effective.

Step 2: Playbook

Once your priorities are clear, your next step is to write and run some plays in a culture change playbook. We know the playbook metaphor is overused, but it is perfect for culture change. You don't win a game by running a single play. You have a whole book of them. Some are designed for small gains, while others are riskier but have the potential for a bigger reward. As a game progresses, you discover that some plays you thought would work go sideways when they encounter the real world, so you pull those plays out and rework them, allowing you to try a different approach in the next game.

The same is true with culture change. If you want to build your capacity within innovation practices, for example, here are some possible plays you could run:

- **Experiment Tracking:** Implement a process where teams report the number of experiments conducted and their outcomes. This could be as simple as adding these metrics to a regular team meeting agenda or dashboard. This encourages a culture of experimentation and learning from both successes and failures.
- **Innovation Days:** Set aside specific days where employees can focus solely on innovation projects. This could become a quarterly event where everyone steps away from their usual tasks to brainstorm and prototype new ideas.
- **Idea Sharing Platforms:** Introduce a simple tool or platform where employees can share and vote on new ideas. This could be a digital suggestion box or a more structured idea management system. (As you'll see in **Lean Tools** on page 28, many project management platforms include built-in lean startup templates.)
- **Recognition for Risk-Taking:** Develop a recognition program that highlights and rewards employees who take calculated risks and learn from them, even if they don't succeed. This can help create a safe environment for innovation.
- **Cross-Departmental Huddles:** Organize short, informal meetings where employees from different departments can share what they're working on. This can spark new ideas and collaborations across the organization.
- **Comprehensive Training Programs:** Invest in formal training programs that focus on developing innovation skills across the organization. There is a wealth of resources available for workshops, courses, and even certifications in lean startup methodology, design thinking, agile development, and other innovation tools.

Some of those plays (like experiment tracking) are very simple process changes and would require very little effort or expense. A comprehensive training program, on the other hand, could cost you a significant amount of time and money. You should aim for a mix of both quick wins and longer-to-develop "big idea" programs. The quick wins make change visible immediately, while the bigger projects provide the grounding to make change sustainable over time.

Remember, those examples are just for addressing innovation practices. For each priority area, you would aim to brainstorm a list of "plays" that maintain a good mix in terms of level of effort and time to pay off. You'll likely end up with way more plays than you can implement immediately, so pick the ones you want to start with, prioritize the second- and third-order plays, and start running them.

That, in a nutshell, is culture change. See? Not so scary.

Stay on top of implementation and, after that flywheel of change gets moving, make sure you establish metrics to see if the new behaviors you wanted in your culture have taken root. Jamie and Maddie have a whole chapter on the Playbook model of culture change in their book, *Culture Change Made Easy.*

If you want to implement lean startup at your association, and you ignore the culture part of it, you will fail.

If you address the culture part of it by creating slide decks, buying everyone copies of *Who Moved My Cheese?,* and continuously urging people to "be agile" and "try new things," you will fail.

But if you view culture as a tangible business function that can be managed (because it is), prioritize the parts of the culture that will have the greatest impact on your lean startup work, and methodically make changes to the way you do things internally to drive the specific behaviors that make lean startup successful…then you've got a shot.

Developing Your Empathy Muscles

If you recall from the **What Is Design Thinking?** section on page 6, one of the key benefits of incorporating design thinking into your lean startup practice is its focus on empathy, which will make you exponentially more successful in identifying real, significant problems for your audiences. Taking an empathetic approach doesn't promise that your proposed solution will be the right one, but it does dramatically improve your chances of choosing a problem worth solving.

But how do you do that?

Jeanne Liedtka and Tim Ogilvie's book *Designed for Growth* points the way, via a technique called **journey mapping.**

Journey mapping lays out "the customer's experience as he or she interacts with your company in receiving its product or service…. As you map their journey, you're walking a mile in their shoes." Liedtka and Ogilvie add: "If we could add only one design tool to a manager's repertoire, it would be journey mapping." The reason? "Journey mapping gets you closer to customers' lives, to their problems and frustrations, as you seek to understand how to create value for them."[16]

There are many techniques you can employ for journey mapping that range from relying primarily on your own knowledge of your members and other audiences, through surveys, focus groups, questionnaires, and interviews, all the way to monitored user experience testing, ethnographic research, and in-person observation in their environments.

Obviously, these do not all require the same level of effort or investment. We would urge you to "invest 'til it hurts" in this stage. The more deeply you can understand your members' worlds, their operating environment, and their daily goals and challenges, the better hypotheses you will be able to generate for testing in your Build-Measure-Learn cycles.

16 *Designed for Growth,* pp. 61-62

Becoming a Learning Organization

Relatedly, you will need to get to know members and other audiences beyond their purchasing and posting habits. This gets back to something Elizabeth and her co-author Anna Caraveli first wrote about in their whitepaper *Leading Engagement from the Outside In,* also written in 2015 (a big year for the Spark collaborative whitepaper series): **encouraging continuous learning.**

As Elizabeth and Anna wrote:

> Just like we encourage members to take on the mantle of "lifelong learner," so too must our associations become lifelong learners, about everything from major socioeconomic trends to shifts in our relationships with individual members.[17]

There are vast, untapped treasure troves of knowledge about your members and other audiences all over your association, but some of the culture patterns Jamie identified above—particularly boundaries, borders, and territories and incorporating outside perspectives—are preventing you from accessing that knowledge.

Lean startup success requires every person on staff to develop a deep curiosity about what drives your members and other audiences. Each staff person must become a sponge for gathering information. Perhaps even more importantly, your entire team must transparently and openly share that information—no hoarding, no territorialism, no data silos, no dismissing insights because "he's just a customer service coordinator" or "she's not in our department."

To paraphrase the movie *Ratatouille,* not everyone can have a great insight into audiences' goals and challenges, but a great insight can come from anywhere.

What are you actively doing to uncover and share information about your audiences across all levels of your association?

Whatever You Do, Do Something

The solid foundation that will allow you to practice lean startup effectively will not emerge overnight, and that's fine. We know this is a little meta, but try applying some lean startup concepts to the foundation building work of changing your culture, building your empathy muscles, and becoming a learning organization. Instead of mapping out a five-year plan for creating the perfect culture to support lean startup, just start changing things. Run some culture plays that can be accomplished quickly and measure if they are having the intended impact. Use what you learn to design your next set of plays. Taking action—doing something—and then learning from that is much more important than being right all the time.

The same is true for your efforts to improve empathy and learning inside your organization. Continuous and incremental improvement is the path forward in building your foundation. The longer you take to start, the more opportunities to solve real and significant problems for your members and other audiences you'll miss.

17 *Leading Engagement from the Outside In,* pg. 13

CASE STUDY
Breaking Silos and Creating Shared Understanding: The American Association of Veterinary State Boards

"The mindset has to change. Lean startup isn't just filling out some forms. It has to make your staff's lives easier or better. If it doesn't, it won't take hold."

Chrissy Bagby, CAE, PMP, Chief Strategy Officer

The American Association of Veterinary State Boards (AAVSB), the membership association for the regulatory boards that oversee veterinary medicine regulation in the U.S. and Canada, had a problem.

The AAVSB has enjoyed a long track record of success creating and running programs, products, and services for their members and the practitioners they license. But staff and volunteer leadership wanted to expand their portfolio to serve new customers in the industry and to generate more sources of recurring revenue. They had reserves to invest, supportive leadership, staff who were accustomed to launching new programs to meet members' evolving needs, and a strong culture that encouraged growth.

So what was the problem?

The AAVSB had too many interesting ideas, with no structured way of deciding what to build and in what order. They had no plan for "stress testing" their many good ideas before launching. As a result, they had trouble staying focused, setting priorities, identifying when it might be time to course-correct, and determining how best to do that.

The gap became evident when a product that had been launched wasn't quite meeting expectations. Lacking a formal innovation process, the AAVSB team had no method to help them identify assumptions, choose appropriate metrics, and determine which hypotheses to test first and how to test them. Consequently, the project team had accidentally underestimated development costs and overestimated market response.

"We were used to hitting home runs for our members and affiliated customers," said Chrissy Bagby, CAE, PMP, Chief Strategy Officer at the AAVSB. "Then, when we had a launch fall flat, it didn't feel great. We realized that if we wanted to 'run our association like a business' and be on the front end of innovation, we couldn't just luck into success or hope it would happen organically. We had to be more intentional about instituting a process for innovation."

"What made it particularly frustrating is that we'd used an agile process to build this product, and we thought we'd started with a 'minimum viable product' prototype," Bagby added. "Knowing what I know now, I can see how wrong we were, but at the time, we were shocked. We had done our best with what we knew. We realized if we wanted to do better, we needed to learn something new."

Though the AAVSB staff was using many recognized good practices for product development, much of that knowledge was tacit, scattered, and piecemeal. Their two-person innovation team, consisting of Bagby and project management specialist KC McGuire, PMP, had instituted good project management practices, which helped them identify several potential gaps in the AAVSB's innovation processes, and they suspected there might be more.

The question became: How could the AAVSB innovation team identify the skills they and their colleagues would need to innovate, acquire those skills, and institutionalize them across the organization?

The AAVSB needed a repeatable process, so that no matter who came up with the new idea, investigated its feasibility, or piloted the development of the new product, everyone would have the tools and the knowledge to create shared understanding of their goal, to communicate that goal to stakeholders including the board of directors, to give the organization the best chance of success, and to identify any problems with the idea early in the process before committing significant time, money, and other resources. In short, they needed to take a more systematic approach to innovation.

As Bagby put it to CEO Jim Penrod, CAE: "We could lock our senior team in a room for a month and come up with a process, but who's going to run the association while we do that?" They decided they needed an experienced partner to help them identify a complete solution and implement it quickly.

The AAVSB chose Spark Consulting to identify and evaluate options and assist in choosing and implementing an innovation methodology the entire organization could use. The project team worked together over several months, beginning with a gap analysis of the AAVSB's existing product development process. They considered a variety of options for a more formalized, proven approach. The result was the joint development of the AAVSB Product Development Framework, based on lean startup methodology.

The AAVSB project team knew that lean startup wasn't going to work perfectly "out of the box" and would have to be adapted to its culture and needs. After some lengthy conversations, training webinars, homework, and hands-on work with staff, the team conducted a learning experiment by assembling a cross-departmental team to work through their first lean canvas for the newly launched but underperforming product.

"We recognized that was kind of backwards, but taking a flexible approach, rather than rigidly insisting on doing it 'by the book,' and applying the methodology first to our immediate problem allowed us to quickly adapt lean startup to our needs," said Bagby. "It also helped us figure out where the launched product had gone wrong, which led to a confident and evidence-based recommendation to terminate the program."

Next came the real test: Applying the Product Development Framework to a new idea, a mobility assistance program designed to reach veterinary medicine licensees through their employers at the precise time they need assistance getting licensed. The AAVSB also suspected those employers might need help finding and understanding regulatory information, which differs by state and provincial jurisdiction. This idea could potentially create a new product for a new customer (the employers) while better serving an existing customer group (veterinarians and veterinary technicians).

Over about four months, the core team of Bagby, McGuire, and Spark led the larger project team through an entire Product Development Framework cycle, completing a lean canvas, designing the first prototype in the pilot, identifying Metrics That Matter, and outlining the first two iterations of testing through the Build-Measure-Learn cycle. Then it was time to test that first prototype, with 12 employers included in the initial pilot.

"There's a saying that's attributed to Navy SEALs: 'Slow is smooth, and smooth is fast,'" Bagby said. "One of the biggest advantages of the whole process is that while it felt long and slow going through it, with lots of meetings to bring the staff up to speed, once we started testing, everyone knew what was going on and where we were in the process. As a team, we know what the product is, what assumptions we are testing, and in what order. When we get information back from the pilot participants, whether it verifies or disproves one of our assumptions, we're able to assimilate it better, respond faster, and remove barriers quicker for the team that is managing the prototype, so they can run their next cycle of tests."

A little over a year after the first meeting about the mobility assistance program idea, the AAVSB is realizing revenue, adding customer-requested features, working on the long-term financial model, and investigating a major partnership that would allow them to rapidly scale the program.

"Did investing that time up front actually take longer than the program that failed?" asked Bagby. "We maybe saw a little revenue from that failed program a little sooner, but ultimately it wasn't sustainable, and the program died. Although the more deliberate Product Development Framework approach felt slow initially, it ultimately allowed us to move fast and avoid mistakes."

"I've been pleasantly surprised at how quickly our staff and board have embraced this approach," said Bagby. "Without me bringing it up, my colleagues come to me with ideas and ask if we can run them through the Product Development Framework. They're now using it not only for member-facing programs, products, and services, but are also applying it to internal projects and operations. Meanwhile, the board of directors loves the process, particularly the level of communication they get. They know what to expect from us and when to expect it, which has created tremendous trust and confidence. They are even asking us to test their ideas through the Product Development Framework now."

That didn't happen by accident.

"Working with Spark, we created a good plan to implement this methodology, and we followed it. We planned for meetings and thought through conversations in advance. We set goals, not only for the product we were working on, but for learning and adopting the methodology. We talked a lot about culture change and change management up front and strategized about how to draw out the quiet dissenters," said Bagby. "The result is my colleagues all understand the process and recognize the benefit of following it. They see that asking questions and surfacing assumptions allows them to get buy-in not only to the process but to the result as well. They are witnessing how getting people from different functional areas around the table to talk about and think through ideas means we don't proceed without their critical perspectives. They see the process itself as a solution for implementing complicated ideas. We have complete buy-in to the new process, and it's exciting!"

What advice would Bagby have for another association considering adopting a lean startup approach to innovation work?

"Eric Ries's book and the other online and print resources that exist are great, but hiring someone to help you train your team on both the philosophy and process of lean startup and adapt these tools and techniques to your organization's needs and culture really helps," said Bagby. "Then, once you're working with the concepts, go back to Ries's book and the other resources, because you'll learn new things once the main process becomes more natural. Even your adoption of lean startup should be an iterative process that you tweak and refine based on what you learn as you go and the skills your staff develops, as you see what does and doesn't work for your organization."

About the American Association of Veterinary State Boards

The American Association of Veterinary State Boards (AAVSB) is a 501(c)(3) nonprofit corporation headquartered in Overland Park, Kansas. We are an association of veterinary medicine regulatory boards whose membership includes licensing bodies in 63 jurisdictions, including all of the United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and the ten Canadian provinces.

Core Purpose: Ensure and enhance the welfare of the public and animals.

Mission: The AAVSB's leadership and comprehensive resources support and advance veterinary medicine regulation.

Core Values:

- Integrity – demonstrated by honest, trustworthy, ethical behavior
- Excellence – protecting the public through service, accuracy, responsive innovative actions
- Inclusion – through collaboration and participation
- Accountability – stewardship of resources

CASE STUDY
A Decade of Lean Innovation: The National Council of Architectural Registration Boards

"If you think there's no uncertainty, you're lying to yourself. There's uncertainty in your audiences' world, so there's uncertainty for you."

Guillermo Ortiz de Zárate, Chief Strategy Officer

Those of you who read *Innovate the Lean Way* are familiar with Guillermo Ortiz de Zárate. Ortiz de Zárate, until recently NCARB's Chief Strategy Officer, coauthored that earlier monograph, and NCARB was one of the case studies. (As we were working on this whitepaper, he accepted a new position as chief executive officer and executive vice president for the American Society of Appraisers.)

In response to Elizabeth Engel's opening interview question, "What project is NCARB using lean startup for?" Ortiz de Zárate responded, "All of them! Ten years ago, when you and I wrote the first whitepaper, I had just finished a project testing out adding a real-time contact option to our website. We used lean startup for the first time, and it clearly saved us time and money. That led to the realization that we should use it all the time for everything—in other words, for portfolio management."

As is common with the other associations profiled in this paper, the members of the NCARB team knew they couldn't just "plug and play" lean startup methodology. They combined it with design thinking's focus on developing deep, empathetic knowledge of their audiences and working hand in hand with potential users at every step of the process to create their own "flavor" of lean innovation. (You can learn more about design thinking in **What Is Design Thinking?,** on page 6.)

A decade later, how are things going?

"Although we've definitely moved the organization ahead, we didn't achieve the standard I was hoping for," Ortiz de Zárate admitted. He attributes that, in part, to NCARB's fortunate status as a federation of regulatory boards, which gives it a de facto monopoly on professional licensing in the architecture profession. "I think there might be more incentive to take risks in an organization that's struggling with flat membership, churn, competition, or declining meetings attendance," he said, none of which is true of NCARB.

However, he added, "the lean startup approach has become part of the NCARB culture. People are more likely to ask for data to prove or disprove hypotheses. We run more pilots. We try to articulate and question our assumptions. And that's coming up organically, not as a result of leadership telling staff they have to do it this way. I feel like we both failed and succeeded at same time. After iterating our own approach for ten years, we've seen the benefits of lean innovation, but we haven't quite gotten to the level I'd hoped."

What level was that?

"We've never actually tied approving additional expenditures in our project budgets to completing successful tests," said Ortiz de Zárate. "I'd also hoped to use lean innovation to do evidence-based sunsetting of programs that weren't working, and we never got to the point of applying it to full portfolio review."

Why does Ortiz de Zárate think that's been the case?

Culture.

Association executives know that the culture of the profession or industry our associations serve influences the culture of the association itself. "Regulators are cautious and risk-averse, and architects are planners whose training is designed to instill certainty in outcomes," Ortiz de Zárate pointed out. "You have to be sure the building isn't going to fall down."

This is also a challenge for volunteer-led organizations, like associations. "Taking a lean startup approach removes the opportunity for the 'big launch' ribbon cutting," said Ortiz de Zárate. "If you're innovating continuously, there is no one big 'reveal' moment. Something you started testing two years ago is 'suddenly' successful, but it's a team effort, so there's no 'signature initiative' a board president or committee chair can put their name on. And volunteer leaders like to leave a legacy."

That said, Ortiz de Zárate is still very much an evangelist for the methodology. "At the organizational strategy level, I come back to the triple constraint: Time is limited, budget is limited, the only thing that's flexible is what you do with your limited time and money. You want to make sure your investments have an impact in terms of creating value for your members, maintaining relevance, and bringing in revenue. Lean startup helps you answer that key question: 'What should we focus on as an organization that will make an impact?'"

The concept of the pivot has been particularly critical for NCARB. "When we were defining success for our innovation methods, we used the pivot as a critical metric," said Ortiz de Zárate. "If you are not pivoting, you are not learning. One of the axioms of lean startup is that people can't be right all the time, so if you're not pivoting, you might actually not be testing the right assumptions, or you might be choosing metrics that prove you right as opposed to those that will provide new insights. 'Time to Insight' has been one of our Metrics That Matter. How long did it take us to fail (learn) when using lean startup versus when using traditional product planning?"

What advice would Ortiz de Zárate have for another association considering adopting a lean startup approach to innovation work?

It depends on your position in the association.

"If you're the CEO, go for it," he advised. "You have the ability to create the culture you want, one where people fail often and small, rather than rarely but catastrophically. And when your employees don't get punished for that as long as they learn something, you get a nimble, innovative organization."

For staff outside the C-suite, Ortiz de Zárate advised, "Start with small projects and get small wins. If you're not the CEO, you can't create a revolution in your association's culture all by yourself, but you can work on an evolution. Small wins will make others curious about what you're doing, and they will want to try it themselves. Eventually, your colleagues will start asking, 'Can we do this at other levels of the organization and make this our culture?'"

About NCARB

The National Council of Architectural Registration Boards (NCARB) is a nonprofit organization made up of the architectural licensing boards of 55 U.S. states and territories. While each jurisdiction is responsible for regulating the practice of architecture within its borders, NCARB develops and administers national programs for candidates pursuing architectural licensure and helps architects expand their professional reach through the NCARB Certificate.

Mission
NCARB, in collaboration with licensing boards, facilitates the licensure and credentialing of architects to protect the health, safety, and welfare of the public.

Vision
NCARB's vision is to ensure safe places and spaces for all communities.

As a global leader in architectural regulation, they accomplish this mission by recommending and encouraging national requirements for architectural licensure in line with their three strategic goals.

- Facilitate Licensure: NCARB's programs and services enable the pursuit, achievement, and ongoing maintenance and mobility of architectural licensure
- Foster Collaboration: NCARB's proactive engagement with licensing boards and industry organizations advances the understanding and effectiveness of architectural regulation
- Maximize Value: NCARB's programs and services further the progress of our licensing boards and customers

NCARB is dedicated to helping professionals reach their career goals, providing key data about the path to licensure, and protecting the public's health, safety, and welfare.

CASE STUDY
Innovate Your Innovation: The National Registry of Emergency Medical Technicians

"Innovation is one of our core values. My job is to transform it from aspirational to actualized. How can I help people see a new way of doing things and get comfortable with it?"

Tiffany Dyar, Director of Innovation

About four years ago, the National Registry of Emergency Medical Technicians (National Registry) realized it had a problem. Although it espoused innovation as a core value, both internally and externally, it had no system or process around innovation, so it couldn't accurately measure or even discuss its efforts.

The solution was to create an Innovation Team and hire Tiffany Dyar to run it. Her background in the high-risk, high-pressure, and rapidly evolving world of ICU medicine research, leading health innovation at the Indiana University School of Medicine, and marketing made her an ideal candidate to help the National Registry with the necessary culture and behavioral changes to make their vision of innovation real.

Her first task?

Leading the staff to a shared definition of innovation.

"A lot of what we called innovation was really continuous improvement, so we had to co-create a definition that matched our values and suited our environment, as a relatively risk-averse certification organization," said Dyar.

"We decided that, for the National Registry, innovation means 'creating new things that add value for our stakeholders, partners, and other audiences,'" said Dyar. "We further specified that we'd categorize our projects as either incremental, which is where the majority of our innovation work happens, or breakthrough."

That shared "north star" allowed the National Registry staff to work together in new ways.

As is the case in many organizations, the National Registry's operational teams often come up with good ideas for "new things that add value," but they lack the capacity to test out those ideas, as they're already fully booked with their day-to-day jobs. The Innovation Team was formed to do that early work of discovery, ideation, and experimentation, running ideas through testing and iteration, after which validated ideas get turned back over to subject matter experts (SMEs) in the operational teams for full implementation.

But to do that, the Innovation Team had to build mutual trust and a shared sense of responsibility. "It's not, 'we're in charge, doing our own thing,' or 'Tiffany's doing whatever she thinks might be fun,'" said Dyar. "We're partners, operating in service to the SMEs on our operational teams. We had to develop trust with them so they were confident relinquishing initial control to allow the Innovation Team to explore ideas on their behalf that may eventually become their responsibility to scale and maintain."

When an operational team has an idea, whether it relates to addressing an existing pain point or taking advantage of a new opportunity, the National Registry's Leadership Team does an initial *prima facie* analysis, after which the Innovation Team steps in to begin the discovery process, taking a customer-centric perspective and using market research to make data-informed decisions about whether they've even chosen the right problem to solve.

Once they're confident that they've identified a real and significant problem, the Innovation Team, in collaboration with the operating team leader—who would ultimately own the finished product—conduct cross-team meetings and workshops to ideate solutions. As Dyar stressed, "We're the facilitators, not the SMEs."

The Innovation Team then takes the most promising potential solution to that real and significant problem and creates a prototype to test, which may be as simple as mocking up ideas on paper or even thinking through the steps that would be necessary to make that idea real. As Dyar pointed out, "Certification organizations are a tough environment for experimentation. Our examinations must be precise, accurate, psychometrically sound, and legally defensible. We can't just throw any idea out there."

This has represented a culture change for the National Registry staff. They're not just building a trusted relationship between the Innovation Team and the operational teams; they're also taking the time to assess "right audience, right problem, right solution" that undergirds lean startup methodology. "We used to jump right into solutions without even asking if we were solving the right problem in the first place, or we'd end up going in circles, with same group of individuals contributing, and leave meetings with no solution, which was extremely frustrating for everyone. With the Innovation Team now facilitating these conversations, we walk away with something tangible," said Dyar.

The culture change extends to the National Registry's Board of Directors. "They had a subconscious belief that innovation is risky and haphazard. The Innovation Team has established a clear vision that has enabled the Board to gain confidence in initiatives such as conducting market research. They see that innovation is a systematic, methodical approach that helps us make better decisions, save money, and reduce risk," said Dyar.

What advice would Dyar have for another organization considering adopting a lean startup approach to innovation work?

"Follow the method yourself," she said. "Do your discovery work first. Think about where you need to iterate your own innovation process to make sure you're serving your organization. Be patient. Don't be afraid to change, and don't be overly tied to your own ideas and ways of doing things. Innovate your innovation!"

About The National Registry of Emergency Medical Technicians

The National Registry, established in 1970 as a nonprofit organization, is the Nation's Emergency Medical Services Certification organization. The National Registry is accredited by the National Commission for Certifying Agencies (NCCA), the accreditation body of the ***Institute for Credentialing Excellence***. The National Registry maintains NCCA accreditation for each of the four certification programs: Emergency Medical Responder (NREMR), Emergency Medical Technician (NREMT), Advanced Emergency Medical Technician (NRAEMT), and Paramedic (NRP). Credentialing protects the public, assures consumers that professionals have met standards of practice, advances the Emergency Medical Services (EMS) profession, and establishes standards of professional knowledge, skills, and practice.

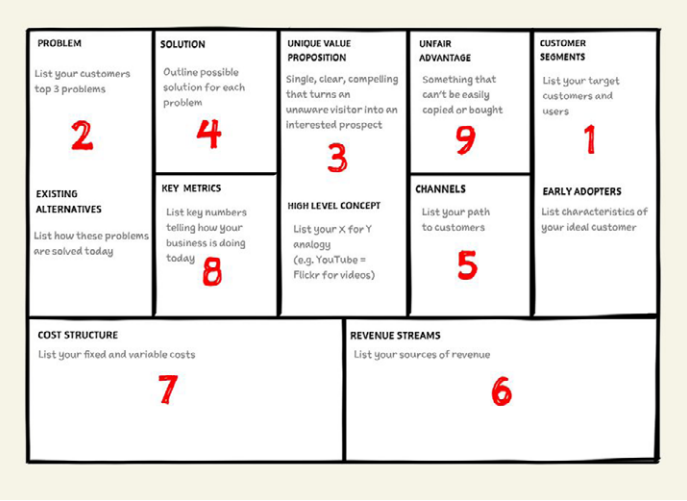
BONUS CONTENT
Lean Tools

We've included a bibliography of sources in **Additional Resources,** on page 32, but there are a few tools we've found to be particularly useful we wanted to highlight for you.

Lean Canvases

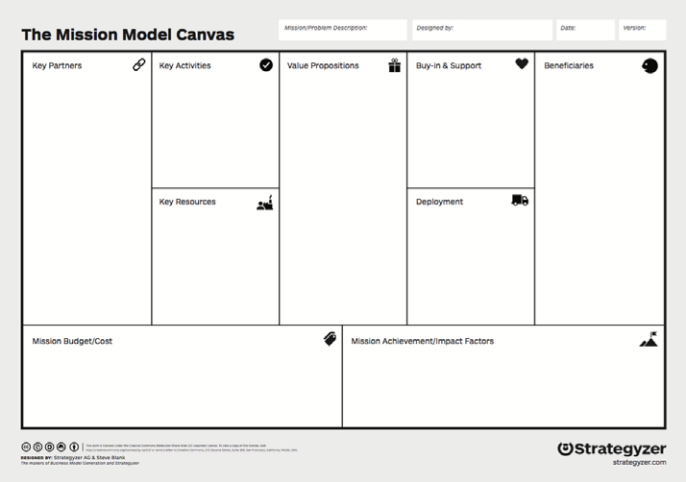
The primary tool you'll be working with in lean startup methodology is the Lean Canvas, a one-page business plan template designed to help you surface your assumptions about your audience, their real and significant problem, and your potential solution, so you can test those things via the Build-Measure-Learn cycle.

The most commonly used Lean Canvas was created by Ash Maurya, founder of ***Leanstack.com*** and author of Running Lean, among other works:



18

Associations should also be aware of an additional Lean Canvas resource, the Mission Model Canvas developed by Alexander Osterwalder for Strategyzer.



19

The Mission Model Canvas recognizes that, in mission-driven organizations, project teams might be developing programs, products, and services that are not intended to produce revenue but rather to serve the mission of the organization.

While there are LOTS of resources available to help you work with a standard Lean Canvas, Bryann Alexandros has created a terrific resource for mission-driven organizations, *The Canvas Kit for Nonprofits,* available at ***https://www.nonprofitjourney.org/uploads/8/4/4/9/8449980/_npo_business_model_canvas_alexandros.pdf***. Alexandros's kit provides some background information and context, addresses human-centered design and visual collaboration, and then gets into details (with examples) on how to conduct contextual interviews, leading into identifying assumptions to test when your audience may not be "customers" and creating prototypes when your goal isn't "profit."

Although they were originally developed to be filled out physically and in person, many common project management tools now have Lean Canvas templates either built in (ClickUp, Leantime.io, Miro, Monday.com, Mural, Trello, Wrike) or available via a plug in (Jira, QuickBase).

18 https://www.leanfoundry.com/tools/lean-canvas
19 https://www.strategyzer.com/library/the-mission-model-canvas-an-adapted-business-model-canvas-for-mission-driven-organizations

Lean Canvas Prompts

What if you need more guidance to fill out your Lean Canvas?

The following prompts were compiled by KC McGuire, PMP, Project Specialist, American Association of Veterinary State Boards, from a variety of sources, including:

- *Escaping the Build Trap: How Effective Product Management Creates Real Value* by Melissa Perri
- *Lean Analytics: Use Data to Build a Better Startup Faster* by Alistair Croll and Benjamin Yoskovitz
- *User Story Mapping: Discover the Whole Story, Build the Right Product* by Jeff Patton
- Fulcrum: ***https://fulcrum.rocks/blog/fill-in-lean-canvas***
- Strategyzer: ***https://www.strategyzer.com/library/nine-questions-to-assess-your-business-model-design*** and ***https://www.strategyzer.com/library/the-business-model-space***

Prompts

1A. Customer Segments: List your target customers, audiences, or users
- There's a common stumbling block—people tend to define their audience too broadly.
- The golden rule states: "When you're trying to build a product for everyone, you'll end up selling it to no one."
- If you cannot narrow down the audience segments, create a separate Lean Canvas for each of them.

1B. Early Adopters: List the characteristics of your ideal customer
- Who would you want to use this product first? What characteristics do they have in common?
- Who are the people with "above average" needs for your product?
- These customers tend to be forgiving of mistakes and eager to give feedback.

2A. Problem: List your customers' top three problems
- What gap is your product filling in the market?
- It is vital to understand the problems your customers are trying to solve and the goals they are trying to achieve.
- This is where the empathy-based research design thinking entails comes in.

2B. Existing Alternatives: List how your customers solve these problems today
- You don't describe your competitors here.
- This box needs to be filled with alternative ways to solve the problem.
- If you were reinventing Uber, you wouldn't list Lyft or cab companies. You'd list that people can walk, bicycle, take the bus, take the subway, carpool, or drive themselves.

3A. Unique Value Proposition
- How would your idea be better than existing alternatives?
- Why would customers choose this program, product, or service over other programs, products, or services you offer?
- Why would customers choose this program, product, or service over programs, products, or services other groups offer?
- What is the clear benefit?

3B. High Level Concept
- How can you describe this in a way that is short and immediately understandable by your potential customer?

4. Solution: List possible solutions for each problem
Take a close look at the "problems" column. What is the most obvious, first-comes-to-your-head solution to the problems identified?
   - You can also do market research here, asking your potential customers for their take on what would solve their problems.

5. Channels: List your path to your customers
   - Where do your customers currently consume content, so you can make sure to offer your product at the right place and time?
   - Consider all offline and online channels to reach your audience: word of mouth, offline events, social media platforms, email, online ads, etc.
   - Divide your channels into:
     - Before purchase: word of mouth, social media, online advertising, earned media, promotional emails, etc.
     - During purchase: your website, catalogs, communication with sales managers, etc.
     - After purchase: email updates, customer feedback surveys, social media, etc.

6. Revenue Streams: List your source(s) of revenue
   - Is this a one-time purchase, a monthly or annual subscription, something else?
   - Think this through before you jump into creating your MVP.
   - If you can't figure out how you can monetize your solution, it's not a viable business idea.

7. Cost Structure: List your fixed and variable costs
   - Fixed costs are things like overhead that don't tend to fluctuate.
   - Variable costs are things like direct material costs, labor costs, marketing expenses.
   - What will it take to create an MVP? A finished product?
   - What level of resources will you have to invest before you begin recognizing revenue?
   - Most likely, your cost structure will change over time. But you can always come back to your Lean Canvas and update it as you learn more.

8. Key Metrics: List Metrics That Matter
   - What is your business "bottom line"? What revenue goals will your solution need to meet or exceed to be successful?
   - See **What Is Lean Startup?** on page 3 for more advice on identifying additional Metrics That Matter.

9. Unfair Advantage: Describe something you have that cannot easily be copied or bought
   - What do you have that no one else has or can get?
   - "First to the market" with your idea is not a sustainable unfair advantage. Many successful companies weren't the first to the market. They were second, third, or more, and gained market share by improving and perfecting something someone else originated.

If you're using the Mission Model Canvas, the prompts are largely the same with the exception of Revenue Streams (item 6) and Unfair Advantage (item 9).

6. Mission Achievement/Impact Factors:
   - List the goals of the initiative, and make sure they're quantifiable.
   - How will your team know if you succeeded for each beneficiary, and to what degree?
   - How does the achievement of the mission of this particular program contribute to the achievement of the overall mission of the organization?

9. Buy-In and Support: Map the stakeholders who are critical to project success
   - How do we get potential beneficiaries to buy in?
   - What will we need them to do to support this project?

Questions for Reflection

- What aspects of lean startup methodology are most appealing to you?
- Does your organization regularly create business plans for new initiatives? What would happen if you replaced those with a lean canvas?
- Have you ever built a new program, product, or service that failed to meet expectations? After learning about lean startup methodology, have you gained some insight into what might have gone wrong?
- Does anyone ever ask, "Where's the evidence that this is a problem worth solving?" when your association is planning to launch a new initiative?
- What methods do you currently use to discover and understand your members' or customers' pain points? How are you moving beyond your current services and finding new opportunities for serving your audiences?
- Who are the eager beta testers, advisory group members, collaborators, or co-creators among your members? If you don't know, how could you locate them?
- How do you measure the effectiveness of your programs, products, and services?
- What are good candidates for Metrics That Matter in your association?
- How fast do you learn? How fast do you fail? Are you comfortable enough with the word failure to even talk about it, or does everything have to be redefined as some type of "success"?
- Is your team able to let go of an idea if your assumptions are proven wrong? If you struggle with that, what would make it easier?
- Have you ever pivoted on an audience, a problem, or a solution? What happened as a result?
- How long has it been since you sunsetted a program, product, or service? What happened when you did?
- Have you tried to use lean startup practices but found you were unable to implement them successfully? Can you identify, in your organization, one or more of the culture patterns or practices we discussed that may have caused that?
- Does your culture encourage you to have honest conversations about what provides value and what doesn't? If not, what culture pattern or practice do you need to change to facilitate that level of honesty? How would you go about doing that?
- What's one project that's entirely under your control where you might be able to start experimenting with lean startup methodology?
- Can you identify some "quick win" culture change activities that would help to increase the use of innovation practices like experimentation or beta testing?

Additional Resources

Alexandros, Bryann & Skylance. *The Canvas Kit for Nonprofits,* 2013. Retrieved April 9, 2025, from ***https://www.nonprofitjourney.org/uploads/8/4/4/9/8449980/_npo_business_model_canvas_alexandros.pdf***.

ASAE Foresight Works, ASAE Research Foundation. Retrieved April 9, 2025, from ***https://www.asaecenter.org/resources/asae-foresightworks***.

Bland, David J. Bland and Alexander Osterwalder. *Testing Business Ideas: A Field Guide for Rapid Experimentation,* Wiley, 2019.

Blank, Steve, "The Business Model Canvas Gets Even Better—Value Proposition Design," October 24, 2014. Retrieved April 9, 2025, from ***https://steveblank.com/2014/10/24/17577/***.

Blank, Steve, "Why the Lean Start-Up Changes Everything," *Harvard Business Review,* May 2013. Retrieved April 9, 2025, from ***https://hbr.org/2013/05/why-the-lean-start-up-changes-everything***.

Blank, Steve, "The Mission Model Canvas—An Adapted Business Model Canvas for Mission-Driven Organizations," February 23, 2016. Retrieved April 9, 2025, from ***https://steveblank.com/2016/02/23/the-mission-model-canvas-an-adapted-business-model-canvas-for-mission-driven-organizations/***.

Blank, Steve, "Why the B-M-L Loop of Lean Startup is Misconstrued." Retrieved April 9, 2025, from ***https://visualisesolutions.co.uk/why-the-b-m-l-loop-of-lean-startup-is-misconstrued/***.

Caraveli, Anna, and Elizabeth Weaver Engel. *Leading Engagement from the Outside-In: Become an Indispensable Partner in Your Members' Success,* May 2015. Retrieved April 9, 2025, from ***http://bit.ly/1GPNUM6***.

Coerver, Harrison and Mary Byers. *Race for Relevance: 5 Radical Changes for Associations,* ASAE Association Management Press, 2021.

Cooper, Brant and Patrick Vlaskovits. *The Lean Entrepreneur: How Visionaries Create Products, Innovate with New Ventures, and Disrupt Markets,* Wiley, 2016.

Croll, Alistair and Benjamin Yoskovitz. *Lean Analytics: Use Data to Build a Better Startup Faster,* O'Reilly Media, 2013.

Dam, Rikke Friis. "The 5 Stages in the Design Thinking Process." Retrieved April 9, 2025, from ***https://www.interaction-design.org/literature/article/5-stages-in-the-design-thinking-process***.

Engel, Elizabeth Weaver. "Formalizing Innovation," *Associations Now,* October 25, 2024. Retrieved April 9, 2025, from ***https://www.asaecenter.org/resources/articles/an_plus/2024/10-october/formalizing-innovation***.

Furr, Nathan and Jeff Dyer. *The Innovator's Method: Bringing the Lean Startup into Your Organization,* Harvard Business Review Press, 2014.

Garner, Benson. "How to create a crystal-clear Business Model Canvas," *Strategyzer,* March 19, 2015. Retrieved April 9, 2025, from ***https://www.strategyzer.com/library/how-to-design-a-crystal-clear-business-model-canvas***.

Grant, Adam. *Think Again: The Power of Knowing What You Don't Know,* Penguin Books, 2023.

Han, Esther. "What Is Design Thinking & Why Is It Important?" Harvard Business School Online Business Insights Blog, January 18, 2022. Retrieved April 9, 2025, from ***https://online.hbs.edu/blog/post/what-is-design-thinking***.

IDEO U. "What is Design Thinking & Why Is It Beneficial?" Retrieved April 9, 2025, from ***https://www.ideou.com/blogs/inspiration/what-is-design-thinking***.

Jacobs, Sheri. "Risk Capacity vs. Risk Tolerance," *Associations Now,* October 29, 2024. Retrieved April 9, 2025, from ***https://www.asaecenter.org/resources/articles/an_plus/2024/10-october/risk-capacity-vs-risk-tolerance***.

Kanheman, Daniel. *Thinking Fast and Slow,* Farrar, Straus, and Giroux, 2013.

Khalimonchuk, Kateryna. "How to Fill In Lean Canvas Template: the Guide to Shaping Your Startup Idea into Product," *Fulcrum,* April 20, 2022. Retrieved April 9, 2025, from ***https://fulcrum.rocks/blog/fill-in-lean-canvas***.

Lewrick, Michael, Patrick Link, and Larry Leifer. *The Design Thinking Toolbox: A Guide to Mastering the Most Popular and Valuable Innovation Methods,* Wiley, 2020.

Liedtka, Jeanne and Tim Ogilvie. *Designing for Growth: A Design Thinking Tool Kit for Managers,* Columbia University Press, 2011.

Maurya, Ash. Lean Canvas. Retrieved April 9, 2025, from ***https://www.leanfoundry.com/tools/lean-canvas***.

Maurya, Ash. *Running Lean: Iterate from Plan A to a Plan That Works,* O'Reilly Media, 2011.

Notter, Jamie and Maddie Grant. *Culture Change Made Easy: See Your Hidden Workplace Patterns and Get Unstuck,* Think Twice Books, 2024.

Ortiz de Zárate, Guillermo and Elizabeth Weaver Engel. *Innovate the Lean Way: Applying Lean Startup Methodology in the Association Environment,* October 2015. Retrieved April 9, 2025, from ***http://bit.ly/1NJJzkJ***.

Osterwalder, Alexander. "The Mission Model Canvas: An Adapted Business Model Canvas for Mission Driven Organizations," *Strategyzer,* February 26, 2016. Retrieved April 9, 2025, from ***https://www.strategyzer.com/library/the-mission-model-canvas-an-adapted-business-model-canvas-for-mission-driven-organizations***.

Osterwalder, Alexander and Yves Pigneur. *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers,* John Wiley and Sons, 2010.

Patton, Jeff. *User Story Mapping: Discover the Whole Story, Build the Right Product.* O'Reilly, 2014.

Perri, Melissa. *Escaping the Build Trap: How Effective Product Management Creates Real Value,* O'Reilly Media, 2019.

Ries, Eric. *The Lean Startup: How Constant Innovation Creates Radically Successful Businesses,* Penguin Books, 2011.

Skhmot, Nawras. "The 8 Wastes of Lean," The Lean Way, August 5, 2017. Retrieved April 9, 2025, from *https://theleanway.net/The-8-Wastes-of-Lean*.

Strategyzer. Assessment Questions for Leaders. Retrieved April 9, 2025, from *https://www.strategyzer.com/library/nine-questions-to-assess-your-business-model-design*.

Strategyzer. The Business Model Design Space Card Deck. Retrieved April 9, 2025, from *https://www.strategyzer.com/library/the-business-model-space*.

Studio by UXPin. "Prototype vs MVP vs Proof of Concept—Differences and Similarities." Retrieved April 9, 2025, from *https://www.uxpin.com/studio/blog/prototype-vs-mvp-vs-proof-of-concept/*.

About Jamie Notter

Jamie is a speaker, author, consultant, and culture scientist who helps leaders create amazing workplace cultures that grow performance and impact. He began his career in the international conflict resolution field, running training programs in areas of ethnic conflict in the 1990s. He transitioned into organizational consulting, initially as a diversity trainer and consultant, then leading his own management consulting practice, where he specialized in helping leaders work through their most difficult strategic and operational challenges.

In 2014, he joined forces with Maddie Grant to create a workplace culture consultancy, originally named Culture That Works. There they were pioneers in bringing new practices to culture change and, more importantly, ongoing culture management. As part of their work together they created the WorkXO culture assessment that they later sold to QuestionPro. In 2020, their company rebranded as PROPEL.

Jamie and Maddie are well-known thought leaders in the association community and beyond. They've written four books together, including the award-winning *Non-Obvious Guide to Employee Engagement,* and their 2024 release, *Culture Change Made Easy.* An accomplished and sought-after keynote speaker, Jamie holds a master's degree in conflict resolution from George Mason University, and a Certificate in Organization Development from Georgetown, where he served as an adjunct faculty member.

About Elizabeth Weaver Engel

Elizabeth Weaver Engel, M.A., CAE, chief strategist at Spark Consulting LLC, has more than 25 years of experience in association management. Although her primary focus has been in membership, marketing, and communications, her work has been wide-ranging, including corporate sponsorship and fundraising, technology planning and implementation, social media and internet strategy, budgeting, volunteer management, publications, and governance.

Spark provides strategic membership and marketing advice and assistance to associations that have the willingness and capacity at both staff and board levels to ask themselves tough questions and take risks in service of reaching for big goals. Forget settling for incremental growth by making minor changes to what you're doing—we're going to uncover and solve the root problems that hold your association back!

Elizabeth combines a focus on asking the right questions and finding and implementing creative solutions with a broad understanding of the association sphere. Throughout her career, she has excelled at increasing membership, revenue, public presence, and member satisfaction while decreasing costs through a focus on the efficient and effective use of data, staff, and technology to serve organizational goals and constituents.

Prior to launching Spark, Elizabeth consulted in online campaigns and marketing and internet and social media strategy for Beaconfire Consulting, and in a wide range of subject areas in association management in the not-for-profit consulting practice at RSM McGladrey, Inc. She has also served associations directly in a variety of positions, including director of member services and IT, director of marketing and sponsorship, vice president of marketing, and acting CEO.

Elizabeth is a certified association executive (CAE) and holds a master's degree in government and foreign affairs from the University of Virginia.

About Guillermo Ortiz de Zárate

With more than 30 years of information technology experience and a bachelor of science degree in information technology, Guillermo has led the development and implementation of technology for companies in industries such as engineering, urban development, healthcare, banking, international commerce, marketing, government, NGOs, regulation, and software.

Guillermo's association experience started at the National Council of Architectural Registration Boards (NCARB), where he spent 18 years leading the radical transformation of the organization. His most recent position at NCARB was chief strategy officer, with a portfolio that included information technology, data and analytics, strategic planning, innovation, and continuous improvement.

During his tenure, Guillermo was the founder and president of Lineup®, NCARB's wholly owned software-as-a-service subsidiary (***www.lineupteams.com***), which serves both nonprofits and for-profit companies, including some well-known Fortune 10 companies.

In January 2025, Guillermo became the chief executive officer and executive vice president of the American Society of Appraisers (ASA). With a $6M annual budget, he leads a staff of 26 that serves 5,000 appraisers and valuers in six different disciplines: real property, personal property, gems and jewelry, machinery and technical specialties, business valuation, and appraisal review and management in a global market, with international presence and 66 chapters.