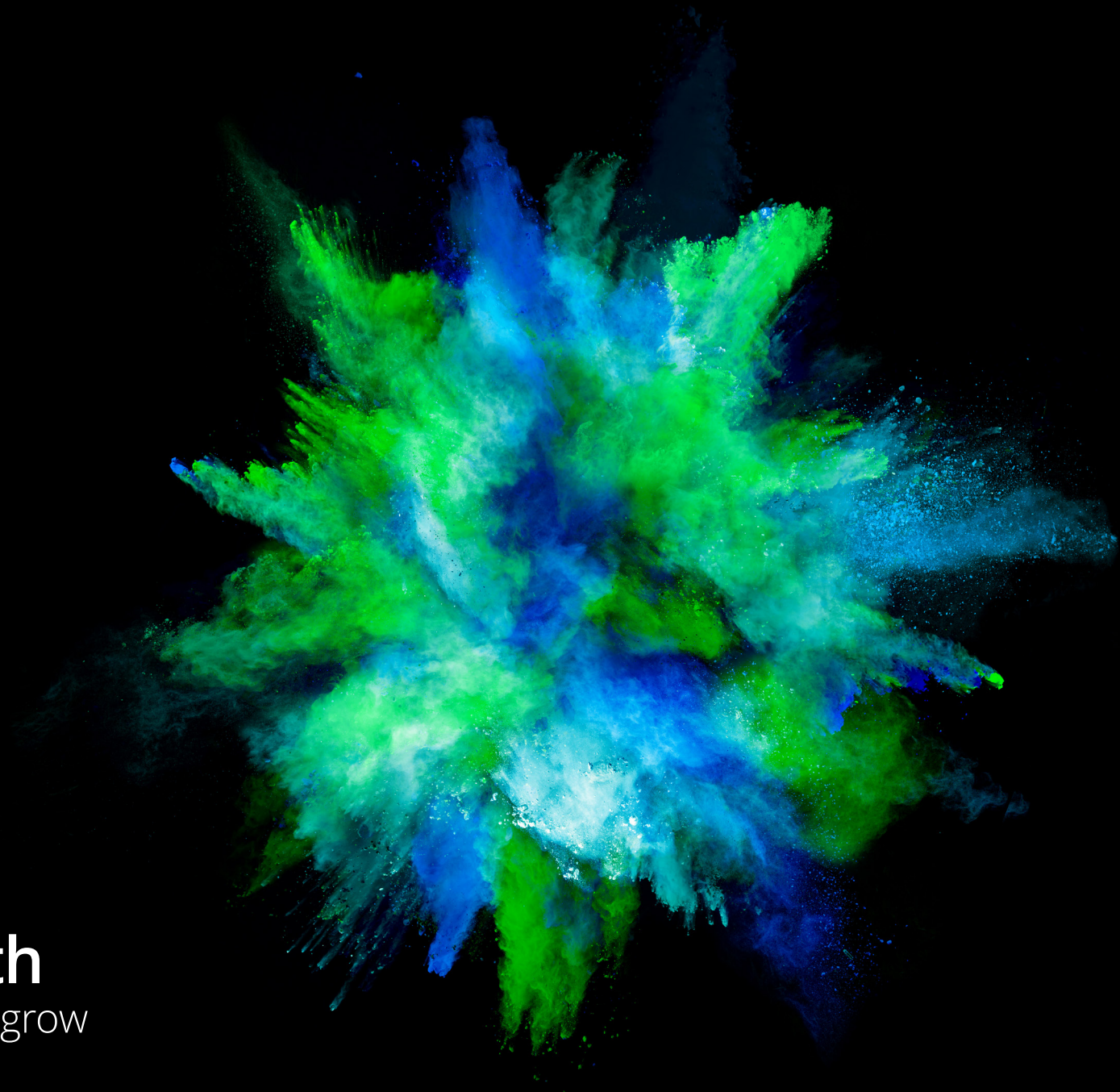


Monitor  
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## Venture Path

Helping corporates grow  
like startups

## Venture Path



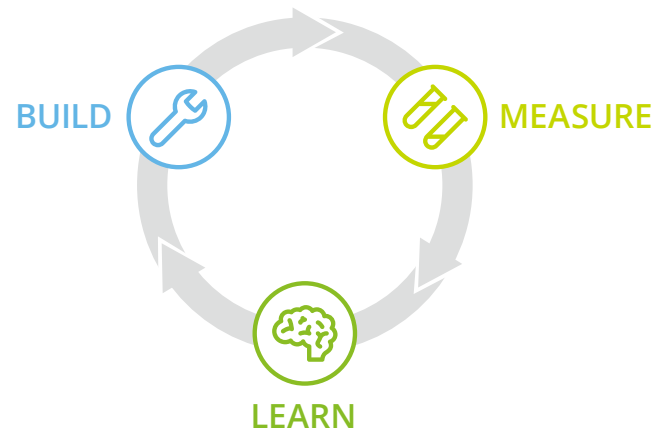
**Venture Path** is Deloitte's approach for enabling large enterprises to respond to disruption and innovate in a digital world. The proposition is designed to help them sustainably launch new business models and embed lean startup innovation in their organisation.





## What is lean startup?

Lean startup is a scientific approach to innovation that focuses on testing and iterating ideas based on real-world feedback, throughout development. This contrasts with approaches typically taken by established organisations, which tend to make large-scale investment decisions based on detailed, yet untested business plans.



## Why does this matter?

With digital disruption accelerating, large corporates increasingly need to innovate to survive.

For organisations that manage to successfully adopt lean startup at scale, there are a number of powerful benefits, including:

- Radically improved speed and ability to respond to disruption
- Significantly reduced risk and cost of innovation
- Better performing products and services, tailored to customer preferences

# Why Venture Path?

Lean startup is no longer a new concept, but our clients consistently struggle to embed disruptive innovation in their organisations. We developed Venture Path in order to create a comprehensive answer to common questions we have been asked by clients.



“What’s the best way to test and build new business models?”

“What are the right structures, roles and processes we need to innovate more effectively?”

“How can we consistently track and measure all of our innovation activity?”

# Venture Path

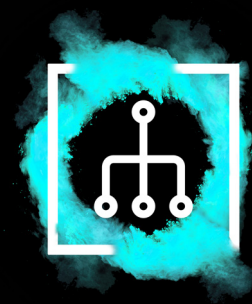
## What is included within Venture Path?

Venture Path is made up of three key components. Each component is valuable to an organisation in its own right, but it is the combination of all three that creates a sustainable and efficient innovation engine.



### Venture Path **Method**

**The lean startup methodology** to test and validate new ideas as quickly and inexpensively as possible



### Venture Path **Structure**

**The blueprint structures**, roles and processes need to run and govern lean innovation in large enterprises, from idea generation to scaling



### Venture Path **Platform**

**The software platform** to track and measure lean innovation activity at scale



# Venture Path Method



# Venture Path Method

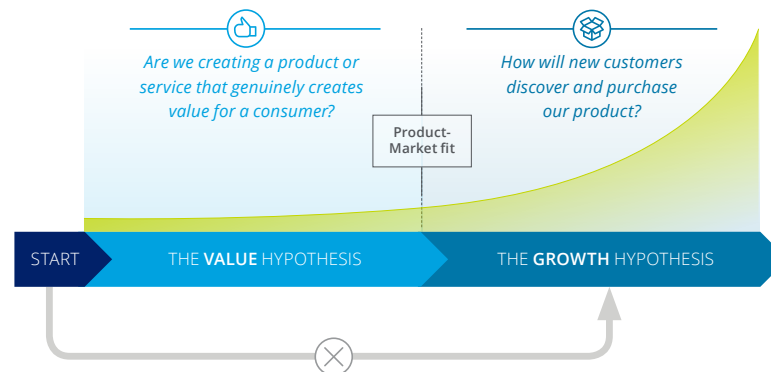
## Overview

Venture Path Method includes Deloitte's lean startup process to help clients test and validate new ideas as quickly and cheaply as possible

The Venture Path Method encourages organisations to take a different approach to innovation; one that embraces entrepreneurial thinking, rapid experimentation and accepts a degree of failure. This is because the ultimate goal at the start of any new venture should be to learn quickly, not grow quickly. Companies that target revenue growth too early are almost certain to fail.

### What are the benefits?

- An ability to innovate faster and cheaper than traditional approaches, avoiding wasted time and resources
- The opportunity to de-risk investments by validating concepts as early as possible and throughout their development
- A repeatable, process that can be embedded in an organisation to test and develop new ideas



# How does the method work?

Venture Path includes a three-step process to test and validate new ideas. At each step we explore the following **three questions**:

At each stage, If the answer to these questions is '**yes**', the concept proceeds to the next step, otherwise it is iterated or ultimately killed. The burden of proof increases at each step, so that by the end of the Venture Path process, an idea will have been rigorously tested through real-world experimentation and be ready for further investment to scale.

## 01. Is there demand?

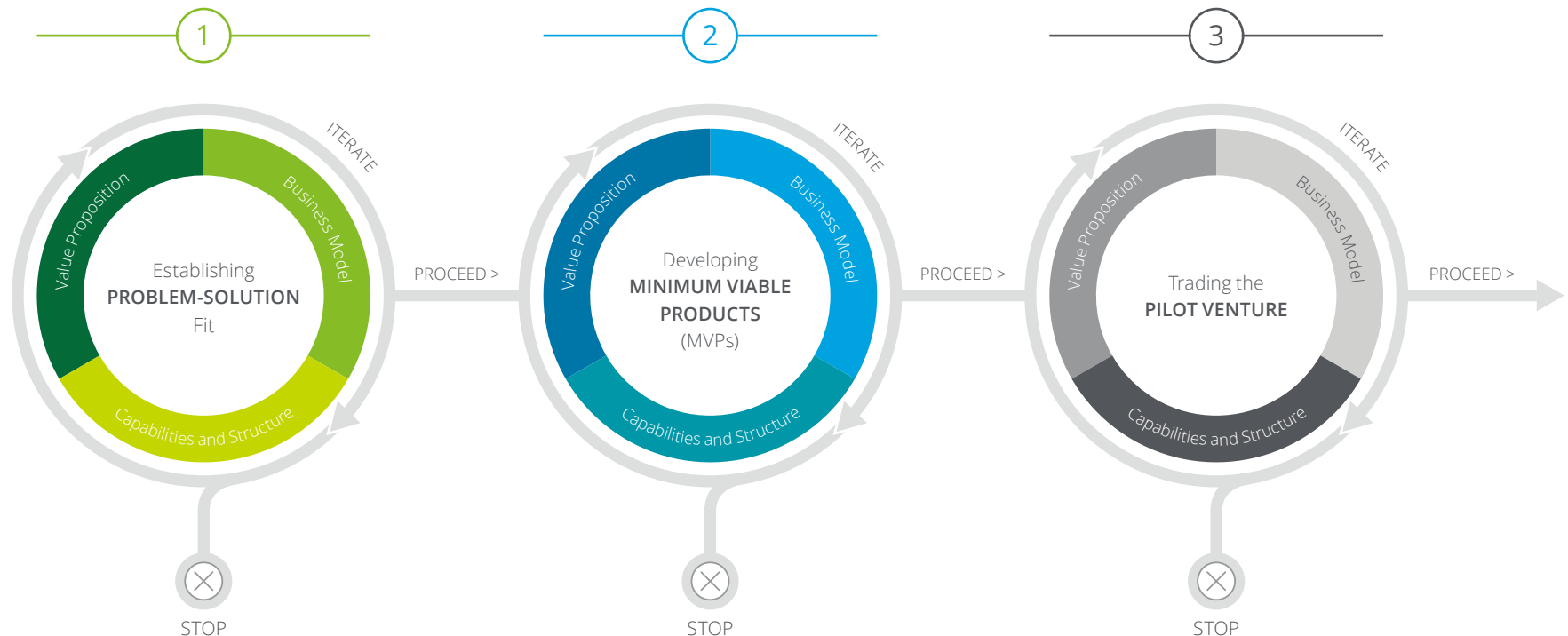
*(The value proposition)*

## 02. Is it worth it?

*(The business model)*

## 03. Can we do it?

*(Capabilities and structure)*





# Typical approaches

To embed the Venture Path methodology in an organisation, there are two key approaches:



## Deep-dive projects

We work with client teams on a specific venture idea and run the Venture Path process as a joint project. The venture becomes a proof of concept to transfer lean start-up knowledge to the organisation, before helping to scale the approach to other teams. These projects run in monthly sprints and are typically a minimum of 3 months.

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and/or

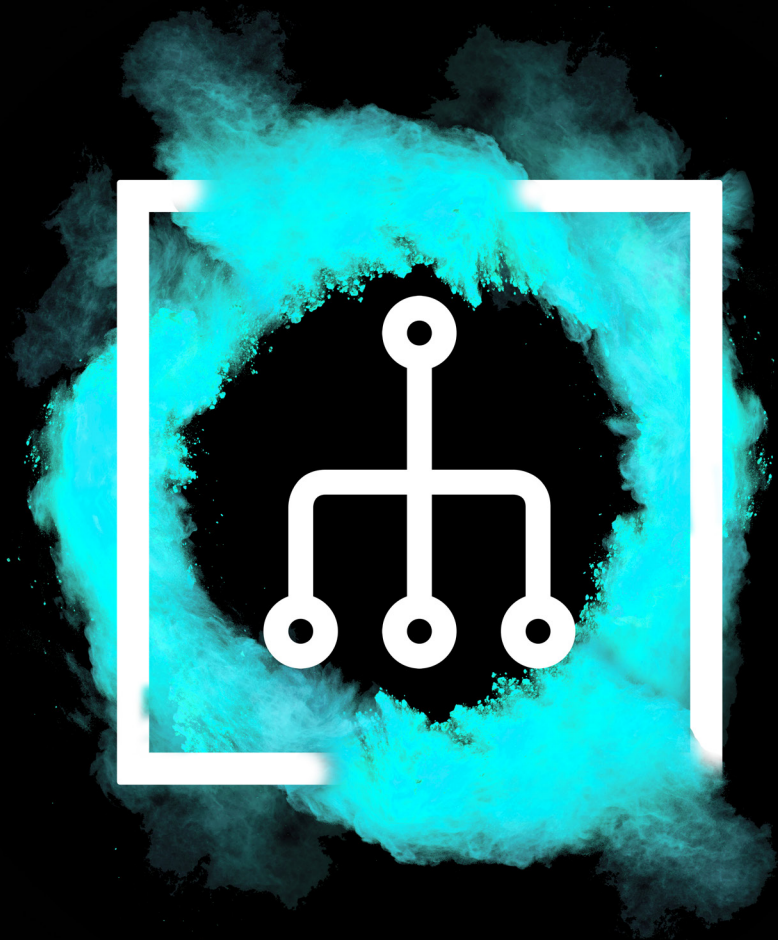
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## Training programmes

We create and run internal training programmes for innovation project managers and senior stakeholders across an organisation to teach the concepts to a wider audience. The sessions are designed to be interactive with workshops and team exercises to apply the methodology over the duration of the course. Depending upon the size of the organisation, the programmes are either in a focused 1-2 week period or spaced out as 1-day sessions over a number of weeks.

To find out more about how the Venture Path method could be applied within your organisation, please email [venturepath@deloitte.co.uk](mailto:venturepath@deloitte.co.uk).



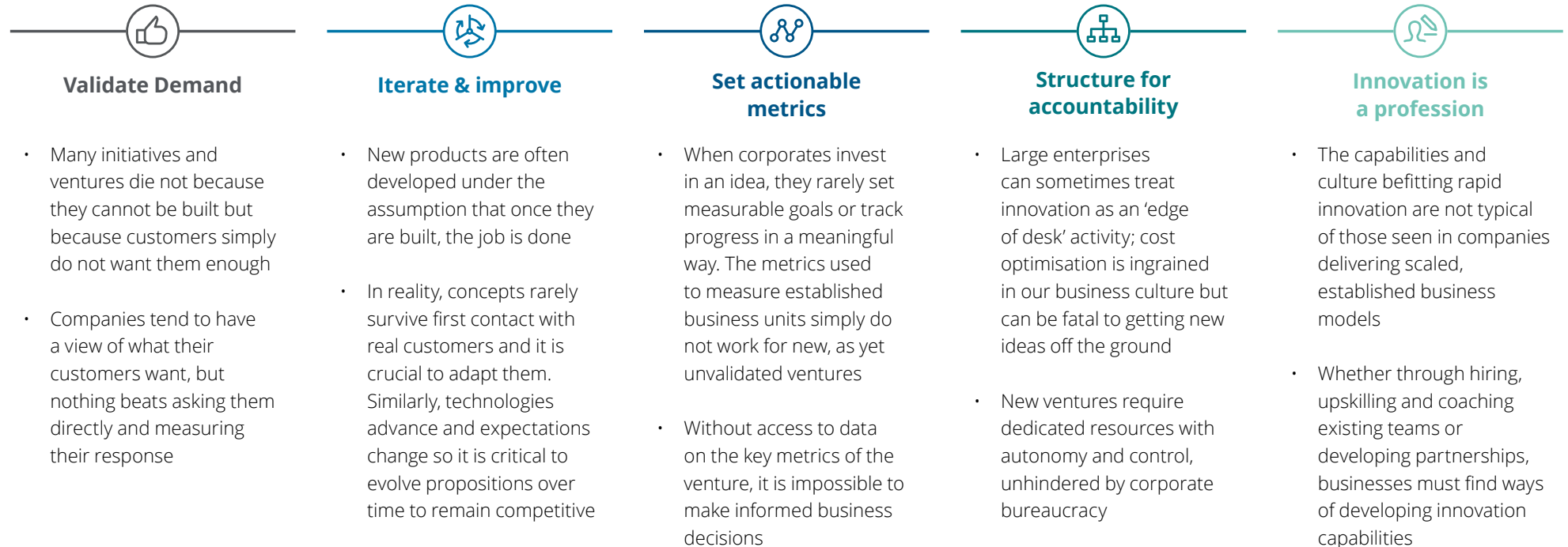
# Venture Path Structure

# Venture Path Structure

## Overview

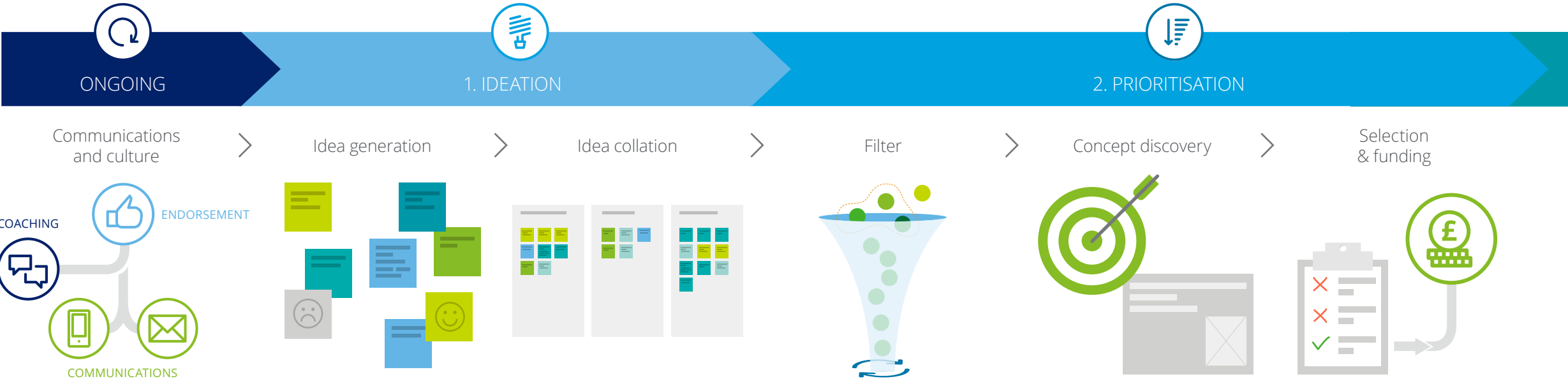
Venture Path Structure is Deloitte's set of blueprint structures, roles and processes needed to run lean innovation in large enterprises, from idea generation to scaling.

**We have developed some key principles for delivering and governing new innovation initiatives, based on our extensive observations regarding the common problems organisations experience in this domain:**





Deloitte's Venture Path Structure includes a framework for how to manage innovations from the inception of an idea through to scaling it into a fully-fledged business model (or not) within the context of large businesses that lack the lean management systems of smaller scale start-ups



Questions addressed by VenturePath Structure:

<ul style="list-style-type: none"><li>Where will innovation be owned – within the core business or in a separate team?</li><li>What internal and external communications are needed?</li><li>How can Leadership best endorse and incentivise innovation?</li><li>Do we need to coach the business in more innovative ways of working and thinking?</li></ul>	<ul style="list-style-type: none"><li>How will we generate new ideas? Do need to run innovation sessions? How often? With whom?</li><li>How can we crowdsource ideas?</li><li>How will we ‘scan the horizon’ to track the latest trends and work this insight into our plans?</li><li>How can we identify customer and partner ‘pain points’ or requests?</li></ul>	<ul style="list-style-type: none"><li>Who owns and co-ordinates the innovation portfolio?</li><li>How can we ensure it is categorized and aligned to our strategy and is balanced across Core, Adjacent and New products, markets and channels?</li></ul>	<ul style="list-style-type: none"><li>What buy-in is required to ensure strategic alignment?</li><li>According to which criteria will we filter innovation initiatives?</li></ul>	<ul style="list-style-type: none"><li>Who will share and enrich ideas so that they have:<ul style="list-style-type: none"><li>Target personas and segments?</li><li>A proposition value hypothesis?</li><li>Supporting user journeys or wireframes?</li></ul></li><li>Do we need to allocate ‘venture builders’ for this?</li><li>Is it a full-time role?</li></ul>	<ul style="list-style-type: none"><li>Who selects and funds ideas for further development?</li><li>What does a ‘pitch’ for funding need to look like?</li><li>How will we consistently prioritise what to pursue first?</li></ul>
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Our work with clients in this domain involves helping them to implement the specific structures, roles and processes that best enable their organisation to deliver and govern lean startup innovation in this mould.



### 3. INCUBATION AND VALIDATION



### 4. SCALE AND GROW

Rapid prototyping  
and testing



Review and decision



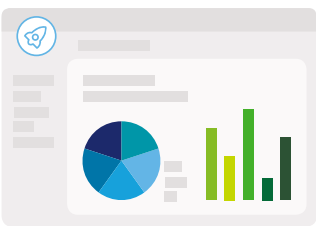
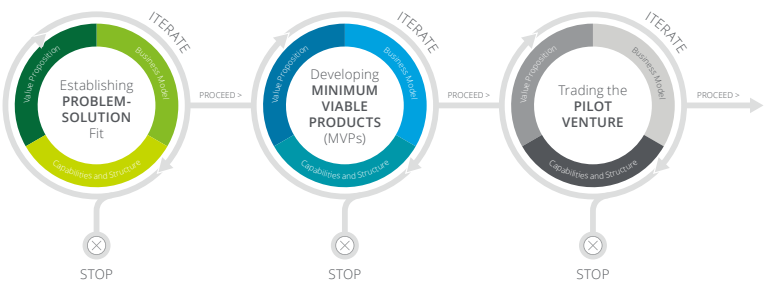
Investment case  
and go-to-market



Product development



Scaling into the existing  
management system



- How much (budgetary) discretion do venture builders have?
- What processes need to be followed (if any) to gather insight and feedback from customers and the rest of the business?
- Should we have 'ring-fenced' teams to deliver MVPs and Pilots

- How often should we meet to review progress?
- What needs to be agreed at the start of each sprint or iteration?

- What return do we require, over what period?
- How will we determine whether to:
  - Deliver the new product or service internally?
  - Partner with another organisation?
  - Acquire the capabilities we need via another business?

- How will we determine who owns the product or service?
- Should we incorporate the roadmap into our broader technology landscape? How? When?

- Do we have the capabilities and tools we need to manage and grow new digital business models?
- What metrics and performance reporting cycles should we have in place for our established businesses?



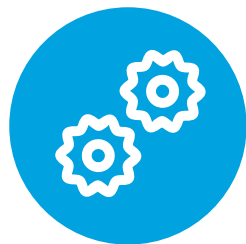
DROP



SCALE

# Typical approaches

How, where and to what degree each business can best employ the activities and tools required for lean innovation varies according to the existing strategy, culture and structure. We employ the the Venture Path Structure framework as part of a collaborative, iterative approach to helping our clients make important choices across a number of key areas, including:



## Processes

The activities, decision points and investment cycles required to systematically generate, prioritize, deliver and scale new initiatives



## Governance and funding

The investment pots, decision criteria and forums required to effectively ensure a return on the business' innovation investment and alignment to strategy



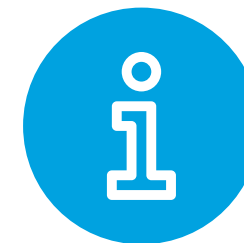
## People and culture

The roles, skills and behaviours required for effective lean startup innovation in different sectors and domains



## Organisation structure

How these activities and capabilities come together across structures and reporting lines to yield success in complex businesses with multiple divisions and/or priorities



## Data and information

The minimal KPIs and reports needed to effectively administer and make informed decisions regarding a rolling innovation portfolio

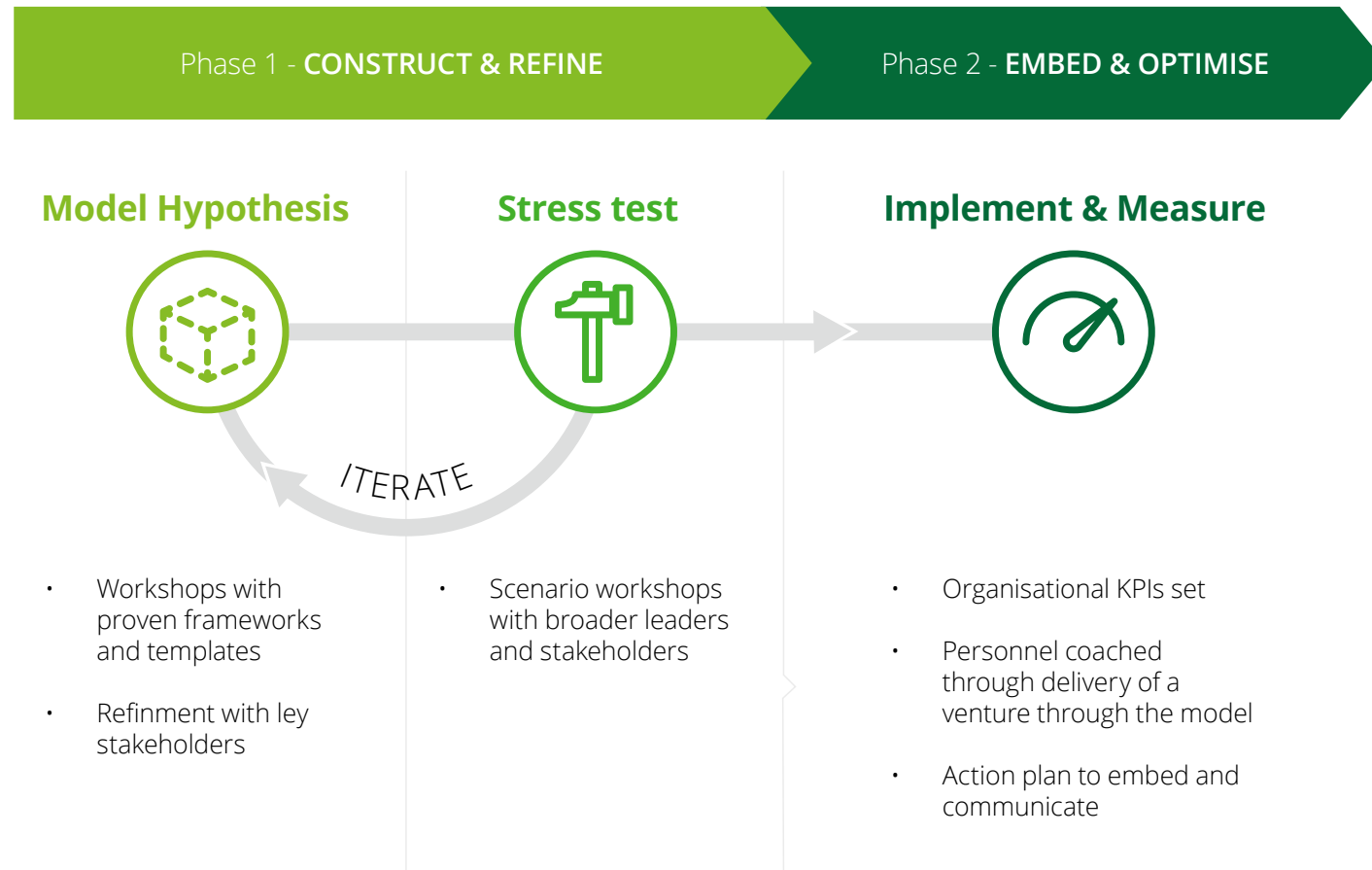


## Tools and technologies

The templates, frameworks and platforms via which innovation will be executed and managed



We apply our own lean startup ethos when shaping the structure and processes best suited to each of our clients:



#### What are the benefits?

- Fast identification of key starting points for change
- Early, tangible outcomes that demonstrate the value of innovation
- Continuous improvement of the model, through KPIs aligned to the organisation's goals

To find out more about how Venture Path Structure could be applied within your organisation, please email [venturepath@deloitte.co.uk](mailto:venturepath@deloitte.co.uk).



# Venture Path Platform

# Venture Path Platform

## Overview

Venture Path Platform is Deloitte's software platform that helps clients execute, track and measure lean innovation activity at scale

Our platform delivers benefit to two primary stakeholder groups: venture builders and senior management

### Benefits for venture builders

- Step-by-step guidance through the optimal process to test and validate new business ideas
- Ability to track and manage uncertainties as they evolve, with recommendations into what to test next
- Access to best-practice tips and tricks at each stage of the process

### Benefits for portfolio managers & senior management

- Ability to scale the venture portfolio using a consistent, best-practice approach to evaluate ideas
- Visibility into the metrics that matter across the entire venture portfolio
- Opportunity to save time and money on wasted efforts by quickly pivoting or validating business ideas

Good venture builders are hard to come by. Even after training, most corporates do not have enough venturing experts to be able to manage a portfolio at scale. The platform not only helps give venture builders the guidance they need to become experts, but helps portfolio managers make more informed investment decisions by giving them the insight they need.



# How does it work?

Venture Path Platform incorporates the Venture Path methodology into a software platform that breaks down the entire process into three phases:



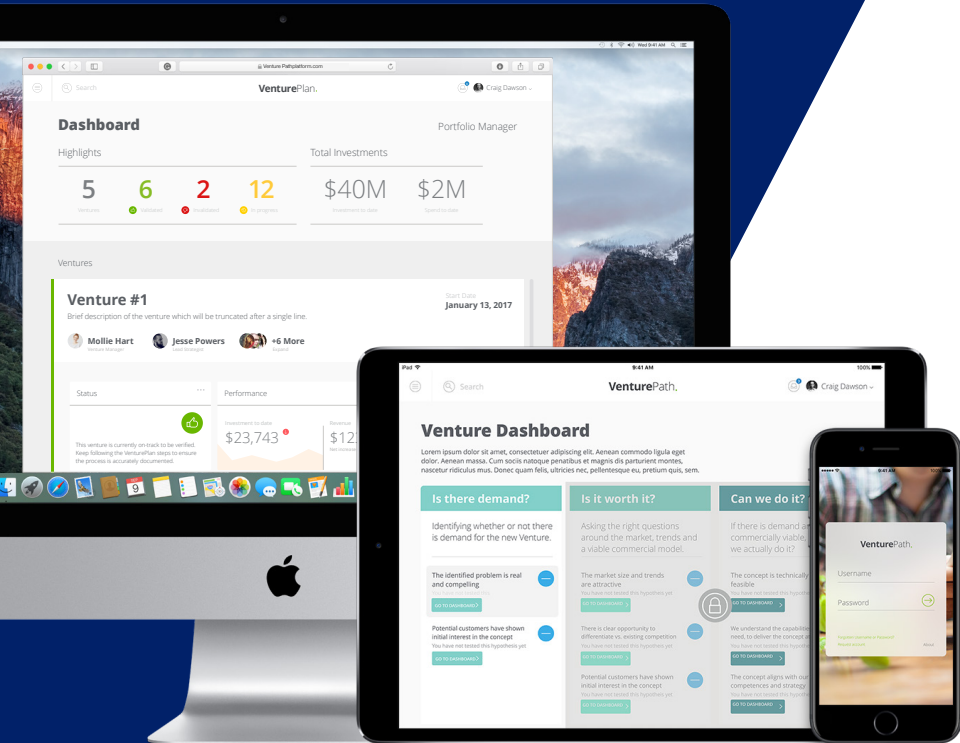
There are sets of outcomes that must be reached in each phase before the Venture Builder is able to progress to the next phase. Venture Path Platform has a series of built-in modules and tools to help achieve the outcomes and record progress as the concept evolves.

If you are interested in finding out more about the Venture Path Platform or in becoming a 'Client Zero', please email [venturepath@deloitte.co.uk](mailto:venturepath@deloitte.co.uk).

# Typical approaches

The platform is currently in development, and we are working with clients to test and pilot the concept – we call these early tester 'Client Zeros'. As a 'Client Zero', organisations get access to the early-stage MVP of Venture Path Platform which has been built using Excel. The Excel prototype is being used to test the structure and process that will be used to develop the later-stage software version. There are a number of benefits to participating in this early prototyping phase:

- Early-stage access to the Venture Path Platform
- Guidance from a Deloitte venturing expert at no cost
- The ability to provide input into, and tailor the platform to specific needs
- Early access to future Deloitte products





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