

Sensemaking in the Agile Forest

The Minimum Viable Product (MVP) unraveled¹

Henny Portman

The agile concept MVP unraveled

The agile concept of Minimum Viable Product or MVP was conceived in 2001 by Frank Robinson and made popular ten years later by Eric Ries. The term MVP is popping up everywhere, but is it clear to you what is meant by MVP? In his book "The Lean Startup", Eric Ries describes the Minimum Viable Product as follows:

- An MVP helps entrepreneurs to learn as quickly as possible
- It is not necessarily the smallest predictable product
- Its purpose is to test a business hypothesis.

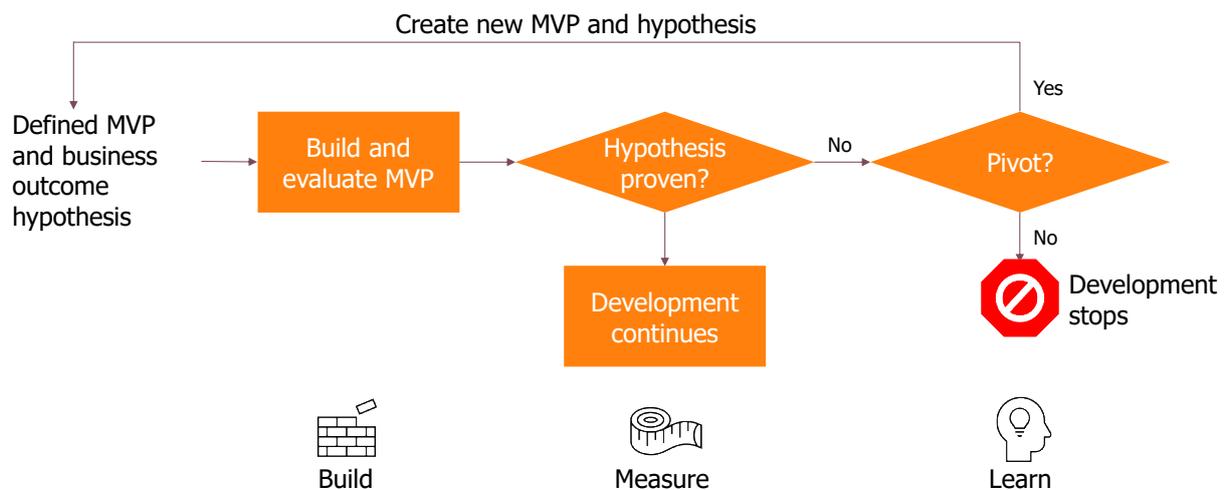
It all sounds clear, but what does it really mean? A few examples to clarify.

MVP or not?

A marketing manager of a financial institution has a great idea for a new financial product. She manages to get everyone on board and sets to work with several financial whiz kids to develop the financial product further in a few weeks. The management remains enthusiastic, and they decide to build and launch the product. The marketing manager starts a six-month project and develops the product. Parallel to this, the project team sets up an advertising campaign. The product launch takes place with a lot of fuss, many guests and champagne. Three months later, disappointment dominates. The product was not selling. A lot of development time and money had been wasted. Could it have been done differently?

A marketing manager of a financial institution has a great idea for a new financial product. She predicts that 15% of the visitors to their customer portal want this product. To test this hypothesis, this marketing manager has a button placed on the home page of their customer portal in a few hours. Pressing this button takes you to a screen where the product is explained in more detail and where you can leave your email address in case you are interested. Only 0.02% of the visitors show any interest. The marketing manager discards the idea without having wasted development time and money.

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Source: Lean Start-up - Eric Ries

Some well-known organizations

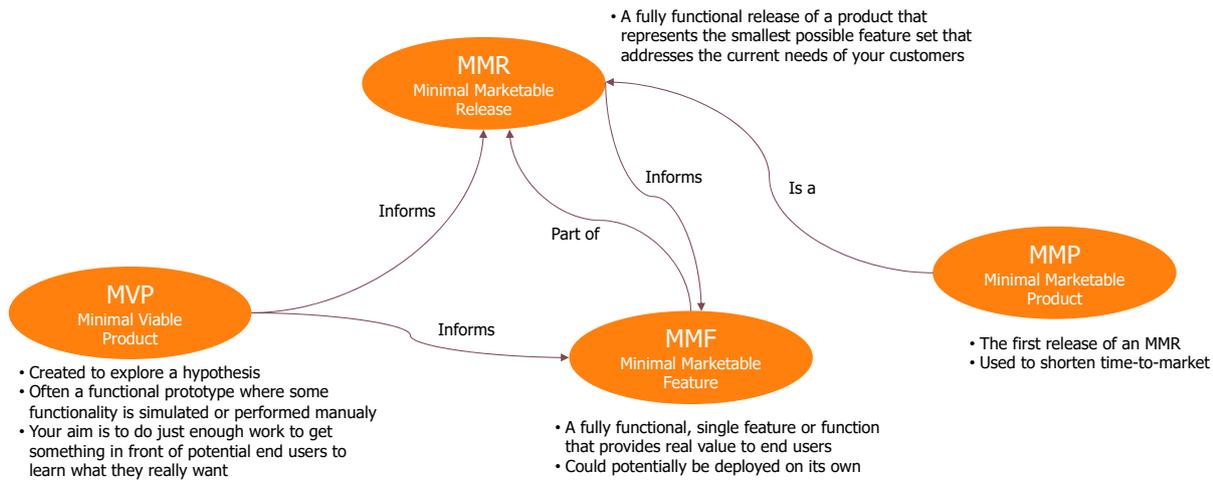
The MVP of Dropbox was a simple movie explaining the Dropbox concept. After measuring and comparing the number of positive reactions with the prediction, the development was successfully started.

Zappos, the online shoe shop, tested the concept of selling shoes online by using a simple website with pictures of shoes made in different shoe shops. If a customer wanted to buy a pair of shoes, Zappos would buy them in the shoe shop and then send them out. Beforehand, nobody believed that there would be people who wanted to buy shoes online. However, the simple website showed the opposite. And based on valuable feedback from the first customers, a successful organization was created.

Google created an online description of Google Home without having developed the product yet and sought feedback from potential users.

MMP

An MVP or Minimum Viable Product is sometimes confused with an MMP. An MMP is the Minimum Marketable Product. The MMP is the first version of a product that is commercially marketable. It will get more functionality in subsequent versions or releases, but it already offers value to the customer. Based on feedback, the product can then be extended further. It is therefore possible that an MVP is developed first and then an MMP is launched on the market. Disciplined Agile calls the first release the Minimum Marketable Release (MMR) and divides the MMR into Minimum Marketable Features (MMF).

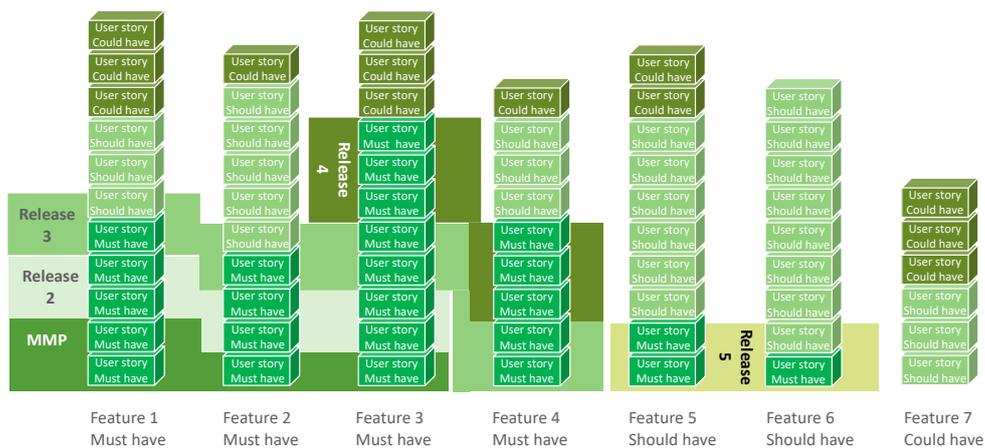


Source: Disciplined Agile (PMI)

Story maps and MMP

The product owner envisioned seven features for this product. The first four features are must haves. Feature 5 and 6 are should haves and the last feature is a could have. Many would call this MoSCoW prioritization (Must haves, Should haves, Could haves and Won't haves). Every feature in itself can be sliced down in smaller parts. In the figure you see features with must, should and could have user stories. A feature can be a must have but that doesn't mean that all the underlying user stories are must haves too. Or a feature can be a should have but if you implement that feature some user stories are must haves and others are should or could haves.

Story map for product ABC



To implement this ABC product, you see five increments or releases. The first one is the minimum marketable product. This MMP consists of the first two must have user stories of feature 1, and the first must have user stories of feature 2 and 3. Release 2 contains the next two must have

user stories of feature 1, 2 and 3 (iterative development). Product development continues by implementing the next releases. With every release the customer value increases. After release 5 the product owner stops implementing user stories. Feedback from the customer showed him that the ABC product is 'fit for purpose' and he takes the Agile manifesto's principle *Simplicity – the art of maximizing the amount of work not done – is essential*, into account and stops further development.

Conclusion

As the many examples show, testing a hypothesis using an MVP can help you move in the right direction or avoid wasting money and human resources.

Sensemaking in the Agile Forest series

This article is part of a series of articles called *Sensemaking in the Agile Forest*. This series² consists of the following parts:

- [Portman, H. \(2022\). What is Agile? Sensemaking in the Agile Forest series, PM World Journal, Vol. XI, Issue I, January.](#)
- [Portman, H. \(2022\). What is Scrum? Sensemaking in the Agile Forest, series article 2, PM World Journal, Vol. XI, Issue II, February](#)
- [Portman, H. \(2022\). Is agile always better? Sensemaking in the Agile Forest series, PM World Journal, Vol. XI, Issue III, March](#)
- [Portman, H. \(2022\). The ideal Product Owner, Sensemaking in the Agile Forest series, PM World Journal, Vol. IX, Issue IV, April](#)
- [Portman, H. \(2022\). The Ideal Scrum Master, Sensemaking in the Agile Forest series, PM World Journal, Vol. XI, Issue V, May](#)
- [Portman, H. \(2022\). Is an agile team always autonomous? Sensemaking in the Agile Forest series, PM World Journal, Vol. XI, Issue VI, June](#)
- [Portman, H. \(2022\). What do iterative and incremental mean in Agile? Sensemaking in the Agile Forest series, PM World Journal, Vol. XI, Issue VII, July](#)
- The Minimum Viable Product (MVP) unraveled
- Prioritizing in an agile team (MoSCoW, WSJF)
- Multitasking task switching or monotasking
- Being predictable as an agile team (story points, velocity, t-shirt sizing, flying fingers)
- Self-managing or self-organizing agile teams
- Slicing user stories
- Agile management products (burn-down and burn-up charts)
- Agile user testing (cohorts, A/B testing)

² This series is based on a number of short blogs I made for Forsa Advies, a project management training organization in the Netherlands (<https://www.forsa-advies.nl>).

- The Kanban bord (WIP-limit, cumulative flow diagram)
- Culture makes or breaks your agile transformation
- Getting started as an agile team (a pilot)
- The evolution of agile frameworks
- ?

Please let me know if you would like to add specific agile topics to this series.

About the Author



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Henny Portman, owner of Portman PM[O] Consultancy and was partner of HWP Consulting, has 40 years of experience in the project management domain. He was the project management office (PMO) thought leader within NN Group and responsible for the introduction and application of the PMO methodologies (portfolio, program, and project management) across Europe and Asia. He trains, coaches, and directs (senior) programme, project and portfolio managers and project sponsors at all levels, and has built several professional (PM(O)) communities.

Henny Portman is/was accredited in a variety of qualifications, including P3O, PRINCE2, MSP, MoP, PRINCE2 Agile, AgilePM, AgilePgM and AgileSHIFT trainer and an SPC4 SAFe consultant and trainer. He is a P3M3 trainer and assessor and PMO Value Ring Certified Consultant (PMO Global Alliance). On behalf of IPMA, he assesses mega and large projects for the IPMA Project Excellence Award. In addition to this, he is an international speaker, author of many articles and books in the PM(O) field, and an active blogger (hennyportman.wordpress.com/).

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